

Annual Report 2022

The art of transforming waste into sustainable value



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As Biotrend, we work for the well-being and welfare of our planet. More than a waste management company, we grow by extending the goodness that our planet deserves into new long-term values.

Across our activities, we contribute to the biocircular economy and support the economic development and progress of our country.

Deploying the best technologies available, we transform municipal and agricultural wastes and forestry residues into circular raw materials, sustainable fuels, and renewable energy, and bring them into the future.

Our Annual Report presents a collection of artistic works composed from different forms of waste.

Total Facilities*
19

Other existing and planned activities in **10+** fields in addition to energy generation**

Total Installed Capacity
99.2 MWe
196.671 MWt

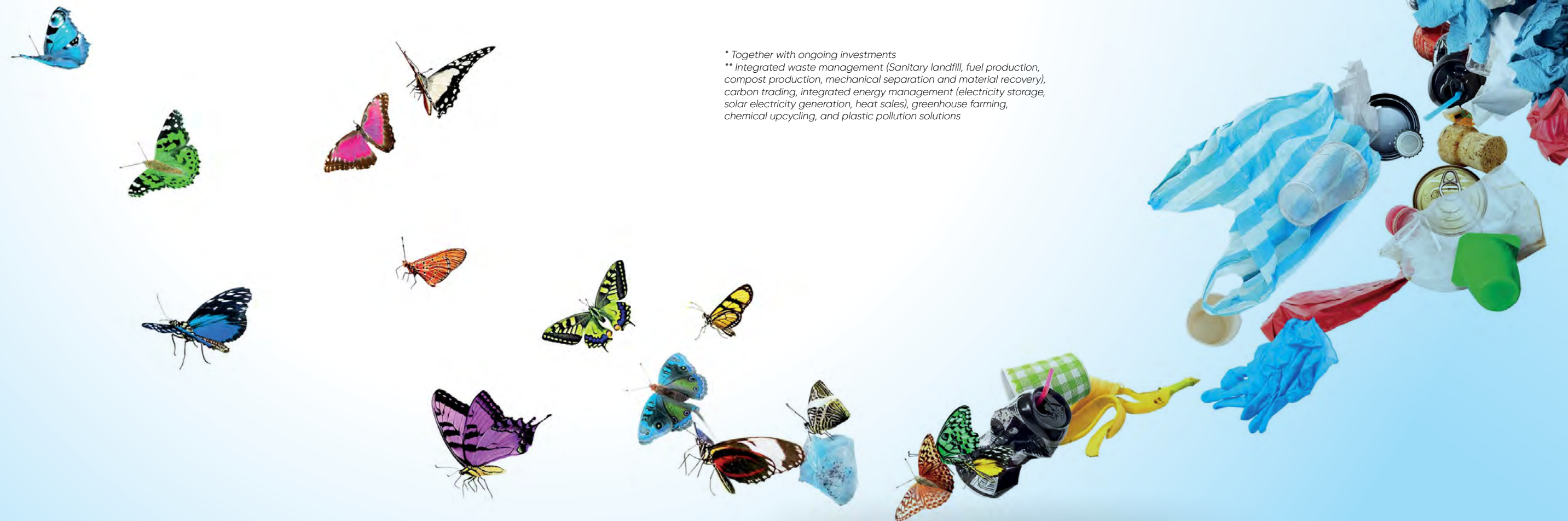
Waste Disposal
3.1 million tons

CO₂ Emission Prevention
6 million tons

Carbon Credit Sales
USD 5 million

* Together with ongoing investments

** Integrated waste management (Sanitary landfill, fuel production, compost production, mechanical separation and material recovery), carbon trading, integrated energy management (electricity storage, solar electricity generation, heat sales), greenhouse farming, chemical upcycling, and plastic pollution solutions



A perspective that transforms waste into value

Our first thought is for the future of the planet and humanity. While creating economic value through a sustainable development-oriented approach, we aim to find solutions to environmental and social issues. In our journey, which started in 2017, we fight against climate change and pollution with the green transformation of waste into added value and employment. We produce the energy needed by hundreds of thousands of homes every year with the energy of our most important stakeholders – our employees. As Biotrend, we work with all our stakeholders, for all our stakeholders, to reach the United Nations Sustainable Development Goals by 2030.

Daily **9,000** tons
Mechanical Separation Capacity



A biocircular business model that transforms waste into value

As the linear economy rapidly devours our limited natural resources, it forms the basis of global environmental issues. As Biotrend, we adhere to the biocircular economy model, which incorporates organic and plastic wastes into the economy as raw materials and energy, in line with our principle of adding value to waste. While preserving our land with the compost we produce from park and garden waste, we strengthen our industry through the energy we produce from biomass. We help our planet with the green transformation power we generate.

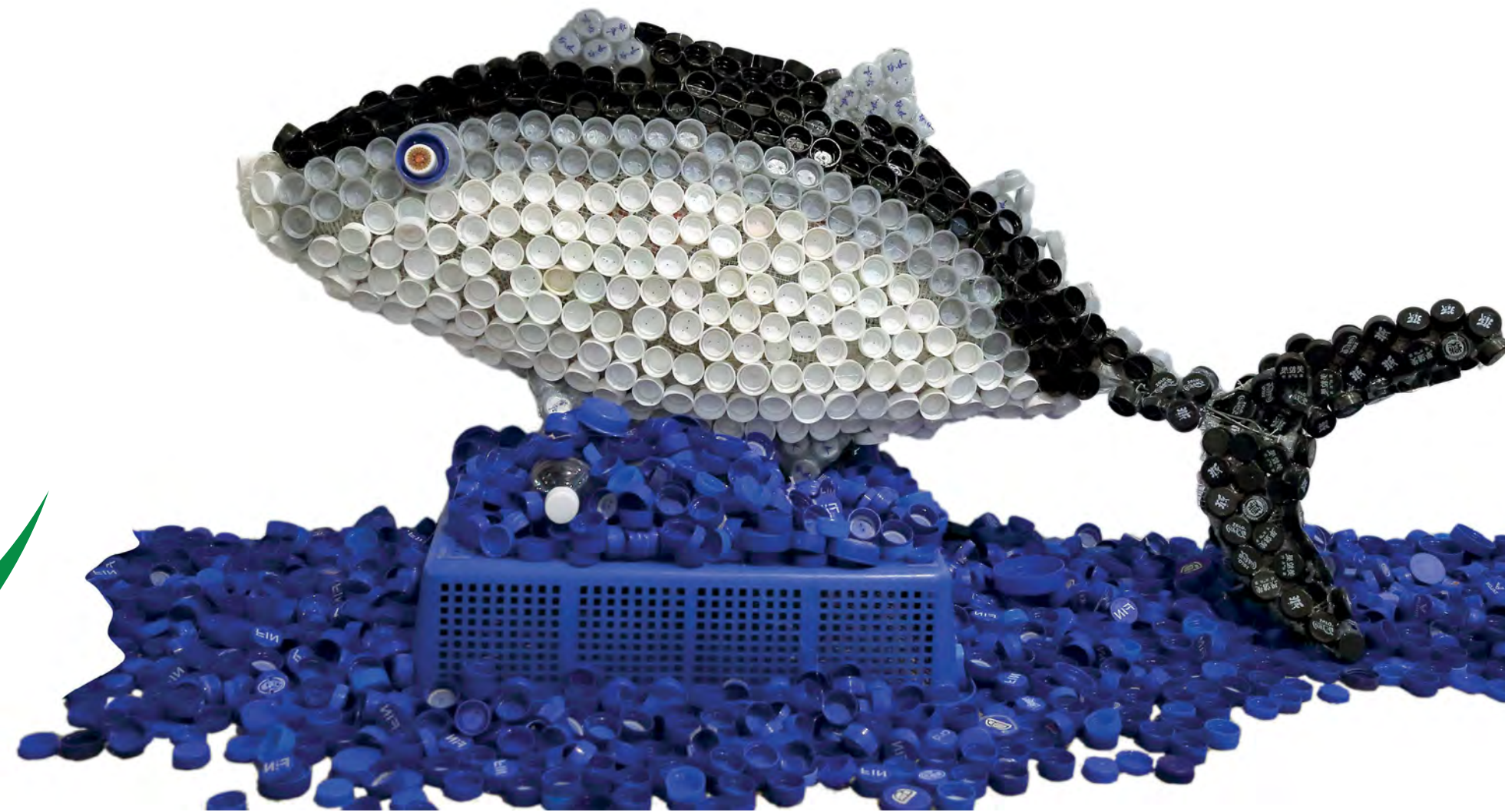
2 million tons

**Amount of organic waste recovered
as energy and raw material**



Eco-friendly upcycling technologies that transform waste into value

At the United Nations Environment Assembly in 2022, we welcomed the decision to prepare a legally binding agreement covering the entire lifecycle of plastics until 2024. The "Global Plastic Pollution Agreement" was accepted by all members and aims to prevent plastic pollution. Last year, we signed a MoU with Honeywell UOP for the first commercial-scale plastic waste chemical upcycling facility in our country, which will convert plastic waste into sustainable plastic raw materials using upcycling technology. With pride and enthusiasm, we began work to commission our facility in 2025, projected to process 60 thousand tons of plastic waste per year.



60,000 tons

Waste plastics capacity upcycling
facility investment

Sustainable greenhouse farming that transforms waste into value

We heat our greenhouse with the bioheat produced at our Sivas facility and achieve sustainable soilless farming. We plan to increase our local contribution by implementing similar projects at our Uşak and İnegöl power plants. We are proud of these projects, which align with the agricultural goals of our country's National Energy Efficiency Action Plan.



~2,500 tons
tomato production per year

**We supported
local
development
by creating
employment in
11 provinces in
our country.**

İlhan Doğan
Chairman of the Board of Directors



Message from the Chairman

By adding value to waste, we demonstrate our strength in combating climate change in a low carbon economy.

Dear Stakeholders,

Together, we successfully leave behind the most important year of Biotrend's journey, which began five years ago. First of all, I should tell that we are proud to have become a symbol of green transformation, providing environmental and social contributions in addition to the economic value we have created in our country in a relatively short period of time.

As the leading representative of the biocircular economy in our country, by adding value to waste, we demonstrate our strength in combating climate change in a low carbon economy. In 2022, as the Biotrend family, we transformed municipal, agricultural, and forestry waste into energy, while bringing metal, glass and plastic waste into the economy as raw materials.

We diversified our current Biomass Power Plant investments with investments in mechanical separation and material recovery, compost and solid fuel preparation facilities in 2022. We developed our Carbon Credit projects, that we initiated for our 3 Biomass Power Plants, to cover all our facilities in operation. We thus aimed to certify about 2 million Carbon Credits per year. The projects we put forward for the Intended Nationally

Determined Contribution Statement and 2053 Net Zero Emission Target of our country, which is a signatory to the Paris Agreement, is our source of pride. We want to increase our sustainability solutions including circular raw materials, sustainable fuel, bioelectricity, bioheat, and Carbon Credits that we will offer to facilitate the green transformation of our sectors with high carbon footprints that will be subject to carbon tax through the European Union's Carbon Border Adjustment Mechanism, with our new technology investments, and we want to be the locomotive company in the low carbon economy. In this direction, we planned to establish R&D collaborations with universities in 2023.

As Biotrend, we work for technology and innovation-oriented projects towards sustainable and accessible food aligned with the European Union's "Farm to Fork" strategy and based on bio-circular economy. As an example of one of these projects, I can show our Sivas Greenhouse project, where we do soilless agriculture, and in which we took the first step in 2022 and are now eagerly awaiting our first truss tomatoes in 2023. We obtain climate-friendly, energy-efficient products with a low carbon footprint by using bioheat generated at Sivas Combined Biomass Power Plant in our greenhouse.

Waste food management and access to food are among our priority topics. We aim to implement our biocircular economy projects that will support local development in 11 provinces where we operate, with high stakeholder participation, sustainable and accessible food production.

We signed a letter of goodwill to collaborate with Honeywell UOP for our world-leading "Plastic Waste Upcycling" facility investment, with our goal of adding value to plastic wastes through chemical recycling, that are not currently mechanically recycled for economic, technological, or ecological reasons. We are on the way to achieve an important first in our country.

We made our license application for our energy storage technology investment, which is in our near-term planning. As a biocircular economy company, we set our roadmap for our investments in biomethane, biohydrogen, and organomineral fertilizers

With the establishment of our Sustainability Office, we carry out our sustainability management under the roof of the Sustainability Committee and implement our action plan to improve our environmental, social, and governance indicators.

We carry out our activities with our responsibility to find solutions to climate change, pollution, and loss of biodiversity.

While providing a greenhouse gas emission reduction equivalent to 2 thousand decare of forest for our planet, we supported local development by creating employment in 11 provinces in our country. In line with our "Biotrend Social Inclusiveness and Gender Equality Action Plan," we became a signatory to the United Nations Women's Empowerment Principles. By increasing the number of our independent female board members to 3, we started the transformation from our Board of Directors with 33% female independent board members. We reinforced our social impact by improving our stakeholder collaboration with local governments in the provinces we operate.

As part of the United Nations Global Compact, where we have adopted 10 principles under the headings of Human Rights, Environment, Labor Standards, and Anti-Corruption, we rose from signatory status to participant status with our progress report, in which we shared our work in 2022. We are proud. We made our planning for a better level of goal achievement.

By completing the United Nations Global Compact Climate Goal Acceleration Program in 2022, we

started working for "Science-Based Goals" and strengthened our path and impact for Climate Action (Sustainable Development Goal 13). By becoming one of the companies selected for the Climate Finance Acceleration Program organized by the United Kingdom, we built a capacity in our company to comply with the climate-oriented transforming finance world. We are excited to present our projects at the event to be held in London in March 2023, with the participation of climate-sensitive investors and financial institutions.

As Biotrend, we carry out our activities and investments with our responsibility to find solutions to the three main problems of our planet: climate change, pollution, and loss of biodiversity. We transform the revenues we have generated in the public offering process into investments of high environmental, social, and economic value in the biocircular economy and work to reinforce our country's strength in sustainable development. And we will keep working. Our competent manpower and technology is our technical honor. As the leading facilitator in the green and circular transformation of our country, we have made great achievements in a short time.

I am particularly pleased with our environmental and occupational safety-oriented achievements that accompany our financial performance in 2022. We will continue to create value for all our stakeholders and strengthen our brand and reputation with our new targets and investments in 2023. Our most important stakeholders, our employees, as well as our business partners, suppliers and investors are behind these achievements. I would like to extend my heartfelt and sincere thanks to you, our esteemed stakeholders, for your support.

We were all saddened by the earthquake disaster that struck Kahramanmaraş on February 6, 2023. We wish Allah's mercy on our citizens who lost their lives in the earthquake, our condolences to their relatives, and a quick recovery to the injured. As Biotrend, we fulfilled our responsibilities to heal our wounds, and we will keep doing so. I would like to extend my best wishes to all of Türkiye.

Best regards,



İlhan DOĞAN
Chairman of the Board of Directors

**Thanks to our
commissioned
facilities, we
remarkably
increased waste
recovery rates.**

Osman Nuri Vardi

Vice Chairman of the Board of Directors and CEO



Message from the CEO

We prepared our Biotrend Gender Equality and Social Inclusion Action Plan.

Dear Stakeholders,

While we wait to return to normal after the pandemic that caused great changes in our lives, we have now left behind a year in which regional disputes in the middle of Europe could have turned into wars, political crises arose between countries with large economies, the global economy slowed, and the steps taken to combat climate change were on the agenda of institutions.

The biggest front in the combat against climate change is undoubtedly the sustainability-oriented green transformation... If there is a future for countries, institutions, and individuals, it will be through planet and human-friendly solutions. We need to look for these solutions not only in a single energy-oriented area, but also in many areas covering production and consumption processes. I believe that Biotrend's approach and activities focused on biocircular economy make a significant contribution to our country in this context. The focus of the sustainability-oriented green transformation that will shape the global economy in the coming years will be through circular and sustainable raw materials and renewable energy.

Accordingly, the global energy crisis, which has been experienced in the last few years and culminated in the Russia-Ukraine war in 2022, causes also deep and long-lasting changes that have the potential to accelerate the transition to a more sustainable and secure energy system.

When we look at it with the approach of "There is good in every evil" or "Every crisis also creates an opportunity," it is possible to say that we have entered a historical turning point for renewable energy transformation with this crisis. While the importance given to sustainability by companies and institutions on a global scale is constantly increasing, renewable energy is also demanded more day by day.

Türkiye, which has increased its economic growth in the last year contrary to many countries in the world, is among the countries that try to meet its increasing energy demand with renewable energy and make great progress on this issue. We are very glad to witness that in the last few years, especially with the pandemic, important studies started to be carried out by both private and public institutions in this field. Accordingly, we closely follow the topics that will play a critical role in energy transformation, such as increasing energy-oriented recovery of waste with effective waste management, energy efficiency, and combined heat power generation systems.

As Biotrend, we have aimed to grow by implementing projects with high added value for our country, environment, nature, economy, and the world since our foundation in 2017. And 2022 was a year in which we overcame significant challenges to achieve this goal, and our motivation increased.

In 2022, in parallel with the increasing zero waste policies as part of the sustainability approaches of public and private institutions in our country, we came a long way in the recycling of waste. Thanks to our commissioned mechanical separation and material recovery facilities, we remarkably increased waste recovery rates. In order to carry out our activities effectively and efficiently, we added new ones to our investments with the resources we generated in the public offering process. Due to our financial stability and sustainability efforts, we were able to differentiate positively in the competition in the energy and circular raw materials sector.

We established our Sustainability Office in April as part of the Biotrend Corporate Sustainability Strategy to measure and improve our environmental and social impacts. Accordingly, we set our environmental and social performance indicators. In 2023, we plan to accelerate our efforts and investments to improve our environmental and social performance in the light of our relevant performance indicators.

In the previous year, we had started our greenhouse gas emission reduction certification projects to document our environmental positive impact and financially support our climate-friendly projects, with our Harmandalı, Balıkesir, and Uşak projects under the VERRA "Verified Carbon Standard" program, within the scope of voluntary carbon markets. In October, we signed a contract with Switzerland-based Mundo Verde to receive consultancy services for the Company's carbon asset certification processes under VERRA and ICR standards, including consultancy services on VERRA and ICR projects and the sale of 4 million credits of VERRA projects. In 2022, we completed our work to incorporate all our projects into greenhouse gas emission reduction certification programs. In 2022, we sold USD 5 million in carbon credits for the first time. With the completion of the certification program processes of all our projects, we anticipate to reduce approximately 2 million tons of CO2 equivalent greenhouse gas per year apart from our carbon reserves.

With the vision set by our Sustainability Office, we applied to the UN Global Compact Climate Target Acceleration Program to improve our Company's capacity to increase its environmental performance focused on greenhouse gas reduction, to advance on the net zero path, and to align with the European Union's 2050 carbon neutral continent target. We were the only waste management and waste-to-energy company from Türkiye to participate in this program, which has been executed simultaneously in 54 countries. At the end of the program, we aim to set a net zero target and create our net zero roadmap under our Company's Science-Based Goals Initiative.

In collaboration with our Sustainability Office, we prepared our Biotrend Gender Equality and Social Inclusion Action Plan. Accordingly, we became a signatory to the United Nations Women's Empowerment Principles. With the inspiration we get from our leading female executives working within our company, I promise you that we will use the seven steps of the United Nations

Women's Empowerment Principles focused on sustainable development in every field we operate in line with our action plan and goals. In this direction, I invite all our stakeholders to join us and use the principles as a guide in their activities for the empowerment of women in their workplaces, sectors, and society.

One of the most exciting developments in the past year was the agreement we signed with Honeywell for the Plastic Waste Chemical Upcycling Facility that we will establish in Türkiye soon. We will use Honeywell's UpCycle Process technology to transform plastic waste into sustainable plastic raw materials as part of our collaboration. We will be a pioneer in the world with our project, which will remove the limits of mechanical recycling and ensure plastic waste to be transformed into high value-added products.

We initiated the glass greenhouse investment to carry out greenhouse farming activities on a 54 thousand m2 land adjacent to Sivas BPP. We plan to produce nearly 2,500 tons of truss tomatoes per year by using the latest soilless farming techniques at the Sivas Greenhouse. The first crops will be harvested in 2023. We are proud of our projects in line with the agricultural goals of our country's National Energy Efficiency Action Plan.

As Biotrend, we believe that it is our responsibility to contribute to social development as well as to create economic added value for our country. In this context, we assume it our duty to provide maximum support to local community-oriented development projects and regional sports activities in the regions where we operate. We supported projects such as Violence Awareness Training for Women, Tree of Life Library, as well as the Library for Village Schools project. We were among the supporters of the U19 Beach Volleyball World Championship, jointly organized by the International Volleyball Federation (FIVB) and the Turkish Volleyball Federation.

Our Biotrend Strategy and Business Development teams closely follow domestic and international opportunities as well. We continue our investments under three main headings: "Global Climate Change," "Energy Transformation and Energy Supply Security," and "Zero Waste." We investigate and evaluate potentials in the Balkans, Central Asia, Mediterranean Basin, and Africa, where we see that there is great interest in our Company, on renewable energy, integrated waste management, as well as bioelectricity and bioheat production fields. We plan to issue debt instruments under the sustainability-themed topics, which have recently come to the forefront especially in financial circles. And we always lean towards global partnerships for strategic purposes. We continue our investments at full pace and believe that we will see the return of these investments in the coming period more clearly, especially as of 2023.

The past year was an unforgettable year for the Biotrend Family; we will remember the goals we achieved and the firsts we accomplished until the end of our lives. Of course, we realized all of them with the support of you, our stakeholders, your dedication and your belief in us.

Endless thanks to all of you and hoping to add value to our country, our world, and you...

We wish Allah's mercy on our citizens who lost their lives in the earthquake that shook our country deeply, and our condolences to their relatives. As Biotrend, we will keep doing everything we can to ensure that such great suffering does not happen again in our country. I hope our country will get much better soon.

Yours sincerely,



Osman Nuri Vardi
Vice Chairman of the Board of Directors
and CEO

Developments in 2022



Significant progress in capacity increase of facilities

Within the scope of continuous improvement activities, Biotrend achieved significant installed capacity increases by realizing improvements at the Uşak, Bergama, and İnegöl Integrated Solid Waste Management Facilities in 2022. These activities in the three facilities resulted in an increase of total installed capacity to 99.2 MWe.



Plastic Waste Chemical Upcycling Facility Investment in collaboration with Honeywell

Biotrend started works to establish the pioneering Plastic Waste Chemical Upcycling facility in Turkey to be a pioneer in the world. The facility will bring plastic waste, which currently lacks economic value and cannot be returned into the economy via mechanical recycling, into the economy as a sustainable raw materials, which will increase the efficiency of the existing mechanical separation and material recovery facilities. Deploying Honeywell UOP's UpCycle technology, the Plastic Waste Chemical Upcycling facility is expected to convert 60 thousand tons of plastic waste into sustainable raw materials each year.

Concurrently, the Company established the "Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri Sanayi Anonim Şirketi" to conduct activities for the recovery of plastic waste with upcycling technologies and to carry out the installation of renewable energy power plants for domestic consumption.



Carbon Credit Contract signed with Mundo Verde

In October, a contract was signed with Switzerland-based Mundo Verde to receive consultancy services for the Company's carbon asset certification processes under VERRA and ICR standards, including consultancy services on VERRA and ICR projects and the sale of 4 million tons of carbon credits of VERRA projects.



Application to EMRA for Electricity Storage

Doğanlar Yatırım Holding A.Ş., the Company's controlling shareholder, took over its subsidiary Doğan Kent Elektrik Enerjisi Toptan Satış Anonim Şirketi and applied to the Energy Market Regulatory Authority on October 26, 2022 for the Project of Six Independent Electricity Storage Facilities, designed to have an installed capacity of 50 MWe each (300 MWe in total) in addition to electricity trading activities carried out by Doğan Kent.



Issuance of a Sustainable Lease Certificate

Per the decision of the Company's Board of Directors dated October 31, 2022, an application was submitted to the CMB for the issuance of a Sustainable Lease Certificate with a TL 500 million issue ceiling amount by the issuer Kalkınma Yatırım Varlık Kiralama A.Ş., in which the Company will take place as the fund user/originator, with private placement without public offering and/or through sales to qualified investors.



The ratio of women on the Board of Directors reached 33% and Biotrend became a signatory to the United Nations Women's Empowerment Principles.

In line with its "Biotrend Social Inclusiveness and Gender Equality Action Plan", the Company became a signatory to the United Nations Women's Empowerment Principles. Commencing transformation from the Board, the number of independent female Board members was raised to three, bringing the ratio of women on the Board to 33%.



The only Turkish company included in the United Nations Industrial Development Organization (UNIDO) Report

With the slogan "value created from waste", Biotrend added a new achievement to its roster of accomplishments. The Company's plant in Aydın Çine, which generates bioelectricity from agricultural and forestry wastes, was chosen as a pilot plant, and Biotrend is proud to be the only Turkish company featured in the UNIDO Report. Biotrend has thus made a great contribution to the five-year development program it signed with UNIDO in 2018 to further expand Turkey's bioenergy market.



A Sustainability Office was established, and Biotrend was selected to the Climate Finance Accelerator Program.

Biotrend established a Sustainability Office in April 2022 to strengthen its communication with all stakeholders and improve the Company's environmental, social and governance sustainability performance. With the aim of performing the optimal waste, water, energy and resource management for environmental sustainability management, Biotrend determined performance indicators and started works to establish a process and technology-focused constant improvement structure. In the social field, relevant social performance indicators were determined based on "Talent Management and Employee Welfare" and "Local Socioeconomic Development". Taking 2023 as the base year, Biotrend aims to increase its sustainability performance in the coming years by measuring its performance according to the criteria set.

In 2022, Biotrend also answered the Carbon Disclosure Project question set for the first time, in line with the Company's principles and goals of transparently sharing its environmental, social, and governance activities and performance indicators with all stakeholders. Biotrend continues to work for inclusion in the Borsa Istanbul Sustainability Index and Corporate Governance Index. The Company embarked on a journey to enhance its sustainability performance and periodically communicate with its stakeholders through relevant reports.

Biotrend started Carbon Credit sales for the first time in 2022, generating a Carbon Credit income of USD 5 million.

About Doğanlar Holding

Doğanlar Holding operates in the energy, furniture, construction and retail industries.



DOĞTAŞ

Kelebek

Kelebek
MUTFAK - BANYO

ruum/store

lova
yatak

Doğanlar Holding, one of Turkey's top 100 companies, continues its story with public offering plans, collaborations with local and foreign partners, and investments in innovative projects. Doğanlar Holding operates in four different industries: Energy, construction, furniture, and retail. It serves customers and investors in different fields with Biotrend in the energy industry, Doğanlar Furniture Group (formerly Doğtaş Kelebek) in the furniture industry, Doğyap in the construction industry, and Troypark AVM in the retail industry.

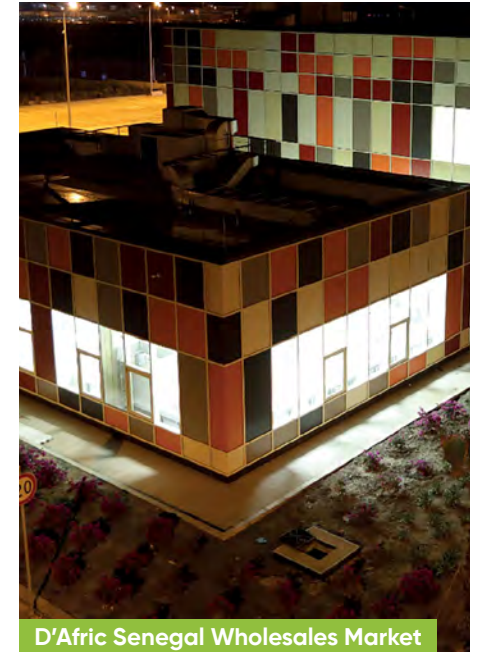
Having started to manufacture plywood in the Golden Horn to be used in the wings of the first domestic airplanes in 1935, Kelebek Furniture started panel furniture production in 1978 at its Düzce factory and opened its first kitchen store in 1985.

Doğtaş was founded in 1972 in Çanakkale Biga by Hacı Ali Doğan in a small workshop under the name Doğan Furniture. Doğtaş A.Ş. was founded in 1987 and the first steps were taken towards institutionalization.

The furniture group, which was offered to the public on the BIST in 1990, opened its first store abroad under the Kelebek brand in Dortmund, Germany, in 1991. Doğtaş made its first exports to Albania in 1994 and opened its retail stores two years later. Troy Park AVM, an investment of the Holding, which also operates in the construction sector, was opened in Çanakkale in 1999. Continuing on its way with new investments, Doğanlar Holding opened Doğtaş Exclusive concept stores after Troy Park AVM.



D'Afric Senegal Furniture Factory



D'Afric Senegal Wholesales Market



Troypark AVM-Çanakkale



Doğyap-Oksijen Evleri



D'Afric Senegal Biga Home Brand



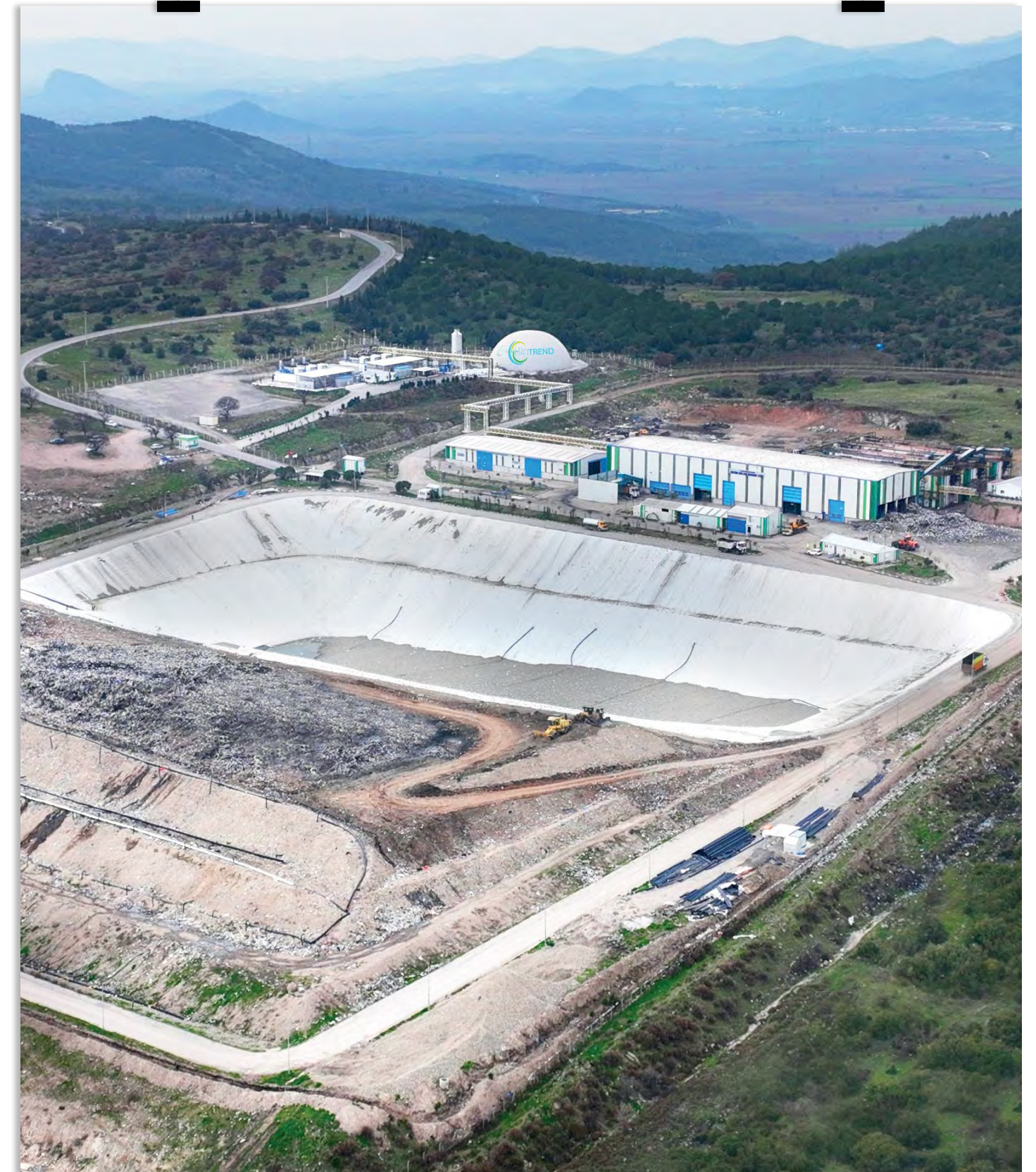
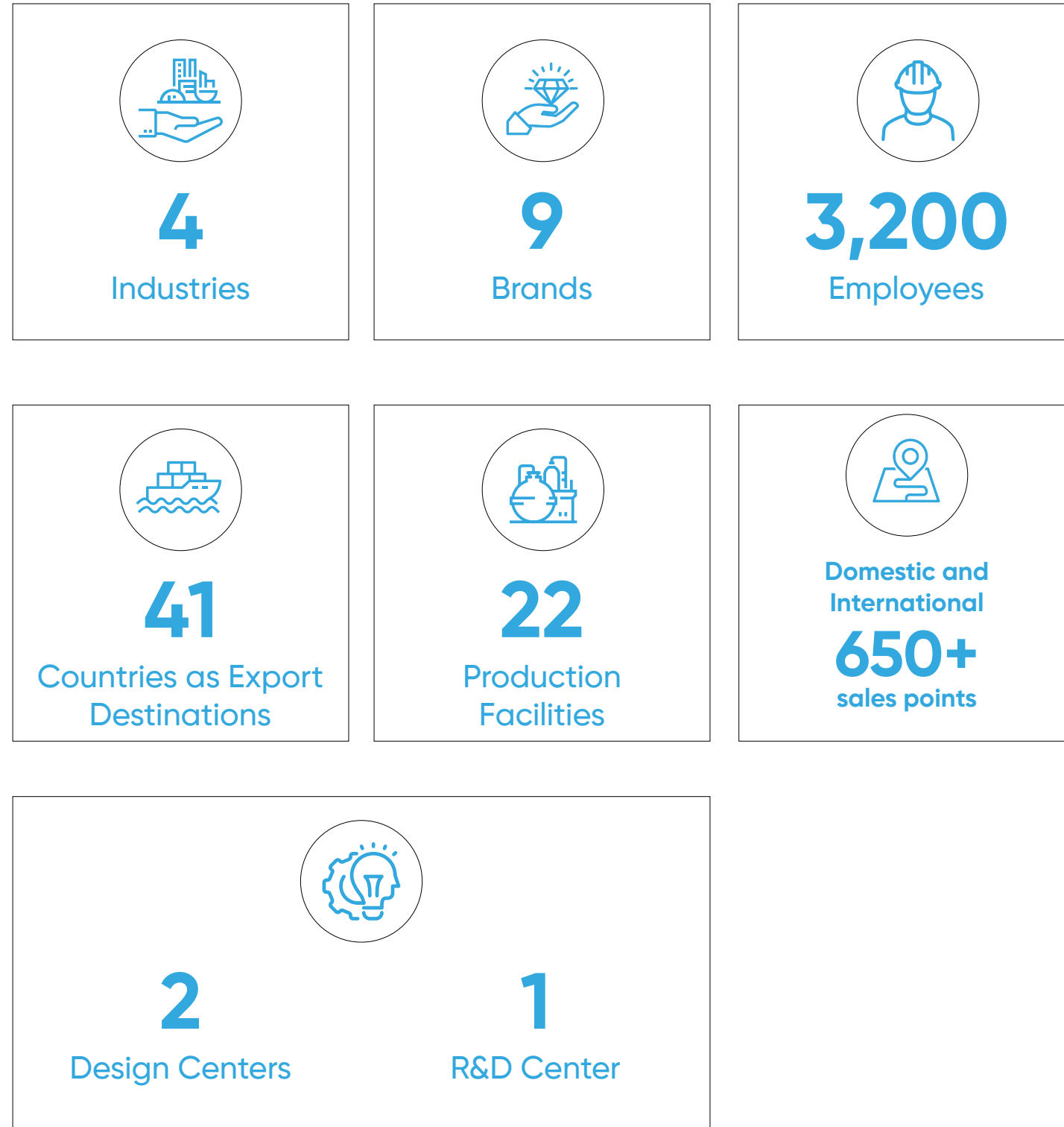
Doğanlar Furniture Group acquired Kelebek Furniture in 2012, strengthening its position in the industry. In 2013, Doğtaş and Kelebek companies' new management merged active export

outlets in 36 countries to become Doğtaş Kelebek Mobilya Sanayi ve Ticaret A.Ş. In 2017, Doğanlar company Biotrend, which operates in the energy industry, was founded.

In 2021, Biotrend was offered to the public and the BIGA Home brand, which will be manufactured in Senegal, Africa, was founded.

About Doğanlar Holding

Doğanlar Holding in Figures



Biotrend in Brief

As of the end of 2022, Biotrend conducts its activities in a total of 19 facilities across Turkey from Çanakkale to Malatya, from Giresun to Hatay, including facilities whose investments continue in 11 provinces.

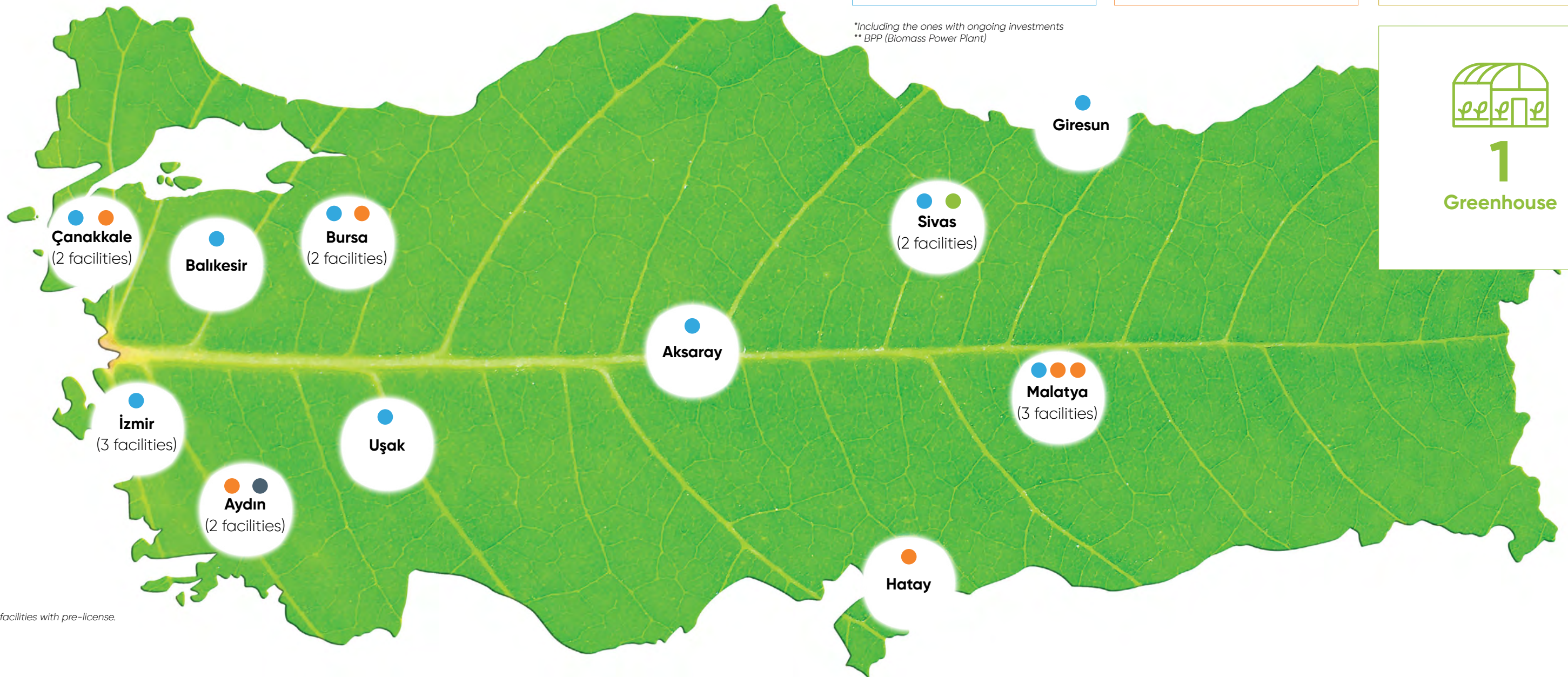
87.6 MWe Installed Capacity
2021

99.2 MWe Installed Capacity
2022

As of the End of 2022 19* Facilities



*Including the ones with ongoing investments
** BPP (Biomass Power Plant)



*Includes facilities with pre-license.

About Biotrend

Biotrend has 19 facilities.

Biotrend sold 100% of the power it produced, within the scope of old YEKDEM (FiT) incentive.

Biotrend was founded on May 5, 2017. The main fields of activity of the Company are renewable energy, circular raw materials, and sustainable fuel production with a focus on integrated waste management. Integrated waste management is the process of separate gathering, collection, transportation, transfer, separation, recycling, recovery, and final disposal of the waste generated in a region within the framework of a single plan in which the responsibilities of various institutions are predetermined. In integrated waste management, all inputs and outputs of waste management are evaluated with an holistic approach. Integrated waste management ensures waste management that is environmentally, socially, and economically sustainable.

As a result, Biotrend generates energy from biogas and biomass resources, constructs power plants, and integrates them into the grid in the field of energy from waste. Under the integrated waste management operations, as part of the installation of landfills and the performance of site management, it installs and operates mechanical separation facilities, RDF (refuse-derived fuel) facilities, compost facilities, anaerobic fermentation units, leachate and wastewater treatment plants, and waste transfer stations in these fields. Biotrend intends to broaden its scope of operations in the coming period through its new investments in Chemical Upcycling, Steam Sales, Solar Power Plants, and Energy Storage.

Biotrend has investments in mechanical separation facilities, waste water and leachate treatment facilities, RDF and compost facilities, anaerobic fermentation units, landfill and fuel preparation and supply facilities for biomass facilities as part of waste-to-energy activities across Turkey within the scope of biogas and biomass power plants and integrated waste management activities. It has a total of 19 facilities together with those whose investments continue, including 11 integrated waste management and BPP, 6 BPP, 1 solid fuel preparation facility and 1 greenhouse facility. Established to realize projects with high added value through energy generation from waste and integrated waste management, the Company gained an important place in the industry by expanding its portfolio every day.

As of 31.12.2022, the licenced power of the Company is 181.251 MWe. The capacity increase at the Uşak facility in January 2022 was followed by the capacity increase investments completed at the İnegöl and Bergama facilities in April, July, September, and November. Thus, the total installed power of Biotrend increased to 99.2 MWe on 31.12.2022.



The company is one of the two largest players in its industry in terms of the total power of its electricity generation licenses. According to its current installed power capacity, it is one of the biggest players in the Turkish bioelectricity market. (Source: PwC Industry Report, March 2021). In 2019, 2020, 2021, and 2022, the Company sold nearly 84.36%, 99.42%, 95.57%, and 100% (all) of the power it produced, respectively, within the scope of YEKDEM. All facilities (except Menderes and Ayvacık projects) that were put into operation until 31.12.2022 benefit from the old YEKDEM incentive at a price of 133 USD/Mwh. The Company's landfills, excluding the biomass power plants located in Çanakkale and Aydın, are operated with the long-term Build-Operate-Transfer (BOT) model agreed with municipalities. The average remaining concession period of these

facilities is 18 years. On the other hand, as of 31.12.2022, the average remaining YEKDEM period weighted according to the installed powers of the Company's power plants is 7 years.

Biotrend, which processes approximately 20% of the waste disposed of in the landfill sites in Turkey, established the mechanical separation and material recovery facilities in İnegöl, İzmir-Harmandalı, İzmir-Bergama, Uşak, and Giresun to transfer recyclable materials from the waste into the economy. Balıkesir, İzmir-Menderes, and Aksaray mechanical separation and material recovery facilities are planned to be established in 2023.

Biotrend started Carbon Credit sales for the first time in 2022 and generated a Carbon Credit income of USD 5 million.

7 years

The average remaining YEKDEM period weighted according to the installed powers of the Biotrend's power plants is 7 years.

About Biotrend

Our Vision, Mission and Values

Our Vision

To carry out projects with high economic added value in the world and in our country for a sustainable life cycle.

Our Mission

While making environmental, social, and economic contributions to our world and our country, to contribute to the world economy with the renewable energy we produce, as well as the conversion of all the wastes generated in our life cycle into raw materials.

Our Values

The concept of sustainability underlying our vision is not limited only to Biotrend's activities. It also ensures that our life cycle is comfortably secured by adding value to humanity, nature, and the employees.

Inclusion and Diversity

Biotrend carries out sustainable activities with its experienced employee profile from every region, including its head office and facilities. It works by raising individuals with a high sense of responsibility towards individual, social, and environmental issues, without making any discrimination based on religion, language, race, or gender.

Value to Employees

The source of Biotrend's success is not limited to the strategies of the board of directors, the important works and decisions of its managers, it is also the result of a cooperation extending to all levels of blue-white-collar employees working in the field. It is important for our Company to support the personal development of employees with continuous training and to increase the added value they provide to the organization. Efforts are being made to develop practices to raise employee satisfaction and loyalty by maintaining a happy and peaceful work environment. The "Happiest Workplace" certificate received from Happy Place to Work is a proud proof of this.

Social Responsibility

Sustainable and inclusive projects implemented at Biotrend's facilities result in processes that benefit women, children, and the environment. Biotrend's work in the field of sustainability and awareness makes valuable contributions to the promotion of the country as well.

Employee Safety

Quality, Occupational Health and Safety Management are listed at the top of Biotrend's agenda. Regular audits are carried out in particular for the safety of facility employees, and necessary trainings are provided continuously.



About Biotrend

Our Strategy and Growth Goals

Biotrend is focused on circular economy.

Strategy of the Company

The Company makes investments in mechanical separation and material recovery, solid fuel preparation and compost facility within integrated waste facilities with the goal of increasing revenues from sales of circular raw materials, compost, and refuse-derived fuels. The Company is focused on increasing shareholder value. The Company aims to become the largest integrated waste management company in Turkey with investments that support high profitability and stable cash flows.

To accomplish this, the Company intends to employ the following strategies:

1. Organic Growth in Turkey

As part of its energy generation operations, the company intends to continue its organic growth in the coming years by investing to make the best use of its existing license powers and to expand in fields consistent with the Company's investment policies and expectations according to the new YEKDEM tariff announced with the Presidential Decision on 30.01.2021.

While the Company's new investments aim to increase revenue by increasing material recovery rates and refuse-derived fuel production capacity, it also aims to provide environmentally friendly and sustainable raw materials and fuels to the cement and plastics industries, which are among the country's economic locomotives.

Besides, Biotrend is considering to provide engineering and consultancy services in its fields of activity in the future.

2. Regional Growth

The company conducts business development in the fields related to its fields of activity abroad.

The company primarily looks for overseas business development opportunities in nearby regions, especially in the Balkans, Central Asia, Mediterranean Basin, North Africa, and Sub-Saharan Africa, where the Group is already operating.

Small-scale solid waste-to-energy generation facilities stand out with their production at the source advantage, particularly on the African continent, where energy distribution and transmission networks are insufficient.

In the Balkans and Eastern European countries, heat production activities stand out as part of integrated waste management and energy generation.

3. Inorganic Growth

The company evaluates various acquisition opportunities both at home and abroad. It is likely that the changing environmental legislation at home and the new YEKDEM tariff to be effective as of 30.06.2021 will encourage investors to consolidate and use more advanced technology.

Multi-facility companies that built their infrastructure correctly under economies of scale rules, are expected to have significant advantages over single-facility structures lacking infrastructure.

The Company's attention will continue to be on accessible acquisition opportunities abroad. A combination of the Company's know-how and competitive power to do business with economies of scale can create a significant advantage.

4. Vertical Integration

In addition to electricity sales, the Company conducts R&D studies and technology research on organomineral fertilizer production, sustainable



greenhouse farming, heat sales, biomethane production as an alternative to natural gas from biogas and landfill gas, sustainable raw material production from plastic waste, and plastic credit projects that have gained importance recently.

Sales of circular raw materials started at Bergama Integrated Waste Management Facility, and sales are expected to start as soon as possible at İnegöl and Uşak Integrated Solid Waste Management facilities.

Within the scope of the Zero Waste Project, the company evaluates investments in waste collection and recycling facilities.

In 2023 and beyond, the Company plans to create new fields of activity such as sustainable greenhouse farming, heat sales, and biofuel production, where the heat generated in energy generation activities within the scope of integrated energy management is utilized, and to invest in energy storage and solar power plants. It is aimed to diversify the carbon trading activities, which started with carbon credit sales in 2022, through plastic credits that document the plastics reduced in nature, and to create an addition to the environmental benefit. Within the scope of the said revenue diversification strategy, revenue growth is aimed with biofuel, circular, and sustainable raw material sales even after the YEKDEM periods of biomass power plants expires.

Circular raw material sales have started at the Bergama Integrated Waste Management Facility.

About Biotrend

Shareholding Structure

The company has adopted the registered capital system pursuant to the provisions of the Capital Markets Law No. 6362 and switched to this system with the permit of the CMB numbered 7/206 dated 11.02.2021. The registered capital ceiling of the Company is TL 625,000,000 and divided into 625,000,000 registered shares each with a nominal value of TL 1 (one). The registered capital ceiling authorized by the Capital Markets Board is valid between 2021 and 2025.

With the decision of our Board of Directors dated 01.10.2021, it was decided to increase our company's issued capital within the registered capital ceiling of TL 625,000,000- from TL 150,000,000- to TL 500,000,000-, of which the TL 331,281,627- portion of its issued capital is covered by emission premiums and the TL 18,718,373- portion is covered by special funds. The application submitted for approval by the Capital Markets Board and for an appropriate opinion on the amendment text of Article 6 of our Company's Articles of Association, titled "Capital", was approved by the Capital Markets Board's decision dated 11.11.2021 and numbered 59/1641. The approval entered into force after it was announced in the Turkish Trade Registry Gazette dated 24.11.2021 and numbered 10458.

Shareholders	Amount (TL)	Ratio (%)
Doğanlar Yatırım Holding A.Ş.*	272,440,421.13	54.49
European Bank for Reconstruction and Development	29,574,693.04	5.91
Publicly Traded	188,838,860.83	37.76
Osman Nuri Vardı	9,146,025	1.83
TOTAL	500,000,000.00	100

*-The Company was informed that a Share Transfer Agreement regarding the transfer of 2.17% of the Company's capital to Osman Nuri Vardı by Doğanlar Yatırım Holding A.Ş. ("Doğanlar Yatırım Holding") was signed on June 1, 2022 between Doğanlar Yatırım Holding, the partner of the Company that has the dominance of the management, and Osman Nuri Vardı, who is serving as the Vice Chairperson of the Board and the CEO of the Company, that the sale of 10,833,333 shares corresponding to 2.17% of the Company's shares in Biotrend Çevre ve Enerji Yatırımları A.Ş. to Osman Nuri Vardı was completed in this context by Doğanlar Investment Holding in accordance with the Share Transfer Agreement, that simultaneously with this sale, the sale of 2,580,000 shares corresponding to 6% of the capital of Maven Enerji, which has a direct share of 36.11% in the Company, by Osman Nuri Vardı to Doğanlar Investment Holding was completed, and that upon the completion of the aforementioned share transfer transactions, the 100% direct shareholder of Maven Enerji, which has a direct share of 36.11% in the Company, has also become Doğanlar Investment Holding, which is the controlling shareholder of the Company.

It was reported to our Company that Maven Enerji Elektrik Üretim Sanayi ve Ticaret A.Ş. ("Maven Enerji") having a direct share of 32.11% in the Company and Doğanlar Yatırım Holding A.Ş. ("Doğanlar Yatırım Holding"), which is the 100% shareholder of Maven Enerji and has the management dominance of our Company with a direct share of 32.03% in our Company merged upon the takeover of Maven Enerji with all its assets and liabilities by Doğanlar Investment Holding according to the procedure of "facilitated merger of capital companies" as per Articles 155/1-a and 156 of the Turkish Commercial Code No. 6102, that the merger transactions were registered with the Istanbul Trade Registry Office as of 22.08.2022, that the announcement regarding the merger transaction was published in the Turkish Trade Registry Gazette dated 25.08.2022 and numbered 10647, and that Maven Enerji was dissolved without liquidation upon the registration of the merger.

Within this framework, the shares previously held by Maven Enerji in the capital of our Company were transferred to Doğanlar Yatırım Holding by way of universal succession, and Doğanlar Yatırım Holding, the partner of our Company with the management control, has become a direct 64.14% shareholder of our Company.

In the share trading notification made by Doğanlar Investment Holding on 23/12/2022, it was stated on the Public Disclosure Platform that the sale transaction of a total nominal amount of TL 49950,000 of the Biotrend Çevre ve Enerji Yatırımları A.Ş. shares was carried out jointly with corporate and qualified investors. With this transaction, Doğanlar Yatırım Holding's shares in our Company's capital reached the limit of 54.15%.

In the share trading notification made by Osman Nuri Vardı, who serves as the Vice Chairman of the Board and CEO, and Doğanlar Investment Holding on 27/12/2022 regarding the shares of Biotrend Çevre ve Enerji Yatırımları A.Ş., it was stated that the shares with a total nominal amount of TL 1,687,308 were sold by Mr. Osman Nuri Vardı and purchased by Doğanlar Investment Holding. With this transaction, Doğanlar Yatırım Holding's shares in our Company's capital reached the limit of 54.49% and Mr. Osman Nuri Vardı's shares reached the limit of 1.83%.

Except for the above-mentioned issues, there was no change in the Company's capital and partnership structure during the period.

Subsidiaries

Detailed information on Biotrend's Subsidiaries and Financial Fixed Assets is as follows:

Subsidiaries			
	SPV Name	Capital* (TL)	Owned Capital Ratio (%)
1	Ulubey Elektrik Üretim ve Enerji Yatırımları A.Ş.	11,000,000	100
2	İlida Elektrik Üretim A.Ş.	20,700,000	100
3	Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş.	8,000,000	100
4	Doğu Star Elektrik Üretim A.Ş.	10,000,000	100
5	Nov Enerji Elektrik Üretim A.Ş.	15,500,000	100
6	Yılbata Elektrik Üretim A.Ş.	9,897,000	100
7	İzmir Novtek Enerji Elektrik Üretim A.Ş.	45,454,546	100
8	Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş.	2,500,000	100
9	İzmir Doğu Star Elektrik Üretim A.Ş.	13,000,000	100
10	Md Biyokütle Enerji Üretim A.Ş.	2,250,000	100
11	Biyomek Elektrik Enerjisi Üretimi Sanayi ve Ticaret A.Ş.	6,000,000	100
12	Karya Yenilenebilir Kaynaklar Elektrik Ür. San. Ve Tic. Ltd. Şti.	3,250,000	100
13	Maven Tarım Seracılık ve Hayvancılık San. Ve Tic. A.Ş.	1,100,000	50
14	Biotrend Ayvacık Yenilenebilir Enerji Elektrik Ür. San. Ve Tic. A.Ş.	2,500,000	100
15	Novtek Enerji Elektrik Üretim A.Ş.	22,460,000	100
16	Serenti Enerji A.Ş.	2,000,000	100
17	Ulutek Elektrik Üretim ve Enerji Yatırımları A.Ş.	54,000	100
18	Biotrend Enerji Uluslararası Yatırım A.Ş.	50,000	100
19	Doğan Kent Elektrik Enerjisi Toptan Satış A.Ş.	3,000,000	100
20	Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri Sanayi A.Ş.	1,000,000	100
21	Landfill Enerji Sanayi Ticaret A.Ş.	3,000,000	50

⁽¹⁾ The Company's capital share in the related subsidiary is stated.

About Biotrend

Subsidiaries

Subsidiaries	Main activity	Date of Acquisition/ Establishment	Licenced Power	Installed Capacity	Facility
Doğu Star Elektrik Üretim A.Ş. ^(*)	Energy generation	17.10.2017	-	2,464 MWm / 2,400 MWe	Malatya Unlicensed
	Energy generation	17.10.2017	2,464 MWm/ 2,400 MWe	2,464 MWm/ 2,400 MWe	Malatya-1 (Licensed)
	Energy generation	17.10.2017	4,359 MWm/ 4,242 MWe	2,906 MWm / 2,828 MWe	Malatya-2 (Licensed)
	Energy generation	17.10.2017	14,51 MWm/ 14,14 MWe	8,706 MWm / 8,484 MWe	İnegöl-2 Biogas
Nov Enerji Elektrik Üretim A.Ş. ^(*)	Energy generation	17.10.2017	2,902 MWm / 2,826 MWe	2,902 MWm/ 2,826 MWe	Sivas Landfill Gas
Novtek Enerji Elektrik Üretim A.Ş. ^(*)	Energy generation	17.10.2017	4,353 MWm/ 4,239 MWe	4,353 MWm/ 4,239 MWe	İskenderun Landfill Gas
	Energy generation	17.10.2017	2,464 MWm/ 2,400 MWe	2,464 MWm/ 2,400 MWe	İnegöl Landfill Gas
Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş. ^(*)	Energy generation	17.10.2017	31,058 MWm/ 30.00 MWe	1,030 MWm/ 1.00 MWe	Ezine Biomass
Yılbatu Elektrik Üretim A.Ş. ^(*)	Energy generation	17.10.2017	24,667 MWm/ 24.038 MWe	-	Menderes Biogas
İlida Elektrik Üretim A.Ş. ^(*)	Energy generation	16.10.2018	-	-	Landfill 50% Partner
Ulubey Elektrik Üretim ve Enerji Yatırımları A.Ş. ^(*)	Energy generation	15.05.2018	-	-	Çine Fuel Preparation
İzmir Novtek Enerji Elektrik Üretim A.Ş. ^(*)	Energy generation	30.05.2018	40.716 MWm/ 39.690 MWe	33.176 MWm/ 32.340 MWe	İzmir Harmandalı Landfill Gas
Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş. ^(*)	Energy generation	6.07.2018	5,655 MWm/ 5,498 MWe	4,200 MWm / 4,084 MWe	Uşak Landfill Gas
Biyomek Elektrik Enerjisi Üretimi San. ve Tic. A.Ş. ^(*)	Energy generation	16.04.2019	14.20 MWm/ 13.60 MWe	14.20 MWm/ 13.60 MWe	Çine Biomass Pow. Plant
Maven Tarım Seracılık ve Hayvancılık San. ve Tic. A.Ş. ^(*)	Agriculture, Greenhouse Farming and Livestock	16.01.2019	-	-	Sivas Greenhouse Installation-Operation

Subsidiaries	Main activity	Date of Acquisition/ Establishment	Licenced Power	Installed Capacity	Facility
MD Biyokütle Enerji Üretim A.Ş. ^(*)	Energy generation	27.09.2019	5,804 MWm/ 5,656 MWe	1,451 MWm/ 1,414 MWe	Aksaray Landfill Gas
İzmir Doğu Star Elektrik Üretim A.Ş. ^(*)	Energy generation	18.09.2019	10.157 MWm/ 9,898 MWe	8,706 MWm/ 8,484 MWe	İzmir Bergama Landfill Gas
Karya Yenilenebilir Kaynaklar Elektrik Üret. San. Tic. Ltd. Şti. ^(*)	Energy generation	1.07.2020	-	-	Ankara
Serenti Enerji A.Ş. ^(*)	Energy generation	13.08.2020	4,353 MWm/ 4,242 MWe	1,451 MWm/ 1,414 MWe	Giresun Landfill Gas
Biotrend Ayvacık Yenilenebilir Enerji Elektrik Üretim A.Ş. ^(*)	Energy generation	29.04.2021	4,353 MWm/ 4,242 MWe	-	Ayvacık Landfill Gas
Ulutek Elektrik Üretim ve Enerji Yatırımları A.Ş. ^(*)	Energy generation	17.05.2022	-	-	-
Biotrend Enerji Uluslararası Yatırım A.Ş. ^(*)	Investing in foreign electricity energy generation facilities	30.06.2022	-	-	-
Doğan Kent Elektrik Enerjisi Toptan Satış Anonim Şirketi ^(*)	Electricity trading	16.11.2022	-	-	-
Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri Sanayi Anonim Şirketi ^(*)	Recovery of plastic waste with upcycling technologies and installation of renewable power plants for domestic consumption	09.12.2022	-	-	-

^(*) They are consolidated with the full consolidation method.

Financial Investments Valued by Equity Method	Main activity	Date of acquisition	Licenced Power	Installed Capacity	Facility
Landfill Enerji A.Ş.	Energy generation	16.10.2018	14.51 MWm/14.14 MWe	11,608 MWm/ 11,312 MWe	Balıkesir Landfill Gas

Key Financial and Operational Indicators

EBITDA increased to TL 482 million and EBITDA margin increased to 39%.

The Company's financial statements for the period 01.01.2022 - 31.12.2022 were published on the Public Disclosure Platform, and these reports can be accessed on the Company's "Investor Relations" page at www.biotrendenerji.com.

Balance Sheet (TL Thousand)

	31.12.2020	31.12.2021	31.12.2022
Current Assets	236,847	682,926	1,167,833
Fixed Assets	577,903	1,149,122	2,039,886
Short-term Liabilities	221,477	473,783	1,218,538
Long-term Liabilities	393,288	799,595	1,281,447
Equities	199,985	558,670	707,734
Total Assets	814,750	1,832,048	3,207,719

Income Statement (TL Thousand)

	2020	2021	2022
Revenues	245,301	427,704	1,230,871
Cost of sales (-)	-177,515	-304,367	-804,995
Gross Profit	67,786	123,336	425,875
General Administration Expenses	-20,821	-39,910	-78,328
Marketing, Sales Distribution Expenses	-1,117	-2,558	-3,383
Amortization & Repayment Expenses	22,416	32,967	102,681
Landfill Valued By Equity Method (50%)*	13,900	27,100	34,710
EBITDA	82,165	140,935	481,556
Net Profit**	49,921	3,995	311,294
Net Profit (Parent Company Shares)	50,474	6,542	310,735

Profit Margins (%)

	2020	2021	2022
Gross Profit Margin	28%	29%	35%
EBITDA Margin	33%	33%	39%
Net Profit Margin	20%	1%	25%
Net Profit Margin (Parent Company Shares)	21%	2%	25%

* The pre-tax figure has been calculated as the shareholding ratio (50%) of Landfill Enerji A.Ş., one of our financial investments valued by the equity method, and is included in EBITDA.

** Includes TL 130.4 million deferred tax income.

Investments

	31.12.2020	31.12.2021	31.12.2022
Land and Land Improvements	-	15,421,050	44,256,699
Buildings	251,494	58,774,807	3,192,018
Machinery, Plant and Devices	56,537,593	489,793,552	324,972,973
Vehicles	836,390	14,780,454	26,565,084
Furniture and Fixture	4,728,335	6,454,740	15,323,383
Ongoing Investments	219,677,898	53,023,509	483,896,175
Total	282,031,710	638,248,112	898,206,332

Strong Financial Performance

Financial Structure Ratios: These ratios demonstrate the company's resource structure and with which resources and at what ratios the company assets are met. The Company's financial structure status, such as its ability to pay long-term debts, can be analyzed to some extent using these ratios.

The table below shows the changes in the financial structure ratios for the periods 31.12.2020, 31.12.2021, 31.12.2022:

Financial Ratios

Ratios	31.12.2020	31.12.2021	31.12.2022
Leverage Ratio (Total Liabilities/Total Assets)	0.75	0.70	0.78
Short-Term Liabilities / Total Assets	0.27	0.26	0.38
Long-Term Liabilities / Total Assets	0.48	0.44	0.40
Equities / Total Assets	0.25	0.30	0.22

Liquidity Ratios: These ratios demonstrate how safe the current assets are in terms of the liquidity of the Company. They are also indicators of the business's liquidity status, ability to pay debts due, and ability to continue operations under unexpected market and economic conditions.

The table below shows the changes in the liquidity ratios for the periods 31.12.2020, 31.12.2021, 31.12.2022:

Liquidity Ratios

Ratios	31.12.2020	31.12.2021	31.12.2022
Current ratio (Current Assets / Short-Term Liabilities)	1.07	1.44	0.96
Acid-Test Ratio (Current Assets - Stocks) / (Short-Term Liabilities)	1.05	1.31	0.86
Cash Ratio (Cash and Cash Equivalents / Short-Term Liabilities)	0.46	0.36	0.02

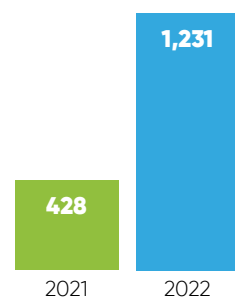
In general, the liquidity ratios show that its current assets are safe in terms of the liquidity of the Company.

According to the data presented above, the company's capital is not unrequited or indebted, and no measures are required to improve its financial structure.

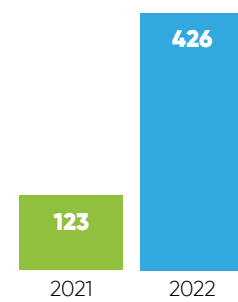
Key Financial and Operational Indicators

Fast growth since its establishment...

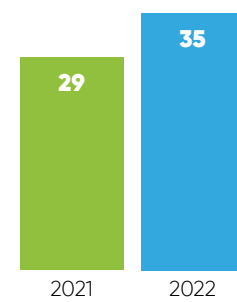
Revenues (TL million)



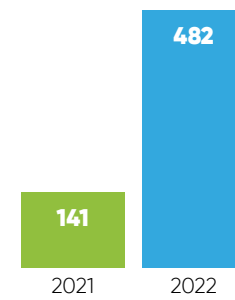
Gross Profit (TL million)



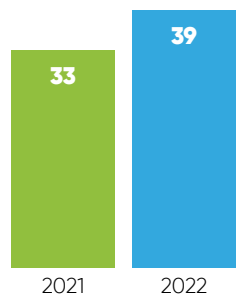
Gross Profit Margin (%)



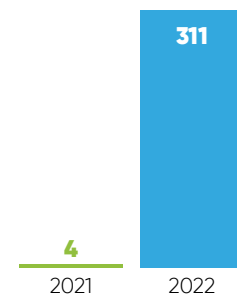
EBITDA (TL million)



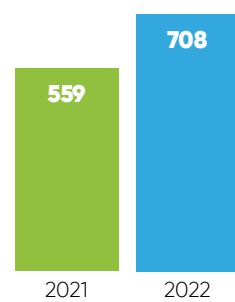
EBITDA Margin (%)



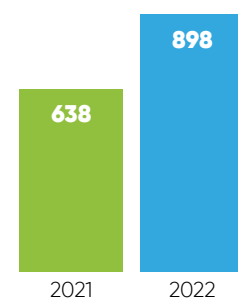
Net Profit (TL million)



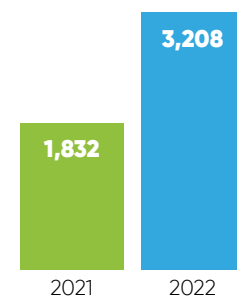
Equities (TL million)



Investments (TL million)



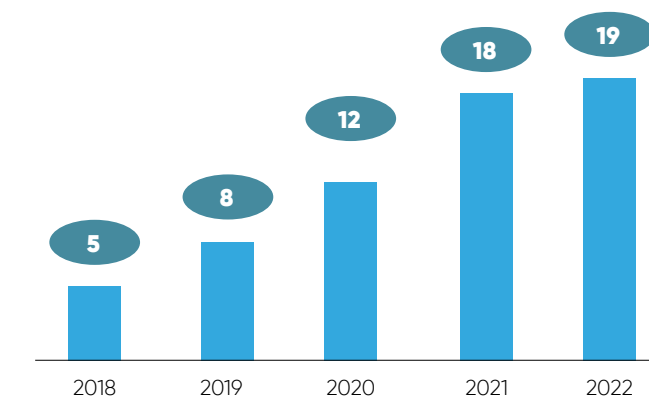
Total Assets (TL Million)



Growth Oriented Business Model

Number of Facilities+

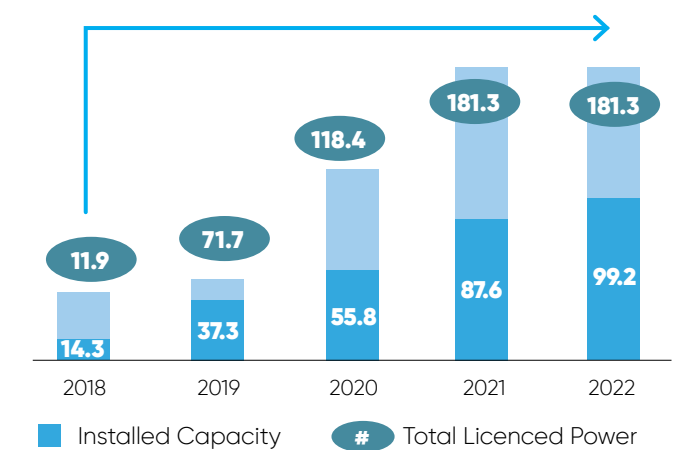
Total Number of Facilities



Licensed Power* and Installed Capacity (MWe)

Licensed Power YBBO: 98%

Installed Capacity YBBO: 62%



* Facilities with pre-license are included.

Milestones

Carbon certificate sales were realized for the first time in 2022.

2014

Karya Güç Sistemleri, founded by individual entrepreneurs in 2012, initiated its investments in the biogas industry and began generating electricity from landfill gas as unlicensed facility at Orduzu Municipal Waste Facilities in Malatya.

2015

Sivas facility with 1.4 MWe power and Iskenderun facility with 2.8 MWe power were commissioned. Both facilities generate electricity from landfill gas.

2016

The capacities were increased at Malatya Orduzu and Sivas facilities.

2017

Biotrend was founded in partnership with Doğanlar Yatırım Holding, Osman Nuri Vardı, Murat Aslan, İsmail Şener Öner, and Naci İlker Mühürdar. As of August 2017, individual partners excluding Doğanlar Yatırım Holding founded Maven Enerji and transferred their shares in Biotrend to Maven Enerji. The company thus become jointly controlled by Doğanlar Yatırım Holding and Maven Enerji.

In October 2017, all shares of Doğu Star operating the Malatya facility, Nov Enerji operating the Sivas facility, and Novtek Enerji operating the Iskenderun facility, were transferred to Biotrend, and Biotrend became the sole shareholder of these facilities.

2018

The licensed generation capacity at Malatya Orduzu facility was increased to 2.4 MWe with an addition of 1.2 MWe. Besides, Novtek Enerji started its activities to generate electricity from landfill gas at Bursa İnegöl-1 facility with an installed capacity of 2.4 MWe.

2019

The İzmir Harmandalı facility, which is the Company's largest power plant, initiated its activities to generate electricity from landfill gas with an installed capacity of 16.6 MWe. Besides, electricity production from biogas started with an installed capacity of 5.8 MWe at Balıkesir and 1.2 MWe at Uşak.

2020

Capacity was increased at İzmir Harmandalı facility and the total installed capacity was raised to 25.0 MWe.

İzmir Bergama (2.8 MWe) and Bursa İnegöl-2 (1.4 MWe) facilities were also put into operation. The first phase of the biomass plant in Aydın Çine was put into operation with 1.4 MWe.

With the transaction made in the first half of 2020, Doğanlar Yatırım Holding became the controlling shareholder of Biotrend by acquiring 94% of Maven Enerji shares. In this transaction, Murat Arslan and İsmail Şener Öner sold all of their shares, and Osman Nuri Vardı transferred his remaining shares in Maven Enerji except for 6%.

With the additional capital increases in 2020, the paid-in capital of Biotrend increased from TL 1.15 million to TL 128 million.

Electricity generation from landfill gas at Malatya-2, Aksaray, and Giresun facilities, and Ezine Biomass Power Plant project work started.

2021

Infrastructure works of Ayvacık and Menderes facilities started.

The Company's 5.92% shares owned by Doğanlar Yatırım Holding were sold to the EBRD.

Biotrend was offered to the public with a price of TL 18 (adjusted price after the capital increase: TL 5.40).

United Nations Global Compact was signed by Biotrend.

Verra program carbon certification projects were initiated for Harmandalı, Uşak, and Balıkesir facilities.



2022

The total installed capacity of the Company reached 99.2 MWe.

With the ongoing investments, the number of facilities reached 19.

Biotrend Sustainability Office was established.

The Company participated in the United Nations Global Compact Climate Goal Acceleration Program to align with the Science-Based Targets. Biotrend participated in the Climate Finance Acceleration Program organized by the UK Government. With its climate-friendly innovative projects, Biotrend was one of the few companies that would present their projects at the international event to be held in London.

Biotrend rose to the level of participant in the United Nations Global Compact.

Signed MoU with Honeywell to establish Turkey's first commercial-scale waste plastic recycling facility employing Honeywell's UpCycle Process technology started.

Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri Sanayi A.Ş. was established with the aim of sustainable raw material production and integrated energy management activities through Chemical Upcycling.

A contract was signed to receive consultancy services from Mundo Verde for the sale of carbon assets in carbon asset certification processes under VERRA and ICR standards, and Carbon Credit Sales Revenue was gained for the first time.

In order to operate in the field of electricity storage, Doğan Kent Elektrik Enerjisi Tiptan Satış Anonim Şirketi, a subsidiary of Doğanlar Yatırım Holding A.Ş., was taken over and an application was made to EMRA for six Independent Electricity Storage Facility Projects, designed to have a total installed capacity of 50 MWe each, and 300 MWe in total.

An application was made to the Capital Markets Board for the issuance of a Sustainable/Green Lease Certificate with a TL 500 million issue ceiling amount by the issuer Kalkınma Yatırım Varlık Kiralama A.Ş., in which the Company will take place as the fund user/originator.

Credia Partners Danışmanlık A.Ş. was authorized to negotiate with potential investors in order to evaluate strategic options.

Awards and Accomplishments

Biotrend received a bronze award at the EBRD Sustainability Awards.

Biotrend received the "Renewable Energy Brand of the Year" award at the Turkey Innovation and Success Awards.

Biotrend, the leading and exemplary company in the industry, had received the "Biomass Energy Company Award," "Our Energy is Our Future Award," "Low Carbon Hero Award," and "Renewable Energy Brand of the Year Award" in 2021 for its work on sustainability.

Biotrend, the winner of many awards in 2022, is proud of receiving the first award of the year in the category of "Combating Violence Against Women and Domestic Violence" at the Women-Friendly Brands Association 2022 Awareness Awards Ceremony with the "Training on Violence Against Women" Project implemented at the Bergama Facility.

In addition to this award, winning the bronze award at the EBRD Sustainability Awards, organized annually by the European Bank for Reconstruction and Development (EBRD), where projects are evaluated by an independent jury panel, the Company was also entitled to receive the "Turkey's Happiest Workplace" certificate in the Renewable Energy industry with all the evaluations made in Turkey's Happiest Workplaces research, which is organized every year by Happy Place to Work.

Biotrend was selected from among 214 companies according to the results of the "Wellbeing" survey conducted between April 2021 and March 2022 consisting of 14 questions, was included in the same list with 81 companies.

The awards of Biotrend in 2022 are as follows:



Bronze Award in the Sustainable Energy category at the EBRD Sustainability Awards 2022

It received the Bronze Award in the Sustainable Energy category at the EBRD Sustainability Awards 2022.



"Turkey's Happiest Workplace" Award in the Renewable Energy industry

Biotrend, which implemented many works for a sustainable future, was awarded the "Turkey's Happiest Workplace" certificate in the renewable energy industry.

Biotrend was deemed worthy of the Women-Friendly Brands 2022 Awareness Award.



"Renewable Energy Brand of the Year" award at the Turkey Innovation and Success Awards

Biotrend is happy to win the "Renewable Energy Brand of the Year" award at the Turkey Innovation and Success Awards.



Energy and Natural Resources Summit Our Energy is Our Future Award

At the 4th Energy and Natural Resources Summit held on June 7, Biotrend won the "Our Energy is Our Future" award given to support its sustainability efforts.



Women-Friendly Brands 2022 Awareness Award

Biotrend was deemed worthy of an award at the Women-Friendly Brands 2022 Awareness Awards in the category of Combating Violence Against Women and Domestic Violence with its Violence Awareness Training project implemented at the Bergama Facility.



2021 Sustainable Production and Consumption Association Carbon Hero Award

Biotrend is proud to have received the 2021 SÜT-D Carbon Hero Award at the 7th Istanbul Carbon E-Summit organized by the Sustainable Production and Consumption Association with the main support of the Ministry of Environment and Urbanization.



Quality of Magazine Best Biomass Energy Award

Biotrend was deemed worthy of the Best Quality Biomass Energy Award at the award ceremony held at the 12th anniversary celebration of Quality of Magazine.



International Environmental Communication Summit Best Public Relations Award

Biotrend was entitled to receive the best communication award of the year at the International Environmental Communication Summit under the "Sustainability" communication activities conducted in 2022.

Investor Relations and Share Performance

Webcast presentations are made with institutional investors every quarter in the financial period.

One-on-one meetings are held with investors, and attention is paid to holding meetings frequently for transparency, accurate information sharing, and corporate governance.

Webcast presentations are conducted with investors after the announcement of financial and operational results every quarter. Meetings are held with the broad participation of the Company's CEO and CFO, and questions from investors are answered immediately. One-on-one meetings are held with investors, and attention is paid to holding meetings frequently for transparency, accurate information sharing, and corporate governance. In 2022, the Company participated and organized over 100 video conferences and face-to-face meetings, including webcasts.

Within the scope of the Company's disclosure policy, Biotrend Investor Relations shares information about Biotrend's activity results, performance, and other developments during the period through meetings with shareholders, investors, research analysts, and other stakeholders.

Corporate and individual investors can access all information, including investor presentations, from the investor relations tab of the website <https://www.biotrendenerji.com.tr>.

The report of the Investor Relations Department, which includes all the activities carried out within the year, was submitted to the Board of Directors. At the Board of Directors meetings, the Investor Relations Department also makes presentations on the Company's share performance and developments.

Biotrend Investor Relations Department receives services from Doğanlar Holding, Investor Relations Director reports directly to Doğanlar Holding's Chairman of the Board. In addition, Gözde Çivici, Director of Investor Relations, serves as a member of the Corporate Governance Committee.

Gözde ÇİVİCİ – Investor Relations Director

License Documents: Capital Market Activities Level 3
Corporate Governance Rating

Aysun VARDAN – Investor Relations Manager

License Documents: Capital Market Activities Level 3
Corporate Governance Rating

Şeyma İNAYET UYGUR – Investor Relations Executive

License Documents: Capital Market Activities Level 3
Corporate Governance Rating
Derivative Instruments

Investor Relations Contact Information

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E-mail: yatirimci.iliskileri@biotrendenerji.com.tr
Website: <https://www.biotrendenerji.com.tr>

37.76% of Biotrend is publicly traded.

The shares of Biotrend Çevre ve Enerji Yatırımları A.Ş. started to be traded on Borsa Istanbul A.Ş. as of April 28, 2021. The closing price of the shares on 31.12.2022 was TL 18.95 and the share performance information of the Company is given below.

The closing price of the share on 31.12.2022 was TL 18.95.

2022 Share Performance

Stock Market Being Traded	Borsa Istanbul (BIST)
BIST Transaction Code	BIOEN
Initial Public Offering	28.04.2021
Number of Free Float Shares	188,837,386.35
Free Float Ratio	37.76

	TL	USD
31.12.2022 Share Value		
Lowest (24.02.2022)	4.68	0.30
Highest (07.12.2022)	21.34	1.42
Total Market Capitalization	9,475,000,000	506,000,000



9.5 TL billion

Biotrend's Market Capitalization as of year end 2022

Board of Directors

Our Board of Directors dated 21.09.2022 were formed as follows after the Company's General Assemblies dated 21.04.2020 and 25.02.2021.

Name - Surname	Position	Date of GA/ BD for Assignment	Term End Date
İlhan Doğan	Chairman of the Board	21.04.2020	21.04.2023
Murat Doğan	Deputy Chairman of the Board of Directors	21.04.2020	21.04.2023
Osman Nuri Vardi	Vice Chairman of the Board of Directors	21.04.2020	21.04.2023
Salih Tuncer Mutlucan	Board Member	21.04.2020	21.04.2023
Ogün Doğan	Board Member	21.04.2020	21.04.2023
Doruk Doğan	Board Member	21.04.2020	21.04.2023
Elif Ateş Özpak*	Independent Board Member	21.09.2022	21.04.2023
K. Banu Ejder Özcan	Independent Board Member	25.02.2021	21.04.2023
Prof. Dr. Hanife Öztürk Akkartal	Independent Board Member	25.02.2021	21.04.2023

*Upon the resignation of Mr. Mustafa Ergi, in line with the positive opinion of the Capital Markets Board dated 09.09.2022 with the decision of the Board dated 21.09.2022 and in accordance with Article 363 of the Turkish Commercial Code, Elif Ateş Özpak was appointed as an Independent Board Member to complete the remainder of Mustafa Ergi's term of office, which will expire on 21.04.2023.



İLHAN DOĞAN

Chairman of the Board of Directors

Born in the Biga district of Çanakkale in 1969, İlhan Doğan completed his primary and secondary education in Biga. After founding Doğ-Taş Doğanlar Mobilya İmalat Sanayi ve Ticaret A.Ş. with his brothers in 1987, he entered the industry with his furniture and decoration manufacturing plants opened in 1988. He is currently the Chairman of the Board of Directors in charge of the Energy Group at the Doğanlar Holding, and the deputy chairman of Çanakkale Chamber of Commerce and Industry. İlhan Doğan is also a member of the Çanakkale Businessmen Association. İlhan Doğan is married and has a child.



MURAT DOĞAN

Deputy Chairman of the Board of Directors

Born in the Biga district of Çanakkale in 1971, Murat Doğan completed his primary and secondary education in Biga. After founding Doğ-Taş Doğanlar Mobilya İmalat Sanayi ve Ticaret A.Ş. with his brothers in 1987, he joined the industry with the furniture and decoration manufacturing plants in 1988. Murat Doğan is the Deputy Chairman of the Energy Group at Doğanlar Holding. Doğan is married and has a child.



OSMAN NURİ VARDI

Vice Chairman of the Board of Directors and CEO

Osman Nuri Vardi was born in Malatya in 1977. After completing his bachelor's degree, he started working as a lecturer at the Eastern Mediterranean University in 2000. After serving in the private sector abroad and in the public sector for a while, he entered the renewable energy sector in 2011 by founding the company Karya Power Systems, Energy & Engineering, which generates power from renewable energy sources. He personally served at many positions, both in the execution and managing departments, at the renewable energy companies he founded. He is currently the Vice Chairman and CEO of Biotrend Çevre ve Enerji Yatırımları A.Ş. Osman Nuri Vardi, who is fluent in English and has intermediate knowledge of German, is married and has 2 children.

Board of Directors



SALİH TUNCER MUTLUCAN
Board Member

Born in Istanbul in 1968, Tuncer Mutlucan obtained his high school diploma from Lycée de Galatasaray and has a degree in Civil Engineering from Boğaziçi University. Fluent in English and French, Mutlucan attended the Construction Management Master program at Istanbul Technical University and started his career in banking in 1992. He was the head of the Luxembourg Branch of Garanti Bank between 1995-2006, and the Managing Director of Akbank NV Netherlands between 2006-2010. Between 2010 -2015, he served as CEO of Ak Financial Leasing. Mutlucan has also sat at the Board of the Association of Financial Institutions. Mutlucan was a member of the Board of various organizations at Çalık Holding between 2015-2018, and sat at the Boards of Güven Health Group, Active Shipping, and Umur Printing Group between 2018-2019. Mutlucan is an Independent Board Member at Astor Enerji A.Ş., Board Member in charge of Strategy and Business Development at Doğanlar Holding, and Board Member at Doğanlar Furniture Group. He is also a member of the Chamber of Civil Engineers and Istanbul Rotary Club.



OGÜN DOĞAN
Board Member

Born in 1988 in Biga, Çanakkale, Ogün Doğan completed his primary education at Sakarya Elementary School and his high school education at Mehmet Akif Ersoy High School. After obtaining a degree from the Department of Interior Architecture, Yeditepe University, he completed his master's degree in finance in London. Ogün Doğan started his career in 2014, working as Business Development Specialist at Doğanlar Yatırım Holding for a year. Ogün Doğan is a member of the Doğanlar Holding Executive Board, as well as a Board Member of the Young Business People Association of Turkey (TÜGİAD) and a member of the Turkish Investor Relations Association (TÜYİD). Ogün Doğan is married and has 2 children.



DORUK DOĞAN
Board Member

Born in the Bandırma district of Balıkesir in 1994, Doruk Doğan completed his secondary education and high school at FMV Özel Işık Okulu in Istanbul. Having received his bachelor's degree from the Faculty of Business Administration, Koç University, Doruk Doğan became a board member of Biotrend Çevre ve Enerji Yatırımları A.Ş. in 2018. Doruk Doğan is also a member of the Doğanlar Holding Executive Board in charge of Business Development.



K. BANU EJDER ÖZCAN
Independent Board Member

K. Banu Ejder Özcan was born in 1963. After studying business at LMU Munich, she started her career in the loans department of BNP-AK-DRESDNER BANK AS in 1987. She worked as a financial analyst between 1987-1990 and marketing manager between 1990-1996. After establishing the Demir-Halk Bank NV representative office in Istanbul in 1996, she opened 7 branches across Germany connected to Düsseldorf during her tenure as Managing Director of Demir Halk Bank NV between 1997-2001. In 2001, she was appointed Senior Managing Director to establish the Netherlands branch of Akbank NV. In 2018-2019, she sat on the Supervisory Board of Akbank AG Germany. In 2012, she merged Akbank NV with Akbank AG in Germany and served as Board President & CEO of Akbank AG. She held this position until December 28, 2020. She was appointed as member of the Supervisory Board of Akbank AG until March 12, 2021. In 2014, on the recommendation of the German Finance Ministry, she was appointed as the first woman to sit at the Deutsche Bundesbank Advisory Board. In the same year, she was appointed by the Mayor of Frankfurt as the International Frankfurt Trade Ambassador with a mission of developing trade relations and promoting the city of Frankfurt. In 2018-2019, she sat on the Supervisory Board of Akbank AG Germany. Having served as a member of the Board of Directors of the Foreign Banks Association established in Germany until December 2020, Banu Ejder Özcan serves as the General Manager of First Commercial Bank Ltd Taiwan, as of January 2022. She is married and a German citizen. She is fluent in English and German.



PROF. DR. HANİFE ÖZTÜRK AKKARTAL
Independent Board Member

Hanife Öztürk Akkartal was born in Biga in 1964. She obtained her law degree from Dokuz Eylül University in 1985 and started working as a research assistant at the Department of Commercial Law. After completing her MA and PhD at the Ankara University Institute of Social Sciences, she embarked on academic studies in Germany as DAAD (Deutscher Akademischer Austauschdienst) scholar between 1989-1991 and Alexander von Humboldt scholar in 2005-2006. A lecturer at Department of Commercial Law at the Istanbul Kültür University Law School, Akkartal is a registered lawyer at the Istanbul and Cologne Bar Associations and serves as an arbitrator and expert in national and international disputes.



ELİF ATEŞ ÖZPAK
Independent Board Member

After graduating from Istanbul University Faculty of Law in 1992, Elif Ateş Özpak became a partner in Pekin & Pekin Law Firm in 1994. Özpak completed the Program of Instruction for Lawyers (PIL) at Harvard Law School in 2000 and served as Turkcell's corporate legal counsel between 2001 and 2005. She became a shareholder partner at Taboğlu, Ateş, Demirhan Law Firm between 2004-2008. She currently serves as the General Manager at Kybele Consulting Limited UK. Özpak has been an independent board member of Unico Sigorta (2019), independent board member of Boyner Group (2012-2017), board member of Kuzeykaya Elektrik Üretim A.Ş. (2014-2016), board member of Doğa Çevre Teknolojileri A.Ş. (2014-2016), independent board member of Kredix (fin-tech) (2014-2016), and board member of Ray Sigorta (2008). Elif Ateş Özpak is a Non-Executive Board Member at Atlanta Sanad, an Independent Board Member at Akis GYO, a Non-Executive Board Member at Akfen Yenilenebilir Enerji, and an Independent Board Member at Arzum.

Senior Management



OSMAN NURİ VARDI **CEO**

Osman Nuri Vardi was born in Malatya in 1977. After completing his bachelor's degree, he started working as a lecturer at the Eastern Mediterranean University in 2000. After serving in the private sector abroad and in the public sector for a while, he entered the renewable energy sector in 2011 by founding the company Karya Power Systems, Energy & Engineering, which generates power from renewable energy sources. He personally served at many positions, both in the execution and managing departments, at the renewable energy companies he founded. He is currently the Vice Chairman and CEO of Biotrend Çevre ve Enerji Yatırımları A.Ş. Osman Nuri Vardi, who is fluent in English and has intermediate knowledge of German, is married and has 2 children.



MEHMET ALİ NALÇACIOĞLU **Deputy General Manager**

Mehmet Ali Nalçacıoğlu received his bachelor's degree from Istanbul Technical University Environmental Engineering Department and his master's degree from Boğaziçi University Environmental Technologies Institute in 2003. Nalçacıoğlu has specialized in planning, commissioning, and operating works in integrated solid waste management projects, as well as biogas, compost, and renewable energy projects. After working in various positions at Sistem Yapı in 2004-2006 and Biwater International between 2006-2010, he served as the Technical Director of Solid Waste Management at Heksagon Katı Atık A.Ş. between 2009-2020. Mehmet Ali Nalçacıoğlu has been working as the Deputy General Manager of Biotrend Çevre ve Enerji Yatırımları A.Ş. since June 2020.



BAHRİ OKHAN **Deputy General Manager**

Bahri Okhan has held various positions in the private sector and the companies he founded for more than 24 years during his career. He worked as the Facilities Manager at ITC Integrated Solid Waste Systems between 2005-2018, and later founded his own company, Biofer Enerji Company. Okhan specializes in the design, planning, implementation and operation of all facilities within the scope of domestic solid waste projects; in the project design, implementation, and operation of mechanical separation facilities, fermentation facilities, and facilities that process recycling packaging wastes and turn them into raw materials; in installation and operation of electrical energy generation facilities and landfills, collection and transportation of medical wastes at the source, incineration and gasification works to dispose of medical waste and industrial wastes; and in the design, project design, installation, commissioning and operation of biomass facilities. He is married and has 2 children. He has been working as Deputy General Manager at Biotrend Çevre ve Enerji Yatırımları A.Ş. since October 2021.



BURAK POLAT **CFO**

Born in Ankara in 1983, Burak Polat received his bachelor's degree from Boğaziçi University, Faculty of Economics and Administrative Sciences, Department of Business Administration between 2001-2006 and his master's degree from Accounting and Auditing at Istanbul Bilgi University between 2009-2012. Burak Polat started his career in 2005 as an intern at Coca-Cola. He then worked as an Assistant Auditor at Finansbank A.Ş. between 2006-2010 and as Financial Reporting Manager in the Libya operations of Rönesans International Group between 2010-2012. Between 2013 and 2016, he served as the Finance Control Director in the Isystems Industries group, as the Finance Manager at Turkcell between 2016-2019, and as the Treasury, Accounting and Tax Director at Digiturk between 2019-2022. Between April 2022 and January 2023, he has been CFO at Doğanlar Furniture Group İmalat Sanayi ve Ticaret A.Ş.



GÖZDE ÇİVICİ **Investor Relations Director and Secretary General**

Born in Istanbul in 1983, Gözde Çivici graduated from Koç High School, then completed her bachelor's degree education at Emory University, Department of Economics in Atlanta, USA, and her master's degree at Boğaziçi University, Department of Economics and Finance. Starting her career as a financial analyst at American Express in 2006, Çivici held investment banking, project finance, and consultancy positions at İş Investment, KPMG, Ak Investment, Akbank, and TSKB. Çivici, who has 17 years of finance and consultancy experience, joined Doğanlar Holding in 2021. He is a member of the Turkish Investor Relations Society (TÜYİD) and the Corporate Governance Association of Turkey (TKYD). She currently serves as Doğanlar Holding Investor Relations Director and Secretary General.



AYNUR OKTAY **Director of Risk and Compliance**

She graduated from Istanbul Technical University, Faculty of Mechanical Engineering, Department of Textile Engineering in 1988 and received her master's degree (MBA) on Business Management and Organization at Kocaeli University between 1994-1997. After graduating from university, she started her career as a manager at Ak-Al Tekstil, one of the Akkök Holding Companies. Oktay, who entered the Sabancı Group, where she worked for 25 years in total, with Kordsa Teknik Tekstil A.Ş. in 1990, undertook various duties for 17 years at Kordsa in different departments such as Management Systems, Business Excellence, Audit, Strategic Planning, Production, and R&D Laboratory management. While working at Kordsa, she continued to work for Beksa, Sabancı DX, Brisa, Enerjisa, Temsa, and Toyotasa companies within the scope of Joint Services since 2004. She managed the Corporate Development Department at Teknosa serving on Governance, Risk, and Compliance (GRC) between 2007-2015. She led various projects at Sabancı DX as the head of the Governance, Risk and Compliance (GRC) Consulting Service between 2015-2016. Aynur Oktay, who started to work as Biotrend Compliance Director in 2021, continues her duty as Risk and Compliance Director. Aynur Oktay, who speaks English, is married and has two children.

Senior Management



ZAFER ÇELİK
Biomass Power Plants Investment and Operations Director

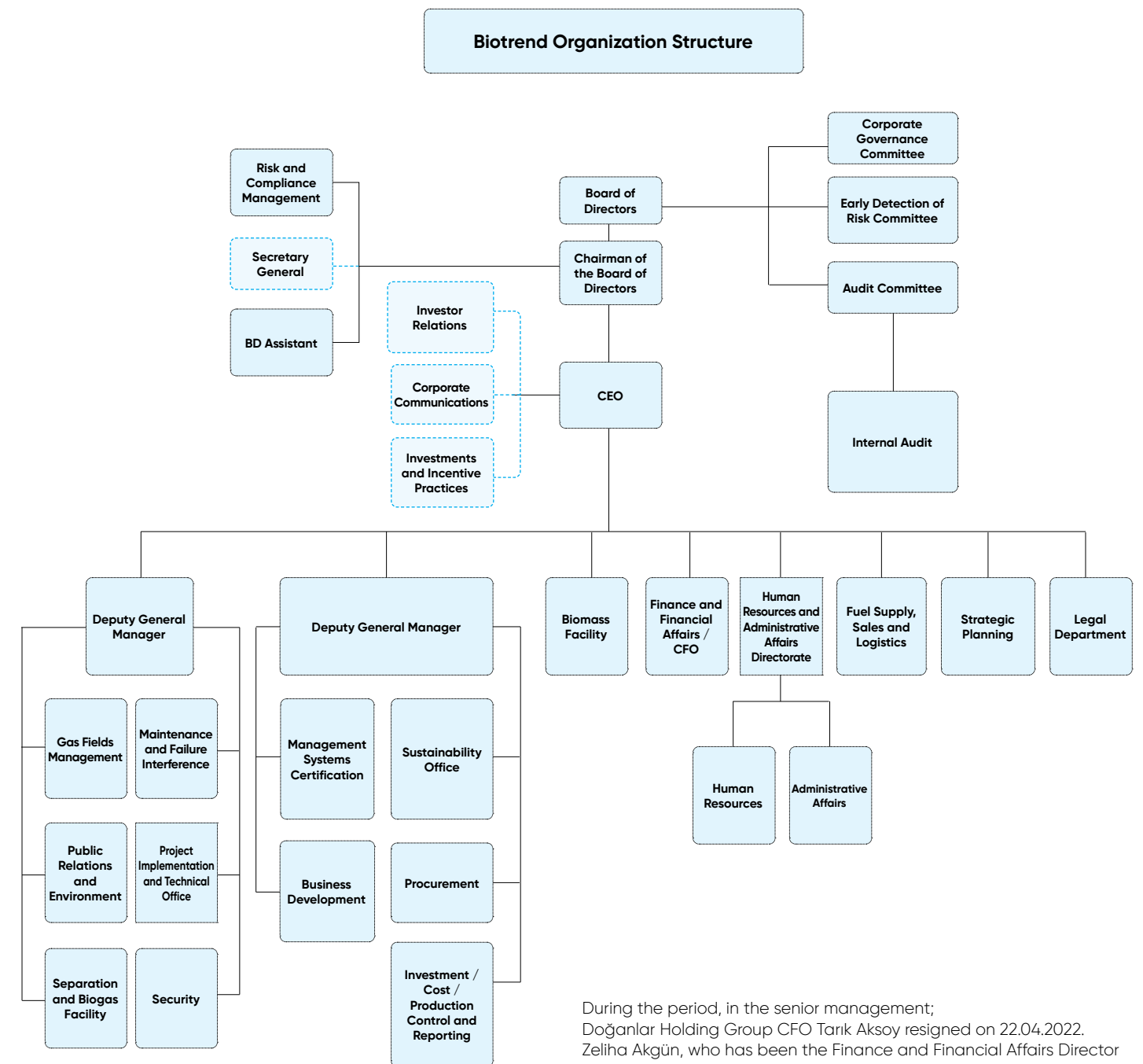
Born in 1984 in Elazığ, Zafer Çelik completed his undergraduate education at Fırat University, Faculty of Engineering, Department of Chemical Engineering in 2006. Zafer Çelik started his career in 2007 as the Operations Chief at Ağdersan Ağın Deri Sanayi A.Ş. Çelik worked as the Production Chief at Toprak Holding Lice Oil factory in 2008 and as the Chief Operations Engineer at Silopi Elektrik Üretim A.Ş. (3x135 MWe) between 2008-2012. He worked as the Chief Installation and Operations Engineer at Yunus Emre Thermal Power Plant (2x145 MWe) between 2012-2016. He served as the Assistant Facility Manager at Eren Enerji (276 MWe) Modern Enerji Forestry waste and solid waste incineration plants between 2016-2018. He worked as the Facility Manager at Global Yatırım Holding/Mavi Bayrak Doğu (12 MWe) Biomass power plant between 2018-2020. Zafer Çelik has been working as the Investment and Operations Director of Biotrend Biomass Power Plants since March 18, 2020. He is married and has 3 children. He speaks English at an advanced level.



ATT. AKIN AKI
Legal Advisor

Akın Akı was born in Bolu in 1989. He completed his undergraduate education at Bilkent University Faculty of Law and was included in the Hall of Fame upon his academic success in the 2010-2011 academic year. During his university life, he gained experience in business life by doing internships at the Turkish Embassy in Moscow in Russia, in various places in the USA, and in Turkey's reputable law offices. After receiving his bachelor's degree, he started his career at Moroğlu Arseven Law Firm, one of the leading law firms in our country. Together with his business life, he received his master's degree with thesis at Bahçeşehir University Faculty of Law in 2018. Att. Akın Akı, who has served the Albayrak Holding group companies for a while, has been working as a Legal Counsel at Doğanlar Yatırım Holding A.Ş. since 2016 and at Biotrend Çevre ve Enerji Yatırımları A.Ş. since its foundation. He also served as a Board Member of Biotrend Çevre ve Enerji Yatırımları A.Ş. for a term in 2020.

Organizational Chart



During the period, in the senior management; Doğanlar Holding Group CFO Tarık Aksoy resigned on 22.04.2022. Zeliha Akgün, who has been the Finance and Financial Affairs Director of the Company, is appointed as CFO at Doğanlar Yatırım Holding A.Ş. as of 05.08.2022. İsmail Hakan Hamurcu took office as the CFO of Biotrend Çevre ve Enerji Yatırımları A.Ş. as of 05.08.2022. Burak Polat was appointed to the vacant position due to İsmail Hakan Hamurcu's resignation as of February 1, 2023.

Serving as Doğanlar Holding Investor Relations Director, Güzde Çivici was appointed as Doğanlar Holding Secretary General as of 21.11.2022, in addition to her Investor Relations Director position.

Industry Assessment 2022

Zero Waste Project makes a great contribution to the industry.

With the implementation of mechanisms such as the national emissions trading system that will support green and sustainable projects, the way for the industry will be further cleared.

The biomass and bioenergy industry comes to the forefront as an industry that attracts more and more attention every year, that becomes more prominent with the world population increasing day by day and the renewable energy resources becoming a necessity in parallel with this increase. The world becoming sustainable through waste-to-energy and integrated waste management activities plays an important role in combating global climate change, the effects of which are now deeply felt.

Biomass and bioenergy, which have become a more preferred industry with increased societal awareness and understanding of the importance of recycling, continued to grow in the world and in our country in 2022 as well.

The positive laws and practices implemented by the government encouraging recycling and waste management, the legal regulations carried out for the execution of waste-to-energy activities, and the projects implemented in the fields of raising awareness and providing financing and support always take the industry one step further. At this point, especially municipalities have great responsibilities. The Zero Waste project, which progresses and develops thanks to the public-private sector cooperation, makes a great contribution to the industry by supporting the strategies of reduction and prevention at the source, the most important step in the waste management hierarchy.

Besides, the hybrid regulation and domestic consumption regulations revised in 2022 have been one of the most positive developments in the renewable energy industry.

One of the most important matters among the issues of the sector required to be solved in the future has unfortunately been the high fuel costs, a big problem for companies this year as well, that emerged in the biomass plants where alternative fuel solutions are sought.

The fact that the sales prices of YEKDEM are well below the current market electricity sales prices has greatly narrowed the additional investment potential of the energy industry. Therefore, it is possible that new biomass investments are suspended for a while. In 2023, the industry expects a working period aimed at optimizing existing installed systems and improving operating conditions. 2023 will also be a year in which companies will accelerate their efforts to increase the ratio of recycling revenues to their total turnover. In this period, efforts on integrated facility management and Zero Waste are also expected to accelerate.

With the implementation of mechanisms such as the national emissions trading system that will support green and sustainable projects, the way for the industry will be further cleared.



Fields of Operation

The total installed capacity of Biotrend is 99.2 MWe.

Current Operations



Energy Generation

- Biogas
- Landfill Gas
- Refuse Derived Fuel (RDF)

Integrated Waste Management

- Sanitary Landfill
- Fuel Production
- Compost
- Mechanical Separation and Material Recovery

Carbon Trading

Planned Operations



Integrated Energy Management

- Electricity Storage
- Solar Electricity Generation
- Heat Sales

Greenhouse Farming

- Chemical Upcycling
- Plastic Pollution Solutions

Biocircular business model that transforms waste into value

Other existing and planned activities in 10+ fields besides energy generation



Fields of Operation

Integrated waste management, energy generation, and carbon trading activities continue at Biotrend's 19 facilities.

19 facilities

The main fields of activity of the Biotrend are renewable energy, circular raw materials, and sustainable fuel production with a focus on integrated waste management.

Biotrend's product service table consists of the following activity items:

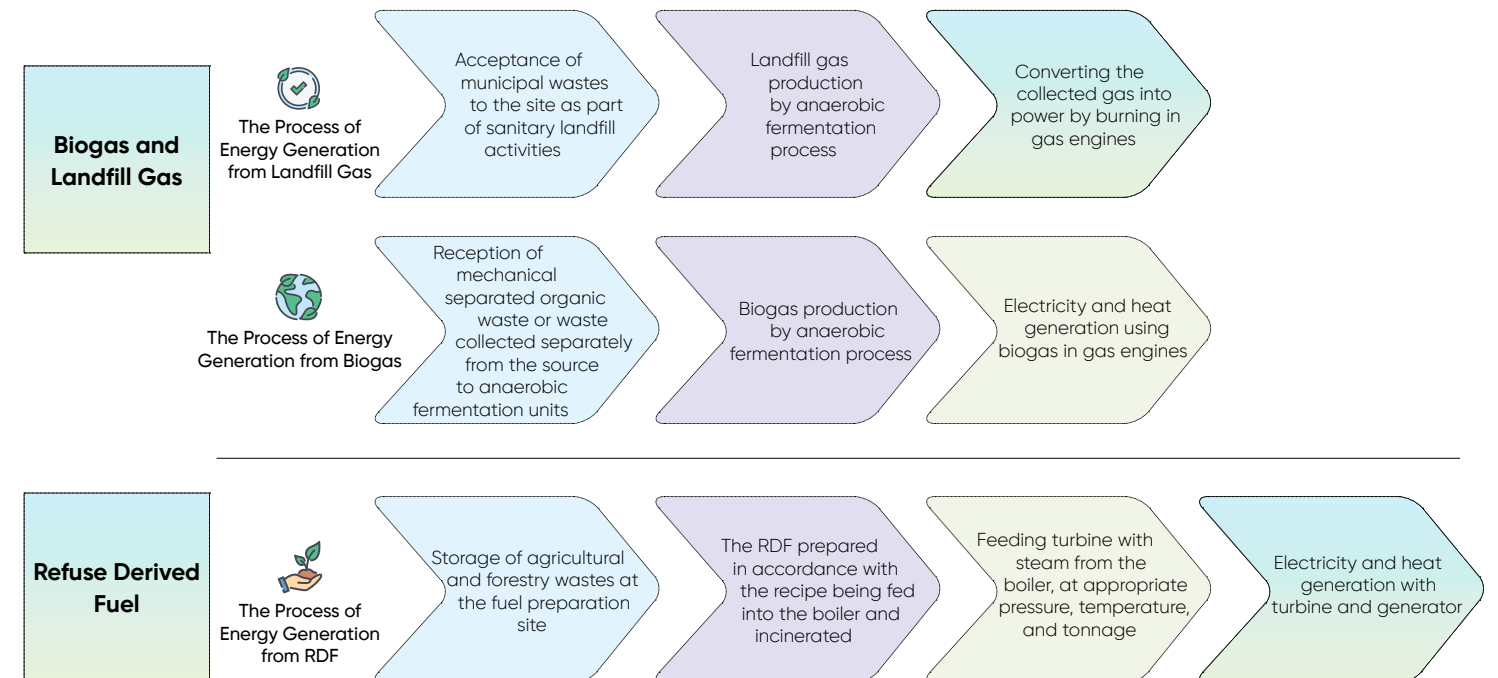
Main Field of Activity	Activities	Product / Service
Energy Generation	Energy Generation from Biogas	Electricity
	Energy Generation from Landfill Gas	Heat
	Energy Generation from RDF	
Integrated Waste Management	Sanitary Landfill	Waste Disposal
	Fuel Production	Biogas
		Landfill gas
	Compost Production	RDF
		Compost
Mechanical Separation and Material Recovery	Circular Raw Material	
	Biocircular Raw Material	
Carbon Trading	Carbon Credit Projects	Carbon Credit

Electricity is generated by biogas and biomass power plants.

Current Operations

Energy Generation

The Company produces electricity and heat together from biogas, landfill gas, and refuse-derived fuel at its Biomass Power Plants.



Fields of Operation

Energy using biomass power plants constitute 100% of the installed capacity.

Current Operations



Integrated Waste Management

Sanitary Landfill

Municipal wastes coming to Biotrend Integrated Waste Management facilities are processed by being directed to the relevant units as per their waste types. Accordingly, municipal wastes are directed to mechanical separation and material recovery facilities, park and garden wastes are directed to compost facilities, wastes suitable for biofuel production after mechanical separation are directed to anaerobic fermentation units, and wastes suitable for energy recovery are directed to RDF facilities. Industrial wastes that can be accepted to landfills as per the legislation and

wastes that are not suitable for material and energy recovery after mechanical separation are directed to landfills and disposed of. Negative environmental impacts are prevented by effective waste leachate and odor management in the field. Accordingly, site design and rainwater control in landfills are the most important factors in terms of waste leachate management. Thanks to the impermeability layer built on the bottom of the site to reduce the environmental impacts that may be caused by the landfills, the waste leachate from the warehouse environment is collected, preventing the pollution of groundwater and surface waters. In these sealed fields, waste leachate is collected through the

drainage layer, accumulated in lagoon/settlement ponds, and transport waste water treatment plants. It is also very important to build an effective leachate collection and drainage system in addition to the natural impermeability layer in landfills in order to prevent the potential risks of leachate for soil and groundwater. Biotrend conducts sanitary landfill activities in full compliance with national environmental legislation. Within the scope of environmental impact assessments of landfills, factors such as landfill design, soil impermeability, drainage systems, and leachate collection are taken into account.



Fuel Production

Biogas

Biogas production starts by transferring the organic wastes separated by the processing of municipal wastes at Biotrend mechanical separation and material recovery facilities to anaerobic fermentation units by means of conveyors. In a period of about 28 days, biogas production is completed by horizontally mixing organic wastes in a thermophilic environment. The biogas produced at the end of the process is stored in the biogas balloon. Before biogas energy generation, the gas is directed to the conditioning unit and is purified from moisture, hydrogen sulfide, and solid particles. Electricity and heat generation is realized using biogas in gas engines. While the generated bioelectricity is fed to the grid, the bioheat is utilized in the biogas production process of the anaerobic fermentation units, thus ensuring energy efficiency at the facility.

Biotrend produces biogas with a total of 9 anaerobic fermentation units in Bergama, Malatya, Uşak, and İnegöl Integrated Waste Management facilities. In 2022, 5 anaerobic fermentation units were commissioned. Biogas power plants constitute 11% (10.88 MWe) of the Company's installed capacity.



Landfill Gas

After the municipal wastes are accepted to the site as part of sanitary landfill activities, landfill gas rich in methane gas is formed over time with the anaerobic fermentation process. In order to achieve environmental and economic benefits by using landfill gas, containing harmful greenhouse gas that causes environmental pollution and climate change in energy generation, it is collected in the landfill effectively and efficiently and used in energy generation after the gas conditioning process. Landfill gas power plants constitute 74% (73.74 MWe) of its installed capacity.



Refuse Derived Fuel (RDF)

RDF, which is formulated technically suitable for the power plant's energy generation process, is produced from agricultural and forestry wastes at the Ulubey Solid Fuel Preparation Facility to meet the fuel needs of the Biomek Biomass Power Plant.

Agricultural wastes generated as a result of wheat, barley, corn, sunflower, cotton, and beet production are accepted at Ulubey Solid Fuel Preparation Facility. Thus, while supporting the farmers by transforming agricultural wastes into economic value, human and nature-friendly energy is generated from domestic-renewable sources in the biomass power plant. In addition to agricultural waste, forestry waste generated by the Turkish Ministry of Agriculture and Forestry's regular annual forestry activities are accepted for solid fuel preparation facilities. These wastes are allocated to biomass power plants throughout the country by the relevant General Directorates of Forestry by their installed capacities. No forest products other than forestry wastes are accepted into the facilities.

Investments are still underway in four facilities for the production of RDF from the part of municipal waste, which is obtained after processing in mechanical separation and material recovery facilities, that does not contain recyclables but is suitable for energy recovery. The aim is to start RDF production at Harmandalı, Balıkesir, Bergama, and İnegöl Integrated Waste Management Facilities. RDF plants constitute 15% (14.60 MWe) of its installed capacity.

Fields of Operation

Current Operations



Compost Production

With its compost production activities, Biotrend aims to utilize the compost obtained from the park and garden wastes of municipalities by reusing it in environmental planning and landscaping applications. Accordingly, the compost production process includes physical sizing and blending of park and garden waste collected by municipalities, and then processing them according to the raw material type to obtain the compost end product. Production at Harmandalı, Bergama, Balıkesir, and Aksaray facilities is anticipated to start in 2023.

Mechanical Separation and Material Recovery

Mechanical separation and material recovery activities cover the mechanical pre-treatment of municipal wastes to make them suitable for fuel production and material recovery. Equipment such as overhead cranes, bag openers, rotary screens, ballistic separators, magnetic separators, optical separators, bale press machines together with separation cabins are accordingly available in the mechanical processing and material recovery facilities. Circular raw materials are obtained by processing municipal wastes and recovering metals with plastic and magnetic separators in separation cabins. Then, the organic part is directed to biofuel production and the part suitable for energy recovery is directed to Refuse-Derived Fuel (RDF) production as raw material. While circular raw materials are supplied for processing in the production of recycled plastics and metals, biocircular raw materials are sent to biogas and landfill gas production. Biotrend processes an average of 9 thousand tons of waste per day with its mechanical separation and material recovery activities at 8 Integrated Waste Management Facilities.

Carbon Trading

Carbon credits are traded through mechanisms known as the global carbon market. A Carbon Credit is an "emission reduction unit used to indicate a greenhouse gas emission reduction of 1 ton CO2 equivalent" and is a tradable permit or certificate that entitles its holder to emit 1 ton of CO2 equivalent greenhouse gas. Carbon Credit mechanisms aim to support projects that reduce greenhouse gas emissions and create environmental and social benefits.

Biotrend gained its first Carbon Credit income in 2022.



Biotrend started its Carbon Credit projects, in which its environmental positive impact regarding integrated waste management and energy generation activities are documented, with the Harmandalı, Balıkesir, and Uşak projects in 2021, and advanced to cover all its facilities with its efforts

in 2022. Accordingly, greenhouse gas reduction certification projects covering 16 facilities were carried out by Biotrend under the VERRA, GCC, and ICR certification programs. Biotrend anticipates that all of its projects will reduce emissions by nearly 2 million Carbon Credits per year as part of its participation in carbon programs.

Biotrend's Carbon Credits will be CORSIA labeled suitable for use in civil aviation and will provide an important privilege. Biotrend gained its first Carbon Credit income in 2022.

Fields of Operation

Solar Power Plant investments are planned to start in 2023.

Planned Operations



Integrated Energy Management

Electricity Storage

Electricity Storage Systems are one of the effective technical solution methods to prevent losses due to grid problems and supply and demand relations in energy markets. Electricity Storage Systems respond rapidly to the discontinuous production profile of scattered production units based on

renewable sources such as wind and solar sources, and to fluctuations in the output power of other production units. Biotrend has applied to the Energy Market Regulatory Authority on 26.10.2022 for the Project of 6 Independent Electricity Storage Facilities to have an installed capacity of 50 MWe each, and 300 MWe in total, to ensure the continuity of the supply of renewable energy produced by electricity storage investments.

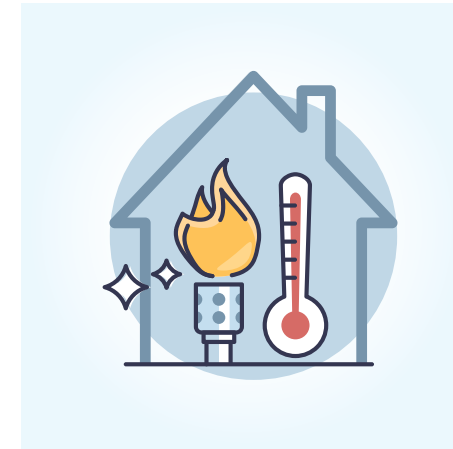
The decision was made to combine the existing Biomass Power Plants with the Solar Power Plant (SPP).



Solar Electricity Generation

Biotrend decided to hybridize its existing Biomass Power Plants with Solar Power Plant (SPP) under the renewed regulation in order to minimize the losses due to internal consumption at its power plants where it produces energy from biogas and landfill gas and to get the highest yield from its installed capacity. SPP investments are planned to start in 2023.

Biotrend aims to create benefits in sustainable agriculture.



Heat Sales

Electricity and heat generation is realized at Biotrend's hybrid power plants. Within the scope of energy efficiency studies, the aim is to make an appropriate contribution to the Company's vertical integration strategy in the coming period by utilizing bioheat, which is currently used for heating anaerobic fermentation units and administrative buildings, in fields such as compost production and greenhouse farming.

It is located within the Ezine Gıda Specialized Organized Industrial Zone, aligned with the Company's goal of being a facilitator in the transition process to a low carbon economy. Ezine Biomass Power Plant, which will have an installed capacity of 30 MW, where 1,000 tons of refuse-derived fuel (RDF) produced from agriculture, forestry and municipal wastes will be converted into energy per day, is planned to sell bioelectricity, as well as heat as hot water and saturated steam to the organized industrial zone companies. With this sale, Biotrend will have an impact on the reduction of the Carbon Footprint of said companies, and a difference will be made by achieving an important first in our country.



Greenhouse Farming

Glass greenhouse investment began in 2022 in order to carry out greenhouse farming activities on a 54 thousand m2 land adjacent to Sivas BPP. The plan is to produce ~2,500 tons of tomatoes annually by using the latest soilless farming techniques at the Sivas Greenhouse. The first crops will be harvested in 2023. The bioheat produced at Sivas BPP will be used in the greenhouse. Biotrend aims to transform the heat potential originating from hybrid energy generation into a contribution to the country's economy, to support local development, and to create benefits in sustainable agriculture by making greenhouse investments in other facilities, especially in Uşak and İnegöl Facilities.



Chemical Upcycling

Chemical Upcycling is an innovative plastic pollution solution in a small number of industrial applications with the aim of introducing plastics, that cannot be mechanically recycled due to technological, economic, or ecological reasons, to the circular economy as a sustainable raw material. Aligned with the philosophy of adding high-added value to waste, Biotrend signed a goodwill agreement with Honeywell UOP for its project that will convert 90 thousand tons of mechanical non-recyclable plastic waste annually into 60 thousand tons of sustainable plastic raw materials. The project to be implemented will be a first in the world in terms of capacity.

Fields of Operation

Biotrend aims for global leadership in the field of plastic credit.

Planned Operations

Biotrend started to work to have the first plastic credits of our country.



Plastic Pollution Solutions

Biotrend started to work to be a pioneer in participating in the Plastic Waste Reduction Program (Plastic Program) published under the VERRA program in 2022 and to have the first plastic credits of our country. In this context, the environmental positive impact of plastic waste reductions realized

through investments in mechanical separation and material recovery facilities and Chemical Upcycling facility will be documented. The Plastic Credit will document plastics recovered and recycled through a mechanism similar to the Carbon Credit. In this regard, Biotrend advances with the aim of achieving global leadership.

Biotrend has made a new collaboration with Honeywell.



Plastics are Recycled by Pyrolysis Method

Thanks to the new cooperation with Honeywell, the chemical upcycling of plastics will be carried out using the pyrolysis method. Unlike mechanical recycling, which is limited by contamination and complications from material separation and sorting, chemical recycling is a process in which material is reduced to its original chemical building blocks so that they can be transformed back into new products.

At Biotrend's Izmir Harmandalı and Bergama facilities, which are currently in operation in the Aegean Region, 75-85 thousand tons of waste film plastic will be selected annually from the two facilities and sent to the project area with additional mechanical separation units to be added to the existing mechanical separation sections.

Plastic waste separated from mixed waste in the project area will be cleaned, broken/crushed, washed, and concentrated in the new pre-treatment facilities. The cleaned and prepared homogeneous mixture will be fed to the Honeywell Pyrolysis unit at an annual rate of 60,000 tons, and an output of 56,000 ton/year of recycled polymer oil will be obtained. The plan is to sell these products with maximum benefit in order to contribute to the plastic circular economy.

Production Facilities

The total licenced capacity is 181,251 MWe.

Facilities by Activities

Biotrend-Facilities By Field of Activity					Biotrend-Facilities By Field of Activity									
SPV Name/ Facility Name	Licenced Power (MWe)	Installed Capacity 31.12.2022 (MWe)	Energy Generation by Fuel Type			Integrated Waste Management Activities						Carbon Credit		
			Landfill Gas	Biogas	RDF	Sanitary Landfill	Landfill Gas Production	Biogas Production	RDF Production	Compost Production	Mechanical Separation and Material Recovery			
1 Doğu Star	Malatya-1 Landfill Gas (Orduzu)	2,400	2,400		✓				✓	✓	✓	✓	✓	✓
2 Doğu Star	Malatya Unlicensed (Malatya Metropolitan Municipality Landfill Site Landfill Gas) (Orduzu)	-	2,400*	✓			✓	✓						✓
3 Nov Enerji	Sivas Landfill Gas	2,826	2,826	✓			✓	✓				✓		✓
4 Novtek Enerji	İnegöl Landfill Gas	2,400	2,400	✓			✓	✓						✓
5 Novtek Enerji	İskenderun Landfill Gas	4,239	4,239	✓			✓	✓						✓
6 İzmir Novtek	İzmir Harmandalı Landfill Gas (İzmir Landfill Gas)	39,690	32,340	✓			✓	✓		✓	✓	✓	✓	✓
7 İda (Landfill)	Balıkesir Landfill Gas	14,140	11,312	✓			✓	✓		✓	✓	✓	✓	✓
8 Uşak Yenilenebilir	Uşak Landfill Gas (Uşak Biogas)	5,498	4,084	✓	✓		✓	✓	✓			✓		✓
9 Doğu Star	İnegöl-2 Biogas	14,140	8,484		✓				✓	✓		✓		✓
10 İzmir Doğu Star	İzmir Bergama Landfill Gas	9,898	8,484	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
11 Biyomek Elektrik	Çine Biomass	13,600	13,600			✓								✓
12 Ulubey	Çine Fuel Preparation	-	-							✓				
13 Yılbatu	Menderes Biogas (İzmir Biogas)	**24,038	-	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
14 Doğu Star	Malatya-2 Landfill Gas (Kapıkaya)	4,242	2,828	✓			✓	✓						✓
15 MD Biyokütle	Aksaray Landfill Gas	5,656	1,414	✓			✓	✓			✓	✓	✓	✓
16 Mersin	Ezine Biyokütle	30,000	1,000			✓				✓				✓
17 Serenti	Giresun Landfill Gas	4,242	1,414	✓			✓			✓	✓	✓	✓	✓
18 Ayvacık	Ayvacık Landfill Gas	**4,242	-	✓			✓			✓		✓	✓	✓
19 Maven Tarım	Sivas Greenhouse	-	-											
Total		181,251	99,225											

Source: Company Management

* Unlicensed

** Pre-license was obtained, and the license acquisition process continues.

Operational

Planned

Production Facilities



No	Company	Business	Planned Operations				
			Heat Sales	Solar Power Plant	Electricity Storage	Greenhouse Farming	Chemical Upcycling
1	Maven Tarım Seracılık ve Hayvancılık San ve Tic. A.Ş.	Sivas Greenhouse					✓
2	Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş.	Ezine Biomass Power Plant	✓				
3	Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri Sanayi A.Ş.			✓			✓
4	Doğan Kent Elektrik Enerjisi Toptan Satış A.Ş.				✓		

Total net electricity generation increased by 29% in 2022 compared to 2021

The table below shows the increases in the installed capacity of Biomass Power Plants by fuel type of the Company between 31.12.2017-31.12.2022. In 2022, the installed capacity reached 99.2 MWe by the end of the year.

Fuel Type	Installed Capacity (MWe)					
	2017	2018	2019	2020	2021	2022
Biogas	1.20	2.40	2.40	3.81	5.20	10.88
Landfill Gas	9.46	11.87	34.89	50.57	67.82	73.74
RDF				1.40	14.60	14.60
Total	10.66	14.27	37.29	55.78	87.62	99.22

The electricity generation per the Company's production facilities between 31.12.2019-31.12.2022 is given below. In 2022, gross electricity production increased by 31.5% compared to 2021, reaching 572 GWh, while net electricity production increased by 29% to 530.34 GWh.

#	SPV Name	Facility Name	Fuel Type	Net Electricity Generation (GWh)			
				2019	2020	2021	2022
1	Doğu Star	Orduzu Facility (Licensed)	Biogas	15.42	15.18	2.41	2.37
2	Doğu Star	Orduzu Facility (Unlicensed)	Landfill Gas	14.09	14.32	11.34	9.40
3	Nov Enerji	Sivas Facility	Landfill Gas	17.20	19.60	18.29	13.44
4	Novtek Enerji	İnegöl-1 Facility	Landfill Gas	16.57	18.28	18.47	17.21
5	Novtek Enerji	İskenderun Facility	Landfill Gas	29.35	30.70	31.25	29.79
6	İzmir Novtek	Harmandalı Facility	Landfill Gas	15.87	147.68	199.99	200.53
7	İlida (Landfill)	Balıkesir Facility	Landfill Gas	0.77	43.79	56.18	42.43
8	Uşak Yenilenebilir	Uşak Facility	Landfill Gas - Biogas	0.53	8.89	13.21	20.30
9	Doğu Star	İnegöl-2 Facility	Landfill Gas-Biogas	-	-	5.81	27.51
10	İzmir Doğu Star	Bergama Facility	Landfill Gas - Biogas	-	1.74	21.21	40.63
11	Biyomek	Çine Biomass	RDF	-	-	20.53	98.31
13	Yılbatu (*)	Menderes Biogas	Landfill Gas - Biogas	-	-	-	-
14	Doğu Star	Malatya-2	Landfill Gas	-	-	5.50	12.39
15	MD Biyokütle	Aksaray	Landfill Gas	-	-	0.13	5.16
-	Boğazköy	Boğazköy (***)	Landfill Gas	10.56	-	-	-
16	Mersin	Ezine Biomass	RDF	-	-	-	-
17	Serenti	Giresun	Landfill Gas	-	-	6.77	10.87
18	Ayvacak (**)	Ayvacak	Landfill Gas	-	-	-	-
TOTAL				120.35	300.19	411.10	530.34

(*) Pre-license was obtained and the license acquisition process continues.
(**) Boğazköy, which has a production facility in Amasya, was sold on 29.02.2020.

Production Facilities

Biotrend has facilities in 11 provinces.

Facilities By Location

As of the end of 2022, Biotrend carries out its activities in a total of 19 facilities across Turkey from Çanakkale to Malatya, from Giresun to Hatay, including facilities whose investments continue in 11 provinces.

1- Malatya – 1 Landfill Gas

Licensed Power / Installed Capacity	2,400 MWe/2,400 MWe
Date of Commissioning	28.10.2016
Last Date of Benefiting from YEKDEM	31.12.2026

2- Malatya Metropolitan Municipality Landfill Site Landfill Gas (Unlicensed)

Installed Capacity	2,400 MWe
Date of Commissioning	08.01.2014
Last Date of Benefiting from YEKDEM	07.01.2024

3- Sivas Landfill Gas

Installed Capacity	2,826 MWe/2,826 MWe
Date of Commissioning	24.10.2015
Last Date of Benefiting from YEKDEM	31.12.2025

4- İnegöl Landfill Gas (İnegöl-1)

Licensed Power / Installed Capacity	2,400 MWe/2,400 MWe
Date of Commissioning	30.10.2018
Last Date of Benefiting From YEKDEM	31.12.2028

5- İskenderun Landfill Gas

Licensed Power / Installed Capacity	4,239 MWe/4,239 MWe
Date of Commissioning	18.12.2015
Last Date of Benefiting from YEKDEM	31.12.2026

6- İzmir Harmandalı Landfill Gas

Licensed Power / Installed Capacity	39,690 MWe/32,340 MWe
Date of Commissioning	25.10.2019
Last Date of Benefiting From YEKDEM	31.12.2029

7- Balıkesir Landfill Gas

Licensed Power / Installed Capacity	14,140 MWe/11,312 MWe
Date of Commissioning	27.10.2019
Last Date of Benefiting From YEKDEM	31.12.2029

8- Uşak Biogas

Licensed Power / Installed Capacity	5,498 MWe/4,084 MWe
Date of Commissioning	29.10.2019
Last Date of Benefiting From YEKDEM	31.12.2029

9- İnegöl – 2 Biogas

Licensed Power / Installed Capacity	14,140 MWe/8,484 MWe
Date of Commissioning	31.12.2020
Last Date of Benefiting from YEKDEM	31.12.2031

10- İzmir Bergama Landfill Gas

Licensed Power / Installed Capacity	9,898 MWe/8,484 MWe
Date of Commissioning	31.10.2020
Last Date of Benefiting from YEKDEM	31.12.2030

11- Çine Biomass

Licensed Power / Installed Capacity	13,600 MWe/13,600 MWe
Date of Commissioning	21.12.2020
Last Date of Benefiting from YEKDEM	31.12.2030

12- Çine Fuel Preparation

Fuel Supply, Preparation, and Storage activities with a capacity of 160,000 Ton/Year are managed in this facility so that forestry and agricultural wastes can be used as raw materials in the Biyomek Electricity Generation Facility.

13- Menderes Biogas (İzmir Biogas)

Licensed Power	24,038 MWe
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14- Malatya – 2 Landfill Gas (Kapıkaya)

Licensed Power / Installed Capacity	4,242 MWe/2,828 MWe
Date of Commissioning	26.06.2021
Last Date of Benefiting from YEKDEM	31.12.2030

15- Aksaray Landfill Gas

Licensed Power / Installed Capacity	5,656 MWe/1,414 MWe
Date of Commissioning	26.06.2021
Last Date of Benefiting from YEKDEM	31.12.2030

16- Ezine Biomass

Licensed Power / Installed Capacity	30,000 MWe/1,000 MWe
Date of Commissioning	27.06.2021
Last Date of Benefiting from YEKDEM	31.12.2030

17- Giresun Landfill Gas

Licensed Power / Installed Capacity	4,242 MWe/1,414 MWe
Date of Commissioning	02.04.2021
Last Date of Benefiting From YEKDEM	31.12.2030

18- Ayvacık Landfill Gas

Licensed Power	4,242 MWe
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19- Sivas Greenhouse Farming

Annual Production Capacity	~2,500 tons of tomatoes
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Pre-license was obtained for 13. Menderes and 18. Ayvacık, and the license acquisition process continues.

Facilities in Service and Planned to Be Commissioned

	1	2	3	4	5	6	7	8	9	10	11	13	14	15	16	17	18	19
	Malatya-1 Landfill Gas	Malatya Metropolitan Municipality Landfill Site Landfill Gas	Sivas Landfill Gas	İnegöl Landfill Gas (İnegöl 1)	İskenderun Landfill Gas	İzmir Landfill Gas (Harmandalı)	Balıkesir Landfill Gas	Uşak Biogas	İnegöl Biogas (İnegöl 2)	Bergama Landfill Gas Electricity Generation Facility	Çine Biomass Power Plant and Ulubey Fuel Preparation	İzmir Biogas Electricity Generation Facility	Malatya 2 Landfill Gas Electricity Generation Facility	Aksaray Landfill Gas Electricity Generation Facility	Ezine Biomass Electricity Generation Facility	Giresun Landfill Gas Electricity Generation Facility	Ayvacık Landfill Gas Electricity Generation Facility	Sivas Greenhouse Farming
SPV Name	Doğu Star	Doğu Star	Nov	Novtek	Novtek	İzmir Novtek	Landfill-50%	Uşak Yenilenebilir	Doğu Star	İzmir Doğu Star	Biyomek	Yılbatu	Doğu Star	MD Biyokütle	Mersin	Serenti	Biotrend Ayvacık	Maven Tarım Seracılık ve Hayvancılık San. ve Tic. A.Ş.
Location	Eastern Anatolia Malatya Battalgazi (Licensed)	Eastern Anatolia Malatya Battalgazi (Unlicensed)	Central Anatolia Sivas Center	Marmara Bursa İnegöl-1	Mediterranean Hatay İskenderun	Aegean İzmir Harmandalı	Marmara Balıkesir Altieylül	Aegean Uşak Center	Marmara Bursa İnegöl 2	Aegean İzmir Bergama	Aegean Aydın Çine	Aegean İzmir Menderes Battalgazi	East Anatolia Malatya	Central Anatolia Aksaray Center	Aegean Çanakkale Ezine	Giresun Center	Aegean Çanakkale Ayvacık	Sivas
YEKDEM Start	01.01.2017	08.01.2014	01.01.2016	01.01.2019	01.01.2017	01.01.2020	01.01.2020	01.01.2020	01.01.2022	01.01.2021	01.01.2021	-	01.01.2022	01.01.2022	01.01.2022	01.01.2022	-	-
YEKDEM End	31.12.2026	07.01.2024	31.12.2025	31.12.2028	31.12.2026	31.12.2029	31.12.2029	31.12.2029	31.12.2031	31.12.2030	31.12.2030	-	31.12.2030	31.12.2030	31.12.2030	31.12.2030	31.12.2030	-
Licensed Power (MWe)	2,400	-	2,826	2,400	4,239	39,690	14,140	5,498	14,140	9,898	13,600	24,038 (Pre-license was obtained and the license acquisition process continues.)	4,242	5,656	30,000	4,242	4,242 (Pre-license was obtained and the license acquisition process continues.)	-
Installed Capacity (MWe)	2,400	2,400	2,826	2,400	4,239	32,340	11,312	4,084	8,484	8,484	13,600	-	2,828	1,414	1,000	1,414	-	-

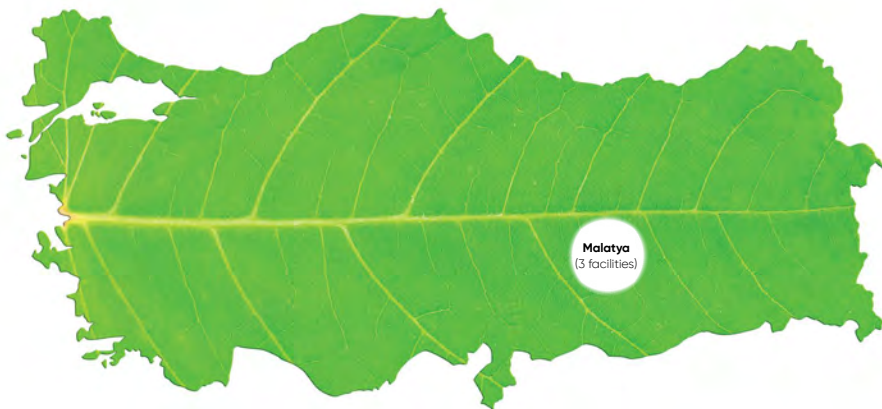
Production Facilities

Malatya- 1 Landfill Gas

The installed capacity of the facility is 2,400 MWe.

Malatya-1 Landfill Gas Electricity Generation Facility
Doğu Star Elektrik Üretim A.Ş. 100%

- Location: Malatya- Battalgazi
- Licenced Power: 2,400 MWe
- Installed Capacity: 2,400 MWe
- Date of Commissioning: 28.10.2016
- YEKDEM Ending Date: 31.12.2026
- YEKDEM Price: 133 USD/MWh
- Sorting Facility Capacity: 45 ton/hr (720 ton/day)
- RDF Capacity: 200 ton/day
- Municipality Waste Management Agreement: Malatya Metropolitan Municipality-15 years (contract signing date: 05.05.2015)



1



2

Production Facilities

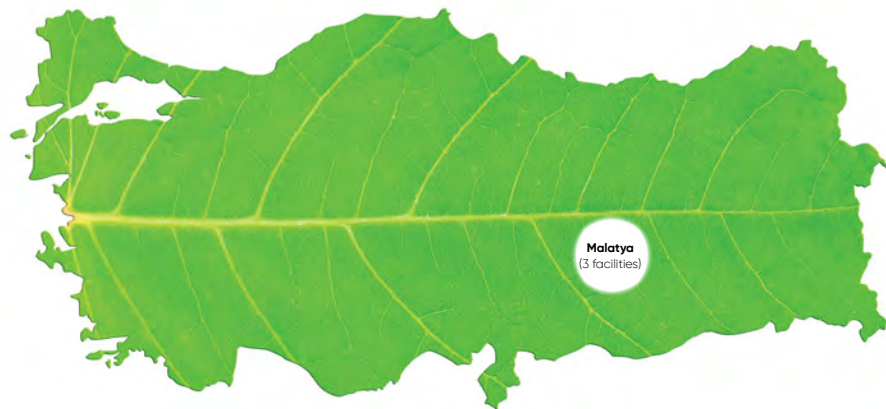
Malatya Metropolitan Municipality Landfill Site Landfill Gas

The installed capacity of the facility is 2,400 MWe.

Malatya Metropolitan Municipality Landfill Site Landfill Gas Electricity Generation Facility (Unlicensed)

Doğu Star Elektrik Üretim A.Ş. 100%

- Location: Malatya- Battalgazi
- Licenced Power: Unlicensed (2,400 MWe)
- Installed Capacity: 2,400 MWe
- Date of Commissioning: 08.01.2014
- YEKDEM Ending Date: 07.01.2024
- YEKDEM Price: 133 USD/MWh
- Municipality Waste Management Agreement: Malatya Metropolitan Municipality-16 years (contract signing date: 15.04.2013)



3

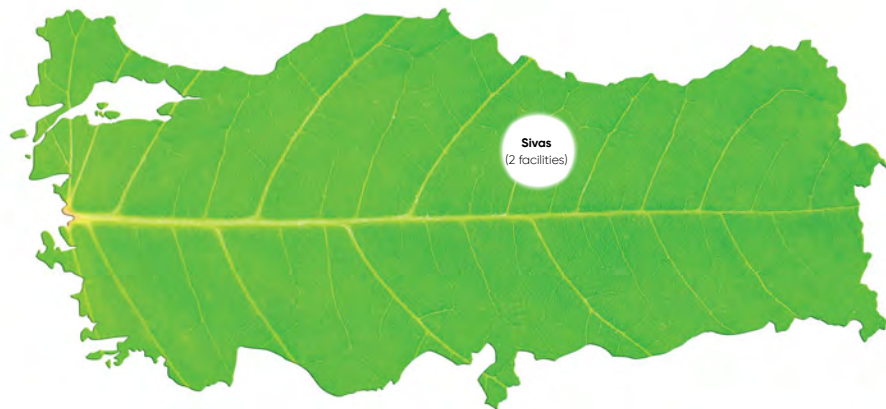
Production Facilities

Sivas Landfill Gas

The installed capacity of the facility is 2,826 MWe.

Sivas Landfill Gas Electricity Generation Facility Nov Enerji Elektrik Üretim A.Ş. 100%

- Location: Sivas-Center
- Licenced Power: 2,826 MWe
- Installed Capacity: 2,826 MWe
- Date of Commissioning: 24.10.2015
- YEKDEM Ending Date: 31.12.2025
- YEKDEM Price: 133 USD/MWh
- Sorting Facility Capacity: 300 ton/day
- Municipality Waste Management Agreement: Sivas Municipality-15 years (contract signing date: 15.09.2014)



4

Production Facilities

İnegöl Landfill Gas
(İnegöl-1)

The installed
capacity of the
facility is 2,400 MWe.

**İnegöl Landfill Gas Electricity Generation
Facility (İnegöl 1)**

Novtek Enerji Elektrik Üretim A.Ş. 100%

- Location: Bursa-İnegöl-1
- Licenced Power: 2,400 MWe
- Installed Capacity: 2,400 MWe
- Date of Commissioning: 30.10.2018
- YEKDEM Ending Date: 31.12.2028
- YEKDEM Price: 133 USD/MWh
- Municipality Waste Management Agreement: Bursa Metropolitan Municipality-23 years (contract signing date: 04.08.2017)



5

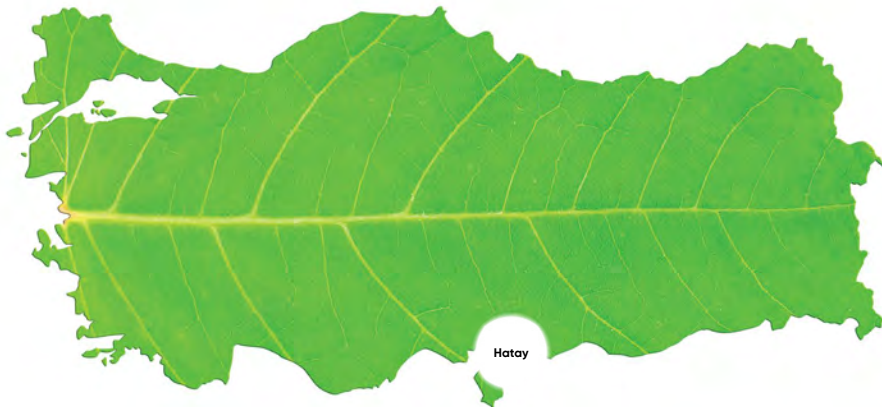
Production Facilities

İskenderun Landfill Gas

The installed capacity of the facility is 4,239 MWe.

İskenderun Landfill Gas Electricity Generation Facility Novtek Enerji Elektrik Üretim A.Ş. 100%

- Location: Hatay-İskenderun
- Licenced Power: 4,239 MWe
- Installed Capacity: 4,239 MWe
- Date of Commissioning: 18.12.2015
- YEKDEM Ending Date: 31.12.2026
- YEKDEM Price: 133 USD/MWh
- Waste Management Agreement: Envitec Çevre Teknolojileri İşletme İnşaat İthalat İhracat Nakliye Makine İmalat ve Ticaret Sanayi A.Ş.-20 years (contract signing date: 04.06.2015)



6

Production Facilities

İzmir Harmandalı Landfill Gas

The installed capacity of the facility is 32,340 MWe.

İzmir Landfill Gas Electricity Generation Facility (Harmandalı)
İzmir Novtek Enerji Elektrik Üretim A.Ş. 100%

- Location: İzmir-Harmandalı
- Licenced Power: 39,690 MWe
- Installed Capacity: 32,340 MWe
- Date of Commissioning: 25.10.2019
- YEKDEM Ending Date: 31.12.2029
- YEKDEM Price: 133 USD/MWh
- Biocircular Raw Material Capacity: 2,400 ton/day
- RDF Capacity: 500 ton/day
- Municipality Waste Management Agreement: İzmir Metropolitan Municipality-15 years (contract signing date: 24.05.2018)



7

Production Facilities

Balıkesir Landfill Gas

The installed capacity of the facility is 11,312 MWe.

Balıkesir Landfill Gas Electricity Generation Facility

İlde Elektrik Üretim A.Ş. 50%
Landfill Enerji San. Tic. A.Ş. 50%

- Location: Balıkesir-Altıeylül
- Licenced Power: 14,140 MWe
- Installed Capacity: 11,312 MWe
- Date of Commissioning: 27.10.2019
- YEKDEM Ending Date: 31.12.2029
- YEKDEM Price: 133 USD/MWh
- Sorting Facility Capacity: 1,600 ton/day
- RDF Capacity: 300 ton/day
- Waste Management Agreement: Balıkesir Gayrimenkul Yatırım ve Gıda A.Ş. 29 years (contract signing date: 01.06.2018)



8

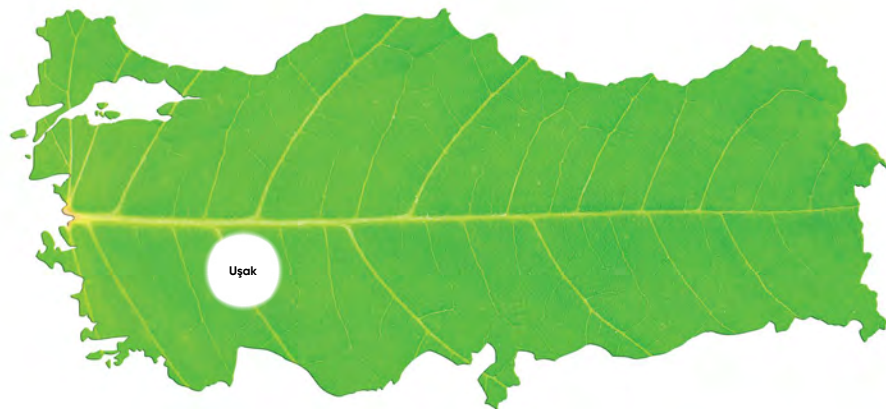
Production Facilities

Uşak Landfill Gas

The installed capacity of the facility is 4,084 MWe.

Uşak Biogas Electricity Generation Facility Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş. 100%

- Location: Uşak-Center
- Licenced Power: 5,498 MWe
- Installed Capacity: 4,084 MWe
- Date of Commissioning: 29.10.2019
- YEKDEM Ending Date: 31.12.2029
- YEKDEM Price: 133 USD/MWh
- Sorting Facility Capacity: 400 ton/day
- Association Waste Management Agreement: Uşak Environment Association-29 years (contract signing date: 27.06.2018)



9

Production Facilities

İnegöl-2 Biogas

The installed capacity of the facility is 8,484 MWe.

İnegöl Biogas Electricity Generation Facility (İnegöl 2)

Doğu Star Elektrik Üretim A.Ş. 100%

- Location: Bursa-İnegöl
- Licenced Power: 14,140 MWe
- Installed Capacity: 8,484 MWe
- Date of Commissioning: 31.12.2020
- YEKDEM Ending Date: 31.12.2031
- YEKDEM Price: 133 USD/MWh
- Sorting Facility Capacity: 1,600 ton/day
- RDF Capacity: 500 ton/day
- Municipality Waste Management Agreement: Bursa Metropolitan Municipality-20 years (contract signing date: 08.07.2019)



10

Production Facilities

İzmir Bergama
Landfill Gas

The installed
capacity of the
facility is 8,484 MWe.

**Bergama Landfill Gas Electricity
Generation Facility**
İzmir Doğu Star Elektrik Üretim A.Ş. 100%

- Location: İzmir-Bergama
- Licenced Power: 9,898 MWe
- Installed Capacity: 8,484 MWe
- Date of Commissioning: 31.10.2020
- YEKDEM Ending Date: 31.12.2030
- YEKDEM Price: 133 USD/MWh
- Sorting Facility Capacity: 840 ton/day
- RDF Capacity: 250 ton/day
- Municipality Waste Management Agreement: İzmir Metropolitan Municipality-15 years (contract signing date: 15.08.2019)



11

Production Facilities

Çine Biomass

The installed capacity of the facility is 13,600 MWe.

Çine Biogas Electricity Generation Facility
Biyomek Elektrik Enerjisi Üretim San. Tic. A.Ş. 100%

- Location: Aydın-Çine
- Licenced Power: 13,600 MWe
- Installed Capacity: 13,600 MWe
- Date of Commissioning: 21.12.2020
- YEKDEM Ending Date: 31.12.2030
- YEKDEM Price: First 5 years: 138 USD/MWh Next 5 years: 133 USD/MWh
- Fuel Quantity: 120,000 ton/year Forestry and Agricultural Waste
- Raw Material Procurement Agreement: Forestry General Directorate (There is a contract signed on 31.12.2020 as 50,000 ton/year.)



12

Production Facilities

Çine Fuel Preparation

The capacity of
the facility is
160,000 ton/year.

Ulubey Fuel Preparation**Ulubey Elektrik Enerjisi Üretim San. Tic. A.Ş. 100%**

- Location: Aydın-Çine
- Fuel Supply, Preparation, and Storage Facility with a capacity of 160,000 ton/year is managed for the use of Forestry and Agricultural wastes in the Biyomek Electricity Generation Facility.



13

Production Facilities

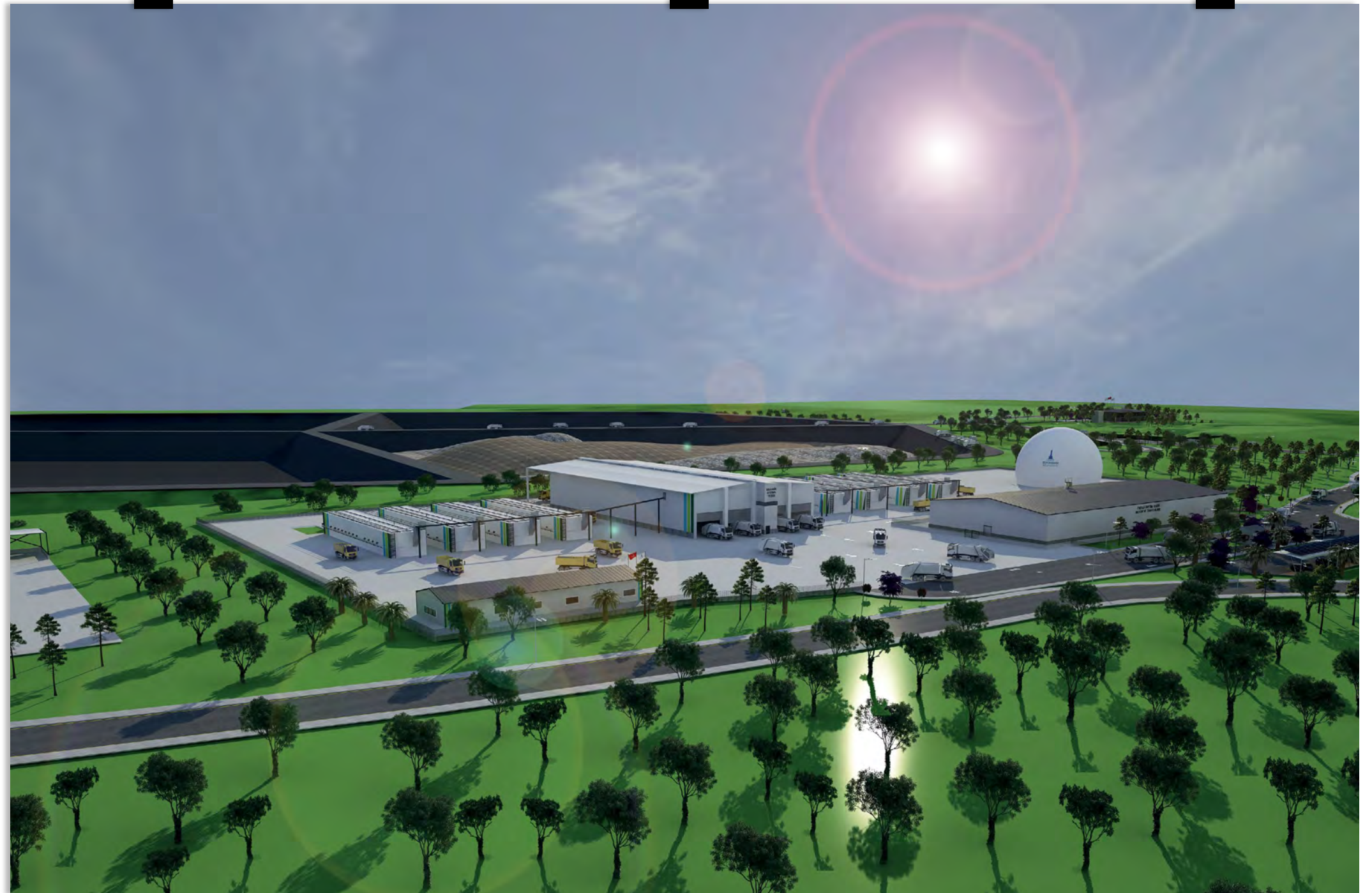
Menderes Biogas

Licensed power of the facility is 24,038 MWe.

İzmir Biogas Electricity Generation Facility (Menderes) Yilbatu Elektrik Üretim A.Ş. 100%

- Location: İzmir, Menderes
- Licensed Power: 24,038 MWe
- Installed Capacity (Estimated): 2,828 MWe
- Sorting Facility Capacity: 1,600 ton/day (Planned 5,500)
- RDF Capacity: 500 ton/day
- Municipality Waste Management Agreement: İzmir Metropolitan Municipality-15 years (contract signing date: 06.03.2020)

**The pre-license process for the Menderes facility has been completed and the facility is at investment stage.*



14

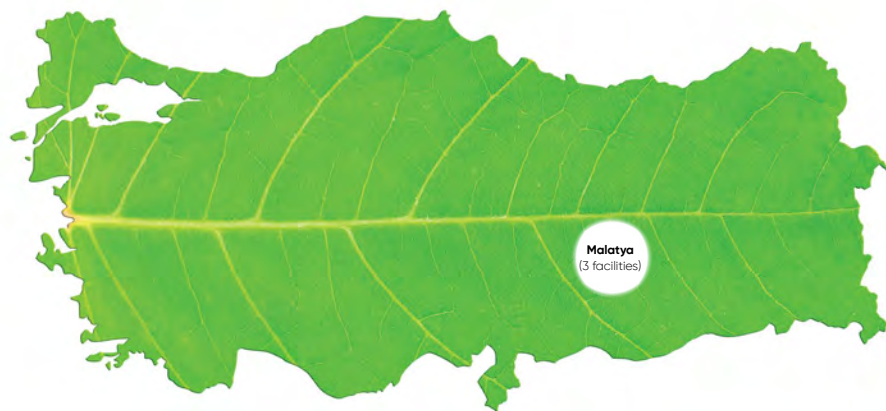
Production Facilities

Malatya- 2 Landfill Gas

The installed capacity of the facility is 2,828 MWe.

Malatya-2 Landfill Gas Electricity Generation Facility Doğu Star Elektrik Üretim A.Ş. 100%

- Location: Malatya, Kapıkaya
- Licenced Power: 4,242 MWe
- Installed Capacity: 2,828 MWe
- Date of Commissioning: 26.06.2021
- YEKDEM Ending Date: 31.12.2030
- YEKDEM Price: 133 USD/MWh
- Municipality Waste Management Agreement: Malatya Metropolitan Municipality-15 years (contract signing date: 05.05.2015)



15

Production Facilities

Aksaray Landfill Gas

The installed capacity of the facility is 1,414 MWe.

Aksaray Landfill Gas Electricity Generation Facility MD Biyokütle Enerji Üretim A.Ş. 100%

- Location: Aksaray
- Licenced Power: 5,656 MWe
- Installed Capacity: 1,414 MWe
- Date of Commissioning: 26.06.2021
- YEKDEM Ending Date: 31.12.2030
- YEKDEM Price: 133 USD/MWh
- Sorting Facility Capacity: 400 ton/day
- Association Waste Management Agreement: Aksaray Province Local Administrations Service Association-25 years (contract signing date: 19.11.2020)



16

Production Facilities

Ezine Biomass

The installed capacity of the facility is 1.000 MWe.

Ezine Biomass Energy

Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş. 100%

- Fuel Type: Forestry waste
- Location: Çanakkale, Ezine
- Licenced Power: 30,000 MWe
- Installed Capacity: 1.000 MWe
- Date of Commissioning: 28.06.2021
- YEKDEM Ending Date: 31.12.2030
- YEKDEM Price: First 4 years: 138 USD/MWh Next 5 years: 133 USD/MWh
- Waste Quantity: 270.000 ton/year (160,000 tons 1st Phase, 110,000 tons 2nd Phase)
- Raw Material Procurement Agreement: Forestry General Directorate (There is a contract signed on 31.12.2020 as 145,000 tons/year.)



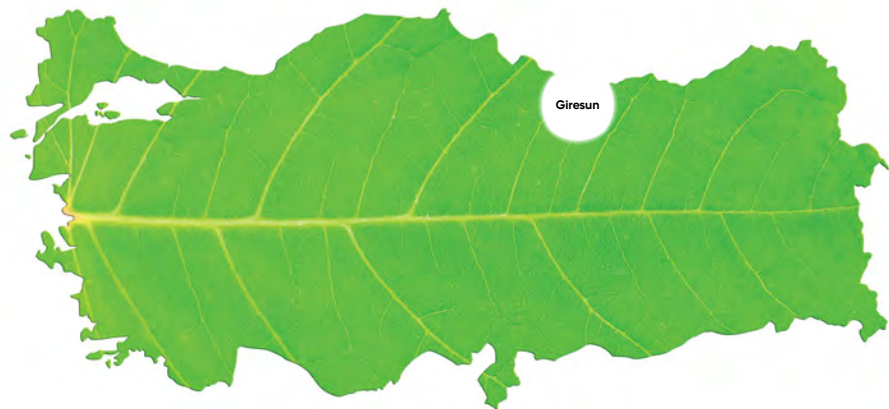
Production Facilities

Giresun Landfill Gas

The installed capacity of the facility is 1,414 MWe.

Giresun Landfill Gas Electricity Generation Facility Serenti Enerji A.Ş. 100%

- Location: Giresun – Görele
- Licenced Power: 4,242 MWe
- Installed Capacity (2021): 1,414 MWe
- Date of Commissioning: 02.04.2021
- YEKDEM Ending Date: 31.12.2030
- YEKDEM Price: 133 USD/MWh
- Sorting Facility Capacity: 400 ton/day
- Association Waste Management Agreement: Giresun Province Solid Waste and Drinking Water Association-15 years (contract signing date: 17.07.2020)



18

Production Facilities

Ayvacak Landfill Gas

Licensed power of the facility is 4,242 MWe.

Ayvacak Landfill Gas Electricity Generation Facility Biotrend Ayvacak A.Ş 100%

- Location: Çanakkale-Ayvacak
- Licensed Power: 4,242 MWe
- Sorting Facility Capacity: 400 ton/day
- Association Waste Management Agreement: Signed with the Troas Region Municipalities Solid Waste Management Association on 29.04.2021 for 19 years)

**The pre-license process for the Ayvacak facility has been completed and the facility is at investment stage.*



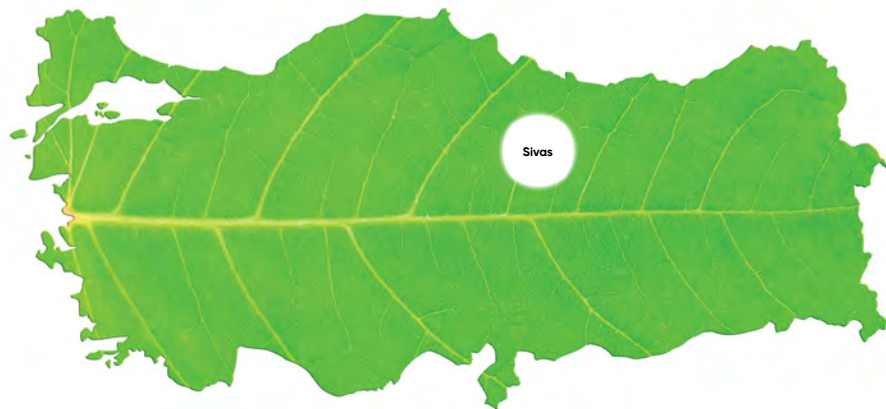
Production Facilities

Sivas Greenhouse Farming

The production capacity is ~2,500 tons of tomatoes.

Sivas Greenhouse Farming Facility
Maven Tarım Seracılık ve Hayvancılık San. ve Tic. A.Ş. 50%

Location: Sivas
Production Capacity: ~2,500 tons of tomato production



Production Facilities

Biotrend increased its capacity as a result of partial acceptance processes.

99.2 MWe

Installed capacity increased to 99.2 MWe after Partial Acceptances in 2022.

Facilities Receiving Partial Acceptance in 2022

Biotrend's Uşak Biogas Electricity Generation Facility, İnegöl Biogas Electricity Generation Facility, Bergama Landfill Gas Electricity Generation Facilities were partially accepted by the Ministry of Energy and Natural Resources in 2022. Biotrend, which increased its capacity considerably with partial acceptance processes, reached its total installed capacity of 99.2 MWe.

Uşak Biogas Electricity Generation Facility (January 28, 2022)

Its installed capacity was increased from 2,400 MWe to 4,084 MWe.

İnegöl Biogas Electricity Generation Facility (April 14, 2022)

Its installed capacity was increased from 2,800 MWe to 4,242 MWe.

Bergama Landfill Gas Electricity Generation Facility (April 15, 2022)

Its installed capacity was increased from 4,242 MWe to 5,656 MWe.

İnegöl Biogas Electricity Generation Facility (July 1, 2022)

Its installed capacity was increased from 4,242 MWe to 7,070 MWe.

Bergama Landfill Gas Electricity Generation Facility (July 13, 2022)

Its installed capacity was increased from 5,656 MWe to 7,070 MWe.

Bergama Landfill Gas Electricity Generation Facility (September 30, 2022)

Its installed capacity was increased from 7,070 MWe to 8,484 MWe.

İnegöl Biogas Electricity Generation Facility (November 3, 2022)

Its installed capacity was increased from 7,070 MWe to 8,484 MWe.



Investments

Investments continue unabated.

Biotrend's investments continue at the same pace. Biotrend, which conducts improvements and renovations in its facilities, as well as new facility and tank investments, continues its stable growth journey.

The company made many investments in 2022. The most important investments implemented are as follows:

Investment name: Biomass Incineration Facility

Location: Çanakkale/Ezine

Benefit to the Company: With the biomass wastes burned in the incineration facility, energy is generated, and additional electricity sales income is obtained for our Company.

Investment name: Harmandalı Mechanical Separation Facility Construction

Location: İzmir/Harmandalı/Mechanical Separation Facility

Benefit to the Company: Recyclable packaging wastes of domestic mixed wastes coming to İzmir Sanitary Landfill will be taken from the waste, thus an additional income will be generated, and the amount of waste going to landfill will decrease.

Investment name: Fermentation Tanks

Location: Bergama

Benefit to the Company: By taking the organic portions of the domestic waste coming to the facility into the biomethanization tanks, biogas is produced, allowing electricity generation from biogas.

Investment name: Fermentation Tanks

Location: İnegöl-II

Benefit to the Company: By taking the organic portions of the domestic waste coming to the facility into the biomethanization tanks, biogas is produced, allowing electricity generation from biogas.

Investment name: Biogas Engine Investment

Location: İnegöl, Giresun, Bergama, Aksaray

Benefit to the Company: Conversion of the produced landfill gas into electrical energy enables the efficient use of the existing biogas capacity.

Investment Incentives and Subsidies:

The energy produced at Biotrend Facilities is being sold within the scope of YEKDEM. Because projects benefit from YEKDEM, the incentive mechanism options available to Generation Companies are significantly limited. However, General Incentive Certificates were obtained from the Turkish Ministry of Industry and Trade's General Directorate of Incentive Implementation and Foreign Investment, which provided customs duty and VAT exemption for domestic and imported machinery and equipment purchased for use in the facilities listed below.

Orduzu Facility (Unlicensed), Sivas Facility, İskenderun Facility, Harmandalı Facility, Aydın Facility (Power Plant), Bergama Facility, İnegöl-2 Facility, Mersin Electricity (Power Plant), Mersin Electricity (Fuel preparation - Regional Priority Investment), Balıkesir landfill (ATY, Compost, Separation - Regional Priority Investment), Aksaray Facility

Furthermore, by using domestic components in energy generation facilities, a USD 5 per MWh incentive for 5 years can be obtained under the Regulation on Supporting Domestic Components Used in Facilities Generating Electricity from Renewable Energy Sources. In this context, since Aydın Facility (Power Plant) uses domestic components and Ezine Facility will use domestic components, they benefit from the incentive of USD 5 per MWh. These incentives are valid until 31.12.2025.

An 'Annual License Fee' exemption is available for 8 years from the date of first provisional acceptance for all licensed Facilities. Besides, if the related facility is built on public lands, the annual easement fee to be paid to the Provincial Directorate of National Property during the first ten years of use is reduced by 85%.

Investments continue at the same pace in 2023 and beyond

Works continue to complete the existing ongoing investments in 2023 and beyond, and in addition, it is aimed to start the foundation of a Chemical Upcycling Facility. FEED-front end engineering design and feasibility studies continue. Among the ongoing investments, the foundation and commissioning of Refuse-Derived Fuel facilities and the transition to the use of Biotrend's own refuse-derived fuel in biomass facilities take the first place.

In 2023, investments are planned to use solar energy on mechanical separation, sanitary landfill, transfer stations, gas engine systems and spare parts, fermentation tanks, RDF, compost, chemical upcycling, hybrid and domestic consumption, and investments on IT systems, facility buildings, construction equipment, and energy transmission lines are planned.

R&D Activities

An R&D staff will be assigned to the Waste Plastic Upcycling Facility.

Biotrend continued its efforts for the construction and commissioning of new units at its facilities in 2022, the investment in Ezine Facility, and the implementation of RDF and compost projects. The Company holds periodic meetings with all facility managers and unit managers and regularly discusses case studies with the committees.

Biotrend continues to work on the production of biogas from leather industry waste, which is a very difficult type of waste, and the co-fermentation of organic wastes with different characteristics, which is called co-digestion, in obtaining biogas from organic wastes. On the other hand, improvements for Biotrend wastes are also being studied in the biogas/fermentation tanks used.

Among the R&D projects that Biotrend plans to implement in 2023 are the allocation and initiation of an R&D staff within the scope of the Waste Plastic Upcycling Facility planned to be founded, and the implementation of an effective and intensive work program with universities, institutes, and similar institutions.



Biotrend continued its efforts for the construction and commissioning of new units at its facilities in 2022, the investment in Ezine Facility, and the implementation of RDF and compost projects.

Information Technologies

Biotrend aims to simplify its processes with the SAP Ariba module.

Biotrend received ISO27001 certificate in 2022 in line with its Information Technologies simplification strategies.

In 2022, both server and system improvement activities were conducted within the scope of Biotrend Information Technologies operations. As part of these activities, internet infrastructure improvements, redesign and improvements of backup procedures were provided in the head office and offices in different cities. As per security protocols, closed circuit camera systems and personnel entry and exit control systems in the Head office and facilities were put into practice. Additional cameras were installed to the facilities deemed necessary during the year.

Biotrend received ISO27001 certificate in 2022 in line with its Information Technologies simplification strategies. The joint server backup environment of the group companies was expanded and backed up by transferring it to a secure environment. A barcode structure was established in order to follow up the spare parts, equipment spares, etc. purchased for the facilities, found in stocks and used in the operations, and to control their entry to and exit from stocks in ERP systems. With the development of the digital world, Cyber Security has gained great importance.

Biotrend has an inside-out perspective with cybersecurity intelligence software. And the security layer works with an outside-in perspective.

Biotrend's Planned Investments on Information Technologies in 2023

Aiming to provide full data security by moving the existing server and Back-up structure to the Disaster Recovery Center in 2023, Biotrend continues its efforts in order to discover new approaches, processes, technologies, and ways of doing business.

- With the SAP S4/HANA Transformation implemented as part of the Digital Transformation Journey, business units have various requests. Studies on financial transactions and financial reporting operations through the ERP system continue, which is determined as a priority among these requests.
- Biotrend, which aims to enter the data-based decision-making process by 2023, aims to invest in machine learning (RPA - automating manual document processes), internet of things (receiving data from machines in production) by combining experience with operation, and reporting systems (SAP BO-BW) and ERP systems with its advanced analytical principles.
- Biotrend continues to work to automate many processes. Thus, it directs business processes with the aim of simplifying its processes through the SAP Ariba (End-to-end management of Purchasing processes) module.



Human Resources

Employee performance increases in a happy and peaceful work environment.

583 employees

Biotrend focuses on people in order to make its success sustainable and move it further.

Biotrend develops and implements transparent, sensitive, innovative, and fair human resources strategies that focus on people in order to make its success sustainable and move it further. In this context, the human resources department works with all units with a strategic business partner approach, constantly analyzes company and employee needs, and adopts a management approach that creates value and enables rapid adaptation to changing conditions.

Biotrend's Human Resources policy is based on many factors that focus on employees:

- To ensure the recruitment of competent and result-oriented human resources in line with the company's goals and strategies,
- Not to discriminate on religion, language, race, or gender in the recruitment and promotion processes,
- To work with individuals with a high sense of responsibility towards individual, social, and environmental issues,
- To contribute to the enhancement of corporate performance by rewarding high performance,
- To support the personal development of employees with continuous training, and, thus, to increase the added value they provide to the organization by improving their work,

- To develop practices to raise employee satisfaction and loyalty by maintaining a happy and peaceful work environment.

Biotrend's Activities Implemented in 2022 and Their Status

- Identifying performance goals,
- Establishment of Performance Bonus-Management Procedure,
- Monthly preparation of facility-based budget and HR reports,
- Establishment of Disciplinary Procedure,
- Establishment of Human Resources Risk Inventory,
- Completion of ÖSS-TSS processes,
- Creation of the Employee Handbook.

The studies in progress;

- Formation of job descriptions (prepared for the central staff, and work for facilities has started.)
- Addition of human resources job application, suggestion, request, and notice sections to Biotrend's Corporate web site.
- Establishment of Personnel Performance Evaluation System.

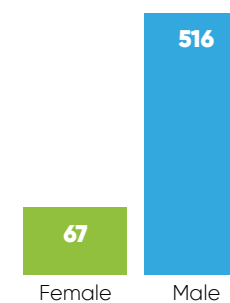
Social Benefits

The company provides its employees with the opportunity to benefit from Private Health Insurance within the scope of social benefits. As part of this insurance, the spouses, dependents, and children of the employees are provided with the opportunity to benefit from this right. Social benefits such as transportation and food are also provided.

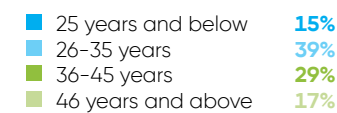


Employees

Total: 583



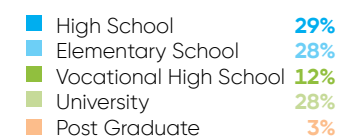
Age Distribution



Seniority Distribution



Education Distribution



Biotrend Subsidiaries' Employee Numbers

Company	Employee Information		
	December 31, 2020	December 31, 2021	December 31, 2022
Doğu Star	51	77	91
Nov Enerji	12	13	15
Novtek	23	19	18
Mersin	1	14	42
Yılbatu	4	2	4
İlida	-	--	--
Ulubey	--	14	42
İzmir Novtek	57	67	65
Uşak	15	36	42
Biyomek	13	39	48
Maven Tarım	--	--	1
MD Biyokütle	1	7	13
İzmir Doğu Star.	19	51	64
Karya	-	--	--
Serenti	--	14	19
Landfill	21	23	27
Biotrend Main Office	24	50	90
Biotrend Ayvacık	--	2	2
Ulutek	-	--	--
Biotrend International	-	--	--
Total	241	428	583

Sustainability Approach

Signatory to the United Nations Women's Empowerment Principles

Biotrend began working toward effective sustainability management by establishing the Sustainability Office.

While the environmental and social disasters experienced today remind us of the importance of protecting the environment and using resources efficiently, they show that sustainable development cannot be achieved without inclusiveness and equality. While shaping its activities with a focus on sustainable development, green and circular transformation in a way to offer solutions to the three urgent issues of our planet defined by the United Nations as Climate Change, Pollution, and Biodiversity Loss, Biotrend aims to increase its positive impact with its work in the social field. Accordingly, it became a signatory to the United Nations Global Compact in August 2021. In 2022, it became a participant by sharing its concrete works on 10 principles covering Human Rights, Labor Standards, Environment, and Anti-Corruption, in the Progress Report.

In the coming years, it aims to be an advanced participant by realizing best practice examples for each principle. In line with the Social Inclusiveness and Gender Equality Action Plan, which was prepared for the first time in 2022, Biotrend, a signatory to the United Nations Women's Empowerment Principles, built its capacity and created awareness. Accordingly, it has a plan to create employment for more female employees by working with local governments, which are important stakeholders of the Company, and creating high stakeholder interaction with municipalities in the waste management and energy generation from waste.

Biotrend began working toward effective sustainability management by establishing the Sustainability Office in line with its corporate sustainability strategy. It answered the Carbon Disclosure Project question set for the first time in 2022, in line with its goals of transparently sharing its sustainability governance and social and environmental performance indicators with its stakeholders. By applying for the Borsa Istanbul Sustainability Index in October 2022, it started out to increase its sustainability performance and communicate with its stakeholders.

Biotrend uses all its know-how focused on circular raw materials and biomass energy, which constitute the core elements of its sustainability strategy, for the green transformation of its stakeholders in line with the "Global Compact and Equator Principles". With its integrated waste management operations, it provides infrastructure and technology solutions to municipalities for all types of waste, and offers Carbon Credit to individuals or organizations to support emission reductions within the scope of circular raw materials, sustainable fuels, renewable energy, and sustainability solutions.

Biotrend's operations cover the use of best available technology and extraction of high value-added products for the sustainable management of wastes. Accordingly, it provides technical and social benefits at national level by offering sustainable solutions.

Sustainability Strategy

While creating its sustainability strategy in coordination with the Company strategy, Biotrend has built on alignment with the 2030 and 2050 goals compatible with the green, circular, and digital transformation requirements as per the United Nations 2030 Sustainable Development Goals (SDGs), Paris Agreement and the European Green Deal, which are the triggers of economic and social transformation in the world. Biotrend creates a technical and social positive impact on our country's sustainable development by working for SDG 7: Affordable and Clean Energy; SDG 8: Decent Work and Economic Growth; SDG 9: Industry, Innovation and Infrastructure; SKA 12: Responsible Production and Consumption; and SDG 13 Climate Action, which are directly related to its activities and which are a priority in its sustainability management.

Biotrend aims to achieve its goal of being the leader of the transition to a low carbon economy with sustainable development in our country and one of the pioneers in the world by working under 5 main headings of its sustainability strategy:

Accelerating Circular Economy



Approach: With its current projects and investments, Biotrend aims to bring back waste into the economy and to produce high value-added products from waste.

Compliance with International Policies and Frameworks:

Circular Economy Action Plan for a Cleaner and More Competitive Europe
Ellen MacArthur Foundation, New Plastics Economy Global Commitment
United Nations Sustainable Development Goals

Reducing Greenhouse Gas Emissions



Approach: Within the scope of integrated waste management activities, Biotrend aims to prevent greenhouse gas emissions with effective management of municipal, agricultural and forestry wastes and biomass energy activities, and to work for national and international climate targets by including all its projects into carbon credit certificate programs.

Compliance with International Policies and Frameworks:

European Union Green Deal
European Climate Law
European Climate Pact
A Clean Planet for All: A European Strategic Long-Term Vision for a Prosperous, Modern, Competitive and Climate Neutral Economy
2030 Framework for Climate and Energy Policies
Paris Agreement
United Nations Sustainable Development Goals

Facilitating the Transition to a Low Carbon Economy with Innovation



Approach: Biotrend aims to become the locomotive of low carbon economy by expanding its circular and sustainable raw material, bioelectricity, bioheat, and sustainable fuel portfolio with innovative technology investments and business models.

Compliance with International Policies and Frameworks:

European Union Green Deal
European Commission 2050 Roadmap
European Union Carbon Border Adjustment Mechanism

Protecting Biodiversity



Approach: In 2023, Biotrend will implement biodiversity programs to be carried out jointly with universities and non-governmental organizations in all its facilities, for the regular control of the impact on biodiversity, one of the most important environmental impact indicators.

Compliance with International Policies and Frameworks:

European Union 2030 Biodiversity Strategy
Equator Principles
United Nations Convention on Biological Diversity

Sustainability Approach

Sustainability themed trainings were conducted.

The Biotrend board of directors is responsible for the governance of sustainability throughout the organization.

Respect for Human



Approach: Biotrend is committed to doing business with the principles of inclusiveness, equality, and diversity, and with zero tolerance for occupational and environmental accidents, in a way to cover all its stakeholders throughout the value chain.

Compliance with International Frameworks:

United Nations Global Compact
 ILO International Labor Standards
 Universal Declaration of Human Rights
 United Nations Sustainable Development Goals

Sustainability Office

Biotrend established the Sustainability Office in April 2022 with the aim to measure its impact on our planet and its stakeholders, to improve its environmental and social performance, and to identify climate-oriented risks and opportunities. While aiming for the best waste, water, energy, and resource management for environmental sustainability management, an operational and technology-focused constant improvement structure was established accordingly. In the social area, it determined the "Talent Management and Employee Welfare" focused on its internal and external stakeholders and social performance indicators based on "Local Socioeconomic Development".

In 2022, sustainability based trainings were conducted at all Biotrend's facilities with the aim to increase in-house awareness and provide information about the programs in practice.

Biotrend Risk Inventory was created in the light of the studies carried out by the Early Detection of Risk Committee under the chairmanship of an independent board member. As part of this study, transformation and climate risks complying with the Task Force on Climate-Related Financial Disclosures (TCFD) were determined and included in the risk inventory to identify and follow non-financial risks by the Sustainability Office.

The Sustainability Office carries out the integration of the Biotrend Environmental and Social Management System as well as the governance structure into the sustainability management, with the active participation of the relevant internal stakeholders in the Sustainability Committee's work, and performs sustainability reporting studies by improving sustainability performance indicators.

Environmental and Social Management System

2021 was the start date of a transformation for Biotrend. Following the partnership with the European Bank for Reconstruction and Development (EBRD), Biotrend started to work towards full compliance with the Equator Principles. Thus, by working together with technical and social independent experts in the field, Biotrend's technical staff prepared action plans and compliance roadmaps specific to each facility. The environmental and social management system, which is one of the most important performance requirements, was established based on the relevant quality management standards.

An Environmental and Social Team was formed and held responsible for establishing the relevant policies, procedures, and training plans of the Biotrend Environmental Management, Quality and Management Systems, Occupational Health and Safety



and Sustainability Management departments, the Environmental and Social Management System, and for measuring, monitoring and implementing the determined metrics in all facilities. On environmental issues, the aim is to combat the climate crisis, to improve resource efficiency and the environmental impacts of products and operations, and to effectively manage the planning of investments and trainings related to the environment. On the social side, the aim is to effectively manage issues essential for stakeholder participation, occupational health and safety, information security, customer-oriented quality processes, working environment, and employee happiness.

Within the scope of the Environmental and Social Management System, ISO 14001, 45001, 27001, and 9001 certifications covering all the facilities and head office of Biotrend were performed.

Sustainability Governance Structure

Biotrend operates with a corporate governance structure which adopted the principles of transparency, accountability, and responsibility for a sustainable future. The Biotrend board of directors is responsible for the governance of sustainability throughout the organization. Environmental and social sustainability based defined sustainability performance indicators and climate-based risks

and opportunities are presented to the board of directors in quarterly periods. Sustainability-themed topics based on the intersection of the scope of Biotrend's activities with the most important issues of the planet and humanity, and climate-related risks and opportunities are included in Biotrend corporate governance mechanisms such as company strategy, action plans, risk management, budget, business models, performance indicators, and goals. Accordingly, an incentive mechanism was created in order to achieve the relevant sustainability goals in the short, medium and long terms, and sustainability-oriented goals were added to the business unit and employee performance evaluations. Biotrend created relevant policies for the effective management of sustainability-themed issues throughout the entire value chain, and prepared procedures to ensure the compliance of all its stakeholders, including its suppliers and customers, with these policies. In this regard, all stakeholders are expected to comply with Biotrend's environment, human rights, information security, and occupational health and safety policies.

In the light of its sustainability strategy, Biotrend formed the Sustainability Committee and its sub-working groups focused on environment, stakeholder, finance, and technology, which report to the board of directors to effectively handle sustainability-themed issues and to ensure efficient internal coordination on these issues.

Sustainable Finance and Responsible Investment

Biotrend applied to the Capital Markets Board for the issuance of a Sustainable Lease Certificate in 2022, in the light of the Sustainable Lease Certificate Framework it prepared in accordance with Biotrend's sustainability approach, in order to ensure the continuity of its responsible investments that create environmental and social positive impacts as well as economic value. Biotrend aims to use the fund it will obtain from the issuance with a focus on sustainable development aligned with its sustainability strategy and the Eleventh Development Plan of our country. In this context, the projects for which the fund will be used are as follows:

- Biomass energy generation
- Energy efficiency
- Biocircular products
- Pollution prevention and control
- Low-cost basic infrastructure

According to the second party opinion of the Sustainable Lease Certificate Framework prepared by an independent institution, the SDGs and sub-goals to which Biotrend's projects for which the fund will be used will contribute are as follows:

Sustainability Approach

Effective communication with all stakeholders

Biotrend believes that continuous and effective communication with its stakeholders covering the entire value chain is the source of sustainable success in the fight against environmental and social issues.

Accelerating Circular Economy

SDG 11: Sustainable Cities and Communities

SDG11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

SDG 12: Responsible Production and Consumption

SDG12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

SDG12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Reducing Greenhouse Gas Emissions

SDG 7: Affordable and Clean Energy

SDG 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix

SDG 7.3. By 2030, double the global rate of improvement in energy efficiency

SDG 7b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy

services for all in developing countries, in particular least developed countries, small island developing States and landlocked developing countries, in accordance with their respective programs of support

SDG 13: Climate Action

SDG 13.3. Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

Facilitating the Transition to a Low Carbon Economy with Innovation

SDG 9: Industry, Innovation and Infrastructure

SDG 9.1. Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

SKA 9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities



Stakeholder Relations

Biotrend believes that continuous and effective communication with its stakeholders covering the entire value chain is the source of sustainable success in the fight against environmental and social issues. As part of a systematic approach, Biotrend thus identified its key stakeholders and communication channels with them and regularly works for a two-way communication. An "Internal and External Stakeholder Complaints, Suggestions, and Request Mechanism" was created for communication with internal and external stakeholders. In this context, effective communication is ensured with all stakeholders through the website, e-mail, telephone, and boards and boxes prepared at the facilities.

In 2022, with the participation of local governments and students studying in local schools, activities for awareness raising and information on Biotrend's fields of activity, waste management, waste-to-energy, and sustainability were held in our facilities, and participation in national events was ensured.

Those With Direct Economic Impact

Employees
Investors and Shareholders
Business Partners and Suppliers
Customers

Those With Indirect Economic Contribution

Financial Institutions
Public Institutions
Media
Non-Governmental Organizations
International Organizations and NGOs

Presenters of New Opportunities, Information and Understanding

Universities

The stakeholders that Biotrend is in constant communication with are as follows:

Employees	Public Institutions
Investors and Shareholders	Media
Business Partners and Suppliers	Non-Governmental Organizations
Customers	International Organizations and NGOs
Financial Institutions	Universities

Sustainability Approach

Motivation of being a helpful neighbor

In 2021 and 2022, online stakeholder meetings and parallel stakeholder surveys were conducted within the scope of Covid-19 measures in Harmandalı, Balıkesir, Uşak, İskenderun, İnegöl, Aydın, Çanakkale, Giresun, Aksaray, Bergama, and Malatya.

Available Communication Methods With Key Stakeholders	
Employees	Public Institutions
Employee Happiness Survey (Once a year)	Advisory Meetings (Several times a month)
Complaint, Suggestion and Request Mechanism (Continuous)	Conferences and Panels (Several times a year)
Ethics Line (Continuous)	Collaborations on legal regulations (Continuous)
Social Media (Continuous)	Business Partners and Suppliers
E-mail (Continuous)	Face-to-face Meetings (Continuous)
Local Communities	Visits (At least once a month)
Stakeholder Meetings (At least once a year)	Social Media (Continuous)
Complaint, Suggestion and Request Mechanism (Continuous)	E-mail (Continuous)
Visits (At least once a month)	Fairs (Several times in a year)
Face-to-Face Meetings (Continuous)	Customers
Complaint, Suggestion and Request Mechanism (Continuous)	Customer Satisfaction Surveys (Every two years)
Social Media (Continuous)	Complaint, Suggestion and Request Mechanism (Continuous)
Investors and Shareholders	Social Media (Continuous)
KAP Disclosures (Continuous)	Media Institutions
Investor Relations e-mail (Continuous)	Press Meetings (Several times in a year)
Investor Meetings (Every three months)	Social Media (Continuous)
Board of Directors Meetings (Once a month)	E-mail (Continuous)
General Assembly (At least once a year)	International Organizations and Non-Governmental Organizations
Social Media (Continuous)	Social Responsibility Projects (Continuous)
Financial Institutions	Advisory Meetings (Several times in a year)
Face-to-Face Meetings (Continuous)	Universities
Visits (At least once a month)	R&D Projects and Technical Visits (Several times in a year)
Social Media (Continuous)	University Visits (Several times in a year)
E-mail (Continuous)	



Helpful Neighbor, Happy Neighbors Program

Biotrend proceeds with the motivation of being a helpful neighbor in all areas where its facilities are located. In line with the AA1000 Accountability Principles, stakeholder meetings are held regularly to receive the opinions of local communities effectively, to define our area of influence and responsibility, to identify the issues for which the facilities can help and make improvement, with the principles of inclusiveness, necessity, responsibility, transparency, impact, and impartiality. Stakeholder meetings are held with the participation of local people, local, and regional public and private institutions, as well as university representatives in accordance with the AA1000SES Stakeholder Engagement Standard, together with an independent firm, and stakeholder surveys are conducted at the meetings. For information about meetings, local newspaper advertisements are published, and information is given about the date and place of the meetings through e-mail and phone to relevant public and private institutions and visits to local authorities, and appropriate environment and vehicles are provided for the participation of

the stakeholders. In 2021 and 2022, online stakeholder meetings and parallel stakeholder surveys were conducted within the scope of Covid-19 measures in Harmandalı, Balıkesir, Uşak, İskenderun, İnegöl, Aydın, Çanakkale, Giresun, Aksaray, Bergama, and Malatya. In the meetings, information was given on the relevant Biotrend project, its contribution to the SDGs, communication channels for complaints, suggestions, and requests, and climate change, sustainable development, 2030 and 2050 targets, and questions answered.

Carbon and Plastic Credits, Internal Carbon Pricing

Biotrend started its Carbon Credit projects, in which its environmental positive impact regarding waste management and waste-to-energy activities was documented through audits carried out by third-party independent institutions, in 2021 with the Harmandalı, Balıkesir, and Uşak projects and advanced to cover all its facilities with its efforts in 2022. Accordingly, greenhouse gas reduction certification projects covering 16 facilities were carried out by Biotrend under the VERRA, GCC, and ICR certification programs.

Biotrend gained USD 5 million of carbon credit income in 2022. Biotrend also anticipates that all of its projects will reduce emissions by nearly 2 million credits per year as part of its participation in carbon programs. The Company's credits will be CORSIA labeled suitable for use in civil aviation.

Biotrend started to work to be a pioneer in participating in the plastic credits program published under the VERRA program in 2022. In this context, the environmental positive impacts of material recovery and new "Chemical Upcycling" facility investments focused on reducing plastic waste will be documented.

With the completion of the first carbon credit projects and the provision of the first financing in 2022, Biotrend put into practice the internal carbon pricing mechanism for energy efficiency, green transformation projects, support of new investments, effective cost control in the coming periods. With the shadow pricing method, the internal carbon price and the projection for the coming years were determined accordingly.

Sustainability Approach

Our Carbon Projects

Biotrend aims to be a pioneer in transition to a low carbon economy by expanding its sustainable raw material, sustainable fuel, and renewable energy portfolio.

Biotrend's carbon credit projects and related certificate programs are as follows.

Row No	Firm	Enterprise	Certification Program
1	Doğu Star	Malatya- 1 Landfill Gas (Orduzu)	
2	Doğu Star	Malatya Unlicensed (Orduzu)	
3	Nov Enerji	Sivas Landfill Gas	
4	Novtek Enerji	İnegöl Landfill Gas	
5	Novtek Enerji	İskenderun Landfill Gas	
6	İzmir Novtek	İzmir Harmandalı Landfill Gas (İzmir Landfill Gas)	
7	İlda (Landfill)	Balıkesir Landfill Gas	
8	Uşak Yenilenebilir	Uşak Landfill Gas (Uşak Biogas)	
9	Doğu Star	İnegöl-2 Biogas	
10	İzmir Doğu Star	İzmir Bergama Landfill Gas	
11	Biyomek Elektrik	Çine Biomass	
12	Yılbatu	Menderes Biogas (İzmir Biogas)	
13	Doğu Star	Malatya- 2 Landfill Gas (Kapıkaya)	
14	MD Biyokütle	Aksaray Landfill Gas	
15	Mersin	Ezine Biomass	
16	Serenti	Giresun Landfill Gas	
17	Ayvack	Ayvack Landfill Gas	



Innovation for Green and Circular Transformation

Biotrend strengthens its production, investment, and impact on stakeholders through innovation studies in the biocircular economy for its green and circular transformation in line with the United Nations, European Union, and Turkey legislations and planning.

The European Union has made it mandatory for importing companies to switch to low-carbon production models to maintain their competitive position, with the carbon tax to be imposed on products imported from third-party countries through the Carbon Border Adjustment Mechanism. For importing countries, it has required to implement mechanisms similar to the European Union Emissions Trading System. Starting especially with the carbon-intensive industries, all of them will be covered by the mechanism over

time. Biotrend aims to be a pioneer in transition to a low carbon economy by expanding its sustainable raw material, sustainable fuel, and renewable energy portfolio through its investments focused on the biocircular economy aligned with its sustainability strategy. In this context, investments that started with the aim of providing circular raw materials for the plastics industry, in addition to renewable energy, continue in 2023 to cover all industries, especially sustainable raw material investments for the chemical industry and sustainable fuel investments for the cement industry. It is aimed to protect the competitive power of the country's economy and to support the green and circular transformation with realized and future investments. Sivas Greenhouse Project demonstrates the high impact of Biotrend innovation with its Chemical Upcycling Investment and Heat Sale.

Sivas Greenhouse Project



Biotrend manages its technology and innovation-oriented projects for sustainable agriculture and accessible food complying with the European Union's "Farm to Fork Strategy for a Fair, Healthy and Environmentally Friendly Food System." Soil, seeds, fertilizers, agricultural chemicals, water and energy inputs, and natural resources are consumed in agriculture, and biodiversity, environmental pollution, and climate change are both affected and being affected. While the food system is responsible for one-third of global greenhouse gas emissions, agriculture is one of the sectors most affected by the climate change. Especially climate

Sustainability Approach

Contribution to vertical integration strategy

At Biotrend's power plants, cogeneration technology is used to generate both electricity and heat.

change based negative impacts such as precipitation anomalies, and drought, as well as increases in energy and food prices revealed the importance of sustainable agriculture, the necessity of renewable energy consumption in agriculture, on-site energy generation and consumption, prioritizing energy efficiency, water efficiency, and biocircular economy-based transformation. Knowing the indisputable importance of access to food, with its first case study focused on sustainable local development, the Sivas Greenhouse Project, Biotrend is expected to produce approximately 2500 tons of tomatoes in 2023 and to employ approximately 100 people from neighboring villages. The project's goal is to employ 95 women out of some 100 people in accordance with Biotrend's equal pay for equal work policy. In the Sivas Greenhouse Project, while reducing greenhouse gas emissions and providing energy efficiency in production with year-round use of bioheat obtained from the combined renewable energy generation facility, which uses the biogas obtained from the food waste after the fermentation process as fuel in soilless agriculture with minimized consumption of fertilizers and agrochemicals, water efficiency will be achieved with rainwater harvesting. With the Sivas Greenhouse Project, Biotrend will demonstrate its impact on food access while being successful at human, environment, and climate

friendly agriculture. Biotrend proceeds with the implementation planning of sustainable agriculture and accessible food projects in 11 provinces it operates.

Chemical Upcycling Investment

Chemical Upcycling is focused on introducing plastics that cannot be mechanically recycled due to technological, economic, or ecological reasons, to the economy as a sustainable raw material. As a complement to mechanical recycling, it aims to bring plastics into the circular economy by increasing the recovery rates and preventing plastic pollution. Aligned with the philosophy of adding high added value to waste, Biotrend signed a goodwill agreement with Honeywell UOP for its project that will convert 70,000 tons of mechanical non-recyclable plastic waste annually into 60,000 tons of sustainable plastic raw materials. The facility to be put into action will be a first in the world in terms of its capacity and the first facility in our country. FEED-Front End Engineering Design feasibility studies continue. Within the scope of the Biotrend Plastic Waste Chemical Upcycling project, 75-80 thousand tons of waste per year that cannot currently be recycled by İzmir Harmandalı and Bergama Integrated Waste Management Facilities within Biotrend in the Aegean Region will be sent to the facility, with additional equipment investments to be made in the existing mechanical separation and

material recovery facilities. In addition to the process units, the facility will include a wastewater treatment plant, administrative building, and auxiliary units. 60,000 tons of plastic waste prepared after the pre-treatment will be fed into the Chemical Upcycling Facility, where sustainable polymer raw material will be obtained.

Heat Sales

At Biotrend's power plants, cogeneration technology is used to generate both electricity and heat. Within the scope of energy efficiency studies, the aim is to make an appropriate contribution to Biotrend's vertical integration strategy in the coming period by utilizing bioheat, which is currently used for heating anaerobic fermentation units and administrative buildings, in fields such as compost production and greenhouse farming.

In the project planning of the Ezine Biomass Power Plant, which is aligned with Biotrend's goal of becoming a facilitator in the transition process to a low carbon economy, will be located in the Ezine Gıda Specialized Organized Industrial Zone, and will have an installed capacity of 30 MW where daily 1000 tons of waste generated from agriculture, forestry, and municipal wastes will be converted into energy, it is planned to sell heat as hot water and saturated steam, as well as green electricity to companies in the organized industrial zone. The aim is to achieve a first in Türkiye by offering a sustainable solution with renewable resources in the field of process heat where fossil fuels are particularly used.

Our Awards

- Biotrend received the bronze award in the EBRD sustainable energy category in 2022, generating sustainable energy with waste-to-energy operations it carried out at 19 facilities for our country and planet.
- Biotrend was entitled to receive the "Türkiye's Happiest Workplace" certificate in the Renewable Energy industry with all the evaluations made in Türkiye's Happiest Workplaces research, which is organized every year by Happy Place to Work.
- Sustainable Production and Consumption Association 2021 Low Carbon Hero



Sustainability Principles Compliance Framework

If the compliance with the principles status is determined as “Yes” or “Partially”, the report details/link to the information disclosed to the public should be included.

Explanations on compliance with the principles status are included in the “Explanation” column.

The scope of the requested information presented as consolidated or solo should be stated in the “Explanation” column.

COMPLIANCE STATUS						
	YES	NO	PARTIALLY	IRRELEVANT	EXPLANATION	REPORT DETAILS (Page number also needed)/ LINK TO THE INFORMATION DISCLOSED TO PUBLIC
A. General Principles						
A1. Strategy, Policy and Objectives						
A1.1		X			ESG-based priority issues were identified, sustainability performance indicators related to these issues were determined, and responsible persons were appointed. TCFD-compliant transformation and climate-oriented risks and opportunities were identified.	Annual Report Sustainability Approach p. 122-133
		X			ESG policies (Environmental Policy, Energy Policy, Human Rights, and Employee Policy etc.) were created and disclosed to the public by the partnership's board of directors.	Annual Report Policies p. 150
A1.2		X			Short and long-term targets set within the scope of ESG policies were disclosed to the public.	Annual Report Sustainability Approach p. 122-133
A2. Implementation/Monitoring						
A2.1		X			The committees and/or units responsible for the implementation of ESG policies and the highest-level officials in the partnership related to ESG issues and their duties were identified and disclosed to the public.	Annual Report Sustainability Approach p. 122-133
		X			Activities carried out as part of policies by the responsible committee and/or unit were reported to the board of directors at least once a year.	Annual Report Sustainability Approach p. 122-133
A2.2		X			Implementation and action plans were created and disclosed to the public in line with the ESG targets.	Annual Report Sustainability Approach p. 122-133
A2.3			X		ESG Key Performance Indicators (KPI) and the level of reaching these indicators on a yearly basis were disclosed to the public.	Annual Report Sustainability Approach p. 122-133

COMPLIANCE STATUS						
	YES	NO	PARTIALLY	IRRELEVANT	EXPLANATION	REPORT DETAILS (Page number also needed)/ LINK TO THE INFORMATION DISCLOSED TO PUBLIC
A2.4		X			Activities to improve the sustainability performance of business processes or products and services were disclosed to the public.	Annual Report Sustainability Approach p. 122-133
A3. Reporting						
A3.1		X			In the annual reports, information regarding the sustainability performance, targets, and actions of the partnership is given in an understandable, accurate, and sufficient manner.	Annual Report Sustainability Approach p. 122-133
A3.2		X			Information on which of its activities are related to the United Nations (UN) 2030 Sustainable Development Goals were disclosed to the public by the partnership.	Annual Report Sustainability Approach p. 122-133
A3.3		X			Lawsuits filed and/or concluded against on ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, were disclosed to the public.	Annual Report Sustainability Approach p. 122-133
A4. Verification						
A4.1			X		The Partnership's ESG Key Performance measurements were verified and publicly disclosed by an independent third party.	Annual Report Sustainability Approach p. 122-133
B. Environmental Principles						
B1		X			The partnership publicly disclosed its policies and practices, action plans, environmental management systems (known as the ISO 14001 standard), and programs in the field of environmental management.	Annual Report Sustainability Approach p. 122-133
B2		X			The scope of the report, the reporting period, the reporting date, and the limitations on the reporting conditions were disclosed to the public regarding the environmental reports prepared in providing information on environmental management.	Annual Report Sustainability Approach p. 122-133
B3					Described in A2.1.	Annual Report Sustainability Approach p. 122-133
B4			X		Environmental targets included in the rewarding criteria within the scope of performance incentive systems on the basis of stakeholders (such as members of the Board of Directors, managers, and employees) were disclosed to the public.	Annual Report Sustainability Approach p. 122-133

Sustainability Principles Compliance Framework

COMPLIANCE STATUS						REPORT DETAILS (Page number also needed)/ LINK TO THE INFORMATION DISCLOSED TO PUBLIC
YES	NO	PARTIALLY	IRRELEVANT	EXPLANATION		
B5	X				How the priority environmental issues are integrated into business goals and strategies was disclosed to the public.	It was detailed in the sub-title of sustainability management of our annual report. Annual Report Sustainability Approach p. 122-133
B6					Described in A2.4.	
B7	X				How environmental issues were managed throughout the partnership value chain, including the operational process, as to include suppliers and customers, and how these were integrated into business goals and strategies were disclosed to the public.	We obtain a commitment from our suppliers and business partners to fully comply with our environmental policy for environmental issues to be effectively carried out throughout our entire value chain. Annual Report Sustainability Approach p. 122-133
B8	X				Whether the relevant organizations and non-governmental organizations were involved in the policy-making processes on the environment and the collaborations with these institutions and organizations were disclosed to the public.	It was detailed in our annual report. Annual Report Awards and Accomplishments p. 44-45
B9		X			Information on its environmental impacts in the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts) is periodically disclosed to the public in a comparable manner.	Studies has reached the stage of completion and sharing it on our corporate website in 2023 is targeted.
B10		X			The standard, protocol, methodology and base year details used to collect and calculate its data were disclosed to the public.	Studies has reached the stage of completion and sharing it on our corporate website in 2023 is targeted.
B11		X			The increase or decrease of environmental indicators for the report year comparatively with previous years was disclosed to the public.	Studies has reached the stage of completion and sharing it on our corporate website in 2023 is targeted.
B12		X			Short and long-term targets were determined to reduce its environmental impacts, and these targets together with their progress with respect to the targets determined in previous years were disclosed to the public.	Studies has reached the stage of completion and sharing it on our corporate website in 2023 is targeted.
B13	X				A strategy to combat the climate crisis was prepared and the planned actions were disclosed to the public.	It is shared under the sustainability management sub-title of our annual report. Annual Report Sustainability Approach p. 122-133
B14	X				Programs or procedures were established and disclosed to the public to prevent or minimize the potential negative impact of products and/or services on the environment.	Our relevant procedures can be found on our website. Annual Report Sustainability Approach p. 122-133
B14	X				Actions were taken to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) and these actions were disclosed to the public.	Studies were made to prioritize products produced from recycled or sustainable materials in purchasing processes. Annual Report Sustainability Approach p. 122-133
B15	X				The environmental benefit/gain and cost savings of initiatives and projects aimed at reducing environmental impacts were disclosed to the public.	It was shared under the sustainability management sub-title of our annual report. Annual Report Sustainability Approach p. 122-133
B16		X			Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data were disclosed to the public as Scope-1 and Scope-2.	Relevant data will be shared in the Sustainability Report we are working on.

COMPLIANCE STATUS						REPORT DETAILS (Page number also needed)/ LINK TO THE INFORMATION DISCLOSED TO PUBLIC
YES	NO	PARTIALLY	IRRELEVANT	EXPLANATION		
B17	X				Public disclosure was made about the electricity, heat, steam, and cooling produced in the reporting year.	It was shared under the sustainability management sub-title of our annual report. Annual Report Sustainability Approach p. 122-133
B18	X				Studies on increasing the use of renewable energy and transition to zero or low carbon electricity were made and disclosed to the public.	It was shared under the sustainability management sub-title of our annual report. Annual Report Sustainability Approach p. 122-133
B19	X				Renewable energy generation and usage data was disclosed to the public.	It was shared in our annual report. Annual Report p. 73
B20	X				Energy efficiency projects were carried out and the amount of energy consumption and emission reduction achieved through energy efficiency projects was disclosed to the public.	It was shared under the sustainability management sub-title of our annual report. Annual Report Sustainability Approach p. 122-133
B21		X			Water consumption, if any, amounts of water drawn, recycled, and discharged from underground or above ground, their sources and procedures were disclosed to the public.	Relevant data will be shared in the Sustainability Report we are working on.
B22	X				Whether its operations or activities were included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax) was disclosed to the public.	It was shared under the sustainability management sub-title of our annual report. Annual Report Sustainability Approach p. 122-133
B23	X				Information on carbon credits accumulated or purchased during the reporting period was disclosed to the public.	Our company realized its first carbon credit sale in 2022. Annual Report Sustainability Approach p. 122-133
B24	X				If carbon pricing was applied within the partnership, the details were disclosed to the public.	In-house carbon pricing was made to guide our first carbon credit sale, our energy efficiency projects for domestic consumption, and our process improvement activities within the scope of continuous improvement. Annual Report Sustainability Approach p. 122-133
B25	X				The platforms where the partnership discloses its environmental information were disclosed to the public.	Environmental information can be accessed in our 2022 annual report. Annual Report Sustainability Approach p. 122-133
C. Social Principles						
C1. Human Rights and Employee Rights						
C1.1	X				The Corporate Human Rights and Employee Rights Policy was established as to cover the Universal Declaration on Human Rights, the ILO Conventions ratified by Turkey and other relevant legislation, those responsible for the implementation of the policy were identified, and the policy and those responsible people were disclosed to the public.	Our company prepared corporate human rights and employee rights policies and determined the relevant responsible persons. Annual Report Sustainability Approach p. 122-133 and Policies p. 150
C1.2	X				Considering also the impacts of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusiveness issues (such as non-discrimination on issues of sex, race, religion, language, marital status, ethnic identity, sexual orientation, gender, family responsibilities, union activities, political views, disability, social and cultural differences, etc.) were included in its employee rights policy.	Related topics are covered in our policy. Our policy can be accessed on our website. Annual Report Policies p. 150

Sustainability Principles Compliance Framework

COMPLIANCE STATUS						REPORT DETAILS (Page number also needed)/ LINK TO THE INFORMATION DISCLOSED TO PUBLIC
YES	NO	PARTIALLY	IRRELEVANT	EXPLANATION		
C1.3	X				Along the value chain, we obtain commitments from our business partners and suppliers to comply with our company's environmental policy, human rights and employee rights policy, and make visits in risky situations.	Annual Report Sustainability Approach p. 122-133
C1.4	X				Along the value chain, we obtain commitments from our business partners and suppliers to comply with our company's environmental policy, human rights and employee rights policy, and make visits in risky situations.	Annual Report Sustainability Approach p. 122-133
	X				Our company established corporate human rights and employee rights policies and determined the relevant responsible persons.	Annual Report Sustainability Approach p. 122-133
C1.5	X				A complaint suggestion and request mechanism was created for our company's internal and external stakeholders.	Annual Report Sustainability Approach p. 122-133
	X				In 2022, services were obtained from independent organizations to measure employee satisfaction, and our company received an award accordingly.	Awards and Accomplishments p. 44-45
	X				Our company's occupational health and safety policy can be accessed on the website.	Annual Report Policies p. 150
C1.6	X				Under the sustainability management sub-heading of our annual report, measures and accident statistics for 2022 are explained.	Annual Report Sustainability Approach p. 122-133
C1.7	X				Our company prepared the relevant policy and secured data and information security with the 27001 information security management system.	Annual Report Sustainability Approach p. 122-133
C1.8	X				Our company's ethical policy can be accessed on the website.	Annual Report Policies p. 150

COMPLIANCE STATUS						REPORT DETAILS (Page number also needed)/ LINK TO THE INFORMATION DISCLOSED TO PUBLIC
YES	NO	PARTIALLY	IRRELEVANT	EXPLANATION		
C1.9						
C1.10	X				Information meetings and training programs for employees on ESG policies and practices were organized.	Annual Report Sustainability Approach p. 122-133
C2. Stakeholders, International Standards and Initiatives						
C2.1	X				A customer satisfaction policy regarding the management and resolution of customer complaints is set and publicly disclosed.	Annual Report Policies p. 150
C2.2	X				Information about the communication with stakeholders (which stakeholder, subject and frequency) is publicly disclosed.	Annual Report Sustainability Approach p. 122-133
C2.3	X				International reporting standards adopted were explained in reports.	Annual Report Sustainability Approach p. 122-133
C2.4	X				Principles adopted regarding sustainability, international organizations, committees and principles to which we are a signatories or members were disclosed to the public.	Annual Report Sustainability Approach p. 122-133
C2.5	X				Improvements were made, and studies were carried out to be included in the sustainability indices of Borsa Istanbul and/or international index providers.	Annual Report Sustainability Approach p. 122-133
D. Corporate Governance Principles						
D1	X				Opinions of stakeholders were sought in determination of measures and strategies in the field of sustainability.	Annual Report Sustainability Approach p. 122-133
D2	X				Studies were made on raising awareness on the issue of sustainability and its importance through social responsibility projects, awareness activities, and training.	Annual Report Sustainability Approach p. 122-133

Environment

Biotrend aims to minimize air and wastewater emissions.

Biotrend performs its operations in an environmental-friendly manner for a sustainable future in line with the principle of "Effective Use of Resources".

Biotrend Çevre ve Enerji Yatırımları A.Ş. attaches special importance to energy generation from waste as the waste management hierarchy for sustainable development by giving priority to reduction, separation, recycling, and recovery at the source. It performs its operations in an environmental-friendly manner for a sustainable future in line with the principle of "Effective Use of Resources." For this purpose, Biotrend aims to:

- Continuously improve its environmental management system by setting measurable targets in ISO 14001 Environmental Management System and evaluating its performance periodically according to these targets,
- Take necessary measures to prevent environmental pollution,
- Protect the environment and human health by complying with legal regulations,
- Contribute to the fight against climate change, reduce energy consumption, increase energy efficiency, and reduce greenhouse gas emissions,
- Monitor and minimize air and waste water emissions resulting from its activities,
- Ensure the protection of direct and indirect biodiversity in all areas where it operates,
- Contribute, develop, and maintain environmental awareness,
- Bring a new perspective to waste management by developing innovative technologies.

Facilities with Environmental Permits and License Certificates

- Biyomek Elektrik Enerjisi Üretimi San. ve Tic. A.Ş.-Environmental Permit Certificate dated 02.11.2022 was obtained on behalf of Çine Biomass Power Plant.
- Landfill Enerji San. Tic. A.Ş.-Environmental Permit Certificate dated 06.09.2022 was obtained on behalf of Electricity Generation Facility.
- İzmir Doğu Star Elektrik Üretim A.Ş. Bergama Branch-Temporary Activity Certificate dated 25.02.2022 was obtained on behalf of İzmir Integrated Solid Waste Facility.
- İzmir Novtek Enerji Elektrik Üretim A.Ş. Harmandalı Branch-Temporary Activity Certificate dated 20.09.2022 was obtained on behalf of Electricity Generation Facility.
- Doğu Star Elektrik Üretim A.Ş.-Environmental Permit and License Certificate dated 18.07.2022 was obtained on behalf of Malatya Integrated Solid Waste Facility.
- Nov Enerji Elektrik Üretim A.Ş. Sivas Branch-Environmental Permit Certificate dated 06.10.2022 was obtained on behalf of Electricity Generation Facility.
- Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş.-Environmental Permit Certificate dated 11.11.2022 was obtained on behalf of Uşak Integrated Solid Waste Facility.



Facilities With Zero Waste Certificates

- Biyomek Elektrik Enerjisi Üretimi San. ve Tic. A.Ş.-Zero Waste Certificate was obtained on behalf of Çine Biomass Power Plant.
- Landfill Enerji San. Tic. A.Ş.-Zero Waste Certificate was obtained on behalf of Electricity Generation Facility.
- Serenti Enerji A.Ş.-Zero Waste Certificate was obtained on behalf of Electricity Generation Facility.
- Doğu Star Elektrik Üretim A.Ş.-Zero Waste Certificate was obtained on behalf of İnegöl Integrated Solid Waste Facility.
- Novtek Enerji Elektrik Üretim A.Ş. İnegöl Branch-Zero Waste Certificate was obtained on behalf of Electricity Generation Facility.
- Novtek Enerji Elektrik Üretim A.Ş. İskenderun Branch-Zero Waste Certificate was obtained on behalf of Electricity Generation Facility.
- İzmir Novtek Enerji Elektrik Üretim A.Ş. Harmandalı Branch-Zero Waste Certificate was obtained on behalf of Electricity Generation Facility.

- Doğu Star Elektrik Üretim A.Ş.-Zero Waste Certificate was obtained on behalf of Malatya Integrated Solid Waste Facility.
- Nov Enerji Elektrik Üretim A.Ş. Sivas Branch-Zero Waste Certificate was obtained on behalf of Electricity Generation Facility.
- Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş.-Zero Waste Certificate was obtained on behalf of Uşak Integrated Solid Waste Facility.

The steps that Biotrend will take to protect the environment in 2023 and beyond are as follows:

- Ensuring that the operations of Biotrend facilities are carried out in accordance with the Environmental Law and the regulations issued accordingly,
- Raising environmental awareness by providing Environmental Awareness Trainings to the personnel working at Biotrend facilities,
- Conducting activities to reduce the consumption of natural resources, especially water,
- Spreading the use of zero waste in facilities.

Zero Waste Certificate was obtained on behalf of Çine Biomass Power Plant.

Occupational Health and Safety

Occupational Health and Safety awareness is increased through training provided to employees.

The infrastructure of the ISO45001 Occupational Health and Safety System is being established in all of Biotrend's facilities.



While performing integrated solid waste management and generating electrical energy, Biotrend Çevre ve Enerji Yatırımları A.Ş. aims to operate by creating an environment free from hazards, where risks are eliminated or reduced, so that employees and subcontractors can perform all business activities safely, by taking into account the core principles stipulated by the United Nations Global Compact, of which it is a signatory. In line with this goal and with the awareness that employees are its most valuable asset, it undertakes the following key factors:

- Document and implement the Occupational Health and Safety Management System ISO 45001 in a way to fulfill the requirements of its standards and to ensure its effectiveness with continuous improvements,
- Achieve targets by improving the performance of Occupational Health and Safety activities,
- Identify, evaluate, reduce or eliminate the dangers and risks of its operations on humans and the environment,
- Allocate and plan the necessary resources for the measures to be taken and the arrangements to be made against all kinds of risks and dangers that may arise during its operations,
- Raise awareness of Occupational Health and Safety with trainings to be provided to employees and stakeholders and to ensure their

- participation in related processes,
- Accord with the legal and other requirements and changing conditions related to Occupational Health and Safety,
- Adopt the goal of zero work accident and occupational disease, believing that all kinds of work accidents and occupational diseases are preventable.

The infrastructure of the ISO45001 Occupational Health and Safety System is being established in all of Biotrend's facilities. Legislative requirements are followed and necessary actions are taken. Systems such as work permit system, near miss/hazard notifications were established and put into practice. OHS basic trainings are conducted by OHS specialists, and trainings on working at heights, working indoors, and working with biological agents are conducted by the Biotrend OHS Specialist.

Within the scope of OHS's basic trainings, training has been given to employees 15.2 man/hour in 2022.

Certificates obtained in the field of Occupational Health and Safety in 2022: Kavacık Head Office and Doğustar Malatya Facility have ISO45001 certificates.

In 2023, Biotrend plans to obtain ISO45001 for other subsidiaries as well.

Corporate Social Responsibility Projects



Biotrend considers corporate social responsibility as a whole including all concepts such as social responsibility, corporate social responsibility, employee satisfaction, and responsible corporateness. Biotrend, which evaluates and carries out the projects it develops accordingly, implements projects that will provide benefit for the society in this context. The company also continues to embrace the fields of cultural values, culture, arts, and sports under the roof of corporate sponsorships. Biotrend has continued its Violence Awareness Training for Women, Tree of Life Library, and Library for Village Schools projects in 2022.

Women Enlightening Turkey

The other purpose of Biotrend in social responsibility projects, after providing benefit for the society, is to become distinct from the competitors while increasing the image and visibility of the Company. Implementing projects that will help develop closer relations with current and prospective customers and investors is an important step for the sustainable business processes of Biotrend, which is publicly traded... The "Women Enlightening Turkey" project, which is included in the plans, not only emphasizes the electricity produced, but also glorifies the women who work here and draws attention to women's employment.

Beach Volleyball World Championship

Biotrend is proud to be a supporter of the U19 Beach Volleyball World Championship held in Dikili, İzmir.

United Nations Global Compact

Biotrend was accepted into the United Nations Global Compact Climate Acceleration Program. Biotrend, which participated in this program held in 55 countries and achieved an important first as Turkey's only company producing energy from waste, has accelerated its work for Climate Action in accordance with United Nations Sustainable Development Goal No. 13. Thus, it will have provided its contribution in line with the European Union's 2050 Carbon Neutral Continent Target and Turkey's 2053 Net Zero Target.

Visit of the Architects and Engineers Group Bursa Branch

Biotrend hosted the Bursa Branch of the Architects and Engineers Group at the İnegöl Solid Waste Disposal Facility, which is the hope of sustainable energy. Biotrend was given a plaque at the end of the technical visits.

Visit of the İnegöl Gaziosmanpaşa İmam Hatip Secondary School Harezmi Project Renewable Energy Team

Biotrend explained the process of converting garbage into electricity and its contributions to sustainability to the students of the İnegöl Gaziosmanpaşa İmam Hatip Secondary School Harezmi Project Renewable Energy Team at the Bursa İnegöl Solid Waste Disposal Facility.

Visit of the Future Engineers and Environmental Engineers Chamber

Future Engineers and Chamber of Environmental Engineers visited Biotrend İnegöl Solid Waste Disposal Facility, which is the hope of clean energy.

Visit of the İnegöl Dörtçelik Vocational and Technical Anatolian High School

Students of the İnegöl Dörtçelik Vocational and Technical Anatolian High School within the body of İnegöl District Directorate of National Education visited Biotrend Bursa İnegöl Solid Waste Disposal Facility.

Corporate Social Responsibility Projects

Biotrend implements projects that will benefit society.

Biotrend also continues to embrace the fields of cultural values, culture, arts, and sports under the roof of corporate sponsorships.

Workshop on the Energy Journey of Biomass

Biotrend Aydın Çine Facility hosted the Workshop on the Energy Journey of Biomass. The workshop was held in line with the "Project of Sustainable Biomass Use to Support the Development of the Turkish Economy on the Path to Green Growth." At the workshop, studies were carried out on subjects such as demonstrating modern bioenergy technologies and energy efficiency measures in agricultural industry, arranging policy and framework programs, and bringing agricultural wastes into the economy.

Çöplenyorumuz

With the "Çöplenyorumuz" YouTube Series project implemented by Biotrend, an awareness-raising movement is started to support the slogan "From waste to electricity, from electricity to the future". The program "Çöplenyorumuz" launches out like a classic travel-cooking program, but continues in a very different way. The presenter of the program and an accompanying celebrity will draw attention to the topic of "Waste" while chatting, collecting waste, and bringing the waste to the nearest Biotrend facility. All electricity used in the shooting of the program will be obtained from waste.

Journey from Waste to Art

Another important project is called Journey from Waste to Art. The museum, which is aimed to be built under the creative directorship of Rüçhan Keçeci, who transforms metal waste into art, is envisaged to add works produced in the field of sustainable, modern, and contemporary art with an international approach to its collection, to develop the concept with special workshops in this field, and to support a journey from garbage to art with permanent/temporary exhibitions.

Butterfly Effect

Violence Awareness Trainings held at the Bergama facility aim to create a "Butterfly Effect" by initiating a new transformation in the social and business lives of employees. Producing energy from organic waste by performing recycling-oriented separation in the Bergama district of Izmir, Biotrend undertakes an exemplary project in Turkey with the Violence Awareness Trainings it initiated within the Company. Providing "Violence Awareness Training" to 161 blue and white-collar employees, from garbage separating officer to shift supervisor, the Company aims to prevent violence against women in society and to make its women employees realize that their power and effort is valuable with the project it initiated.



Seedling Distribution

The first seedling distribution event jointly organized with Malatya Metropolitan Municipality was held at Biotrend's greenhouse located in Malatya Orduzu Facility. The first 100 thousand seedlings produced by using the heat obtained from the wastes were shared with the citizens at this event.

Eco Climate Summit Sponsorship

Doğanlar Holding and its brands Biotrend, Doğtaş, Kelebek Furniture, and Lova Bedding participated as the "Nature Sponsor" to the Eko Climate Summit, which is the world's first economy and climate change fair, held between 30-31 March 2022 in order to adapt to global regulations on "Climate Change" and "Green Transformation", to create a common mind to combat climate change, and to minimize its negative impacts on the economy. The Company had the opportunity to talk about the contribution of brands to a sustainable life with the motto #BuBirDönüşümHikayesi.

Tree of Life Library

A library consisting entirely of wood waste was established inside the Bergama Landfill Gas Electricity Generation Facility. In the library called Tree of Life, books collected by volunteers meet their readers.

Gazebo Project

A gazebo was designed to be used during lunch breaks to strengthen communication at Biotrend facilities, increase the sense of belonging, and create a sustainable working environment. Brought to life entirely with waste materials, the gazebo project not only provides our employees with pleasant moments, but also shows our guests the value of recycling.

Facility Bookshelves

Built and assembled completely with the support of our voluntary staff, Biotrend bookshelves met with children. Bookshelves designed entirely from waste wood in order to pass on the love of books and nature to new generations will continue to reach schools in all corners of Turkey.

Board of Directors Committees and Evaluation of the Board of Directors

Structure and Formation of the Board of Directors and Independent Members

Turkish Commercial Code, Capital Market Legislation Regulations and Decisions are followed in the formation and election of the Board of Directors. The principles regarding the subject are also included in our Articles of Association. The Board of Directors consists of nine members elected by the General Assembly. There are 3 independent members in the Board of Directors. In accordance with the CMB Regulations and Decisions, 1/3 of the Board of Directors consists of independent members.

In the current situation, Osman Nuri Vardi, a member of the Company's Board of Directors, has also assumed the position of CEO. The majority of the board members are non-executive members. İlhan Doğan, Murat Doğan, Osman Nuri Vardi, and Doruk Doğan are Executive Board members. Ogün Doğan, Salih Tuncer Mutlucan, Hanife Öztürk Kartal, Kamile Banu Ejder Özcan, and Elif Ateş Özpak are Non-executive Board members. Board Members of the Company are elected for a maximum of three years in accordance with our Company's articles of association. Re-election of the Board members, whose terms expired, is possible. There are three female members in our Board of Directors.

The goal for female members in the Board, which is included in the Corporate Governance Communiqué, was achieved and it was 33%.

A written statement is received from our independent Board members, that the board meets the "independence" requirement as per the Capital Markets Law, CMB Regulations and Decisions. As of the report date, there was no situation that caused the Independent Board Members to lose their independence.

Operating Principles of the Board of Directors

Our Company's Board of Directors conducts its activities in a transparent, accountable, fair, and responsible manner in accordance with all matters determined by the Corporate Governance Principles. In accordance with Article 4.4.1. of the Corporate Governance Principles, the Board of Directors convenes as often as it can effectively fulfill its duties.

Board Meetings are held at the company head office or at a convenient location in the city where the head office is located. However, with the decision of the Board, it is possible to hold meetings at a location other than the Company's head office or by any technological means that provide remote access. The relevant provisions of the Turkish Commercial Code and the Capital Markets Legislation are applied to matters such as the meeting method, agenda, invitation to the meeting, voting, and meeting and decision quorums of the Board.

During the 2022 operating period, the Board convened 12 times, and the meetings were attended by 88% of the Board members. The board adopted 29 resolutions regarding the items on the agenda.

Important Board Decisions are announced to the public via the Public Disclosure Platform (KAP).

Significant related party transactions and balances of the Board members and senior executives were included in the related footnotes of the financial statements dated December 31, 2022.

The duties of our Board members outside the Company are as follows:

Full Name: İlhan Doğan
Position: Chairman of the Board
Duties Performed Outside of the Partnership: Doğanlar Yatırım Holding A.Ş. Group Head of the Energy Group

Full Name: Murat Doğan
Position: Deputy Chairman of the Board of Directors
Duties Performed Outside of the Partnership: Doğanlar Yatırım Holding A.Ş. Energy Group Vice President

Full Name: Osman Nuri Vardi
Position: Vice Chairman of the Board of Directors and CEO
Duties Performed Outside of the Partnership: -

Full Name: Salih Tuncer Mutlucan
Position: Board Member, Group Head of Business and Strategy
Duties Performed Outside of the Partnership: Doğanlar Yatırım Holding A.Ş. Board Member, Doğanlar Mobilya Grubu İmalat Sanayi ve Ticaret A.Ş. Board Member, and Astor Enerji A.Ş. Independent Board Member

Full Name: Doruk Doğan
Position: Board Member
Duties Performed Outside of the Partnership: Doğanlar Yatırım Holding A.Ş. Business Development Executive Board Member

Full Name: Ogün Doğan
Position: Board Member
Duties Performed Outside of the Partnership: Doğanlar Yatırım Holding A.Ş. Executive Board Member

Full Name: Hanife Öztürk Akkartal
Position: Independent Board Member
Duties Performed Outside of the Partnership: -Istanbul Kültür University Faculty of Law Lecturer

Full Name: Kamile Banu Ejder Özcan
Position: Independent Board Member
Duties Performed Outside of the Partnership: Frankfurt Municipality Trade Ambassador, General Manager of First Commercial Bank of Taiwan Frankfurt

Full Name: Elif Ateş Özpak
Position: Independent Board Member
Duties Performed Outside of the Partnership: Non-Executive Board Member at Atlanta Sanad, Independent Board Member at Akiş GYO A.Ş., Non-Executive Board Member at Akfen Yenilenebilir Enerji A.Ş. and Independent Board Member at Arzum Elektrikli Ev Aletleri San. ve Tic. A.Ş.

Committees of the Board of Directors

For the Board of Directors to fulfill its duties and responsibilities in a healthy manner, the Audit Committee, the Corporate Governance Committee, and the Early Detection of Risk Committee were established to ensure compliance to the Corporate Governance Principles specified in the Corporate Governance Communiqué (II-17.1), and the committees carry out their activities within the framework of the procedures determined. At our Board meetings dated 01.03.2021 and 21.09.2022, it was decided to appoint the committees as is seen on the next page.

With the resolution of the Board of Directors dated 01.03.2023, in order to fulfill the duties of creating a sustainability strategy, determining short, medium and long-term goals, establishing a sustainability governance structure, reviewing, evaluating, improving and auditing environmental and social indicators, and determining the committee members, their duties and responsibilities, it has been decided to establish a Sustainability Committee under the Board of Directors.

Board of Directors Committees and Evaluation of the Board of Directors

Audit Committee

Full Name	Position
Elif Ateş Özpak	President (Independent Board Member)
Hanife Öztürk Akkartal	Member (Independent Board Member)
Kamile Banu Ejder Özcan	Member (Independent Board Member)

Corporate Governance Committee

Full Name	Position
Kamile Banu Ejder Özcan	President (Independent Board Member)
Hanife Öztürk Akkartal	Member (Independent Board Member)
Salih Tuncer Mutlucan	Member (Board Member)
Gözde Çivici	Member (Investor Relations Director)

Early Detection of Risk Committee

Full Name	Position
Hanife Öztürk Akkartal	President (Independent Board Member)
Elif Ateş Özpak	Member (Independent Board Member)

Sustainability Committee

Full Name	Position
Elif Ateş Özpak	President (Independent Board Member)
Mehmet Ali Nalçacıoğlu	Deputy General Manager
Mert Karaosmanoğlu	Sustainability Manager
Gözde Çivici	Investor Relations Director and Secretary General
Aynur Oktay	Risk and Compliance Director.
Vedat Vardar	Human Resources Manager

Operating Principles of the Committees

In accordance with the Corporate Governance Communiqué (II-17.1) of the Capital Markets Law, the Company established the Corporate Governance Committee, the Audit Committee, and the Early Detection of Risk Committee with the Board Decision dated 01.03.2021 and numbered 2021/8.

The Corporate Governance Principle No. 4.5.1 envisions that the Audit Committee, the Corporate Governance Committee, the Nomination Committee, the Early Detection of Risk Committee, and the Remuneration Committee are formed for the Board to properly fulfill its duties and responsibilities, but that, if a separate Nomination Committee, and Remuneration Committee cannot be formed due to the structure of the Board, the Corporate Governance Committee can fulfill the duties of these committees. Accordingly, the Audit Committee, the Corporate Governance Committee, and the Early Detection of Risk Committee were established in our Company. The duties of the committees that are not present within the Board are conducted by the Corporate Governance Committee in accordance with the Corporate Governance Principles.

As per the Corporate Governance Principle No. 4.5.3, all members of the Audit Committee and the presidents of other committees should be elected from among the independent members of the Board. In this context, the president and member elections in the committees formed by the Board decisions dated March 1, 2021 and September 21, 2022 were made in accordance with the Corporate Governance Principles. Again, in

accordance with the principles, the CEO and General Managers of the Company are not included in the committees. In accordance with the Corporate Governance Principles, due to the criteria for the board members who can be a committee member, the same independent member serves in all three committees.

The Audit Committee audits the compliance of the annual and interim financial statements and footnotes to be disclosed to the public with current legislation and international accounting standards, takes the opinions of the Company's responsible managers and independent auditors regarding their accuracy and compliance with the reality and accounting principles followed by the Company, and notifies the Board in writing with its own evaluations. The Committee reviews the annual report to be disclosed to the public and reviews whether the information contained therein is correct and consistent with the information they have. The Committee generally monitors the operation and effectiveness of the Company's accounting system, public announcement and independent audit of financial information, and the internal control system. In 2022, 7 meetings were held by the audit committee.

The Corporate Governance Committee aims to offer suggestions for the Company's corporate governance policies, to increase the quality of corporate governance practices, to inform the Board about the effective monitoring of corporate governance principles generally accepted in the CMB's legislation on the corporate governance principles and international capital markets and the implementation

of the applicable ones; to carry out studies and to offer suggestions to the Board on the determination, evaluation, and training of suitable candidates for the Board of the Company, and to determine the principles of remuneration for the Board Members and senior managers of the Company. The Company's corporate governance committee held 4 meetings in 2022.

The Early Detection of Risk Committee fulfills its duties to evaluate and define the possibilities and effects of all risks that may endanger the existence, development, and continuation of the Company, to create risk measurement models and risk management systems and review their effectiveness at least once a year, to inform the Board regarding the measurement and monitoring of risks and the use of risk factors in decision processes and make necessary warnings, and to give recommendations to the Board to improve risk management practices and models. The Committee performs the necessary studies on the adoption and implementation of risk management policies and practices by all Company units and employees. The Company reviews its risk management systems at least once a year and submits it to the Board. In 2022, 6 meetings were held by the early risk detection committee.

Evaluation of the Board of Directors on the Operating Principles and Effectiveness of Board Committees

In line with the Corporate Governance Principles of the Capital Markets Board, the Corporate Governance Committee, the Audit Committee, and the Early Detection of Risk Committee

were established in order for the Board of Directors to fulfill its tasks and responsibilities in a healthy manner.

Areas of responsibilities, working principles, and members of the committees were determined by the Board of Directors. The duties and operating principles of these committees were determined by the Board decision dated March 1, 2021, and then finalized with the decision taken on September 21, 2022. The Operating Principles of the Committees were published on the Public Disclosure Platform and in the "Investor Relations" section of the website www.biotrendenerji.com.tr and disclosed to the public.

While the Performance Evaluation of the Board of Directors is conducted once a year, the evaluation of the individual performance of the Members of the Board of Directors, the measurement of the effectiveness of the Board of Directors Meetings, the evaluation of the Chairman and the CEO have been completed within the scope of performance surveys.

In 2022, all Board Committees fulfilled their duties and responsibilities required to be fulfilled in accordance with the Corporate Governance Principles and their own Operating Principles.

İlhan DOĞAN
Chairman of the Board of Directors

Murat DOĞAN
Deputy Chairman of the Board of Directors

Policies

All of Biotrend's policies can be accessed from the links below.

Disclosure Policy

<https://www.biotrendenerji.com.tr/Files/Raporlar/Bilgilendirme-Politikas-%C4%B0ngilizce-Terc%C3%BCme.pdf>

Remuneration Policy

<https://www.biotrendenerji.com.tr/Files/Raporlar/%C3%9Ccretlendirme-Politikas%C4%B1-%C4%B0ngilizce-Terc%C3%BCme.pdf>

Profit Distribution Policy

<https://www.biotrendenerji.com.tr/Files/Raporlar/Kar-Da%C4%9F%C4%B1t%C4%B1m-politikas%C4%B1-%C4%B0ngilizce-Terc%C3%BCme.pdf>

Donation and Sponsorship Policy

<https://www.biotrendenerji.com.tr/Files/Raporlar/Biotrend%20Charitable%20Donations%20and%20Sponsorship%20Policy.pdf>

Related Party Transactions Policy

<https://www.biotrendenerji.com.tr/Files/Raporlar/BiotrendRelatedPartyTransactionsPolicy.pdf>

Diversity and Equal Opportunity Policy

https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_%C4%B0K.PO.003%20%C3%87esitlilik%20ve%20F%C4%B1rsat%20Esitli%C4%9Fi%20Politikas%C4%B1-d%C3%B6n%C3%BC%C5%9Ft%C3%BCr%C3%BCld%C3%BC%20-%20redline_web%20format_EN.pdf

Codes of Business Ethics

https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_UY.YT.008%20%C4%B0%C5%9F%20Eti%C4%9Fi%20Kurallar%C4%B1%20Y%C3%B6netmeli%C4%9Fi%20-%20redline_web%20format_EN.pdf

Anti-Money Laundering and Prevention of the Financing of Terrorism Policy

https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_UY.PO.004%20Karapara%20Aklama%20ve%20Ter%C3%B6rizmin%20Finansman%C4%B1n%C4%B1%20%C3%96nleme%20Politikas%C4%B1%20-%20redline_web%20format_EN.pdf

Anti-Bribery and Anti-Corruption Policy

https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_UY.PO.003%20R%C3%BC%C5%9Fvet%20Yolsuzlukla%20M%C3%BCcadele%20Politikasi%20-%20redline_web%20format_EN.pdf

Information Security Policy

https://www.biotrendenerji.com.tr/Files/sozlesmeler/BT.PO.001%20Bilgi%20G%C3%BCvenli%C4%9Fi%20Politikas%C4%B1_ENG.pdf

Environmental Policy

https://www.biotrendenerji.com.tr/Files/Raporlar/%C3%87YS.PO.001%20%C3%87evre%20Politikas%C4%B1_ENG.pdf

Quality Policy

https://www.biotrendenerji.com.tr/Files/sozlesmeler/KYS.PO.001%20Kalite%20Politikas%C4%B1_ENG.pdf

Occupational Health and Safety Policy

https://www.biotrendenerji.com.tr/Files/Raporlar/%C4%B0SG.PO.001%20%C4%B0%C5%9F%20Sa%C4%9Fi%C4%B1%C4%9F%C4%B1%20ve%20G%C3%BCvenli%C4%9Fi%20Politikas%C4%B1_ENG.pdf

Public Relations Policy

https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_KA%C4%B0.PO.001%20Kamu%20%C4%B0li%C5%9Fkileri%20Politikas%C4%B1_23052022%20-%20redline_web%20format_EN.pdf

Human Rights Policy

https://www.biotrendenerji.com.tr/Files/yatirimci_iliskileri/biotrendenerji/UY.PO.010%20Insan%20Haklari%20Politikasi_web1_ENG.pdf

Anti-Retaliation Policy

https://www.biotrendenerji.com.tr/Files/yatirimci_iliskileri/biotrendenerji/UY.PO.006%20Misillemenin%20Onlenmesi%20Politikasi_web_ENG.pdf

Compliance Policy

https://www.biotrendenerji.com.tr/Files/yatirimci_iliskileri/biotrendenerji/UY.PO.001%20Uyum%20Politikasi_web_ENG.pdf

Enterprise Risk Management Policy

https://www.biotrendenerji.com.tr/Files/yatirimci_iliskileri/biotrendenerji/UY.PO.005%20Kurumsal%20Risk%20Yonetimi%20Politikasi_web_ENG.pdf

Employee Compensation Policy

https://www.biotrendenerji.com.tr/Files/yatirimci_iliskileri/biotrendenerji/%C4%B0K.PO.006%20Calisan%20Tazminat%20Politikasi_web_TR.pdf

Other Matters

Internal Audit and Internal Control Activities

Biotrend internal audit activities are conducted with the contribution of the audit directorate and all employees. The purpose of internal audit is to protect Biotrend's tangible and intangible assets, to ensure that activities are carried out in accordance with internal and external legislation, to strengthen internal control processes to increase effectiveness and productivity in business processes, and to ensure taking corrective measures in a timely manner. Internal audit work is carried out within the scope of the annual regular audit plan/calendar prepared and updated over time by the Audit Directorate.

The findings, opinions, and suggestions determined as a result of the internal control work carried out by the audit unit are first shared and evaluated with those who carry out the activities. Thus, it is ensured that the necessary complementary and preventive measures are taken and implemented quickly and that appropriate and applicable solutions that improve processes and activities are implemented swiftly. All work done is constantly monitored and evaluated by the Company management and internal audit unit, as well as by the process owners. The Board of Directors and the Audit Committee are periodically informed about the Internal Control System and Internal Audit activities.

In addition, an Audit Committee was established within the Board of Directors. The audit committee assists the Board in overseeing the Company's accounting, finance, and auditing transactions.

The Audit Committee reviews and evaluates the systems and processes developed by the Company on financial reporting, operational risks, internal control, internal and independent external audit, and compliance with laws and regulations and makes recommendations to the Board.

Other Matters

Financial Rights Granted to the Members of the Board of Directors and Senior Managers

By evaluating the Company's long-term goals, the Company established the Remuneration Policy to determine the principles of remuneration for the Board and executives with administrative responsibility, in compliance with all governing legal regulations and the provisions of the Articles of Association.

The Remuneration Policy is announced on the company's website at www.biotrendenerji.com.tr. It is also included in the Policies section of the report.

The salaries given by the Company to the Board members and executives with administrative responsibility are determined according to the market conditions, and all other benefits provided by evaluating the competitive conditions are disclosed to the public collectively.

TL	December 31, 2021	December 31, 2022
Benefits Provided to Senior Management	7,055,362	12,629,934

Changes Occurred Between Year-End and Report Preparation Periods

In line with its goal of being included in the BIST Corporate Governance Index, Biotrend signed a corporate governance rating agreement with Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş., which has an operating license to make ratings in accordance with the Capital Markets Board Corporate Governance Principles, on 16.01.2023.

Pursuant to our Company's Board of Directors decision dated 20.01.2023 and numbered 2023/1, The Sustainable Lease Certificate Framework Document ("Framework Document") dated on January 2023 prepared by Süratam Sürdürülebilirlik Danışmanlığı A.Ş. in compliance with the Guidelines on Green Debt Instruments, Sustainable Debt Instruments, Green Lease Certificates and Sustainable Lease Certificates ("Guide") published by the Capital Markets Board ("CMB") on 24.02.2022 and the international standards and the Second Party Opinion Report dated 02 January 2023 which is prepared by Metsims Eğitim ve Danışmanlık Hizmetleri Limited Şirketi regarding compliance of the Framework Document with the Guide and international standards attached in the the letter delivered by Kalkınma Yatırım Varlık Kiralama A.Ş. to the CMB on 16.01.2023 has been accepted with regards to the lease certificate issuance

application made to the CMB on 23.11.2022 for which our Company will be participating as a Fund User/Originator to issue green and/or sustainable lease certificates based on management agreement in accordance with the conditions stipulated in the regulations and the Guide and other legislation within the 1 (one) year from date of CMB's decision on the approval of issuance document in varying maturities denominated in Turkish Lira; and to issue these lease certificates which will have a size of up to TRY 500,000,000.00 (FivehundredMillionTurkishLiras) to be sold to allocated and/or qualified investors in domestic market without a public offering in coupons by Kalkınma Yatırım Varlık Kiralama A.Ş. as the issuer.

Due to the resolution in Board meeting dated 14.02.2023, Biotrend has decided to make share buyback transactions in accordance with the Communiqué on Buy-Backed Shares numbered II-22.1 and the announcement of Capital Markets Board (the "CMB") dated 14.02.2023 to protect the shareholders, ensure that the share price is consistent with the actual value and protect the trust of our investors to our Company since the prices of our Company's publicly traded shares do not reflect the actual performance of our Company's activities.

To limit the funds for share buyback as TL 100,000,000 at maximum which will be made available from the Company's equity capital and to specify the maximum number of shares as 5,000,000 amount. The Company decided not to sell such repurchased shares for 30 days from the date of this disclosure, and in case the value of repurchased shares does not exceed the 10% of the Company's paid capital, to keep the shares until an adoption of a board resolution, and in case the value of such shares exceeds the 10% of our Company's paid capital, to dispose such shares in 3 (three) years, and the maximum stipulated period for the share buyback transactions to be realized as 3 (three) years starting from the date of this Board of Directors decision.

Necessary disclosures with regards to the share buyback transactions will be made to shareholders after the first General Assembly meeting of the Company.

With our announcement on PDP dated 23.02.2023, as a result of the earthquake, no loss of life or property was experienced at our facilities in Malatya and Iskenderun. There are no earthquake-related damages in our facilities and our productions continue.

With our announcement on PDP dated 23.02.2023, as a result of the earthquake, no loss of life or property was experienced at our facilities in Malatya and Iskenderun. There are no earthquake-related damages in our facilities and our productions continue.

A memorandum of understanding is ("MOU") is executed by and between our Company and BEEAH Energy Investment Limited ("BEEAH"), a waste management and clean energy company of Middle East region's sustainability pioneer BEEAH Group, on the purpose of expressing their mutual interest and desire to cooperate for jointly identifying investment and contracting opportunities for the prospective projects in the field of Integrated Waste Management Facilities (waste collection, tracking and mechanical sorting Units, Anaerobic Digesters, compost and organomineral fertilizer production, hybrid power generation, upcycle plastic recycling, green hydrogen, low-carbon mobility solutions etc.) to improve energy efficiency and R&D studies which are identified as "Project(s)" in MoU on 24 February 2023. The Parties shall cooperate on the basis of Preferred Partnership throughout the entire period of the MoU; whereas the Parties will identify the type of partnership to jointly participate and cooperate for further development of the Project according to identified Project type and scale. With the resolution of the Board of Directors dated 01.03.2023, in order to fulfill the duties of creating a sustainability strategy, determining short, medium and long-term goals, establishing a sustainability governance structure, reviewing, evaluating, improving and auditing environmental and social indicators, and determining the committee members, their duties and responsibilities, it has been decided to establish a Sustainability Committee under the Board of Directors.

Changes in the Legislation in 2022

None.

Information on Own Shares Repurchased by the Company

The company did not repurchase any shares in 2022.

Information on Lawsuits Filed Against the Company and Their Possible Outcomes that May Affect the Financial Status and Activities of the Company

The details of important lawsuits filed as of 31.12.2022 against Doğu Star Elektrik Üretim A.Ş. and Biyomek Elektrik Enerjisi Üretimi San. ve Tic. A.Ş., which are subsidiaries of the Company, are given below.

Other Matters

Defendant						
Company Name	File No	Plaintiff	Trial Subject	Trial Cost		
DOĞU STAR ELEKTRİK ÜRETİM A.Ş.	Malatya 3rd Civil Court of First Instance	2021/478	MALATYA METROPOLITAN MUNICIPALITY	Due to the fact that the Kapıkaya Environmental Integration Project LFG-Based Electricity Generation Facility did not start operating within the period specified in the contract, whose details we specified in the prospectus, the dispute regarding the loss of turnover fee was brought to the court and this lawsuit was filed against Doğu Star Elektrik Üretim A.Ş. The expert report came out in favor. At the request of the plaintiff, the file was submitted to the expert to prepare an additional expert report. The case is pending.	TL 4,198,307.24	
BİYOMEK ELEKTRİK ENERJİSİ ÜRETİMİ SAN. VE TİC. A.Ş.	Ankara 1st Commercial Court of First Instance	2021/651	EFOR ENDÜSTRİYEL TESİSLER MONTAJ İMALAT VE İNŞ. A.Ş.	Efor Endüstriyel Tesisler Montaj İmalat ve İnş. A.Ş., which serves as the main contractor within the framework of the EPC Agreement at the Aydın Çine Biomass Facility operated by Biyomek Elektrik Enerjisi Üretimi San. Ve Tic. A.Ş., was terminated by our company Biyomek for justified reasons, as a result of not duly performing its contractual obligations. On the Efor side, it is a receivable lawsuit filed on the grounds that it has receivables arising from the invoice, with unfounded claims. The case is pending. It was combined with the Ankara 6th Commercial Court of First Instance No. 2022/159 E. commercial receivables lawsuit filed by us. Additional expert report is awaited.	TL 9,623,766	

Explanations on Administrative and Legal Sanctions Imposed on the Bank and Members of the Management Body as a Result of Violation of Legislative Provisions

As the Company and the Board members do not have practices contrary to the provisions of the legislation, there are also no administrative and judicial sanctions against the Company and the Board members.

Rating Notes

Title of rating agency	Date the rating	Long-term national rating	Whether it is investment grade
JCR Eurasia	23.08.2022	A+	Investment Grade

Amendments to the Articles of Association

In 2022, no amendments were made in the articles of association.

Information on Conflict of Interests Between the Institutions that the Company is Getting Services on Investment Consultancy and Rating and Measures Taken to Prevent Those

No situation that created a conflict of interest was observed during the period. In such service procurements, CMB legislation and all other legislative provisions are followed, and great care is taken to avoid a situation that could lead to a conflict of interest.

The capital adequacy status of the Company was evaluated under article 376 of the Turkish Commercial Code No. 6102 and the relevant legislation, and it was determined that the capital was not unrequited and at an adequate level.

Due to its direct and indirect shareholding, the controlling shareholder of the Company is Doğanlar Yatırım Holding A.Ş.

During the year, TL 15,000 was donated as per the Company's Donation and Sponsorship Policy.

Although the Company is a subsidiary of the Company group, there is no legal action taken with the holding company, a subsidiary of the holding company, for the benefit of that company or a subsidiary with the guidance of the holding company and no measure taken or avoided for the benefit of the holding company or a subsidiary during the past year.

Nature and Amount of Capital Market Instruments Issued During the Period: None

Commercial and Financial Relations with Indirect and Direct Subsidiaries: It is set out in the Related Party Disclosures Footnote of the Consolidated Financial Statements and Private Independent Auditor Reports Dated December 31, 2022.

Significant Asset Purchase or Sale: None

Main Factors Affecting the Performance of the Business and Significant Changes in the Operating Environment of the Business: None

Information on Private Audits and Public Audits in 2022

In 2022, two independent audits were conducted and no negative situation was detected. There was no public audit during the period.

Declarations of Independence

I acknowledge and declare that I am a candidate to serve as an "independent member" at the Board of Directors of Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi (Company) within the framework of the criteria specified in the legislation, the articles of association, and the Corporate Governance Communiqué No. II-17.1, Annex Article 4.3.6 published by the Capital Markets Board if a positive opinion is given by the CMB for the criterion of "being a resident in Turkey according to the Income Tax Law", and within this scope:

a) Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and the Company and the subsidiaries of the Company, and shareholders who control the management of the Company or who have significant influence at the Company and juridical persons controlled by these shareholders; and I neither possess more than 5% of any and all capital or voting rights or privileged shares nor do I have significant commercial relations,

b) In the last five years, I did not serve as a partner (with a stake of 5% and above), a manager with major duties and responsibilities, or a board member, particularly in the audit (including tax audit, statutory audit, internal audit), rating, and consultancy functions, at any company with which the company has traded significant amounts of products or services, in periods when such products and services were sold or purchased in line with business agreements,

c) I have the professional education, knowledge, and experience to perform the duties to be assumed as a result of becoming an independent member of the Board of Directors.

d) In accordance with the legislations, I have not worked fulltime in public institutions and organizations (except working as an academician at the university) after being elected as a member,

e) I have strong ethical standards, professional reputation, and experience to make a positive contribution to the operations of the Company, to keep my impartiality in conflicts of interest to arise between the Company and shareholders, and to make decisions freely by taking into account the rights of stakeholders,

f) I will be able to spare the sufficient time for the business of the Company to an extent that will help me pursue the activities of the Company and fulfill the requirements of my tasks and duties,

g) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

h) I do not serve as an independent board member in more than three of the companies where the company or its ultimate controlling partners have managerial control, nor in more than five companies traded in the stock exchange,

i) I am not registered and announced on behalf of the juridical person elected as member of the Board of Directors.

I hereby declare the above-mentioned matters.



Kamile Banu Ejder Özcan

I acknowledge and declare that I am a candidate to serve as an "independent member" at the Board of Directors of Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi (Company) within the framework of the criteria specified in the legislation, the articles of association and the Corporate Governance Communiqué No. II-17.1, Annex Article 4.3.6 published by the Capital Markets Board, and within this scope:

a) Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and the Company and the subsidiaries of the Company, and shareholders who control the management of the Company or who have significant influence at the Company and juridical persons controlled by these shareholders; and I neither possess more than 5% of any and all capital or voting rights or privileged shares nor do I have significant commercial relations,

b) In the last five years, I did not serve as a partner (with a stake of 5% and above), a manager with major duties and responsibilities, or a board member, particularly in the audit (including tax audit, statutory audit, internal audit), rating, and consultancy functions, at any company with which the company has traded significant amounts of products or services, in periods when such products and services were sold or purchased in line with business agreements,

c) I have the professional education, knowledge, and experience to perform the duties to be assumed as a result of becoming an independent member of the Board of Directors.

d) In accordance with the legislations, I have not worked fulltime in public institutions and organizations (except working as an academician at the university) after being elected as a member,

e) I have strong ethical standards, professional reputation, and experience to make a positive contribution to the operations of the Company, to keep my impartiality in conflicts of interest to arise between the Company and shareholders, and to make decisions freely by taking into account the rights of stakeholders,

f) I will be able to spare the sufficient time for the business of the Company to an extent that will help me pursue the activities of the Company and fulfill the requirements of my tasks and duties,

g) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

h) I do not serve as an independent board member in more than three of the companies where the company or its ultimate controlling partners have managerial control, nor in more than five companies traded in the stock exchange,

i) I am not registered and announced on behalf of the juridical person elected as member of the Board of Directors.

I hereby declare the above-mentioned matters.



Elif Ateş Özpak

Declarations of Independence

I acknowledge and declare that I am a candidate to serve as an "independent member" at the Board of Directors of Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi (Company) within the framework of the criteria specified in the legislation, the articles of association and the Corporate Governance Communiqué No. II-17.1, Annex Article 4.3.6 published by the Capital Markets Board, and within this scope:

a) Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and the Company and the subsidiaries of the Company, and shareholders who control the management of the Company or who have significant influence at the Company and juridical persons controlled by these shareholders; and I neither possess more than 5% of any and all capital or voting rights or privileged shares nor do I have significant commercial relations,

b) In the last five years, I did not serve as a partner (with a stake of 5% and above), a manager with major duties and responsibilities, or a board member, particularly in the audit (including tax audit, statutory audit, internal audit), rating, and consultancy functions, at any company with which the company has traded significant amounts of products or services, in periods when such products and services were sold or purchased in line with business agreements,

c) I have the professional education, knowledge, and experience to perform the duties to be assumed as a result of becoming an independent member of the Board of Directors.

d) In accordance with the legislations, I have not worked fulltime in public institutions and organizations (except working as an academican at the university) after being elected as a member,

e) I am considered a resident in Turkey according to Income Tax Law, dated 31/12/1960 and numbered 193,

f) I have strong ethical standards, professional reputation, and experience to make a positive contribution to the operations of the Company, to keep my impartiality in conflicts of interest to arise between the Company and shareholders, and to make decisions freely by taking into account the rights of stakeholders,

g) I will be able to spare the sufficient time for the business of the Company to an extent that will help me pursue the activities of the Company and fulfill the requirements of my tasks and duties,

h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,

i) I did not serve as an independent board member in more than three of the companies where the company or its ultimate controlling partners have managerial control, nor in more than five companies traded in the stock exchange,

j) I have not been registered and announced on behalf of the juridical person elected as member of the Board of Directors.

I hereby declare the above-mentioned matters.



Hanife Öztürk Akkartal

Corporate Governance Principles Compliance Statement

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi (Biotrend) operates in parallel with the (II-17.1) "Capital Markets Board Corporate Governance Principles" published by the Capital Markets Board (CMB). Biotrend conducts its relations with its employees, customers, and all relevant parties, especially its shareholders, within the framework of an effective management and audit, with the understanding of accountability, equality, transparency, and responsibility, which are the generally accepted elements of the corporate governance approach.

According to Article 22 of the "Compliance with Corporate Governance Principles" section of the Company's Articles of Association, the CMB-mandated Corporate Governance Principles are followed. Transactions made and Board decisions taken without following the compulsory principles shall be void and deemed against the articles of association.

The Company's Corporate Governance Compliance Report Form (CRF) and Corporate Governance Information Form (CGIF) for the 01.01.2022-31.12.2022 accounting period was prepared in accordance with the presentation principles determined by the CMB's decision dated 10.01.2019 and numbered 2/49 and the CMB's "Corporate Governance Communiqué" numbered II-17.1. Biotrend's Corporate Governance Compliance Report Form (CRF) and Corporate Governance Information Form (CGIF) for the accounting period 01.01.2022-31.12.2022 can be accessed at the "Investor Relations/Corporate Governance/Corporate Governance Principles Compliance Reports" section of the Company's corporate website (www.biotrendenerji.com.tr) and at the Public Disclosure Platform's (KAP)

corporate website (kap.gov.tr). If the company has a plan to make changes in its management practices within the framework of corporate governance principles in the future, it will provide the necessary information on this matter.

General Assembly Meetings

Our Company holds its General Assembly meetings in accordance with the principles under the "General Assembly" heading of the "Corporate Governance Principles."

Upon the announcement of the General Assembly Meeting on the website of our company, the notifications and explanations required by the legislation, as well as all other matters that are required to be included by the Corporate Governance Principles are announced to the shareholders in accordance with the principles. That is to say:

- The total number of shares and voting rights reflecting the shareholding structure of the Company as of the date of the General Assembly Meeting announcement are published on our Company's website.
- While preparing the General Assembly agenda, attention was paid to the fact that each proposal was given under a separate heading, and the agenda topics were stated clearly and in a way not to lead to different interpretations. Care was taken not to include phrases such as "other" or "various" on the agenda. The information given before the General Assembly Meeting is given by referring to the relevant agenda items.

- While preparing the agenda of the Ordinary General Assembly meeting, there was no subject that the shareholders conveyed in writing to the Company's Investor Relations Department and wanted to be included in the agenda. Likewise, the shareholders, CMB, and/or other public institutions and organizations to which the Company is related did not request to add an item to the agenda.

- The meeting procedure of the General Assembly ensures the participation of the shareholders at the highest level. Our General Assembly meetings are held in a way not to cause inequality among the shareholders. Our general assembly meetings are held at the Company head office. The Ordinary General Assembly meeting for 2021, which was held on 29.04.2022, was held in Istanbul, where the Company's head office is located, in accordance with the Company's articles of association. As per our articles of association, it is also possible to hold meetings in another part of the city where the Company's head office is located.

- The chairman made necessary preparations ahead of the meeting and acquired the necessary information about the execution of the General Assembly as per the Turkish Commercial Code, the Law, and the relevant legislation.

Corporate Governance Principles Compliance Statement

- During the Ordinary General Assembly meeting, the chairman of the meeting paid attention to the issue of conveying the topics on the agenda in an impartial and detailed manner, with a clear and understandable method. Shareholders were given the opportunity to express their opinions and ask questions under equal conditions. The chairman of the meeting ensured that every question asked by the shareholders at the General Assembly Meetings and not within the scope of trade secrets was answered directly at the General Assembly Meeting.

- It is essential that the members of the Board of Directors, at least one member of the Board, and an officer of the Independent Auditing Organization attend the General Assembly meetings; those who have responsibilities regarding the issues on the agenda and those who need to make explanations are also present. If these people, with the exception of those who are required by law to be present at the meeting, are not present, the chairman of the meeting presents the reasons for their absence to the General Assembly. In this regard, the CMB's Decision dated 01.02.2013 and numbered 4/89 is followed. Our shareholders, our Board Member, Independent Audit company representative, and company employees who are required to be present as per agenda items attended our Ordinary General Assembly meeting for the 2021 accounting period.

The Ordinary General Assembly meeting for the 2021 accounting period was held on April 29, 2022 at 13:00 at Kavacak Mah., Ertürk Sk., No: 3/1, İç Kapı No: 1 Beykoz/İstanbul. At the General Assembly meeting, 361,971,761.059 shares out of 500,000,000 shares representing the capital of our Company at that time were represented. Questions regarding the agenda items received from the shareholders who attended the meeting in person or by proxy were answered during the meeting. The meeting minutes and attendance sheet were disclosed to the public on the same day as the meeting via KAP. The minutes and attendance sheets of the General Assembly Meeting are also kept available on our website for the information of the shareholders.

Members of the Board of Directors did not take any action within the framework of Articles 395-396 of the TCC, based on the permission granted in the previous year.

Right to Request Private Auditor: According to Article 438 of the Turkish Commercial Code, if necessary for exercising shareholding rights and if the right to obtain information or review was previously exercised, each shareholder may request clarification of certain events from the general assembly through a private audit, even if they are not on the agenda. If the general assembly approves the request, the Company or each shareholder may request the appointment of a private auditor from the commercial court of first instance at the location of the company's head, within thirty days. However, there was no request for the appointment of a private auditor during the period.

No extraordinary general assembly was held during the period.

Voting Rights and Minority Rights

The company avoids practices that make it difficult for shareholders to exercise their voting rights. It builds the necessary mechanisms to provide every shareholder with the opportunity to exercise their voting rights in the easiest and most appropriate way. In this context, according to Article 10 of the Company's Articles of Association on Participation in the General Assembly Meeting in Electronic Environment, voting right holders who have the right to attend the Company's General Assembly Meetings can also attend these meetings electronically under Turkish Commercial Code Article 1527. At the Extraordinary Ordinary General Assembly meeting held on 29.04.2022, in accordance with this provision of the articles of association, the system built ensured that voting right holders and their representatives could exercise their rights as specified in the provisions of the aforementioned regulation.

There is no privileged share in the articles of association of our company, and therefore no privileged voting. Each share has one voting right. As per Article 20 of the Company's articles of association on the management of minority shares entitled Minority Rights, the minority rights of the shareholders constituting one twentieth of the capital and the exercise of these rights, which are regulated in Articles 360, 411, 420, 439, 486, 531, 559 and other articles of the TCC, in the capital market legislation, CMB regulations and other relevant legislation, cannot be restricted or prevented. The cumulative voting method is not included in our articles of association.

Transfer of Shares

Our company's articles of association do not contain any provisions restricting the transfer of shares. Provisions of TCC, capital market legislation, energy market legislation, and other relevant legislation are applied in the transfer of shares. Shares can be transferred without any restrictions outside the stock market. No restrictions may be imposed on the transfer of shares traded or to be traded on the stock market.

In case the Company buys back its own shares, action is taken in accordance with the capital market legislation and other relevant legislation, and necessary material event disclosures are made.

Public Disclosures and Transparency

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi has adopted the principle of announcing to the public all the disclosures it must make as per the provisions of the legislation. While the company follows an active and transparent disclosure policy, it complies with the Capital Markets Legislation in all practices regarding public disclosure and aims to implement the most effective communication policy under the Capital Markets Board's Corporate Governance Principles communiqué.

Our Company's Disclosure Policy regulates what information, other than those determined by the legislation, will be disclosed to the public, how, how often, and in what ways this information will be announced to the public, how often the Board of Directors or executives will meet with the press, how often meetings will be held to inform the public, what method will be followed in answering questions directed to the company, and similar matters.

The information to be disclosed to the public within the scope of Public Disclosure and Transparency is presented to the public in a timely, accurate, complete, understandable, and interpretable manner through the "Public Disclosure Platform" and our Company's corporate website (www.biotrendenerji.com.tr), in a way to assist the decision-making of the individuals and organizations that will benefit from the disclosure.

Within the year, 68 material event disclosures were made in accordance with the CMB regulations. All material event disclosures were made on time and published on our website. No additional explanation was requested.

The Disclosure Policy is available on our Company's website.

Corporate Governance Compliance Information Form and Compliance Report

The Corporate Governance Compliance Report Form (CRF) and Corporate Governance Information Form (CGIF) for the accounting period 01.01.2022-31.12.2022 can be accessed at the "Investor Relations/Corporate Governance/Corporate Governance Principles Compliance Reports" section of the Company's corporate website (www.biotrendenerji.com.tr) and at the Public Disclosure Platform's (KAP) corporate website (kap.gov.tr).

Information on Risk Management Practices

Biotrend Enterprise Risk Management

The fact that every organization must deal with factors that create uncertainty in achieving its objectives serves as the starting point for Enterprise Risk Management (ERM). A forward-thinking management style is founded on the concept of corporate governance, and one of its fundamental components is risk management.

Given that risks also bring opportunities, Biotrend believes that “sustainable growth” will be achieved by effectively identifying, measuring, and managing risks, and the Company considers risk management to create value for its stakeholders.

In order to manage risks in the most effective way, efforts are made to spread the risk culture throughout Biotrend, to implement Enterprise Risk Management as a continuous and systematic process.

Accordingly, an Enterprise Risk Management approach was established to define, evaluate, prioritize, monitor, and report the risks that Biotrend may encounter in its operations, to decide on the measures to be taken and the risk management strategies to be followed, and to implement them.

Biotrend’s Enterprise Risk Management is based on the “Enterprise Risk Management–Aligning Risk with Strategy and Performance” framework published by COSO in 2017.

It is expected that the risks faced by the Company are monitored with the determined Key Risk Indicators (KRGs), that these indicators are constantly

monitored and reported periodically, and that necessary actions are taken to manage the risks pointed out by the Key Risk Indicators.

Enterprise Risk Management encompasses all of the Company’s operations, both individually and collectively, and is a fundamental responsibility for all of them. It is integrated into all Biotrend’s activities and processes in a way to improve the decision-making processes regarding governance, strategy, goal setting, and daily operations, to increase performance, and to contribute to the creation, protection, and maintenance of value.

Biotrend aims to maximize the value it will create for its stakeholders by managing possible deviations in strategic, operational, and financial goals through identifying and evaluating the current and future risks related to “financial”, “operational,” “strategic,” and “external environment and compliance” issues in all its operations and taking actions to minimize or keep these risks at the optimum level.

Biotrend management and all its employees are expected to approach the risks and regulations that have an impact on people with great sensitivity. In this context, the Company works to take measures to manage its HR, environment, occupational health and safety, labor relations, and governance risks (ESG risks), including climate-related risks and to fully comply with the relevant legislation.

It is possible to summarize the core principles of the Biotrend Enterprise Risk Management approach as follows:

- Effective management of risks is the responsibility of Biotrend, its Subsidiaries, and all employees, and it is therefore an important performance criterion.
- The Company manages its risks with the approach of “Optimum Risk–Earning Balance.”
- Enterprise Risk Management is developed and implemented in integration with business processes and strategic goals.
- Enterprise Risk Management is a whole of developing and constant operations.
- Enterprise risk management is the responsibility of the Early Detection of Risk Committee (“Committee”) on behalf of the Board.
- Potential loss/opportunity sources are determined by going through all the factors affecting the company’s operations. Biotrend Risk Portfolio is created on the basis of departments/processes, determined by considering risk categories.
- Identification of risks alone is not enough. The most crucial point is to reveal the root causes of the risks.
- In the risk assessment stage, the risk value is calculated by taking into account the probability of each risk and its degree of impact. After the risk is defined and its impact is determined, the existing controls in the environment are examined. Risks are prioritized and it is expected to establish a balance between benefit and cost when determining ERM actions and their priorities.
- Considering the impact degrees of the risks found in the risk portfolio and their occurrence probabilities, high priority risks that are important for

Biotrend are constantly monitored through “Key Risk Indicators (KRGs).” Acceptability levels (limits) for key risk indicators are determined together with the relevant function managers in proportion to the Company’s risk appetite.

- The most important stage in handling risks is to evaluate opportunities. The goal should be to find the right balance that ensures optimization by maximizing the benefit from the opportunity and minimizing the damage of the risk. When responding to the risk, first the root causes are understood, the existing controls are evaluated, the response strategy to the risk is decided, the action plan is developed, the plan is agreed with the parties that will implement and approve the plan, and the action plan is implemented.
- Risk owners report on the status of the risk, the realization of actions and the performance of ARGs on a monthly basis, and if there is a negative tendency in the risk trends and especially if it is on the negative side of the threshold, this is discussed with the Early Detection of Risk Committee.

The prominent financial and non-financial risks for Biotrend can be summarized as follows:

Due to its operations, the Company is exposed to various financial risks, including the impacts of changes in debt and capital market prices, exchange rates, and interest rates. The Company’s collective risk management program focuses on the unpredictability of financial markets and aims to minimize potential adverse impacts on the Company’s financial performance.

Credit Risk

Credit risk consists of cash and cash equivalents, deposits held with banks, and customers exposed to credit risk including uncollected receivables.

Holding financial instruments also carries the risk that the other party may not be able to fulfill the requirements of the agreement. The Company management offsets these risks by limiting the average risk for the counterparty in each agreement and by getting a guarantee, if necessary.

Credit risk consists of customers exposed to credit risk including uncollected receivables. Holding financial instruments also carries the risk that the other party may not be able to fulfill the requirements of the agreement. The Company management monitors the credibility of its customers by considering their financial positions (term risk, check risk). The Company has policies adopted for the sale of goods and services to its customers with certain credit limits. The Company constantly monitors the status of its financial assets to determine the losses arising from the collection problem.

Liquidity Risk

Prudent liquidity risk management consists of providing sufficient cash and securities, enabling funding through adequate loan options, and the ability to cover short positions. Due to the dynamic nature of the business environment, the Company seeks flexibility in funding by keeping credit lines ready. The Company’s bank loans are provided by various financially strong financial institutions.

Market Risk

Market risk refers to changes in interest rates, exchange rates, and the value of other financial contracts that will have a negative impact on the Company. Fluctuations in the related instruments cause changes in the income statement and shareholders’ equity of the Group.

Currency Risk

The Company’s financial instruments denominated in foreign currency are exposed to currency risk due to currency fluctuations.

Interest Rate Risk

The Company is affected by the changes in the interest rate due to the variable interest rate bank loans and is exposed to interest rate risk. While there are no risks in fixed-rate bank loans and time deposits, the Company evaluates the impacts of future interest rates for future loans and deposits for the continuation of its operations.

Capital Risk Management

The Company’s goal when managing capital is to protect the continuity of the Company’s ability to operate in order to maintain an optimal capital structure to provide returns for partners, benefits for other shareholders, and to reduce the cost of capital.

In order to maintain or reorganize its capital structure, the Company determines the amount of dividend payable to shareholders, and it can issue new shares and sell assets to reduce borrowing.

The Company monitors capital using the debt-to-equity ratio. This ratio is found by dividing net debt by total capital. Net debt amount is calculated by deducting cash and cash equivalents from total liabilities (consisting of bank loans, financial leasing liabilities, trade payables, and other payables that can be seen in the financial statements). Total equity is found by adding net debt to equity shown on the balance sheet.

Statement of Responsibility

Our consolidated financial statements for the period 01.01.2022 - 31.12.2022, approved by the Decision of our Board of Directors dated 13/03/2023 and numbered 2023/07 prepared in line with the Communiqué of the Capital Markets Board numbered II-14.1 and our annual report of the Board of Directors are attached.

As per the regulations of the Capital Markets Board, we declare that the explanatory notes together with the Consolidated Balance Sheet, Statement of Income, Cash Flow Statement, Statement of Changes in Equity, and Annual Report prepared by our Company, as well as the Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF) prepared in accordance with the Capital Markets Board's decision dated 10.01.2019 and numbered 2/49:

a) Have been reviewed by us;

b) Based on the information we possess within the scope of our duties and responsibilities in the Company, do not contain any incorrect statement or any omission of material facts that may result in misleading conclusion as of the date of issuance,

c) Based on the information available to us as a result of our duty at the Company, the financial statements prepared in accordance with the financial reporting standards in force as of the relevant period and based on the principle of consolidation, reflect fairly on the Company's assets, liabilities, financial standing and profit/loss for the relevant period, and the activity report, again based on the principle of consolidation, reflect fairly on the development of the business, performance and the important risks and uncertainties faced by the Company.

Best regards.

Audit Committee



Elif Ateş Özpak
Committee Chairman



K. Banu Ejder Özcan
Committee Member



Hanife Öztürk Akkartal
Committee Member

BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ

FOR THE FINAL ACCOUNTING
PERIOD OF DECEMBER 1ST,
2022 CONSOLIDATED
FINANCIAL TABLES, FOOTNOTES
AND INDEPENDENT AUDITOR'S
REPORT



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INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Biotrend Çevre ve Enerji Yatırımları A.Ş.

A) Independent Audit of Consolidated Financial Statements

1) Opinion

We have audited the consolidated financial statements of profit or loss, other comprehensive incomes, changes in equity, cash flows, and the footnotes of the consolidated financial statements including a summary of significant accounting policies of Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi ("Company") and its subsidiary (collectively referred as the "Group"); for the accounting period ending on the same date as the consolidated statement of financial position dated as of December 31st,2022.

In our opinion, the accompanying consolidated financial statements reflect the consolidated financial position of the Group as of December 31st, 2022. Its consolidated financial performance and cash flows ending on the same date in accordance with Turkish Financial Reporting Standards ("TFRS") presents its aspects in a realistic way.

2) Basis for Opinion

Our independent audit was carried out in accordance with the independent auditing standards published by the Board of Capital Markets and the Independent Auditing Standards (IAS), which are a part of the Turkish Auditing Standards published by the Public Oversight, Accounting and Auditing Standards Authority (KGK). Our responsibilities under these Standards are explained in detail in the Independent Auditor's Responsibilities for the Independent Audit of the Consolidated Financial Statements section of our report. We declare that we are independent from the Group in accordance with the Code of Ethics for Independent Auditors (Ethical Rules) published by KGK and the ethical provisions in the legislation on independent auditing of consolidated financial statements. Other ethical responsibilities within the scope of the Code of Ethics and legislation have also been fulfilled by us. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3) Key Audit Matters

In our professional judgement, key audit matters are crucial in an independent audit of the current period's financial statements. Key audit matters have been addressed in the context of auditing the financial statements as a whole and in forming our opinion on the financial statements, on which we do not express a separate opinion.



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RSM Turkey Arkan Ergin is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Key Audit Matters	How the key audit matter was addressed in the audit
<p>Revenue Recognition</p> <p>The Group's main revenue comes from electricity generation services. This area has been identified as a key audit matter due to the accurate determination of revenues in order to record the revenue of the services and the examination of the periods in which the service deliveries occurred. Revenue accounting principles in the financial statements are explained in detail in Note 2.</p>	<p>While designing audit procedures to address this key audit matter, whether the accounting policies applied by the Group management regarding revenue recognition are in compliance with TAS and relevant legislation have been taken into consideration. In our risk assessment studies, the effectiveness of the internal control procedures designed by the Group regarding revenue were evaluated, the electricity generation services carried out by the Group at the end of the year have been tested by comparing the relevant supporting documents and delivery time slots to verify that the revenue amount related to the revenue on a transaction basis is properly accounted for, on a sample selected from the transactions carried out during the accounting period. As a result of our studies, it has been found that the recognition of revenue is reasonable.</p>
<p>Recognition of Property, Plant and Equipment</p> <p>The Group has property, plant and equipment amounting to TL 1.700.630.383 in the consolidated statement of financial statement as of December 31, 2022. The accounting policies and details of the Group's property, plant and equipment are disclosed in Note 2 to the consolidated financial statements.</p> <p>In the consolidated financial statements, the Group recognizes its property, plant and equipment over the acquisition costs. Property, plant and equipment other than machinery and equipment are carried at cost less accumulated depreciation and impairment losses, if any, in accordance with TAS 16 "Property, plant and equipment" standard ("TAS 16"). Property, plant and equipment are capitalized from the moment they are brought to the required condition and place in order to operate in line with the management's objectives and begin to be depreciated with their useful lives determined in line with the Group management's projections.</p> <p>Since the total amount of property, plant and equipment has a significant share in the assets of the Group and the useful lives used in the depreciation calculations are based on the estimation of the Group management, the accounting of property, plant and equipment has been considered as a key audit matter.</p>	<p>- It has been assessed whether the accounting policies regarding the accounting of property, plant and equipment applied comply with TFRS.</p> <p>- The completeness and accuracy of the detailed lists of the property, plant and equipment have been checked matching with the Group's records using the sampling method.</p> <p>- Invoices for purchases of property, plant and equipment were tested using the sample method.</p> <p>- The appropriateness of the estimated useful lives of property, plant and equipment was evaluated on a sample basis, considering the expected economic benefits associated with each asset, and the current year depreciation expenses were tested with the sampling method.</p> <p>- Acquisition costs of property, plant and equipment have been evaluated in consideration of the recognition criteria within the scope of TAS 16.</p> <p>-The appropriateness and adequacy of the explanations included in the notes to the consolidated financial statements regarding property, plant and equipment according to the relevant TFRS has been evaluated.</p>





4) The Board Level's Liabilities Related to Financial Statements

Group management; It is responsible for the internal control that it deems necessary for the preparation of the consolidated financial statements in accordance with TFRS, their fair presentation and preparation without material misstatement due to error or fraud.

Management in preparing the consolidated financial statements; It is responsible for assessing the Group's ability to continue as a going concern, explaining going concern matters when necessary, and using the going concern basis of business unless there is an intention or obligation to liquidate the Group or cease its business.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

5) Independent Auditor's Responsibilities Regarding the Independent Audit of Financial Statements

In an independent audit, we, the independent auditors, have the following responsibilities:

Our aim is to obtain reasonable assurance for the consolidated financial statements as a whole. To find out whether they are free from material misstatement due to error or fraud and to issue an independent auditor's report containing our opinion. Reasonable assurance as a result of an audit conducted in accordance with ISAs; This is a high level of assurance but does not guarantee that a material misstatement will always be detected. Inaccuracies may be caused by error or cheating. Misstatements are considered material if, individually or collectively, they are reasonably expected to affect the economic decisions made by users of the financial statements on the basis of these consolidated statements.

As a requirement of the independent audit conducted in accordance with the BDS, we use our professional judgment and maintain our professional skepticism throughout the independent audit. We also identify and evaluate:

- The risks of material misstatement due to error or fraud in the consolidated financial statements. Audit procedures respond to these risks. They are designed sufficiently appropriate that the audit evidence is obtained to form a basis for our opinion. (Since fraud may include acts of collusion, fraud, willful negligence, misrepresentation or violation of internal control, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error.)

- Internal control related to the audit is evaluated in order to design audit procedures appropriate to the situation, not to express an opinion on the effectiveness of the group's internal control.

- The appropriateness of accounting policies used by management and the reasonableness of accounting estimates and related disclosures are evaluated.



- Conclude on the appropriateness of management's use of the ongoing concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as ongoing concern. If we conclude that a material uncertainty exists, we are required to draw attention to the relevant disclosures in the consolidated financial statements in our report or, if such disclosures are insufficient, to express an unqualified opinion. Our conclusions are based on the audit evidence obtained up to the date of the independent auditor's report. However, future events or conditions may terminate the Group as an ongoing concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether they reflect the underlying transactions and events in a manner that ensures fair presentation.

- Sufficient and appropriate audit evidence is obtained on the financial information regarding the businesses or operating segments within the group in order to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and conduct of the group audit. We are also solely responsible for the audit opinion we give.

Among other matters, we report the planned scope and timing of the independent audit and significant audit findings, including significant internal control deficiencies that we have identified during the audit, to those charged with governance.

We have notified those responsible for senior management that we comply with the ethical provisions regarding independence. In addition, we have conveyed all relations and other issues that may be thought to have an impact on independence, and the relevant measures, if any, to those responsible for senior management.

Among the matters communicated to those charged with governance, we identify the most important matters, namely key audit matters, in the independent audit of the current period's consolidated financial statements. In cases where the legislation does not allow the disclosure of the matter to the public, or in exceptional cases where the negative consequences of public disclosure are reasonably expected to exceed the public interest arising from the disclosure, we may decide not to disclose the relevant matter in our independent auditor's report.

B) Other Obligations Arising from the Legislation

1) The Auditor's Report on the Early Detection of Risk System and Committee, prepared in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), was submitted to the Board of Directors of the Company on March 13th, 2023.

2) Pursuant to the fourth paragraph of Article 402 of the TCC, there has been no significant issue that indicates that the bookkeeping order of the Company, the financial statements, the law and the provisions of the Company's articles of association regarding financial reporting in the accounting period of 1 January - 31 December 2022.





Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

3) Pursuant to the fourth paragraph of Article 402 of the TCC, the Board of Directors has given us the required explanations and the required documents within the scope of the audit.

The engagement partner who conducted and concluded this independent audit is Eray Yanbol.

RSM Turkey Arkan Ergin Uluslararası Bağımsız Denetim A.Ş.
Member of RSM International

Eray Yanbol, SMMM
Partner
İstanbul, 13 March 2023



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Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

ASSETS	Note	Audited 31.12.2022	Revised 31.12.2021	Audited 31.12.2020
CURRENT ASSETS				
Cash and Cash Equivalents	4	27.639.780	170.866.301	101.809.923
Trade Receivables		336.418.942	104.369.768	30.201.571
From Non-Related Parties	7	336.418.942	104.369.768	30.201.571
Other Receivables		9.452.214	22.933.570	8.372.331
From Related Parties	5,8	3.029.891	16.610.581	7.157.310
From Non-Related Parties	8	6.422.323	6.322.989	1.215.021
Inventories	9	116.680.237	63.659.533	4.416.684
Prepaid Expenses		547.732.847	242.689.444	63.881.558
To Non-Related Parties	10	547.732.847	242.689.444	63.881.558
Current period tax assets	27	7.805.771	2.366.103	76.427
Other current assets	18	122.102.686	76.041.490	28.088.933
SUBTOTAL		1.167.832.477	682.926.209	236.847.427
Fixed Assets Available for Sale	11	--	--	--
TOTAL CURRENT ASSETS		1.167.832.477	682.926.209	236.847.427
NON-CURRENT ASSETS				
Investment Properties	12	17.790.000	9.256.000	3.291.856
Investments Accounted for Using Equity Method	31	85.377.149	51.044.936	25.302.630
Tangible Assets	13	1.700.630.383	894.311.146	436.083.099
Right of Use Assets	26	34.367.980	73.882.229	37.442.918
Intangible Assets		52.048.064	61.126.543	64.908.793
Goodwill	15	6.532.000	6.532.000	6.532.000
Other Intangible Assets	14	45.516.064	54.594.543	58.376.793
Deferred Tax Asset	27	149.672.468	--	--
Other Non-Current Assets	18	--	59.500.988	10.873.509
TOTAL NON-CURRENTS ASSETS		2.039.886.044	1.149.121.842	577.902.805
TOTAL ASSETS		3.207.718.521	1.832.048.051	814.750.232

The accompanying accounting policies and notes are an integral part of the consolidated financial statements

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

LIABILITIES	Note	Audited 31.12.2022	Revised 31.12.2021	Audited 31.12.2020
CURRENT LIABILITIES				
Short Term Borrowings	6	--	66.178	105.756
Short Term Portion of Long Term Borrowings		444.851.785	191.402.452	85.744.700
Bank Loans	6	441.709.102	189.146.497	84.700.942
Lease Payables	26	3.142.683	2.255.955	1.043.758
Trade Payables		685.040.733	217.675.441	88.427.858
To Non- Related Parties	7	685.040.733	217.675.441	88.427.858
Liabilities due to Employee Benefits	17	14.371.340	3.950.585	2.725.157
Other Payables		49.036.389	44.104.344	27.085.824
To Related Parties	5,8	36.451.083	37.815.183	16.792.445
To Non-Related Parties	8	12.585.306	6.289.161	10.293.379
Deferred Income	10	8.123.011	2.732.268	7.662.158
Current Tax Liabilities	27	1.014.448	3.271.570	5.032.308
Short Term Provisions		16.100.115	10.579.929	4.693.291
Short Term Provisions For Employee Benefits	16	2.472.180	1.109.054	439.184
Other Short Term Liabilities	16	13.627.935	9.470.875	4.254.107
SUBTOTAL		1.218.537.821	473.782.767	221.477.052
Liabilities Regarding Asset Groups for Sale	11	--	--	--
TOTAL CURRENT LIABILITIES		1.218.537.821	473.782.767	221.477.052
NON CURRENT LIABILITIES				
Long Term Borrowings		1.276.051.215	778.336.078	368.405.893
Bank Loans	6	1.241.901.520	705.384.525	331.985.322
Lease Payables	26	34.149.695	72.951.553	36.420.571
Deferred Income	8	--	--	2.484.132
Other Payables	8	--	2.651.429	5.302.867
Long Term Provisions		5.395.943	1.742.951	764.132
Long Term Provisions For Employee Benefits	17	5.395.943	1.742.951	764.132
Deferred Tax Liabilities	27	--	16.864.916	16.330.801
TOTAL NON CURRENT LIABILITIES		1.281.447.158	799.595.374	393.287.825
TOTAL LIABILITIES		2.499.984.979	1.273.378.141	614.764.877

The accompanying accounting policies and notes are an integral part of the consolidated financial statements

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		Audited	Revised	Audited
	Note	31.12.2022	31.12.2021	31.12.2020
EQUITY				
Equity attributable to the main partners of the equity holders				
Paid in capital	19	702.037.086	561.390.429	200.158.964
Premiums Related to Interest (Discounts)	19	26.541.373	26.541.373	--
Effect of Mergers Including Enterprises or Businesses Under Common Control	3	(47.531.048)	(21.579.143)	(21.579.143)
Comprehensive income and expenses of Profit and Loss		71.577.875	72.659.400	37.501.817
Revaluation Reserves of Tangible and Intangible Assets	19	73.067.800	73.067.800	37.786.461
Defined Benefit Plans Remeasurement Gains (Losses)	19	(1.489.925)	(408.400)	(284.644)
Comprehensive Income or Expenses to be Reclassified to Profit or Loss		(206.258.118)	(62.903.286)	--
Hedging Gains (Losses)		(206.258.118)	(62.903.286)	--
Retained Profits	19	46.972.001	40.130.076	5.761.975
Net Profit of the Period	28	310.735.003	6.542.009	50.474.315
Non-Controlling Interests	19	5.696.456	(2.720.519)	(173.609)
TOTAL EQUITY		707.733.542	558.669.910	199.985.355
TOTAL LIABILITIES AND EQUITY		3.207.718.521	1.832.048.051	814.750.232

The accompanying accounting policies and notes are an integral part of the consolidated financial statements

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		Audited	Revised
	Note	01.01-31.12.2022	01.01-31.12.2021
Revenue	20	1.230.870.619	427.703.847
Cost of Sales	20	(804.995.236)	(304.367.466)
GROSS PROFIT		425.875.383	123.336.381
General Administrative Expenses	21	(78.327.603)	(39.910.212)
Marketing Expenses	21	(3.383.228)	(2.558.394)
Other Operating Income	23	91.198.923	22.232.397
Other Operating Expenses	23	(64.009.115)	(52.216.850)
OPERATING PROFIT		371.354.360	50.883.322
Income from Investments Activities	24	9.918.131	6.403.943
Expense from Investments Activities	24	--	--
Share of Investments' Profit Valued by Using The Equity Method	31	34.332.213	25.742.306
OPERATING PROFIT BEFORE FINANCIAL INCOME (EXPENSE)		415.604.704	83.029.571
Financial Income	25	106.714.598	53.446.346
Financial Expense	25	(325.163.393)	(113.053.730)
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX		197.155.909	23.422.187
Tax income/(expense), continuing operations		114.138.536	(19.427.088)
Taxes on income (expenses)	27	(16.268.458)	(11.392.504)
Deferred tax income (expenses)	27	130.406.994	(8.034.584)
PROFIT FROM CONTINUING OPERATIONS		311.294.445	3.995.099
PROFIT FROM DISCONTINUED OPERATIONS)	11	--	--
NET PROFIT FOR THE PERIOD		311.294.445	3.995.099
Distribution of the period's profit/loss			
Non-Controlling interest		559.442	(2.546.910)
Main partnership interest		310.735.003	6.542.009
Earnings Per Share	28	0,621	0,037

The accompanying accounting policies and notes are an integral part of the consolidated financial statements

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD OF 01 JANUARY 2022 – 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		Audited	Revised
	Note	01.01- 31.12.2022	01.01- 31.12.2021
Profit for the Period		311.294.445	3.995.099
Other Comprehensive Income			
Not to be reclassified subsequently to profit or loss		(1.081.525)	35.157.583
-Increase (Decrease) in Revaluation Reserve of Tangible/Intangible Assets	29	--	44.101.674
-Increase (Decrease) in Revaluation Reserve of Intangible Assets	29	--	(8.820.335)
- Actuarial Gain (Loss) of Defined Benefit Plans	29	(1.351.906)	(154.695)
-Tax Effect of Actuarial Gain (Loss) of Defined Benefit Plans	29	270.381	30.939
Be Reclassified Subsequently to Profit or Loss		(143.354.832)	(62.903.286)
-Hedging Gain (Loss)		(179.193.540)	(79.483.350)
-Hedging Gain (Loss) deferred tax		35.838.708	16.580.064
TOTAL COMPREHENSIVE INCOME		166.858.088	(23.750.604)
The Distribution of Total Comprehensive Income			
Non-controlling interest		559.442	(2.546.910)
Equity Holders of the Parent		166.298.646	(21.203.694)

The accompanying accounting policies and notes are an integral part of the consolidated financial statements

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

	Paid in capital	Share Issue Premiums / Discounts	Effect of Mergers Involving Enterprises or Businesses Under Common Control	Increases (Decreases) in Revaluation of Tangible and Intangible Fixed Assets	Defined Benefit Plans Remeasurment (Losses)	Other accumulated comprehensive income or expenses that will not be reclassified to profit or loss	Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss	Hedging Gain(Loss)	Profits/Losses of previous years	Net Profit/Loss for the current term	Equity belonging to the main partners	Non controlling interests	Paid in capital
Balances as of 01.01.2021	128.000.000	--	(21.579.143)	37.786.461	(284.644)	--	--	--	5.761.975	50.474.315	200.158.964	(173.609)	199.985.355
Transfers	350.000.000	(331.281.627)	--	--	--	--	--	31.755.942	--	(50.474.315)	--	--	--
Total Comprehensive Income (Expense)	--	--	--	35.281.339	(123.756)	(62.903.286)	--	--	--	6.542.009	(21.203.694)	(2.546.910)	(23.750.604)
Investment Property Valuation Increase	--	--	--	--	--	--	--	2.612.159	--	--	2.612.159	--	2.612.159
Capital Increase	22.000.000	357.823.000	--	--	--	--	--	--	--	--	379.823.000	--	379.823.000
Balances as of 31.12.2021	500.000.000	26.541.373	(21.579.143)	73.067.800	(408.400)	(62.903.286)	(62.903.286)	40.130.076	6.542.009	6.542.009	561.390.429	(2.720.519)	558.669.910
Balances as of 01.01.2022	500.000.000	26.541.373	(21.579.143)	73.067.800	(408.400)	(62.903.286)	(62.903.286)	40.130.076	6.542.009	6.542.009	561.390.429	(2.720.519)	558.669.910
Transfers	--	--	--	--	--	--	--	6.542.009	(6.542.009)	--	--	--	--
Total Comprehensive Income (Expense)	--	--	--	--	(1.081.525)	(143.354.832)	--	--	310.735.003	--	166.298.646	559.442	166.858.088
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	--	--	--	--	--	--	--	299.916	--	--	299.916	5.137.014	5.436.930
Effects of Business Combinations Under Common Control	--	--	(25.951.905)	--	--	--	--	--	--	--	(25.951.905)	2.720.519	(23.231.386)
Balances as of 31.12.2022	500.000.000	26.541.373	(47.531.048)	73.067.800	(1.489.925)	(206.258.118)	(206.258.118)	46.972.001	310.735.003	310.735.003	702.037.086	5.696.456	707.733.542

The accompanying accounting policies and notes are an integral part of the consolidated financial statements

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

CONSOLIDATED STATEMENT OF CASH FLOW AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

		Audited	Revised
	Note	01.01- 31.12.2022	01.01- 31.12.2021
CASH FLOWS FROM BUSINESS ACTIVITIES		48.211.555	(326.179.021)
Profit/Loss for the period	28	311.294.445	3.995.099
Adjustments related to Reconciliation of Profit/Loss for the Period		(76.539.243)	37.183.738
Adjustments for Depreciation and Amortization Expenses	22	102.681.446	32.966.943
Adjustments Regarding Provisions (Cancellation) for Employee Benefits	16,17	3.664.212	1.493.994
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	16	4.157.060	5.216.768
Adjustments Regarding Interest (Income) and Expenses	25	66.818.088	23.727.781
Adjustments for Unrealized Currency Conversion Differences	18	76.288.371	62.919.018
Adjustments Regarding Retained Earnings of Investments Valued by Equity Method	31	(34.332.213)	(25.742.306)
Adjustments Regarding Tax (Income) Expense	27	(114.138.536)	19.427.088
Adjustments for Hedging gains/losses		(179.193.540)	(79.483.350)
Adjustments for Losses (Gains) on Disposal of Fixed Assets	24	(2.484.131)	(3.342.198)
Changes in Working Capital		(168.018.067)	(354.204.616)
Adjustments for Decrease (Increase) in Trade Receivables	7	(232.049.174)	(74.168.197)
Adjustments for Decrease (Increase) in Other Operating Receivables	8	13.481.356	(14.561.239)
Adjustments for Decrease (Increase) in Inventories	9	(53.020.704)	(59.242.849)
Decrease (Increase) in Prepaid Expenses	10	(305.043.403)	(178.807.886)
Adjustments for Increase (Decrease) in Trade Payables	7	467.365.292	129.247.583
Increase (Decrease) in Debts within the Scope of Employee Benefits	17	10.420.755	1.225.428
Adjustments Regarding the Increase (Decrease) in Other Operating Payables	8	2.280.616	14.367.082
Adjustments Increase (Decrease) in Deferred Income	10	5.390.743	(7.414.022)
Adjustments for Other Increase (Decrease) in Working Capital		(76.843.548)	(164.850.516)
Cash Flows from Operations		66.737.135	(313.025.779)
Tax Payments/Refunds	27	(18.525.580)	(13.153.242)
CASH FLOWS FROM INVESTING ACTIVITIES		(915.232.529)	(439.968.868)
Subsidiary Acquisition or Disposal		(17.794.456)	--
Cash Inflows from Sales of Tangible and Intangible Assets		--	1.104.159
Cash Outflows from the Purchase of Tangible and Intangible Assets	13,14	(897.438.073)	(441.073.027)
CASH FLOWS FROM FINANCING ACTIVITIES		723.794.453	835.204.267
Capital increase		--	379.823.000
Cash Inflows from Borrowing	6,26	790.612.541	479.109.048
Interest Paid/Received	25	(66.818.088)	(23.727.781)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(143.226.521)	69.056.378
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	170.866.301	101.809.923
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	27.639.780	170.866.301

The accompanying accounting policies and notes are an integral part of the consolidated financial statements

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi ("Company" or "Biotrend") was established on May 5th, 2017 and its main activity is based on biomass resources; production of energy using fermentation, gasification, incineration technologies and operation of solid waste storage areas, mechanical separation plant in these areas, ATY (waste derived fuel) preparation plant, leachate treatment plant, biological treatment (compost, biomethanization) plant, LFG (Landfill Gas), performing the installation and operation of power generation plants, as well as providing engineering, contracting and consulting services in these areas.

Biotrend has an investment in biogas and biomass power plants for waste-to-energy activities, mechanical separation plants, wastewater and leachate treatment plants, ATY and composting plants, anaerobic fermentation units, landfills for integrated waste management, and fuel preparation and supply facilities for biomass plants throughout Turkey. Biotrend has a total of 19 facilities, including 11 integrated waste management and BES (biomass power plant), 6 BES, 1 solid fuel preparation and 1 greenhouse, with ongoing investments.

The Company and its subsidiaries will be collectively referred to as the "Group". Group companies are registered in Turkey. The main shareholders of Biotrend are Doğanlar Yatırım Holding A.Ş. and Maven Energy Electricity Generation Inc. The head office of the Group is located in Kavacık Mah. Ertürk Sk. No: 3/1 Kapı No: 1 Beykoz/İstanbul.

The Company is registered with the Capital Markets Board ("CMB") and its shares are traded on Borsa İstanbul A.Ş. ("BIST") (formerly "İstanbul Stock Exchange") under the name BIOEN since 28.04.2021. As of 31 December 2022, the Company's free float rate is 37.76% (31 December 2021: 21,25%).

As of 31 December 2022, 90 employees work in Biotrend (31 December 2021: 50) and there is a total of 583 workers in the Group. (31 December 2021: 428).

Its Subsidiaries:

The details of the Company's subsidiaries are given below:

Doğu Star Elektrik Üretim A.Ş. (Doğu Star):

Doğu Star was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has 2 production facilities in Malatya and 1 production facility in Bursa İnegöl.

Nov Enerji Elektrik Üretim A.Ş. (Nov Enerji):

Nov Enerji was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul, It has a production facility in Sivas.

Novtek Enerji Elektrik Üretim A.Ş. (Novtek Enerji):

Novtek Enerji was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has production facilities in Bursa İnegöl and Hatay İskenderun.

Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş. (Mersin):

Mersin was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located in Çanakkale Ezine.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Yılbatu Elektrik Üretim A.Ş. (Yılbatu):

Yılbatu was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. The production facility is under construction is located in İzmir Menderes.

İlda Elektrik Üretim A.Ş. (İlda):

İlda was acquired on 16.10.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It does not have a production facility and owns 50% of Landfill (Balıkesir).

Ulubey Elektrik Üretim Ve Enerji Yatırımları A.Ş. (Ulubey):

Ulubey was acquired on 15.05.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Its production facility is located in Aydın Çine

İzmir Novtek Enerji Elektrik Üretim A.Ş. (İzmir Novtek):

İzmir Novtek was founded on 30.05.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has a production facility in İzmir- Harmandalı.

Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş. (Uşak):

Uşak was founded on 06.07.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Uşak has a production facility in Ovacemirler.

Biyomek Elektrik Enerjisi Üretim San. Ve Tic. A.Ş. (Biyomek):

Biyomek was acquired on 16.04.2019 Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. It has a production facility in Aydın Çine

MD Biyokütle Enerji Üretim A.Ş. (MD Biyokütle):

MD Biyokütle was founded on 27.09.2019 Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located in Aksaray.

İzmir Doğu Star Elektrik Üretim A.Ş. (İzmir Doğu Star):

İzmir Doğu Star was founded on 18.09.2019. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has a production facility in İzmir-Bergama.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Karya Yenilenebilir Kaynaklar Elektrik Üret.San.Tic. Ltd. Şti. (Karya):

Karya was acquired on 01.07.2020. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It doesn't own any production facility.

Serenti Enerji A.Ş. (Serenti):

Serenti was founded on 13.08.2020. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located in Giresun.

Maven Tarım Seracılık ve Hayvancılık San. Ve Tic. A.Ş. (Maven Tarım):

Maven Tarım was acquired on 16.01.2019. Its main field of activity is vegetable seedlings, fruit seedlings, etc. for planting and upbringing. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Although the production facility is not active yet, its location is in Sivas.

Biotrend Ayvacık Yenilenebilir Kaynaklar Elektrik Üret.San.Tic. Ltd. Şti. (Biotrend Ayvacık):

Biotrend Ayvacık was founded on 29.04.2021. Its main field of activity is electrical energy production. Its head office is located in adresi Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located Çanakkale.

Ulutek Elektrik Üretim ve Enerji Yatırımları A.Ş. (Ulutek):

Ulutek was founded on 19.03.2014 Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The Company shares were transferred to Biotrend Çevre ve Enerji Yatırımları A.Ş on 17.05.2022.

Biotrend Enerji Uluslararası Yatırım A.Ş. (Biotrend Uluslararası):

Biotrend Uluslararası was founded on 30.06.2022. Its main field of activity is invest to electrical power generation plant in abroad. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul.

Doğankent Elektrik Enerjisi Toptan Satış A.Ş. (Doğankent):

Doğankent Elektrik was bought on 16.11.2022. Its main activity is to trade electricity for users excluding brokers and agents. Its head office located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul.

Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri San. A.Ş. (Biotrend İleri Dönüşüm):

Biotrend İleri Dönüşüm was founded on 09.12.2022. Its main activity is recycling plastic wastes with upcycling technologies of plastic wastes and installation of renewable power plants for domestic consumption.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

The number of employees is given below:

Firms	Information on employees		
	31 December 2022	31 December 2021	31 December 2020
Doğu Star	91	77	51
Nov Enerji	15	13	12
Novtek	18	19	23
Mersin	42	14	1
Yılbato	4	2	4
İlda	--	--	--
Ulubey	42	14	--
İzmir Novtek	65	67	57
Uşak	42	36	15
Biyomek	48	39	13
Maven Tarım	1	--	--
MD Biyokütle	13	7	1
İzmir Doğu Star.	64	51	19
Karya	--	--	--
Serenti	19	14	--
Landfill	27	23	21
Biotrend Merkez Ofis	90	50	24
Biotrend Ayvacık	2	2	--
Ulutek	--	--	--
Biotrend Uluslararası	--	--	--
Biotrend İleri Dönüşüm	--	--	--
Doğankent	--	--	--
Total	583	428	241

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Its subsidiaries	Main activity	Date of purchase	License Power	Installed Power	Total Installed Power	Facility
Doğu Star Elektrik Üretim A.Ş. (*)	Electrical Energy Production	17.10.2017	-	2,464 MWm / 2,400 Mwe	15,089 MWm / 14,698 MWe	Malatya Unlicensed
	Electrical Energy Production		2,464 MWm / 2,400 Mwe	Malatya-1 (Licensed)		
	Electrical Energy Production		2,906 MWm / 2,828 Mwe	Malatya-2 (Licensed)		
	Electrical Energy Production		7,255 MWm / 7,070 Mwe	İnegöl-2 Biogas		
Nov Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	17.10.2017	2,902 MWm / 2,826 Mwe	2,902 MWm / 2,826 Mwe	2,902 MWm / 2,826 Mwe	Sivas Landfill Gas
Novtek Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	17.10.2017	4,353 MWm / 4,239 Mwe	4,353 MWm / 4,239 Mwe	6,817 MWm / 6,639 Mwe	İskenderun Landfill Gas
	Electrical Energy Production		2,464 MWm / 2,400 Mwe	2,464 MWm / 2,400 Mwe		İnegöl Landfill Gas
Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş. (*)	Electrical Energy Production	17.10.2017	31,058 MWm / 30,000 Mwe	1,030 MWm / 1,000 Mwe	1,030 MWm / 1,000 Mwe	Ezine Biomass
Yılbato Elektrik Üretim A.Ş. (*)	Electrical Energy Production	17.10.2017	24,667 MWm / 24,038 Mwe	-	-	Menderes Biogas
İlda Elektrik Üretim A.Ş. (*)	Electrical Energy Production	16.10.2018	-	-	-	Landfill % 50 Partner
Ulubey Elektrik Üretim Ve Enerji Yatırımları A.Ş. (*)	Electrical Energy Production	15.05.2018	-	-	-	Çine Gasoline Preparation
İzmir Novtek Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	30.05.2018	40,716 MWm / 39,690 Mwe	33,176 MWm / 32,340 Mwe	33,176 MWm / 32,340 Mwe	İzmir Harmandalı Landfill Gas
Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	6.07.2018	5,655 MWm / 5,498 Mwe	4,200 MWm / 4,084 Mwe	4,200 MWm / 4,084 Mwe	Uşak Landfill Gas
Biyomek Elektrik Enerjisi Üretimi San. Ve Tic. A.Ş. (*)	Electrical Energy Production	16.04.2019	14,20 MWm / 13,60 Mwe	14,20 MWm / 13,60 Mwe	14,20 MWm / 13,60 Mwe	Çine Biyokütle Power Plant.
Maven Tarım Seracılık ve Hayvancılık San. Ve Tic. A.Ş. (*)	Agriculture, Greenhouse and Livestock	16.01.2019	-	-	-	Sivas Greenhouse Constitue-Business
MD Biyokütle Enerji Üretim A.Ş. (*)	Electrical Energy Production	27.09.2019	5,804 MWm / 5,656 Mwe	1,451 MWm / 1,414 Mwe	1,451 MWm / 1,414 Mwe	Aksaray Landfill Gas
İzmir Doğu Star Elektrik Üretim A.Ş. (*)	Electrical Energy Production	18.09.2019	10,157 MWm / 9,898 Mwe	8,706 MWm / 8,484 Mwe	8,706 MWm / 8,484 Mwe	İzmir Bergama Landfill Gas
Karya Yenilenebilir Kaynaklar Elektrik Üret.San.Tic.Ltd.Sti. (*)	Electrical Energy Production	1.07.2020	-	-	-	Ankara
Serenti Enerji A.Ş. (*)	Electrical Energy Production	13.08.2020	4,353 MWm / 4,242 Mwe	1,451 MWm / 1,414 Mwe	1,451 MWm / 1,414 Mwe	Giresun Landfill Gas
Biotrend Ayvacık Yenilenebilir Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	29.04.2021	31,058 MWm / 30,000 Mwe	1,030 MWm / 1,000 Mwe	1,030 MWm / 1,000 Mwe	Çanakkale Landfill Gas
Ulutek Elektrik Üretim ve Enerji Yatırımları A.Ş. (*)	Electrical Energy Production	17.05.2022	-	-	-	-
Biotrend Enerji Uluslararası Yatırım A.Ş. (*)	Invest to Electrical Energy power generation plant in abroad	30.06.2022	-	-	-	-

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Its subsidiaries	Main activity	Date of purchase	License Power	Installed Power	Total Installed Power	Facility
Doğan Kent Elektrik Enerjisi Toplanı Savaş Anonim Şirketi (*)	Electricity Trade	16.11.2022	-	-	-	-
Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri Sanayi Anonim Şirketi (*)	Recycling of plastic wastes with upcycling technologies and installation of renewable energy plants for domestic consumption	09.12.2022	-	-	-	-

(*) There are consolidated using the full consolidation method

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Financial Investments Valued by Equity Method

Financial Investments Valued by Equity Method	Main Activity	Date of Acquisition	License Power	Installed Power	Total Installed Power	Facility
Landfill Enerji A.Ş.	Electrical Energy Production	16.10.2018	14,51 MWm / 14,14 MWe	11,608 MWm / 11,312 Mwe	11,608 MWm / 11,312 Mwe	Balıkesir Landfill Gas

Landfill Enerji A.Ş. (Landfill):

The company was acquired on 16.10.2018. Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. Its production facility is located in Balıkesir.

Approval of Consolidated Financial Statements

Consolidated financial statements for the accounting period 1 January - 31 December 2022 were approved at the Board of Directors meeting dated 13 March 2022. Consolidated financial statements will be finalized after their approval at the General Assembly.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

Basis of Presentation

The accompanying financial statements are in accordance with the provisions of the Capital Markets Board ("CMB"), Serial II, No. 14.1 "Principles of Financial Reporting in the Capital Markets" ("Communiqué") published in the Official Gazette dated June 13th, 2013 and numbered 28676. It has been prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS), which was put into effect by the Accounting and Auditing Standards Authority ("POA"), and their annexes and comments.

Functional and Presentation Currency

The Group keeps its accounting records in TL in accordance with the commercial legislation, financial legislation and the Uniform Chart of Accounts published by the Ministry of Finance. The financial statements are based on legal records and expressed in TL, and have been prepared by subjecting to some adjustments and classification changes in order to adequately present the status of the Group in accordance with the Turkish Accounting Standards published by POA.

The functional and reporting currency of the Company and its subsidiaries is Turkish Lira ("TL"), and all financial information is presented in TL unless otherwise stated.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Adjustment of Financial Statements in Inflation Periods

The Group keeps and prepares its legal books and statutory financial statements in accordance with the accounting principles set forth in the Turkish Commercial Code ("TCC") and tax legislation. The accompanying financial statements are in accordance with the provisions of the Capital Markets Board ("CMB"), Serial II, No. 14.1 "Principles of Financial Reporting in the Capital Markets" ("Communiqué") published in the Official Gazette dated June 13th, 2013 and numbered 28676. It has been prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS), which was put into effect by the Accounting and Auditing Standards Authority ("POA"), and their annexes and comments. TAS; Turkish Accounting Standards consist of Turkish Financial Reporting Standards and their annexes and interpretations. According to TAS 29 Standard for Financial Reporting in High-Inflation Economies, entities whose functional currency is the currency of a high-inflation economy report their financial statements according to the purchasing power of the money at the end of the reporting period. TAS 29 defines characteristics that can indicate that an economy is a high-inflation economy. At the same time, according to TAS 29, all entities reporting in the currency of a high-inflation economy are required to apply this Standard from the same date. Therefore, as stated in TAS 29, in order to ensure consistency in practice throughout the country, it is expected that all enterprises will start to implement TAS 29 at the same time with the announcement to be made by the Public Oversight Accounting and Auditing Standards Authority (POA). On the other hand, the POA did not make a statement as to whether any adjustment will be made under TAS 29 in the financial statements for the accounting period ended December 31, 2022. Therefore, TAS 29 was not applied in the financial statements dated 31 December 2022 and inflation adjustment was not made.

Consolidation Principles

Consolidated financial statements include the Company, its subsidiaries and associates accounted for using the equity method. Control is achieved by having control over an entity's financial and operational policies in order to derive benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement after the date of acquisition or up to the date of disposal.

If necessary, accounting policies have been adjusted in the financial statements of its subsidiaries in order to match the accounting policies followed by the Group. All intra-Group transactions, balances, income and expenses have been adjusted in the records during consolidation.

The Company accounts for its investments in its subsidiaries, in which it directly or indirectly owns more than 20% of its shares and has significant influence, according to the equity method. These investments are shown in the consolidated balance sheet by adding or subtracting the post-acquisition changes to the Company's share of the net assets of the subsidiary on top of the acquisition cost and deducting the provision for impairment, if any. The consolidated statement of comprehensive income reflects the Company's share in the results of the activities of the Company's subsidiaries. Changes in the equity of the associate by the amounts that have not yet been reflected in the profit or loss of the associate may also require an adjustment in the book value of the associate in proportion to the Company's share in the associate. The Company's share of these changes is directly accounted for in the Company's own equity.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Subsidiaries are consolidated using the full consolidation method.

Subsidiaries	Group's shareholding in subsidiary (%)			
	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Doğu Star	100%	100%	100%	100%
Nov Enerji	100%	100%	100%	100%
Novtek	100%	100%	100%	100%
Mersin	100%	100%	100%	100%
Yılbatu	100%	100%	100%	100%
İlda	100%	100%	100%	100%
Ulubey	100%	100%	100%	100%
İzmir Novtek	100%	100%	100%	100%
Uşak	100%	100%	100%	100%
Biyomek (*)	100%	85%	85%	85%
Maven Tarım (**)	50%	100%	100%	100%
MD Biyokütle	100%	100%	100%	100%
İzmir Doğu Star.	100%	100%	100%	100%
Karya	100%	100%	100%	100%
Serenti	100%	100%	100%	100%
Biotrend Ayvacık	100%	100%	100%	--
Ulutek (***)	100%	--	--	--
Biotrend Uluslararası (***)	100%	--	--	--
Biotrend İleri Dönüşüm	100%	--	--	--
Doğankent (***)	100%	--	--	--

(*) The Group has increased its 85% share to 100% in 2022.

(**)Group's share decreased from 100% to 50% in 2022.

(***) Included in the consolidation in 2022.

Financial Investments Valued by Equity Method	Share Rate of the Group on Equity (%)			
	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Landfill	50%	50%	50%	35%

Continuity of the Business

The Group has prepared its financial statements in accordance with the going concern principle

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Comparative information and adjusting to previous period dated of financial statements.

The accompanying financial statements are prepared in comparison with the previous period in order to determine the financial position, performance and cash flow trends of the Group. When the presentation or classification of the items of the financial statements changes, in order to ensure comparability, the financial statements of the previous period are reclassified accordingly and explanations are made regarding these issues.

The accounting policies used in the preparation of the consolidated financial statements are the same as the accounting policies used in the most recent annual financial statements.

Changes in Turkish Financial Reporting Standards

New and revised standards and interpretations

The new standards in force as of 31 December 2022 and the changes and interpretations brought to the existing previous standards:

IFRS 16 'Leases' - Amendments to the extension of the COVID 19 lease concession facilitation application (effective 1 April 2021)

Due to the COVID-19 pandemic, some concessions have been provided to tenants in rent payments. In May 2020, the IASB published an amendment to the IFRS 16 Leases standard, which introduced a voluntary facilitation for tenants not to assess whether the concessions granted due to COVID-19 in their rent payments were a change in the lease. On 31 March 2021, the IASB issued an additional amendment to extend the date of facilitative implementation from 30 June 2021 to 30 June 2022. Tenants may elect to recognize such lease privileges in accordance with the provisions that apply in the absence of a change to the lease. This ease of application often results in the lease concession being recognized as variable rent payment during periods when the event or condition that triggers a decrease in rent payments arises.

Narrow amendments to IFRS 3, TAS 16, TAS 37 and some annual improvements to IFRS 1, IFRS 9, TAS 41 and IFRS 16;

Effective for annual reporting periods beginning on or after January 1, 2022.

- Amendments to IFRS 3 'Business Mergers'; this amendment updates a reference to the Conceptual Framework for Financial Reporting in IFRS 3 without changing the recognition provisions for business combinations.
- Amendments to TAS 16 'Tangible Assets'; It prohibits a company from deducting income from the sale of manufactured products from the amount of tangible assets until the asset is ready for use. Instead, the company will reflect such sales proceeds and the associated cost on the profit or loss.
- Amendments to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets'; this amendment specifies what costs the company will include when deciding whether to make a loss from a contract.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The annual improvements make minor changes to the explanatory examples of IFRS 1 'First Implementation of Turkish Financial Reporting Standards', IFRS 9 'Financial Instruments', IAS 41 'Agricultural Activities' and IFRS 16.

Standards, amendments and interpretations published as of 31 December 2022 but not yet in force:

- Narrow changes to IAS 1, Implementation Statement 2 and IAS 8; Valid for annual reporting periods beginning on or after January 1, 2023. These changes are intended to improve accounting policy disclosures and help users of financial statements distinguish between changes in accounting estimates and changes in accounting policies.
- TAS 12, amendment to the deferred tax on assets and liabilities arising from a single transaction; Valid for annual reporting periods beginning on or after January 1, 2023. These changes require deferred tax recognition on transactions that result in taxable and deductible temporary differences in equal amounts when first entered into the financial statements by corporations.
- IFRS 16, Sale and leaseback transactions; Effective for annual reporting periods beginning on or after January 1, 2024. These changes include the sale and leaseback provisions in IFRS 16 that describe how the entity recognizes a sale and leaseback transaction after the transaction date. Sale and leaseback transactions, which consist of variable rent payments that are some or all of the rent payments that are not tied to an index or rate, are likely to be affected.
- TAS 1, amendment to long-term obligations that are the terms of the contract; Effective for annual reporting periods beginning on or after January 1, 2024. These changes clarify how the conditions that the entity must comply with within twelve months of the reporting period affect the classification of an obligation.

IFRS 17, 'Insurance Contracts', as amended in December 2021; Valid for annual reporting periods beginning on or after January 1, 2023. This standard replaces IFRS 4, which already allows for a wide range of applications. IFRS 17 will fundamentally change the accounting of all entities that issue insurance contracts and investment contracts with discretionary participation capability.

Netting/Offsetting

Financial assets and liabilities are shown with their net values in the balance sheet if there is a legal right to set off, they can be paid or collected on a net basis, or the acquisition of the asset and the fulfillment of the obligation can occur simultaneously.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Changes and Errors in Accounting Policies/Forecasts

Significant changes in accounting policies and significant accounting errors are applied retrospectively and prior period financial statements are restated. Changes in accounting estimates are applied prospectively in the current period when the change is made, if the change is related to future periods, both in the period in which the change is made and in the future period. If the rearrangement of the information causes an excessive cost, the comparative information for the previous periods is not rearranged, and the retained earnings account of the next period is rearranged with the cumulative effect of the error before the said period starts.

The effects of the adjustments and reclassifications as of 31 December 2021 are as follows:

	Previously reported	Classification and Adjustments	Revised
ASSETS	31.12.2021	31.12.2021	31.12.2021
CURRENT ASSETS			
Cash and Cash Equivalents	170.866.301	--	170.866.301
Trade Receivables	104.369.768	--	104.369.768
From Non-Related Parties	104.369.768	--	104.369.768
Other Receivables	22.933.570	--	22.933.570
From Related Parties	16.610.581	--	16.610.581
From Non-Related Parties	6.322.989	--	6.322.989
Inventories	63.659.533	--	63.659.533
Prepaid Expenses	242.689.444	--	242.689.444
From Non-Related Parties	242.689.444	--	242.689.444
Current period tax assets	2.366.103	--	2.366.103
Other current assets	76.041.490	--	76.041.490
SUBTOTAL	682.926.209	--	682.926.209
TOTAL CURRENT ASSETS	682.926.209	--	682.926.209
NON-CURRENT ASSETS			
Investment Properties	3.291.856	5.964.144	9.256.000
Investments Valued by Equity Method	51.044.936	--	51.044.936
Tangible Assets	894.311.146	--	894.311.146
Right of Use Assets	73.882.229	--	73.882.229
Intangible Assets	61.126.543	--	61.126.543
Goodwill	6.532.000	--	6.532.000
Other Intangible Assets	54.594.543	--	54.594.543
Other Non-Current Assets	59.500.988	--	59.500.988
TOTAL NON-CURRENT ASSETS	1.143.157.698	5.964.144	1.149.121.842
TOTAL ASSETS	1.826.083.907	5.964.144	1.832.048.051

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

	Previously reported	Classification and Adjustments	Revised
LIABILITIES	31.12.2021	31.12.2021	31.12.2021
CURRENT LIABILITIES			
Short Term Borrowings	66.178	--	66.178
Short Term Portion of Long Term Borrowings	191.402.452	--	191.402.452
Bank Loans	189.146.497	--	189.146.497
Lease Payables	2.255.955	--	2.255.955
Trade Payables	217.675.441	--	217.675.441
From Non-Related Parties	217.675.441	--	217.675.441
Liabilities due to Employee Benefits	3.950.585	--	3.950.585
Other Payables	44.104.344	--	44.104.344
Due to Related Parties	37.815.183	--	37.815.183
To Non-Related Parties	6.289.161	--	6.289.161
Deferred Income	2.732.268	--	2.732.268
Non-Related Parties	2.732.268	--	2.732.268
Liabilities for Period Income Tax	3.271.570	--	3.271.570
Short Term Provisions	10.579.929	--	10.579.929
...Short Term Provisions For Employee Benefits	1.109.054	--	1.109.054
Other Short Term Provisions	9.470.875	--	9.470.875
SUBTOTAL	473.782.767	--	473.782.767
TOTAL CURRENT LIABILITIES	473.782.767	--	473.782.767
NON CURRENT LIABILITIES			
Long Term Borrowings	778.336.078	--	778.336.078
Bank credits	705.384.525	--	705.384.525
Lease Payables	72.951.553	--	72.951.553
Other Payables	2.651.429	--	2.651.429
Long Term Provisions	1.742.951	--	1.742.951
Long Term Provisions For Employee Benefits	1.742.951	--	1.742.951
Deferred Tax Liabilities	16.268.502	596.414	16.864.916
TOTAL NON-CURRENT LIABILITIES	798.998.960	596.414	799.595.374
TOTAL LIABILITIES	1.272.781.727	596.414	1.273.378.141

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

	Previously reported	Classification and Adjustments	Revised
	31.12.2021	31.12.2021	31.12.2021
EQUITY			
Equity Attributable to Equity Holders of the Parent			
Share Capital	556.022.699	5.367.730	561.390.429
Share Issue Premium (Discounts)	500.000.000	--	500.000.000
The Effect of Mergers Involving Undertaking or Enterprises Subject to Common Control	26.541.373	--	26.541.373
Other Accumulated Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss	(21.579.143)	--	(21.579.143)
- Revaluation Reserve of Tangible Assets and Intangible Assets	72.659.400	--	72.659.400
- Defined Benefit Plans Remeasurement Gains (Losses)	73.067.800	--	73.067.800
Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss	(408.400)	--	(408.400)
- Hedging Gain (Loss)	(62.903.286)	--	(62.903.286)
Retained Earnings	(62.903.286)	--	(62.903.286)
Net Profit for the Period	37.517.917	2.612.159	40.130.076
Non-Controlling Interests	3.786.438	2.755.571	6.542.009
TOTAL EQUITY	(2.720.519)	--	(2.720.519)
TOTAL LIABILITIES AND EQUITY	553.302.180	5.367.730	558.669.910
	1.826.083.907	5.964.144	1.832.048.051

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

	Previously reported	Classification and Adjustments	Revised
	01.01-31.12.2021	01.01-31.12.2021	01.01-31.12.2021
Revenue	427.703.847	--	427.703.847
Cost of Sales	(304.367.466)	--	(304.367.466)
GROSS PROFIT	123.336.381	--	123.336.381
General Administrative Expenses	(39.910.212)	--	(39.910.212)
Marketing Expenses	(2.558.394)	--	(2.558.394)
Other Income from Operating Activities	22.232.397	--	22.232.397
Other Expenses from Operating Activities	(52.216.850)	--	(52.216.850)
OPERATING PROFIT	50.883.322	--	50.883.322
Revenues from Investment Activities	3.342.198	3.061.745	6.403.943
Share of Profit/Loss of Investments Accounted for Using the Equity Method	25.742.306	--	25.742.306
OPERATING PROFIT BEFORE FINANCE INCOME (EXPENSES))	79.967.826	3.061.745	83.029.571
Financial Income	53.446.346	--	53.446.346
Financial Expenses	(113.053.730)	--	(113.053.730)
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX	20.360.442	--	23.422.187
Tax income/(expense), continuing operations	(19.120.914)	(306.174)	(19.427.088)
Taxes on income (expenses)	(11.392.504)	--	(11.392.504)
Deferred tax income (expenses)	(7.728.410)	(306.174)	(8.034.584)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	1.239.528	2.755.571	3.995.099
PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	--	--	--
NET PROFIT FOR THE PERIOD	1.239.528	2.755.571	3.995.099
Distribution of the Period Profit (Loss)			
Non-controlling interest	(2.546.910)	--	(2.546.910)
Equity holders of the parent	3.786.438	2.755.571	6.542.009
Income (Loss) for the Period	1.239.528	2.755.571	3.995.099

The fair value of the Group's investment properties is determined by an independent valuation company, Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş. ("LAL"). According to the valuation reports dated 05.05.2022 and 13.05.2022, the fair value of the relevant real estate has been calculated as 9.256,000 TL. The valuation difference resulting from the revaluation of the real estate has been reflected in the income statement from the previous period in the consolidated financial statements, and the financial statements dated 31.12.2021 have been restated.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Summary of Significant Accounting Policies

Significant accounting policies applied during the preparation of the accompanying financial statements are as follows

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and investments with a definite amount, easily convertible into cash, short-term and highly liquid, with an insignificant risk of change in value and with a maturity of less than three months.

Commercial debts

Trade receivables are recorded with their invoiced amounts and are carried with their net value discounted using the effective interest rate method and after deducting the doubtful receivable provision, if any.

Promissory notes and post-dated checks classified under trade receivables are rediscounted using the effective interest rate method and carried with their discounted values.

Provision for doubtful receivables is recorded as expense. If there is a concrete indication that the overdue receivables cannot be collected, provision for doubtful receivables is set by taking into account the guarantees received from the customer. The Company uses the simplified approach in TFRS 9 to calculate the expected credit losses of these financial assets. This method requires the recognition of lifetime expected credit losses for all trade receivables.

Trade payables

Trade payables are recorded at a reduced cost, which represents their fair value, and are carried with. The financial income included in the debts is calculated by considering the maturity of the related debt and the interest rate for the government domestic debt securities in the stock exchanges or other organized markets, and the amounts founded are shown in financial income in the financial statements.

Inventories

Inventories are valued at the lower of cost or net realizable value. Inventory costs are determined using the "first-in, first-out cost method". Cost of inventories; It includes all acquisition costs, conversion costs, and other costs incurred to bring inventories to their current state and location. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs required to make the sale.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Investment properties

Instead of being used in the production or supply of goods and services or for administrative purposes or being sold in the normal course of business, land or building or building is held (by the owner or by the lessee under a finance lease) for the purpose of earning rental income or for capital appreciation or both. some or both are classified as investment properties.

An investment property is accounted for as an asset if it is probable that future economic benefits associated with the property will flow to the business and the cost of the investment property can be measured reliably

The fair value of the Group's investment properties is determined by an independent valuation company, Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş. ("LAL"). According to the valuation reports dated 14.02.2023, the fair value of the relevant real estate has been calculated as 17,790,000 TL. The valuation difference resulting from the revaluation of the real estate has been reflected in the income statement from the previous period in the consolidated financial statements, and the financial statements dated 31.12.2021 have been restated.

Tangible fixed assets

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided on restated amounts of property, plant and equipment using the straight-line method based on the estimated useful lives of the assets, except for land due to their indefinite useful life.

The cost value of the property, plant and equipment; The purchase price consists of import duties and non-refundable fixed assets and expenses incurred to prepare the property, plant and equipment for use.

Cost amounts of tangible fixed assets, excluding investments in progress and land, are depreciated over their expected useful lives using the straight-line method. The expected useful life, residual value and depreciation method are reviewed annually for the possible effects of changes in estimates, and if there is a change in estimates, they are accounted for prospectively.

Depreciation is calculated on a pro-rata basis according to the straight-line depreciation method, taking into account the economic lives of tangible fixed assets. The amortization periods are as follows:

Buildings	10-50 years
Machinery, plants and devices	10 years
Vehicles	4-5 years
Fixtures	3-10 years
Leasehold improvements	5 years

Usual maintenance and repair expenses incurred on a tangible fixed assets are recognized as expenses. Investment expenditures that increase the capacity of the tangible fixed asset and increase the future benefit from it are added to the cost of the tangible fixed asset and depreciated over the remaining estimated useful life of the tangible fixed asset.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The profit or loss resulting from the disposal of tangible fixed assets is determined by comparing the net balance sheet value with the collected amounts and is shown under the "income/expenses from investment activities" account in the current period.

Revaluation model

Machinery, plant and equipment are presented at fair value less accumulated depreciation. The difference between the cost value and the fair value, net of deferred tax, is followed under the "revaluation funds" account under shareholders' equity. As long as the revalued asset is used, the difference between the depreciation calculated over the revalued amount and the depreciation calculated over the initial cost value is deducted from the revaluation fund after deducting the deferred tax effect and followed by crediting the retained earnings account.

The frequency of revaluation depends on the fluctuation in the fair value of the tangible asset subject to revaluation. If the fair value of the revalued asset differs significantly from its carrying value, the asset is revalued. When tangible asset is revalued, the accumulated depreciation amount on the revaluation date is increased in proportion to the change in the gross carrying value of the asset, so that the carrying value of the asset after revaluation equals its revalued amount.

The Group has valued machinery, facilities and devices based on the report dated 01.03.2021 prepared by Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş.

Intangible assets

Intangible assets consist of EMRA license rights and software rights. Intangible assets are recorded at their acquisition cost. EMRA licenses are amortized on a pro-rata basis using the straight-line depreciation method between 12-49 years and software rights between 3-15 years.

The carrying values of intangible assets are reviewed and the necessary provision is made in case changes in conditions and events give rise to an indication that the carrying value may decrease.

Impairment of assets

For each asset other than deferred tax assets, the Group evaluates at each balance sheet date whether there is any indication that the asset is impaired. If such an indicator exists, the recoverable amount of that asset is estimated. For intangible assets that are not suitable for use, the recoverable amount is estimated at each balance sheet date. If the carrying value of the asset or any cash generating unit of that asset is higher than the amount to be recovered through use or sale, an impairment has occurred. Impairment losses are recognized in the income statement.

An impairment loss on an asset is reversed up to a level that does not exceed the carrying amount of the asset if the subsequent increase in its recoverable amount can be attributed to an event that occurred in the periods following the recognition of the impairment.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Obtained credits and borrowing costs

Bank loans are recorded with their values after the transaction costs are deducted from the amount of loan on the date they are received. Bank loans are shown over the cost value, which is discounted using the effective interest method in the following periods. The difference between the amount remaining after deducting the transaction costs and the discounted cost value is reflected in the income statement as the financing cost during the loan period. Financing costs arising from loans, if they are associated with the acquisition or construction of qualifying assets, are included in the cost of qualifying assets. Qualified assets are assets that take a long time to be ready for use or sale as intended. Other loan costs are recorded in the income statement in the period in which they occur.

Investments held as fixed assets

Investments held as fixed assets is realized when the carrying amount is recovered in a sale transaction and the sale is likely to occur. Assets are classified as investments held as fixed assets when the carrying amount is considered to be recovered through a sale transaction rather than making use of this transaction.

Assets can be a business unit, sales group, or a separate tangible asset. The sale of investments held as fixed assets is expected to occur within 12 months after the balance sheet date. Various events or circumstances may extend the completion period by more than one year. There is insufficient evidence to support that the delay was beyond the control of the entity and the sale of the assets (or group of assets) proceeds on the plan of sale; The delay does not preclude the classification of assets (or disposal groups) as investments held a fixed assets.

Investments held as fixed assets are valued at the lower of book value and fair value. The impairment loss is recognized as an expense in the consolidated income statement for the period, on the date in which its carrying amount is less than its fair value. There is no amortization for these assets.

Financial tools

IFRS 9 regulates the provisions regarding the recognition and measurement of financial assets and financial liabilities. This standard replaces TAS 39 Financial Instruments: Recognition and Measurement.

The applications related to the recognition, classification, measurement and derecognition of financial instruments in TAS 39 are now carried over to IFRS 9. The latest version of IFRS 9 includes applications published in previous versions of IFRS 9, which were released in phases, including a new expected credit loss model for calculating impairment of financial assets, as well as updated applications for new general hedge accounting requirements. IFRS 9 is valid for annual accounting periods beginning on or after January 1st, 2018.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Classification of financial assets and liabilities

TFRS 9 largely retains the existing provisions in TAS 39 for the classification and measurement of financial liabilities. However, the previous TAS 39 classification categories have been removed for financial assets held to maturity, loans and receivables, and financial assets available for sale.

The implementation of TFRS 9 did not have a significant impact on the Company's accounting policies regarding its financial liabilities and derivative financial instruments. The impact of TFRS 9 on the classification and measurement of financial assets is given below.

According to TFRS 9, when a financial asset is recognized for the first time; measured at amortized cost; fair value ("VAR") measured at fair value through other comprehensive income – debt instruments; FPV difference measured through other comprehensive income – equity instruments or the FPV difference measured through profit or loss is classified as. Classification of financial assets within the scope of TFRS 9 is generally based on the business model the entity uses to manage financial assets and the characteristics of the financial asset's contractual cash flows. Within the scope of the standard, the obligation to separate the embedded derivatives from the financial asset has been eliminated, and it should be evaluated how a hybrid contract will be classified as a whole.

A financial asset is measured if both of the following conditions are met and the fair value difference is measured in profit or loss :

- Holding the financial asset under a business model aimed at collecting contractual cash flows; and
- The contractual terms of the financial asset arise to cash flows on certain dates that include only payments of principal and interest on the principal balance.

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met and it is not classified as at fair value through profit or loss:

- Holding the financial asset under a business model aimed at collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset give rise to cash flows on certain dates that include only payments of principal and interest on the principal balance.

In the initial recognition of investments in equity instruments that are not held for trading, an irrevocable choice may present subsequent changes in fair value in other comprehensive income. The choice of this preference can be made on the basis of each investment. All financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. These include all derivative financial assets. At initial recognition of financial assets, a financial asset is irrevocably recognized at fair value through profit or loss, provided that it eliminates or significantly reduces an accounting mismatch that would result from different measurement of financial assets and related gains or losses. can be defined as measured by reflection.

In the initial measurement of financial assets other than those at fair value through profit or loss (except for trade receivables, which are measured at transaction price at initial recognition and do not have a significant financing component), the transaction costs directly attributable to their acquisition or issuance are added to the fair value.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Impairment of financial assets

With the implementation of TFRS 9, the "Expected Credit Loss" (EXP) model has replaced the "Actual Loss" model in TAS 39. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt instruments measured at fair value through other comprehensive income, but not for investments in equity instruments. In accordance with TFRS 9, credit losses are recognized earlier than TAS 39. Financial assets measured at amortized cost consist of trade receivables, cash and cash equivalents and private sector debt instruments.

Under TFRS 9, loss allowances are measured on any of the following bases:

- 12 month ECLs: the portion that represents expected credit losses arising from possible default events on the financial instrument within 12 months of the reporting date; and
- Lifetime ECLs: expected credit losses arising from all possible default events over the expected life of the financial instrument.

In determining whether the credit risk of a financial asset has increased significantly since initial recognition and in estimating its ECAs, the Company considers reasonable and supportable information available without undue cost or effort regarding the estimation of expected credit losses, including the effects of expected prepayments. This information includes quantitative and qualitative information and analyzes based on the Company's past credit loss experiences and forward-looking information.

Financial liabilities

A financial liability is measured at fair value at initial recognition. During the initial recognition of financial liabilities whose fair value difference is not recognized in profit or loss, the transaction costs directly attributable to the underwriting of the related financial liability are added to the said fair value. Financial liabilities are accounted for at amortized cost using the effective interest method, together with the interest expense calculated over the effective interest rate in the following periods.

Financial liabilities are classified as financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are recognized at fair value and revalued at their fair value at the reporting date in each reporting period. The change in their fair value is recognized in the income statement. The net gain or loss recognized in the profit or loss statement also includes the interest paid on the financial liability.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Other financial liabilities

Other financial liabilities, including financial liabilities, are initially recognized at fair value net of transaction costs. They are subsequently accounted for at amortized cost using the effective interest method, together with the interest expense calculated over the effective interest rate.

The effective interest method is the method of calculating the amortized costs of the financial liability and allocating the related interest expense to the related period. Effective interest rate is the rate that exactly discounts estimated future cash payments over the expected value of the financial instrument or a shorter period of time, to the net present value of the financial liability.

Recording Revenues

When the Group fulfills a performance obligation by transferring a promised good or service to its customer, it records the revenue in its financial statements. An asset is transferred when the control of an asset is transferred to the customer.

Grup aşağıda yer alan temel prensipler doğrultusunda hasılatı finansal tablolarına kaydetmektedir:

- Determining contracts with customers
- Determining performance obligations in the contract
- Determining the transaction price in the contract
- Allocating the transaction price to the performance obligations in the contract
- Recognition of revenue when each performance obligation is satisfied

Sales revenues are recognized on an accrual basis over the fair value of the consideration received or when the product is delivered or the service is rendered, the significant risks and rewards associated with the product have been transferred to the buyer, the amount of revenue can be measured reliably and it is highly probable that the Group will derive economic benefits associated with the transaction. Net sales represent the invoiced value of the product sold or completed service, excluding sales tax, less any discounts and discounts.

Interest income from other incomes obtained by the Group is calculated over the effective interest income method and income is recorded on an accrual basis.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Currency transactions

Transactions in foreign currencies during the period are converted at the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are converted using the exchange rates prevailing at the balance sheet date. Exchange rate difference income and expenses arising from the conversion of monetary assets and liabilities based on foreign currency are reflected in the income statement.

As of 31 December 2022 and 31 December 2021, the buying rates determined by the Central Bank of the Republic of Turkey are as follows

	31 December 2022	31 December 2021
USD/TL	18,6983	13,3290
EURO/TL	19,9349	15,0867

Earning per share

Earnings per share stated in the consolidated income statement is determined by dividing the consolidated net profit of the main company by the weighted average number of shares available during the relevant period.

Companies in Turkey can increase their capital by distributing shares to existing shareholders from retained earnings and equity inflation adjustment differences in proportion to their shares ("bonus shares"). When calculating earnings per share, this bonus issue is counted as issued shares. Therefore, the weighted average number of shares used in the calculation of earnings per share is obtained by applying the issue of bonus shares retrospectively from the beginning of the previous reporting period.

Events that occurred after the balance sheet date

In the event of an adjustment after the balance sheet date, the Group adjusts the amounts included in the consolidated financial statements in accordance with this new situation. If non-adjusting matters after the balance sheet date affect the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

Provisions, contingent liabilities and assets

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle this obligation, and the amount to be paid can be reliably estimated. It is determined as a contingent liability if there is a possibility of disposal of resources that provide economic benefits. For contingent liabilities where it is probable that sources of economic interest will be disposed of, contingent liabilities are recognized in the period when the probability changes, unless a reliable estimate can be made.

For contingent liabilities where sources of economic interest are probable, where a reliable estimate cannot be made, the Group discloses this in the footnotes

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The amount recognized as a provision is the best estimate of the provision that should settle the present obligation as of the balance sheet date, taking into account the risks and uncertainties of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is reflected at the discounted value of those cash flows at the balance sheet date.

Where all the economic benefits required to settle a provision are expected to be received from a third party, the receivable is accounted for as an asset if it is observably certain that the refund will be received and the amount of the receivable can be measured reliably.

Dividends

Dividend payables are recognized as a liability in the separate financial statements in the period in which they are declared as part of the profit distribution.

Rental transactions

Financial leases that transfer all the risks and benefits of ownership of the leased asset to the Group are reflected at the commencement date of the lease based on the lower of the fair value of the leased asset and the present value of the lease payments. Financial lease payments are allocated as principal and finance expense throughout the lease term, generating a fixed periodic interest rate for the remaining debt balance for each period. Financial expenses are reflected directly to the income statement as of periods. Capitalized leased assets are depreciated over the estimated life of the asset.

Variable lease payments

Lease payments arising from some of the Group's lease agreements consist of variable lease payments. These variable lease payments, which are not within the scope of TFRS 16 standard, are recorded as rental expense in the income statement in the relevant period.

Facilitating applications

Short-term lease contracts with a lease term of 12 months or less and contracts for information technology equipment leases determined by the Group as low value have been evaluated within the scope of the exception granted by TFRS 16, "Leases" standard, and payments for these contracts continue to be accounted for as expense in the period in which they are incurred. A single discount rate is applied to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar asset class in a similar economic environment).

Operational Leases

The Group has reflected a right-of-use asset and a lease liability in its financial statements at the commencement date of the lease. The right-of-use asset is calculated initially at cost and subsequently less accumulated depreciation and impairment losses and adjusted for remeasurements of the finance lease liability. At the commencement date of the lease, the lease liability is measured at the present value of the lease payments not paid at that date. Lease payments are discounted using the Group's alternative borrowing rate, if the implied interest rate in the lease can be easily determined, if not easily determined

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Reporting of Cash flow statement

Cash and cash equivalents in the consolidated statement of cash flows include cash on hand and in banks, highly liquid investments with original maturities of 3 months or less, and non-collateral deposits.

In the cash flow statement, cash flows for the period are classified and reported based on operating, investing and financing activities.

Cash flows from operating activities represent the cash flows from the Group's main activities.

Cash flows from investing activities represent the cash flows that the Group uses and receives from its investing activities (asset investments and financial investments).

Cash flows from financing activities show the resources used by the Group in financing activities and the repayments of these resources.

Related parties

A party is considered related to the Group if one of the following criteria is met:

- (a) That party, directly or indirectly, through one or more of its intermediaries:
 - (i) Controls or is controlled by, or is under common control with the Group (including main partners, subsidiaries and subsidiaries in the same line of business);
 - (ii) It has an interest that gives it significant influence over the Group; or
 - (ii) It has joint control over the Group
- (b) The party is an affiliate of the Group,
- (c) The party is a joint venture in which the Group is a venturer;
- (d) The party is a member of the key management personnel of the Group or its main partner
- (e) The party is a close family member of any individual mentioned in (a) or (d);
- (f) The Party; is an entity that is controlled, jointly controlled, or under significant influence or in which any individual referred to in (d) or (e) has a significant voting right, directly or indirectly; or
- (g) The party must have post-employment benefit plans for employees of the entity or an entity that is a related party.

A transaction with a related party is a transfer of resources, services or obligations between related parties, regardless of whether they are paid for.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Taxes calculated based on corporate income

Corporate tax

Corporate tax is calculated over the taxable portion of the profit for the period. Taxable profit differs from profit reported in the income statement because it excludes items that are taxable or deductible in other years and items that are not taxable or deductible. The Group's corporate tax liability consists of the sum of the tax provisions of the companies included in the consolidation, calculated using the tax rate enacted as of the balance sheet date.

Deffered tax

Deferred tax liability or assets are determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base, according to the balance sheet method, taking into account the enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future. The mentioned assets and liabilities are not recognized if they arise from the initial recognition of goodwill or other assets and liabilities (other than business combinations) related to the temporary difference related to the transaction that does not affect the commercial or financial profit/loss.

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, unless the Group is able to control the disappearance of temporary differences and it is unlikely that the difference will disappear in the near future. Deferred tax assets arising from taxable temporary differences associated with such investments and interests are calculated on the condition that it is highly probable that the said differences will be benefited from by earning sufficient taxable profit in the near future and it is probable that the related differences will disappear in the future.

The book value of the deferred tax asset is reviewed at each balance sheet date. The carrying amount of the deferred tax asset is reduced to the extent that it is not likely to generate a financial profit sufficient to allow some or all of the benefits to be obtained.

Deferred tax assets and liabilities are calculated over tax rates (tax regulations) that are expected to be valid in the period when the assets will be realized or the liabilities will be fulfilled and that have been enacted or substantially enacted as of the balance sheet date. During the calculation of deferred tax assets and liabilities, the tax results of the methods estimated by the Group to recover the book value of its assets or fulfill its liabilities as of the balance sheet date are taken into account.

Deferred tax assets and liabilities are deducted if there is a legal right to set off current tax assets and current tax liabilities, or if such assets and liabilities are associated with income tax collected by the same tax authority, or if the Group intends to settle current tax assets and liabilities on a net basis.

Corporate tax and deferred tax for the period are recognized as expense or income in the income statement, excluding those associated with items credited or debited directly in equity (in which case deferred tax is also recognized directly in equity) or arising from the initial recognition of business combinations. In business combinations, the tax effect is taken into account when calculating goodwill or determining the portion of the purchaser's share in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary exceeding the acquisition cost.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Employee benefits

Defined benefit plan:

In accordance with the current labor law in Turkey, the Group is obliged to pay a certain amount of severance pay to the personnel who quit their job due to retirement after serving at least one year or who are dismissed for reasons other than resignation and misbehavior.

The group uses the "projection" in the attached place according to the table, and the goals of benefiting from the government agencies and calculated from the past, from the references that have passed the evaluation of the personal service uses and evaluations of the people who use it.

Defined contribution plan

The Group pays compulsory social security premiums to the Social Security Institution in Turkey. The Group has no other obligations as long as it pays these premiums. These premiums are reflected in personnel expenses in the period they are accrued.

Unused leave liability

The Turkish Labor Law requires companies to pay their employees who have completed one year of service, and to meet their unused leave rights in case the employees' relationship with the company is terminated. The unused leave entitlement liability includes an estimated maximum wage applied to employees' unused leave.

Business combinations

Business combinations are accounted for using the purchase method within the scope of TFRS 3. The acquirer (acquirer/acquirer) accounts for the identifiable assets, liabilities and contingent liabilities of the acquiree (acquired/acquired) at their fair values at the date of acquisition (merger).

Goodwill arising from business combinations is not amortized, but is instead tested for impairment annually or more frequently when impairment is detected.

In a business combination realized in stages, the Group's previously held equity interest in the acquired business is remeasured to its fair value at the acquisition date (the date the Group takes control) and the resulting gain/loss, if any, is included in the profit/loss statement. Amounts arising from the share of the acquired business recognized in other comprehensive income before the acquisition date are transferred to profit/loss under the assumption that the said interests are disposed of.

Acquisitions from business interests under common control

Business combinations resulting from the transfer of shares of companies controlled by the stakeholder controlling the Group are accounted for as if they had occurred at the beginning of the earliest comparative period presented, if later, on the date of joint control. The acquired assets and liabilities are recorded at the book value previously recorded in the consolidated financial statements of the stakeholders under the control of the Group. Equity items of the acquired companies are added to the same items in the Group's equity, except for the capital, and the resulting profit or loss is recognized in equity.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Significant accounting estimates and assumptions

In the preparation of the consolidated financial statements, the Group management is required to make assessments, assumptions and estimations that will affect the reported amounts of assets and liabilities, determine the possible liabilities and commitments as of the balance sheet date and the amounts of income and expense as of the reporting period. Actual results may differ from estimates. Estimates are reviewed regularly, necessary adjustments are made and reflected in the consolidated income statement in the period they are realized.

The main assumptions made by considering the main sources of the existing or future estimates that may have a material impact on the amounts reflected in the consolidated financial statements are as follows:

Predictions:

Deffered tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TFRS. These differences are generally due to the tax base amounts of some income and expense items and the different periods in the financial statements prepared in accordance with TFRS. The Group has deferred tax assets consisting of unused tax losses and other deductible temporary differences that can be deducted from future profits. The partially or wholly recoverable amount of deferred tax assets has been estimated under current conditions. During the evaluation, future profit projections, losses in current periods, expiry dates of unused losses and other tax assets, and tax planning strategies that can be used when necessary are taken into consideration. As a result of the studies, the Group has recognized the deferred tax assets of its subsidiaries due to the belief that the deferred tax can be recovered.

Economic life

Tangible fixed and intangible assets are subject to depreciation and amortization over their estimated economic lives.

Provision for severance pay

Provision for severance pay, has been discounted to its value at the balance sheet date considering the personnel turnover rate, previous years' experiences and expectations.

Lawsuits

While provisions are made for lawsuits, the probability of loss of the relevant lawsuits and the consequences to be incurred in case of loss are evaluated in line with the opinions of the Group's legal advisors, and the Group Management makes provision using the data in its possession.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 3 – MERGERS OF BUSINESS

2021:

None.

2022:

- Ulutek, Biotrend Uluslararası and Doğankent included in consolidation in 2022.

- Ulutek and Doğankent has been included in the consolidation in 2022 within the scope of the merger of enterprises or enterprises under common control. It was established by Biotrend Uluslararası subsidiary in 2022 and included in the consolidation.

- Biotrend purchased the remaining 15% shares of its subsidiary Biomek in 2022.

Effect of Mergers Including Enterprises or Business Under Common Control	31 December 2022	31 December 2021
Opening Balance	(21.579.143)	(21.579.143)
Ulutek	(62.309)	--
Biyomek	(24.720.518)	--
Doğankent	(1.169.078)	--
	(47.531.048)	(21.579.143)

NOTE 4 – CASH AND CASH EQUIVALENTS

	31 December 2022	31 December 2021
Cash on hand	4.387	3.854
Cash at Banks	27.615.778	170.861.277
- Demand deposits (*)	23.475.741	170.541.277
- Term deposits (**)	4.140.036	320.000
Liquid funds	19.615	1.170
	27.639.780	170.866.301

(*) As of 31 December 2022, there is a blockade in the amount of TL 7,314,646 in current deposits in exchange for loans received. (31 December 2021: There is a blockade of 24.073.233 TL). The portion of 11.686.362 TL is Maven Tarım Seracılık ve Hayvancılık San. And it belongs to the subsidized agricultural loan used by Tic. A.Ş. This amount was left in current deposits in accordance with the agreement with the bank.

(**) Interest rates are 12.00% - 17.30% and the average maturity is 8 days (December 31, 2021: 13.00% - 17.60% and maturity periods are between 1 and 34 days)

Explanations on the nature and level of risks in cash and cash equivalents are explained in Note 30.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 5 – RELATED PARTY EXPLANATIONS

a) Receivables/payables from related parties:

Other receivables from related parties	31 December 2022	31 December 2021
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	25.841	9.594.734
Doğanlar Yatırım Holding A.Ş.	1.449.454	3.759.411
Doğu Star Elektrik Üretim A.Ş. - Mimsan Endüstri Kazanları A.Ş. Adi Ortaklığı	81.797	54.401
Taş Maden Grup Yapı A.Ş.	650.000	650.000
Korad Gayrimenkul Yatırım İnşaat A.Ş.	--	22.906
Maven Enerji Elektrik Üretim San. Ve Tic.A.Ş.	--	1.129.804
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	271	25.155
Landfill Enerji Sanayi Ticaret A.Ş.	361.829	--
Other	460.699	1.374.170
Total	3.029.891	16.610.581
Other payables to related parties	31 December 2022	31 December 2021
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	--	11.825.151
Landfill Enerji Sanayi Ticaret A.Ş.	27.016.325	2.919.271
Doğanlar Yatırım Holding A.Ş.	5.029.249	21.661.042
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	2.518.500	155.144
Korad Gayrimenkul Yatırım İnşaat A.Ş.	--	22.906
Dha Grup İnşaat Tarım Hayvancılık İth. İhr. San. ve Tic.A.Ş.	1.060.629	--
Other	826.380	1.231.669
Total	36.451.083	37.815.183

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 5 – RELATED PARTY EXPLANATIONS (Continued)

b) Goods and Services Purchases/Sales:

Purchases from Related Parties	1 January-31 December 2022	1 January-31 December 2021
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	1.615.745	17.159.946
Doğanlar Yatırım Holding A.Ş.	16.705.322	7.821.909
Doğanlar Mobilya Grubu	2.221.615	--
Landfill Enerji Sanayi Ticaret A.Ş.	4.657.235	199.600
İlcan Elektrik Üretim A.Ş.	1.199	--
	25.201.116	25.181.455
Sales to Related Parties	1 January-31 December 2022	1 January-31 December 2021
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	49.671	80.240
Doğanlar Yatırım Holding A.Ş.	1.530.648	20.122.125
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	399.724	18.228
Korad Gayrimenkul Yatırım İnşaat A.Ş.	--	14.300
Landfill Enerji Sanayi Ticaret A.Ş.	752.449	6.055.633
Başköy Enerji Elektrik Üretim A.Ş.	--	27.751
	2.732.492	26.318.277
c) The details of remuneration and similar benefits paid to the top management are as follows:		
	1 January-31 December 2022	1 January-31 December 2021
Remuneration and similar benefits paid to senior management	12.629.934	7.055.362
	12.629.934	7.055.362

Collateral, pledge, mortgage and guarantees are explained in Note 16.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 6 – FINANCIAL BORROWINGS

	31 December 2022	31 December 2021
Short term borrowings		
TL bank borrowings	--	66.178
	--	66.178
	31 December 2022	31 December 2021
Short term portions of long term borrowings		
TL bank borrowings	43.918.096	21.306.709
USD bank borrowings	259.345.775	80.097.038
EUR bank borrowings	120.394.162	83.000.635
TL financial leasing	5.506.659	1.779.219
EUR financial leasing	12.544.410	2.962.896
	441.709.102	189.146.497
	31 December 2022	31 December 2021
Long term borrowings		
TL bank borrowings	72.408.446	39.437.714
USD bank borrowings	776.274.367	347.818.402
EUR bank borrowings	378.580.652	309.308.644
TL financial leasing	3.448.954	5.523.492
EUR financial leasing	11.189.101	3.296.273
	1.241.901.520	705.384.525

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOT 6 – FINANCIAL BORROWINGS (Continued)

Information on interest rates	31 December 2022	31 December 2021
TL bank borrowings	7,5 – 28,00	17,35 – 27,48
USD bank borrowings	8,36 – 14,41	5,00 – 7,25
EUR bank borrowings	3,50 – 6,50	4,35 – 6,50
The repayment schedule of bank loans are as follows:		
	31 December 2022	31 December 2021
0-3 months	108.949.830	43.404.357
3-12 months	314.708.203	141.066.204
1-5 years	983.369.862	555.675.480
More than 5 years	243.893.603	140.889.279
	1.650.921.498	881.035.320
The repayment schedule of financial leaseings are as follows:		
	31 December 2022	31 December 2021
0-3 months	4.743.720	1.784.021
3-12 months	13.307.349	2.958.094
1-5 years	14.638.055	8.819.765
	32.689.124	13.561.880
CPMs given for financial liabilities are disclosed in Note 16.		
NOTE 7 – TRADE RECEIVABLES AND PAYABLES		
	31 December 2022	31 December 2021
Short term trade receivables		
Customers' current accounts	336.788.267	103.958.591
Cheques received and notes receivable	--	411.177
Provision for doubtful trade receivables (-)	(369.325)	--
Total trade receivables	336.418.942	104.369.768

The trade receivables of the Group consist of receivables of the facilities that fall under the Electricity Market Renewable Energy Sources Support Mechanism (RESSUM) after the agreements made with the municipalities, and the terms of these receivables vary between 7 and 30 days (2021: 7 and 30). The maturity of checks and bills received is between 3 and 6 months (2021: 3 and 6 months).

The risks to which the Group's receivables are exposed and the level of risks are explained in Note 30

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 7 – TRADE RECEIVABLES AND PAYABLES (Continued)

Provision for doubtful trade receivables transaction table:

	31 December 2022	31 December 2021
Balance at the beginning of the period	--	--
Consolidation effect (Not 3)	369.325	--
Total	369.325	--

Foreign currency balances of trade receivables and payables are disclosed in Note 30 currency risk.

Aging of trade receivables	31 December 2022	31 December 2021
Undue	336.049.617	104.369.768
Overdue	369.325	--
	336.418.942	104.369.768

	31 December 2022	31 December 2021
Short term trade payables		
Suppliers' current accounts	683.252.195	216.642.967
Notes payables	1.788.538	1.032.474
Total short term trade payables	685.040.733	217.675.441

A large part of the Group's commercial debts consist of the rents arising from the contracts made with the municipalities, and the average maturity of the commercial debts is 60 days (2021: 45).

NOTE 8 – OTHER RECEIVABLES AND PAYABLES

Other receivables	31 December 2022	31 December 2021
Other receivables from related parties (Note: 5)	3.029.891	16.610.581
Deposits and guarantees given	2.566.202	1.013.039
Other	3.856.121	5.309.950
Other short term receivables	9.452.214	22.933.570

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 8 – OTHER RECEIVABLES AND PAYABLES(Continued)

Other short term payables	31 December 2022	31 December 2021
Other payables to related parties (Note: 5)	36.451.083	37.815.183
Taxes, duties and fees payable	3.832.857	2.613.032
Restructured tax obligations	8.280.762	2.193.969
Other payables	471.687	1.482.160

Other short term payables	49.036.389	44.104.344
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Other long term payables	31 December 2022	31 December 2021
Restructured tax liabilities	441.906	2.651.429

Other long term payables	--	2.651.429
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NOTE 9 – INVENTORIES

	31 December 2022	31 December 2021
Raw material and supplies (*)	60.803.709	27.277.724
Other inventories (**)	55.876.528	36.381.809
	116.680.237	63.659.533

(*) Raw materials and supplies will be used for production in the plant is belong to Mersin, Ulubey and Biyomek.

(**) Other inventories are replacement parts to be used for maintenance and repair in the entire plants.

NOTE 10 – PREPAID EXPENSES AND DEFERRED INCOME

Prepaid expenses	31 December 2022	31 December 2021
Advances given (*)	538.016.813	240.194.554
Prepaid expenses	9.716.034	2.494.890
	547.732.847	242.689.444

(*) Most of the related amount consists of advances given for electricity generation facilities.

Short-term deferred income	31 December 2022	31 December 2021
Advances received	8.123.011	248.137
Deferred income (*)	--	2.484.131
	8.123.011	2.732.268

(*) The sale of Novtek İskenderun is due to the leaseback transaction.

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 11 – FIXED ASSETS/LIABILITIES AVAILABLE FOR SALE

None (31 December 2022: None).

NOTE 12 – INVESTMENT PROPERTIES

	1 January 2022	Consolidation Effect	Valuation (*)	31 December 2022
Çanakkale lands	3.735.000	1.100.000	5.815.000	10.650.000
Sivas lands	5.521.000	--	1.619.000	7.140.000
Net book value	9.256.000	1.100.000	7.434.000	17.790.000

	1 January 2021	Valuation (*)	31 December 2021
Çanakkale lands	2.562.019	1.172.981	3.735.000
Sivas lands	3.632.237	1.888.763	5.521.000
Net book value	6.194.256	3.061.744	9.256.000

(*) The fair value of the Group's investment properties is determined by an independent valuation company, Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş. ("LAL"). According to the valuation report dated 14.02.2023 the fair value of the relevant real estate has been calculated as 17.790.000 TL. (31.12.2021: 05.05.2022, 13.05.2022; 9.256.000 TL).

Collateral, pledge, mortgage and guarantees are explained in Note 16.

NOTE 13 – TANGIBLE FIXED ASSETS

	1 January 2022	Additions	Disposals	Transfers	Consolidation Effect (*)	31 December 2022
Costs						
Lands	32.000	--	--	--	--	32.000
Underground and Overland Plants	15.421.050	44.256.699	--	--	--	59.677.749
Buildings	64.261.210	3.192.018	--	--	--	67.453.228
Machinery, plant and devices	767.912.358	324.972.973	--	1.615.522	--	1.094.500.853
Vehicles	18.532.589	26.565.084	(675.000)	--	--	44.422.673
Fixtures	12.889.104	15.323.383	--	--	26.795	28.239.282
Construction in progress	70.601.134	483.896.175	--	--	--	554.497.309
	949.649.445	898.206.332	(675.000)	1.615.522	26.795	1.848.823.094
Accumulated depreciation						
Underground and Overland Plants	68.504	1.040.648	--	--	--	1.109.152
Buildings	1.001.344	2.937.910	--	--	--	3.939.254
Machinery, plant and devices	48.698.815	76.141.240	--	111.432	--	124.951.487
Vehicles	3.194.777	8.729.694	(112.500)	--	--	11.811.971
Fixtures	2.374.860	3.979.192	--	--	26.795	6.380.847
	55.338.300	92.828.684	(112.500)	111.432	26.795	148.192.711
Net book value	894.311.146					1.700.630.383

(*) Doğan kent has been included in the consolidation in 2022.

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 13 – TANGIBLE ASSETS (Continued)

540 millions of TL of the construction in progress belong to Mersin, 9 millions to Ayvacık, and the remaining balance is set to be done by 2023 İzmir Novtek, Maven Tarım, and İzmir Doğu Star.

	1 January 2021	Additions	Disposals	Valuation	31 December 2021
Costs					
Lands	32.000	--	--	--	32.000
Underground and Overland Plants	--	15.421.050	--	--	15.421.050
Buildings	5.486.403	58.774.807	--	--	64.261.210
Machinery, plant and devices	234.017.131	489.793.552	--	44.101.675	767.912.358
Vehicles	3.805.468	14.780.454	(53.333)	--	18.532.589
Fixtures	6.446.944	6.454.740	(12.580)	--	12.889.104
Construction in progress	214.483.544	53.023.509	(196.905.919)	--	70.601.134
	464.271.490	638.248.112	(196.971.832)	44.101.675	949.649.445
Accumulated depreciation					
Underground and Overland Plants	--	68.504	--	--	68.504
Buildings	324.795	676.549	--	--	1.001.344
Machinery, plant and devices	25.592.809	23.106.006	--	--	48.698.815
Vehicles	1.404.091	1.836.908	(46.222)	--	3.194.777
Fixtures	866.696	1.510.755	(2.591)	--	2.374.860
	28.188.391	27.198.722	(48.813)	--	55.338.300
Net book value	436.083.099				894.311.146

Of the construction in progress, 44 million TL is related with Mersin, 8 Million TL to Doğu Star, 9 Million TL to Biotrend Ayvacık, 5 Million TL to Biyomek and the remaining balance belongs to Ulubey, İzmir Doğustar, Serenti, Maven Tarım and İzmir Novtek. The constructions are planned to be completed in 2022

Collateral, pledge, mortgage and guarantees are explained in Note 16.

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

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NOTE 14 – INTANGIBLE ASSETS

	1 January 2022	Additions	Disposals	Transfers	Consolidation Effect (*)	31 December 2022
Costs						
Rights	1.174.479	6.691	--	--	159.348	1.340.518
Licenses	75.745.889	--	(2.989.546)	(1.615.522)	275.000	71.415.821
	76.920.368	6.691	(2.989.546)	(1.615.522)	434.348	72.756.339
Accumulated depreciation						
Rights	759.310	310.772	--	--	154.676	1.224.758
Licenses	21.566.515	4.817.731	(415.422)	(111.432)	158.125	26.015.517
	22.325.825	5.128.503	(415.422)	(111.432)	312.801	27.240.275
Net book value	54.594.543					45.516.064

(*) Doğan Kent has been included in the consolidation in 2022.

	1 January 2021	Additions	Disposals	Transfers	31 December 2021
Costs					
Rights	801.273	373.206	--	--	1.174.479
Licenses	75.745.889	--	--	--	75.745.889
	76.547.162	373.206	--	--	76.920.368
Accumulated depreciation					
Rights	239.741	519.569	--	--	759.310
Licenses	17.930.629	3.635.886	--	--	21.566.515
	18.170.369	4.155.455	--	--	22.325.825
Net book value	58.376.793				54.594.543

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

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NOTE 15 – GOODWILL

Boğazköy Enerji Elektrik Üretim Ticaret Ltd. Şti, Doğu Star Elektrik Üretim A.Ş., Novtek Enerji Elektrik Üretim A.Ş., Nov Enerji Elektrik Üretim A.Ş. ("Purchased"), Biotrend Çevre ve Enerji Yatırımları A.Ş. ("The Purchaser") as of October 17, 2017, a valuation report has been prepared by an independent institution in order to determine the value of the intangible assets ("These Assets"), whose ownership has been indirectly transferred to the Purchaser. Prior to this acquisition, all of the shares of the acquiree were held by Maven Enerji ("Seller").

Fair value calculations for Tangible Fixed Assets (land-lands, buildings and other tangible fixed assets) are based on Eva Gayrimenkul Değerleme Danışmanlık A.Ş. ("Eva").

Purpose of the Purchase Price Distribution Study, Biotrend Çevre ve Enerji Yatırımları A.Ş. to assist the Board of Directors in allocating the purchase price to the purchased assets, taking into account their fair value, for the purposes of TCC reporting.

Calculations have been made according to the following TFRS guidelines and communiqués:
 Turkish Financial Reporting Standard No.3 and 3R, Mergers
 Turkish Accounting Standards No. 36, Impairment of Assets
 Turkish Accounting Standards No.38, Intangible Assets

For the purposes of TFRS reporting standards, Fair Value of an asset or liability is the value at which that asset or liability can be exchanged between two willing parties and for which it can be settled in full under reasonable market conditions.

Some of the calculations are as follows:

- The valuation transaction (PPA) was made on the balance sheet dated 30 September 2017 provided by the Company Management.
- All studies in this calculation (due to data quality and accessibility) were made on 30 September 2017. Although the transaction date is 17 October 2017, 30 September 2017 has been determined as the technical valuation date. It has been concluded that between 17 October 2017 and 30 September 2017, there were no significant events that would affect the value of the Companies.
- The goodwill amount arising from the acquisition is calculated as the difference between the fair values of the assets subject to the valuation reports, the total payment amount foreseen for the sale and the total equity of the acquired company as of 30 September 2017.

Goodwill breakdown, total purchase price and net assets purchased figures for the Group are as follows:

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 15 – GOODWILL (Continued)

	Boğazköy	Doğu Star	Novenerji	Total
Advance payment	1.886.000	28.713.000	35.348.000	65.947.000
Money to be paid within 12 months after purchase	396.000	6.032.000	7.427.000	13.855.000
Share purchase price (100%)	2.282.000	34.745.000	42.775.000	79.802.000
Total fair values of the assets in question	(4.405.000)	(32.214.000)	(38.774.000)	(75.393.000)
Goodwill	(2.123.000)	2.531.000	4.001.000	4.409.000
Goodwill				6.532.000
Negative Goodwill				(2.123.000)
				4.409.000

The fair values of the Group's identifiable assets and liabilities after the acquisition, calculated according to TFRS 3, are as follows:

	(TL '000)		
Balance sheet dated 30 September 2017	Before PPA correction	PPA correction	After PPA correction
Cash and cash equivalents	1.151	--	1.151
Trade receivables	3.172	--	3.172
Other receivables	5.858	--	5.858
Other current assets	760	--	760
Tangible fixed assets	29.614	10.104	39.718
Intangible assets	573	74.712	75.285
Other non-current assets	560	--	560
Total assets	41.688	84.816	126.504
Financial liabilities	21.639	--	21.639
Trade payables	3.609	--	3.609
Provisions	329	--	329
Other liabilities	8.495	--	8.495
Deferred tax liability	76	16.963	17.039
Total Liabilities	34.148	16.963	51.111
Total Equity	7.540	67.853	75.393
Total Liabilities and Equity	41.688	84.816	126.504
The fair value of the net asset acquired			75.393

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 15 – GOODWILL (Continued)

Biotrend Çevre ve Enerji Yatırımları A.Ş and its subsidiaries received services from independent valuation firms to determine the fair values of tangible and intangible assets. Assets, liabilities and contingent liabilities determined in accordance with TFRS 3 are recorded at fair value on the day of purchase.

The Group will perform impairment tests annually or more frequently when there is any evidence of impairment. The recoverable value is founded by the usable value calculation. Primary estimations such as discount rate, growth rate, selling prices and direct selling expenses for the calculation period are taken into account in the usable value calculations. The discount rate indicates the prevailing market conditions that affect the time value of money and the specific risks associated with the asset. The Group uses the Weighted Average Cost of Capital as the discount rate. The growth rate is calculated by considering the growth rate of the sector. Sales prices and direct costs are determined by past experience and future projections.

NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term debt provisions

Other Short Term Provisions	31 December 2022	31 December 2021
Provisions for lawsuit risks	13.627.935	9.470.875
	13.627.935	9.470.875

Short-Term Provisions for Employee Benefits	31 December 2022	31 December 2021
Provision for unused vacation	2.472.180	1.109.054
	2.472.180	1.109.054

Controversy and litigation

Lawsuits and enforcement proceedings filed by the Group

The total amount of lawsuits filed by the Group is 6.361.447 TL (31 December 2021: 6.047.891).

Lawsuits filed and continuing against the company

The amount of lawsuit filed against the Group is 24.942.596 TL (31 December 2021: 22.608.665 TL)

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

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NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Guarantees and warranties given/received:

The Group's collateral/mortgage/pledge (CPM) position is as follows :

Given CPMs by the Group	31 December 2022	31 December 2021
A. Total Amount of CPMs Given on behalf of His Own Legal Entity	2.715.809.093	1.779.334.897
B. Total Amount of CPMs Given in Favor of Partnerships Included in the Scope of Full Consolidation	--	27.320.250
C. Total Amount of CPM's Given by Other 3rd Parties regarding Ordinary Commercial Activities	--	--
D. Total Amount of Other GPMs Given	254.250.000	254.250.000
i. Total Amount of CPM's Given in Favor of the Parent Partner	254.250.000	254.250.000
ii. Total Amount of GPMs Given in Favor of Other Group Companies that are not in the Scope of B and C	--	--
iii. Total Amount of CPMs Given to Third Parties Not Covered by Article C	--	--
Total	2.970.059.093	2.060.905.147

The ratio of other CPMs given by the Group to the Group's equity is 36% as of 31 December 2022 (31 December 2021: 46%).

Type	To	31 December 2022	31 December 2021
Pledge of Shares	To Banks	211.112.521	154.271.796
Pleadings of Mercantile Business	To Banks	668.531.928	338.310.330
Assignment of Claims	To Banks	1.869.571.301	1.505.372.131
Letter of Guarantee	To suppliers	30.984.422	16.953.337
Letter of Guarantee	To municipalities	49.858.921	45.997.553
Pledge	To Banks	140.000.000	--
Total		2.970.059.093	2.060.905.147

Type	To	31 December 2022	31 December 2021
Guarantees	To banks	2.446.266.258	1.671.192.489
Total		2.446.266.258	1.671.192.489

For the loans received by Maven Tarım, Doğanlar Yatırım Holding A.Ş., Biotrend and Dha Grup Insaat Tarım Hayvancılık Lojistik İth. Hr. San. and Tic. A.Ş. has bail.

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NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

There are bank blockage, business pledge, share pledge, assignment of receivables on real estates for the loans taken. In addition, Doğan family, sole proprietorships, Doğanlar Yatırım Holding A.Ş. and all subsidiaries have sureties.

The parent company of the Group, Doğanlar Yatırım Holding A.Ş., has a receivable assignment of 254.250.000 TL on EPIAŞ receivables of Novtek Enerji Elektrik Üretim A.Ş., which is a subsidiary for the loans used from Halkbank in 2021.

As of 31 December 2022, there are operating pledges and mortgages given on the Group's tangible fixed assets (31 December 2021: Operating pledge).

All of the shares of Nov Energy, Novtek Energy, Doğustar, İzmir Doğustar, MD Biomass and Mersin Elektrik, which are among the companies of the Group, to TSKB, the shares of the Biomek company to Halkbank., All shares of Uşak and İzmir Novtek companies are pledged to Denizbank. 37.555.925,85 TL of the shares of Biotrend company were pledged to TSKB and 30.089.842,17 TL to the European Bank for Reconstruction and Development.

31 December 2022

Type	Period	For	To	Amount
Letter Of Guarantee	Indefinite	Usage of the distribution system	Gdz Elektrik	3.836.516
Letter Of Guarantee	Indefinite	Security deposit	Epdk	4.650.675
Letter Of Guarantee	Indefinite	Security deposit	Fırat Edaş	217.400
Letter Of Guarantee	Indefinite	Security deposit	Çedaş	19.068
Letter Of Guarantee	Indefinite	Security deposit	Enerji Piy. Lisans	2.088.328
Letter Of Guarantee	Indefinite	Solid waste management	İzmir Büyükşehir Belediyesi	31.643.682
Letter Of Guarantee	Indefinite	Field Management	Bursa Büyükşehir Belediyesi	10.183.239
Letter Of Guarantee	Indefinite	Security deposit	Uludağ Elektrik	870.793
Letter Of Guarantee	Indefinite	Security deposit	Osmangazi Elektrik Dağıtım A.Ş.	296.975
Letter Of Guarantee	Indefinite	Solid waste management	Fırat Elektrik Parekende Satış A.Ş.	507.722
Letter Of Guarantee	Indefinite	Solid waste management	Aksaray İli Mahalli İdari Hizmetler	3.457.500
Letter Of Guarantee	Indefinite	Security deposit	Elazığ Orman Bölge Müdürlüğü	28.842
Letter Of Guarantee	Indefinite	Security deposit	Malatya Belediyesi Başkanlığı	8.032.000
Letter Of Guarantee	Indefinite	Establishment of a production facility	Giresun İli Katı Atık Ve İçme Suları Birliği Başkanlığı	1.171.663
Letter Of Guarantee	Indefinite	Usage of the distribution system	Toroslar Elektrik Dağıtım	143.783
Letter Of Guarantee	Indefinite	Other	Nanopet Petrol	4.000.000
Letter Of Guarantee	Indefinite	Security deposit	Ezine OSB	155.520
Letter Of Guarantee	Indefinite	Other	Turbo Systems	1.366.065
Letter Of Guarantee	Indefinite	Security deposit	EPIAŞ	2.550.000
Letter Of Guarantee	Indefinite	Security deposit	Meram Elektrik	230.000
Letter Of Guarantee	Indefinite	Other	Other	3.383.820
Letter Of Guarantee	Indefinite	Security deposit	Uşak Çevre Birliği Başkanlığı	615.575
Letter Of Guarantee	Indefinite	Security deposit	Aksa Fırat Elektrik Perakende Satış A.Ş.	937.273
Letter Of Guarantee	Indefinite	Security deposit	Sivas Merkez Çevre Beledi.Katı Atık Yönetim Birliği	64.524
Letter Of Guarantee	Indefinite	Security deposit	Gediz Parekende A.Ş.	107.380
Letter Of Guarantee	Indefinite	Security deposit	Troas Bölgesi Belediyeleri Katı Atık Yönl. Birl.	285.000
				80.843.343

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NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

31 December 2021

Type	Period	For	To	Amount
Letter Of Guarantee	Indefinite	Usage of the distribution system	Gdz Elektrik	3.608.349
Letter Of Guarantee	Indefinite	Security deposit	Epdk	7.022.823
Letter Of Guarantee	Indefinite	Security deposit	Fırat Edaş	813.832
Letter Of Guarantee	Indefinite	Security deposit	Çedaş	19.068
Letter Of Guarantee	Indefinite	Security deposit	Oepsaş	12.720
Letter Of Guarantee	Indefinite	Solid waste management	İzmir Büyükşehir Belediyesi	31.187.666
Letter Of Guarantee	Indefinite	Field Management	Bursa Büyükşehir Belediyesi	9.975.270
Letter Of Guarantee	Indefinite	Security deposit	Uludağ Elektrik	1.054.015
Letter Of Guarantee	Indefinite	Security deposit	Sivas Belediye Başkanlığı	64.524
Letter Of Guarantee	Indefinite	Solid waste management	Uşak Çevre Birliği Başkanlığı	725.549
Letter Of Guarantee	Indefinite	Solid waste management	Aksaray İli Mahalli İdari Hizmetler	3.457.500
Letter Of Guarantee	Indefinite	Security deposit	Elazığ Orman Bölge Müdürlüğü	28.842
Letter Of Guarantee	Indefinite	Security deposit	Malatya Belediyesi Başkanlığı	32.000
Letter Of Guarantee	Indefinite	Establishment of a production facility	Giresun İli Katı Atık Ve İçme Suları Birliği Başkanlığı	1.171.663
Letter Of Guarantee	Indefinite	Security deposit	Orman Bölge Müdürlüğü	144.612
Letter Of Guarantee	Indefinite	Security deposit	Enerjisa	759.674
Letter Of Guarantee	Indefinite	Usage of the distribution system	Toroslar Elektrik Dağıtım	166.644
Letter Of Guarantee	Indefinite	Execution	İcra Dairesi	1.320.000
Letter Of Guarantee	Indefinite	Other	Takasbank	270.219
Letter Of Guarantee	Indefinite	C/H	Otokoç Otomotiv	60.000
Letter Of Guarantee	Indefinite	Other	Other	245.946
Letter Of Guarantee	Indefinite	Security deposit	Oedaş	294.974
Letter Of Guarantee	Indefinite	Security deposit	Troas Bölgesi	285.000
Letter Of Guarantee	Indefinite	Security deposit	Meram Elektrik	230.000
				62.950.890

The collateral and mortgage information received is as follows;

Type	31 December 2022	31 December 2021
Letter of guarantee	210.496.484	96.259.994
Promissory notes	3.735.660	3.649.660
Promissory checks	107.945.716	71.429.144
Total	322.177.860	171.338.798

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NOT 17 – EMPLOYEE BENEFITS

Short Term	31 December 2022	31 December 2021
Tax payables	2.087.828	471.663
Wages payables to staff	7.283.513	2.892.824
Social security premiums payable	4.999.999	586.098
	14.371.340	3.950.585

Benefits provided to long-term employees (Provision for severance pay)

Pursuant to provisions of the Labor Law in force, employees whose employment contracts are terminated to qualify for severance pay are obliged to pay the legal severance pay they are entitled to. In addition, in accordance with the provision of Article 60 of the Social Insurance Law No. 506, which is still in effect, as amended by the Laws No. 2422 of March 6, 1981 and Law No. 4447 of August 25, 1999, those who receive the severance pay and have the right to leave the job are obliged to pay the statutory severance pay

The severance pay to be paid as of 31 December 2022 has been calculated from the ceiling of 19.983 TL (31 December 2021: 10,849 TL). Severance pay liability is not legally subject to any funding.

Severance pay liability is calculated by estimating the present value of the Group's possible future obligation arising from the retirement of employees. In accordance with TAS 19, "Employee Benefits", the company's obligations are to be developed using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

	31 December 2022	31 December 2021
Annual discount rate (%)	2,92%	3,42%
Probability of retirement (%)	100,00%	100,00%

Transactions concerning the provision for severance pay during the year are as follows:

Severance Pay	31 December 2022	31 December 2021
Balance at the beginning of the period	1.742.951	764.132
Payments	(6.047)	--
Interest cost	50.760	25.002
Current service cost	2.256.373	809.532
Actuarial (gain) /loss	1.351.906	144.285
	5.395.943	1.742.951

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 18 – OTHER ASSETS AND LIABILITIES

Other current assets	31 December 2022	31 December 2021
Deferred VAT	121.578.119	58.035.176
Work advances	295.865	573.711
Strict commitment positive differences (*)	--	16.787.383
Other	228.702	645.220
	122.102.686	76.041.490
Other non-current assets	31 December 2022	31 December 2021
Strict commitment positive differences (*)	--	59.500.988
	--	59.500.988

(*) The related balance consists of fair value hedge accounting.

The Group provides hedging on the balance sheet by borrowing in the same currency against the foreign currency risks arising from the foreign currency sales amounts to be realized in the future within the scope of the agreements it has made.

In this context, repayments of foreign currency borrowings, which are subject to hedge accounting and determined as hedging instrument, are made with foreign currency sales cash flows, which are realized on close dates and determined as hedged item within the scope of hedge accounting.

Within the scope of currency risk management strategy that it has determined, the Group applies hedge accounting for the purpose of hedging the foreign currency risk component of the unrecorded firm commitment fair value risk and provides a healthier income statement presentation by netting out the foreign exchange rate fluctuations that have occurred on the hedged item and the hedging instrument and have not yet been realized. aims.

The Group pays attention to maintain a 100% hedging ratio and a hedging efficiency between 70% and 130% within the scope of the hedge accounting it has established. As of 31 December 2021, hedging ratio was calculated as 101% and hedging efficiency as 101%.

The Group uses USD investment loans as a hedging instrument against the exchange rate risk exposed due to USD indexed sales revenues made within the scope of RESSUM with a high probability of realization, and as a result of the effectiveness tests conducted within this scope, hedge accounting is applied for sales of RESSUM with a high probability of realization

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS

The Group's capital consists of TL 500.000.000 and it is divided into 500.000.000 registered shares each with a nominal value of TL 1 and one voting right (on December 31st 2020: 128.000.000 units). The application to increase the Group's paid-in capital from TL 150.000.000 to TL 500.000.000 was approved by the Capital Markets Board's decision dated 11.11.2021 and numbered 59/1641 and announced with the Turkish Trade Registry Gazette dated 24.11.2021 and numbered 10458. after it entered into force

The Group started to be traded in Borsa Istanbul on 28.04.2021. As of 31.12.2022, the free float rate of the company was 37,76% (31.12.2021: %21,25).

The Group has increased its capital in 2020, of which TL 43.387.800 is from the shareholders' current account, of which TL 83.462.200 is the remaining portion from the premiums (discounts) account related to the shares. The capital increase has been registered in the Turkish Trade Registry Gazette dated 30 December 2020.

In 2021, the Group made a capital increase of TL 22.000.000 in cash and TL 18.718.373 from retained earnings, TL 331,281,627 from the premiums (discounts) account related to the shares.

	31 December 2022		31 December 2021	
	%	Amount	%	Amount
Doğanlar Yatırım Holding A.Ş.	54,49%	272.440.421	33,39%	166.939.195
Maven Enerji Elektrik Üretim San. Ve Tic A.Ş. (*)	--	--	39,45%	197.268.658
European Bank For Reonstruction And Development	5,91%	29.574.693	5,91%	29.574.693
Other	39,60%	197.984.886	21,25%	106.217.454
	100%	500.000.000	100%	500.000.000

(*) Maven Enerji Elektrik Uretim San. Ve Tic A.Ş. was transferred to Doğanlar Yatırım Holding A.Ş. on 22.08.2022.

Profit Distribution

Partnerships distribute their profits within the framework of the profit distribution policies to be determined by their general assembly and in accordance with the provisions of the relevant legislation, with the decision of the general assembly.

The Group did not pay dividends in 2022 (2021: None).

Profit/Loss On Previous Years

The Group has retained earnings of 46.972.001 TL (31 December 2021: TL 40.130.076).

Defined Benefit Plans Remeasurement Gains (Losses)

The Group has remeasurement losses of defined benefit plans amounting to TL 887.087 (31 December 2021: TL 408.400).

Hedging Gains/Losses

The Group has hedging losses of TL 206,258,118 (31 December 2021: TL 62,903,286).

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)

With the change in TAS-19 "Employee Benefits" standard, actuarial loss and gains, which are taken into account in the calculation of the provision for severance pay, do not allow to be recognized in the income statement. Losses and gains resulting from changes in actuarial assumptions are accounted for under equity.

Severance pay provision actuarial loss/gain fund is not reclassified to profit or loss.

Premiums on Shares (Discounts)

	31 December 2022	31 December 2021
Premiums on shares / (discounts)	42.718.373	374.000.000
Expenses of public offering transactions	(16.177.000)	(16.177.000)
Amount added to capital	--	(331.281.627)
	26.541.373	26.541.373

Biotrend earned 331.281.627 TL, which is the amount of premiums related to shares, to the capital in 2021. The relevant amount is due to the 2021 public offering.

Biotrend earned 43.387.800 TL, which is the amount of premiums related to shares, to the capital in 2020. The related amount consists of the amount added to the equity during the acquisition of Boğazköy, Doğu Star, Novtek and Nov Enerji on 17 October 2017.

Increases (Decreases) in Revaluation of Tangible and Intangible Fixed Assets

The Group has tangible and intangible assets revaluation increases amounting to TL 73.067.800 (31 December 2021: 73.067.800 TL).

Non-controlling interests

	31 December 2022	31 December 2021
Beginning of the term	(2.720.519)	(173.609)
Minority cancellation (*)	2.720.519	--
Affiliate impact (**)	5.137.014	--
Net profit/loss for the period	559.442	(2.546.910)
	5.696.456	(2.720.519)

(*) The remaining 15% shares of Biyomek were purchased in 2022.

(**) Maven Tarım shareholding rate has decreased to 50%.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 20 – REVENUE AND COST OF SALES

Sales	01.01-31.12.2022	01.01-31.12.2021
Electricity generation and wholesale revenue	1.338.511.467	426.747.791
Carbon emission certification right sales revenue (*)	93.406.500	--
Gas engine sales revenue	--	12.280.759
Decomposition revenues	26.152.782	--
Waste disposal revenues	5.747.929	4.020.614
Other	28.139.606	2.365.076
Discounts and discounts from sales	(261.087.665)	(17.710.393)
Total	1.230.870.619	427.703.847

(*) Organic waste and biomass plants produce electricity from renewable energy sources and obtain carbon emission certificate rights because they do not emit greenhouse gases to the environment. The corresponding revenues are due to the sale of certificate rights obtained.

As of 31 December 2022, 1,500,000 tons of carbon certificates have been sold.

Cost of sales	01.01-31.12.2022	01.01-31.12.2021
Cost of sales	804.995.236	298.656.423
Gas engine sales expenses	--	5.711.043
	804.995.236	304.367.466

	01.01-31.12.2022	01.01-31.12.2021
Rental expenses (*)	354.091.033	186.934.686
Depreciation and amortization expenses	97.533.731	28.309.422
Gas engine sales expenses	--	5.711.043
Personnel expenses	85.896.432	22.898.938
Maintenance and repair expenses	25.980.233	10.268.749
Fuel expenses	59.712.050	12.368.689
Consulting expenses	7.134.934	3.913.421
Electricity expenses	19.797.442	4.023.895
Security service expenses	9.468.321	4.344.959
Insurance expenses	3.082.876	998.022
System usage fee	5.896.857	3.722.632
Costs of Transport	26.717.896	4.348.313
Costs of Burned Product	86.864.077	8.466.077
Material expenses	9.346.608	--
Other	13.472.746	8.058.620
	804.995.236	304.367.466

(*) Lease expenses consist of excluded lease payments due to variable lease liabilities within the scope of TFRS 16 "Leases" standard.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 21 - OPERATING EXPENSES

General administrative expenses	01.01- 31.12.2022	01.01- 31.12.2021
Personnel expenses	20.474.101	11.830.380
Consulting expense	4.367.263	4.644.392
Legal and consultancy expenses	8.807.140	2.060.575
Representation and hospitality expenses	2.888.262	294.430
Vehicle rental expense	3.646.805	2.695.153
Depreciation expense	5.147.715	4.657.521
Travel expenses	4.553.591	1.267.711
Chamber and subscription expenses	383.495	258.661
Notary expenses	111.089	57.129
Taxes and fees	13.232.609	2.412.664
Rent expenses	1.861.516	404.049
Fuel expenses	4.154.585	937.303
Communication expenses	996.209	193.894
Other	7.703.223	8.196.350
	78.327.603	39.910.212
Marketing expenses	01.01- 31.12.2022	01.01- 31.12.2021
Advertising and marketing expenses	3.383.228	2.481.894
Other	--	76.500
	3.383.228	2.558.394

NOTE 22 – EXPENSES ACCORDING TO THEIR QUALITIES

Personnel expenses	01.01- 31.12.2022	01.01- 31.12.2021
Cost of sales	85.896.432	22.898.938
General administrative expenses	20.474.101	11.830.380
	106.370.533	34.729.318

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 22 – EXPENSES ACCORDING TO THEIR QUALITIES (Continued)

Depreciation expenses	01.01- 31.12.2022	01.01- 31.12.2021
Cost of sales	97.533.731	28.309.422
General administrative expenses	5.147.715	4.657.521
	102.681.446	32.966.943

Fee for the Services Received from the Independent Audit Firm/Independent Audit

The Group's statement on the fees of the services provided by independent audit institutions pursuant to the Board Decision of the KGK published in the Official Gazette on 30 March 2021 is as follows:

	01.01- 31.12.2022	01.01- 31.12.2021
Independent audit fee for the reporting period	375.000	160.000
Total	375.000	160.000

NOTE 23 - OTHER OPERATING INCOME/EXPENSES

Income from operating operations	01.01- 31.12.2022	01.01- 31.12.2021
Foreign exchange gains	83.643.059	5.636.128
Stocktaking surplus income	--	13.982.432
Other	7.555.864	2.613.837
	91.198.923	22.232.397
Expenses from operating operations	01.01- 31.12.2022	01.01- 31.12.2021
Provisions for litigation	(4.157.060)	(5.221.777)
Foreign exchange losses	(55.376.641)	(38.045.655)
Expenses of public offering transactions	--	(5.337.718)
Others	(4.475.414)	(3.611.700)
	(64.009.115)	(52.216.850)

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 24 – INCOME / EXPENSES FROM INVESTMENT ACTIVITIES

	01.01- 31.12.2022	01.01- 31.12.2021
Income from investment activities		
Profit on sale of fixed asset (*)	2.484.131	3.342.198
Value increase of investment property (Note 12)	7.434.000	3.061.745
	9.918.131	6.403.943

Expenses from Investment Activities..

NOTE 25 - FINANCIAL INCOME AND EXPENSES

	01.01- 31.12.2022	01.01- 31.12.2021
Financial Income		
Foreign exchange gains	104.114.413	34.137.668
Interest income	2.600.185	5.267.623
Interest income related parties	--	14.041.055
	106.714.598	53.446.346

	01.01- 31.12.2022	01.01- 31.12.2021
Financial Expenses		
Foreign exchange losses	(243.538.744)	(79.043.686)
Interest expenses	(72.349.685)	(28.995.404)
Bank and letter of guarantee commissions	(2.917.181)	(2.459.367)
Interest expenses on lease payables	(6.357.783)	(2.555.273)
	(325.163.393)	(113.053.730)

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

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NOTE 26 – RENTAL TRANSACTIONS

Right of Use Assets	1.01.2022	Additions	Disposals	31.12.2022
Electricity Generation Facility	70.666.237	13.002.420	(50.939.836)	32.728.821
Vehicles	6.385.048	2.692.299	(79.762)	8.997.585
	77.051.284	15.694.719	(51.019.598)	41.726.406

Minus: Accumulated depreciation

	1.01.2022	Additions	Disposals	31.12.2022
Electricity Generation Facility	(1.434.061)	(2.068.957)	514.946	(2.988.072)
Vehicles	(1.734.994)	(2.655.302)	19.942	(4.370.354)
	(3.169.055)	(4.724.259)	534.888	(7.358.426)

Net book value	73.882.229			34.367.980
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Right of Use Assets	1.01.2021	Additions	Disposals	31.12.2021
Electricity Generation Facility	36.108.115	34.558.122	--	70.666.237
Vehicles	2.891.092	3.493.956	--	6.385.048
	38.999.207	38.052.078	--	77.051.284

Minus: Accumulated depreciation

	1.01.2021	Additions	Disposals	31.12.2021
Electricity Generation Facility	(840.952)	(593.109)	--	(1.434.061)
Vehicles	(715.337)	(1.019.658)	--	(1.734.994)
	(1.556.289)	(1.612.766)	--	(3.169.055)

Net book value	37.442.918			73.882.229
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Liabilities Arising from Leasing Transactions	31 December 2021	31 December 2021
Short Term Lease Obligation	3.142.683	2.255.955
Long Term Lease Obligation	34.149.695	72.951.553
	37.292.378	75.207.508

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

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NOTE 27 – INCOME TAXES (TAX ASSETS AND LIABILITIES)

Corporation tax

Necessary provisions have been made in the accompanying consolidated financial statements for the estimated tax liabilities of the Group regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income is over the remaining tax base after adding the non-deductible expenses from the tax base in the determination of the commercial income and deducting the tax-exempt gains, non-taxable incomes and other deductions (if any, previous year losses and investment allowances used if preferred) is calculated.

In Turkey, provisional tax is calculated and accrued on a quarterly basis. The provisional tax rate that should be calculated on corporate earnings during the taxation of 2022 corporate earnings as of the temporary tax periods is 23% (in 2021: 25%). Losses can be carried forward for a maximum of 5 years, to be deducted from the taxable profits that will arise in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

There is no practice in Turkey to reach an agreement with the tax authority regarding the taxes to be paid. Corporate tax returns are submitted to the relevant tax office until the evening of the 25th day of the fourth month following the month in which the accounting period is closed. However, the tax inspection authorities can examine the accounting records within five years, and if an incorrect transaction is detected, the tax amounts to be paid may change.

In addition to corporate tax, income tax withholding must be calculated separately on dividends, excluding those distributed to full-fledged corporations and foreign companies' branches in Turkey, which receive dividends in case of distribution and declare these dividends by including them in corporate income. Income tax withholding is applied as 10%.

Corporate tax liabilities reflected in the balance sheet are as follows:

Current tax liability	31 December 2022	31 December 2021
Corporation tax	16.268.458	11.392.504
Prepaid tax and fund amount	(15.254.010)	(8.120.934)
Corporate tax payable	1.014.448	3.271.570

The tax income/(expenses) reflected in the income statement of the Group are as follows:

Tax expenses/(income)	01.01-31.12.2022	01.01-31.12.2021
Current corporate tax	(16.268.458)	(11.392.504)
Deferred tax (income) / expenses	130.406.994	(8.034.584)
	114.138.536	(19.427.088)

Assets related to current period tax consist of prepaid taxes and funds. The balance on 30 September 2022 was about 7.805.771 TL (31 December 2021: 2.366.103 TL).

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 27 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

Deferred taxes

The Group calculates the planned tax for the timing basis that can be taken into account in relation to taxable local currency tables and tables prepared in accordance with TAS/TFRS. The income and expense items related to themain table are different from the basis of financial statements and the relative table in TFRS.

The tax rate used in the calculation of deferred tax assets and liabilities is about 20% (2021: 20%).

The transactions of the Group's deferred tax assets/liabilities are as follows;

	31 December 2022	31 December 2021
Tangible / intangible asset adjustments	96.985.946	(17.052.312)
Unused leave allowances	494.436	181.853
Adjustments for financial liabilities	2.179.345	4.540.615
Severance pay	1.079.009	348.590
Lease Transactions	416.423	610.312
Provision for litigation	2.568.641	1.887.176
Hedge accounting adjustment	--	(15.761.296)
Accumulated losses deductible	45.223.722	8.455.131
Other	724.946	(74.985)
	149.672.468	(16.864.916)

Transaction table:	31 December 2022	31 December 2021
As of January 1	(16.864.916)	(16.330.801)
Deferred tax expense / (income) recognized in the statement of profit or loss	130.406.994	(7.728.410)
Investment property valuation effect	--	(596.414)
Consolidation effect	21.301	--
Reflected in Equity	36.109.089	7.790.709
	149.672.468	(16.864.916)

The Law on the Amendment of the Tax Procedure Law No. 7338 dated October 14, 2021 and Some Laws; Within the scope of the provisional Article 32 added to the Law No. 213 with its Article 52 and the paragraph (Ç) added to the duplicate Article 298 of the Law No. 213 by the Law No. 7338, it was possible for them to subject the immovables (within the scope of Temporary 32) and other economic assets subject to depreciation (under the Temporary 32 and 298 ç) registered in their balance sheets to revaluation as of the end of the previous accounting period. The included assets will be subject to depreciation over the amount they are revalued, and a tax of 2% will be paid on the value increase amount within the scope of Temporary 32. Within the scope of the aforementioned law amendment, deferred tax asset has been created in the statement of financial position based on the revaluation records for fixed assets in the legal book.

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NOTE 28 – EARNINGS/ (LOSS) PER SHARE

	01.01- 31.12.2022	01.01- 31.12.2021
Average number (full value) of shares available during the period	500.000.000	178.505.495
Net profit / (loss) for the parent company shareholders	310.735.003	6.542.009
Earning per share/(loss)	0,621	0,037

NOTE 29 – ANALYSIS OF OTHER COMPREHENSIVE INCOME ELEMENTS

	01.01- 31.12.2022	01.01- 31.12.2021
Other Comprehensive Income		
Not to be reclassified in profit or loss	(1.081.525)	35.157.583
- Increase/decrease in value of tangible and intangible assets	--	44.101.674
- Deferred tax on tangible and intangible assets value increase/decrease	--	(8.820.335)
- Remeasurement Gains/Losses of Defined Benefit Plans	(1.351.906)	(154.695)
- Defined Benefit Plans Remeasurement Gains/Losses	270.381	30.939
Deferred Tax Expenses/Income		
To be reclassified in profit or loss	(143.354.832)	(62.903.286)
-Hedging gains/losses	(179.193.540)	(79.483.350)
-Hedging gains/losses deferred tax	35.838.708	16.580.064

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial risk management

The Group is exposed to various financial risks, including the effects of changes in debt and equity market prices, exchange rates and interest rates. The Group's wholesale risk management program focuses on the unpredictability of financial markets and aims to minimize potential adverse effects on the Group's financial performance.

Credit risk

Credit risk consists of cash and cash equivalents, deposits held with banks and customers exposed to credit risk including uncollectible receivables.

Holding financial instruments also carries the risk that the other party will not be able to fulfill the requirements of the agreement. The Group management covers these risks by limiting the average risk for the counterparty in each agreement and by taking collateral if necessary.

Credit risk consists of customers exposed to credit risk, including uncollectible receivables. Holding financial instruments also carries the risk that the other party will not be able to fulfill the requirements of the agreement. The Group management monitors the credibility of its customers by taking into account their financial positions (maturity risk, check risk). The Group has policies adopted for the sale of goods and services to its customers with certain credit limits. The Group constantly monitors the status of its financial assets in order to determine the losses arising from the collection problem.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The financial instruments that the Group is exposed to credit risk and their amounts are as follows;

31 December 2022	Trade Receivables		Other Receivables		Bank	Other
	Other	Related	Other	Related	Other	
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	336.418.942	--	6.422.323	3.029.891	27.615.778	538.016.813
The part of the maximum risk that is secured with collateral etc	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired (2)	336.418.942	--	6.422.323	3.029.891	27.615.778	538.016.813
B. Net book value of assets that are overdue but not impaired (3)	--	--	--	--	--	--
- Part secured by collateral, etc.	--	--	--	--	--	--
C. Net book values of impaired assets	--	--	--	--	--	--
- Overdue (gross book value)	369.325	--	--	--	--	--
- Impairment (-)	(369.325)	--	--	--	--	--
D. Elements involving off-balance sheet credit risk	--	--	--	--	--	--

(1) In determining the amounts, factors that increase credit reliability, such as guarantees received, are not taken into account.

(2) Trade receivables that are not overdue and not impaired consist of customer balances with which the Group currently has commercial relations and does not have any collection problems.

(3) It consists of the balances of customers with whom commercial relations are currently in progress, who do not have any collection problems, but who make their payments at regular intervals.

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2021	Ticari Receivables		Other Receivables		In banks	Other
	Other	Related	Other	Related	Deposit	
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	104.369.768	--	6.322.989	16.610.581	170.861.277	240.194.554
The part of the maximum risk that is secured with collateral etc	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired (2)	104.369.768	--	6.322.989	16.610.581	170.861.277	240.194.554
B. Net book value of assets that are not overdue but not impaired (3)	--	--	--	--	--	--
- Part secured by collateral, etc.	--	--	--	--	--	--
C. Net book values of impaired assets	--	--	--	--	--	--
- Overdue (gross book value)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
D. Elements involving off-balance sheet credit risk	--	--	--	--	--	--

(1) In determining the amounts, factors that increase credit reliability, such as guarantees received, are not taken into account.

(2) Trade receivables that are not overdue and not impaired consist of customer balances with which the Group currently has commercial relations and does not have any collection problems.

(3) It consists of the balances of customers with whom commercial relations are currently in progress, who do not have any collection problems, but who make their payments at regular intervals.

Liquidity Risk

Prudent liquidity risk management consists of providing sufficient cash and securities, enabling funding through adequate credit facilities, and the ability to close short positions. Due to the dynamic nature of the business environment, the Group aimed for flexibility in funding by keeping credit lines ready. The Group's bank loans are provided by various financially strong financial institutions.

The distribution of the Group's financial liabilities according to their maturities is as follows:

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2022

Terms in accordance with the contract	Book value	Cash in accordance with the contract sum of outputs (=I+II+III+IV+V)	Less than 3 months (I)	Between 3-12 months (III)	Between 1-5 years (IV)	More than 5 years (V)
Non-Derivative						
Financial Obligations	2.454.980.122	2.454.980.122	848.314.091	330.614.816	1.015.964.045	260.087.170
Financial liabilities	1.683.610.622	1.683.610.622	113.693.550	328.015.552	998.007.917	243.893.603
Lease payables	37.292.378	37.292.378	543.419	2.599.264	17.956.128	16.193.567
Trade payables	685.040.733	685.040.733	685.040.733	--	--	--
Other payables	49.036.389	49.036.389	49.036.389	--	--	--

31 December 2021

Terms in accordance with the contract	Book value	Cash in accordance with the contract sum of outputs (=I+II+III+IV+V)	Less than 3 months (I)	Between 3-12 months (III)	Between 1-5 years (IV)	More than 5 years (V)
Non-Derivative						
Financial Obligations	1.231.584.493	1.231.584.493	307.462.403	145.786.013	577.072.783	201.263.294
Financial liabilities	894.597.200	894.597.200	45.188.378	144.024.298	564.495.245	140.889.279
Lease payables	75.207.508	75.207.508	494.240	1.761.715	12.577.538	60.374.015
Trade payables	217.675.441	217.675.441	217.675.441	--	--	--
Other payables	44.104.344	44.104.344	44.104.344	--	--	--

Market Risk

Market risk is the changes that will occur in interest rates, exchange rates and the value of other financial contracts and affect the Group negatively. Fluctuations in the related instruments cause changes in the income statement and shareholders' equity of the Group.

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Currency Risk

The financial instruments of the Group in foreign currency are exposed to exchange rate risk due to exchange rate changes.

31 December 2022	Currency position table		
	TL equivalent (functional currency unit)	USD	EURO
1. Trade receivables	98.873.923	5.000.000	270.000
2a. Monetary financial assets (including cash, bank accounts)	251.667	7.401	5.683
2b. Non monetary financial assets	358.508.538	1.922.609	16.180.618
3. Other	--	--	--
4. Current assets (1+2+3)	457.634.128	6.930.010	16.456.301
5. Trade receivables	--	--	--
6a. Monetary financial assets	--	--	--
6b. Non monetary financial assets	--	--	--
7. Other	--	--	--
8. Fixed assets (5+6+7)	--	--	--
9. Total assets (4+8)	457.634.128	6.930.010	16.456.301
10. Trade payables	(318.353.358)	(2.223.646)	(13.855.230)
11. Financial liabilities	(392.284.347)	(13.845.066)	(6.656.647)
12.a Other monetary obligations	--	--	--
12.b. Other non-monetary obligations	--	--	--
13. Short-term liabilities (10+11+12)	(710.637.705)	(16.068.712)	(20.511.877)
14. Trade payables	--	--	--
15. Financial liabilities	(1.166.044.120)	(41.441.083)	(19.516.982)
16a. Other monetary obligations	--	--	--
16b. Other non-monetary obligations	--	--	--
17. Long-term liabilities (14+15+16)	(1.166.044.120)	(41.441.083)	(19.516.982)
18. Total liabilities (13+17)	(1.876.681.825)	(57.509.795)	(40.028.859)
19. Net asset / (liability) position of off-balance sheet foreign currency derivatives (19a-19b)	--	--	--
19a. Amount of active character off-balance sheet foreign currency derivatives	--	--	--
19b. Amount of passive character off-balance sheet foreign currency derivatives	--	--	--
20. Net foreign currency asset/(liability) position(9+18+19)	(1.419.047.697)	(50.579.785)	(23.572.558)
21. Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(1.777.556.235)	(52.502.394)	(39.753.176)
22. Total fair value of financial instruments used for foreign currency hedging	--	--	--
23. Amount of the hedged portion of foreign currency assets	--	--	--
24. Amount of the hedged portion of foreign currency liabilities	--	--	--
25. Exports	--	--	--
26. Imports	--	--	--

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

	Exchange rate sensitivity analysis table			
	31 December 2022			
	Profit/Loss before tax		Equities	
	Increase in foreign currency rate	Decrease in foreign currency rate	Increase in foreign currency rate	Decrease in Foreign Currency Rate
If the USD exchange rate changes by 10%:				
1- USD net asset / liability	(94.746.052)	94.746.052	(75.796.842)	75.796.842
2- USD Dollar hedged portion (-)	--	--	--	--
3- USD net effect (1+2)	(94.746.052)	94.746.052	(75.796.842)	75.796.842
If the EURO exchange rate changes by 10%:				
4- EUR net asset / liability	(47.076.284)	47.076.284	(37.661.027)	37.661.027
5- Euro hedged portion (-)	--	--	--	--
6- EURO net effect (1+2)	(47.076.284)	47.076.284	(37.661.027)	37.661.027
Total (3+6)	(141.822.336)	141.822.336	(113.457.869)	113.457.869

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2021	Currency position table		
	TL equivalent (functional currency unit)	USD	EURO
1. Trade receivables	--	--	--
2a. Monetary financial assets (including cash, bank accounts)	67.061.110	4.286.313	658.119
2b. Non monetary financial assets	144.931.098	1.291.765	8.465.281
3. Other	--	--	--
4. Current assets (1+2+3)	211.992.208	5.578.078	9.123.400
5. Trade receivables	--	--	--
6a. Monetary financial assets	--	--	--
6b. Non monetary financial assets	--	--	--
7. Other	--	--	--
8. Fixed assets (5+6+7)	--	--	--
9. Total assets (4+8)	211.992.208	5.578.078	9.123.400
10. Trade payables	(42.116.520)	(738.691)	(2.133.981)
11. Financial liabilities	(166.060.569)	(5.998.430)	(5.687.713)
12.a Other monetary obligations	--	--	--
12b. Other non-monetary obligations	--	--	--
13. Short-term liabilities (10+11+12)	(208.177.089)	(6.737.121)	(7.821.694)
14. Trade payables	--	--	--
15. Financial liabilities	(660.423.315)	(26.047.959)	(20.683.273)
16a. Other monetary obligations	--	--	--
16b. Other non-monetary obligations	--	--	--
17. Long-term liabilities (14+15+16)	(660.423.315)	(26.047.959)	(20.683.273)
18. Total liabilities (13+17)	(868.600.404)	(32.785.080)	(28.504.967)
19. Net asset / (liability) position of off-balance sheet foreign currency derivatives (19a-19b)	--	--	--
19a. Amount of active character off-balance sheet foreign currency derivatives	--	--	--
19b. Amount of passive character off-balance sheet foreign currency derivatives	--	--	--
20. Net foreign currency asset/(liability) position(9+18+19)	(656.608.196)	(27.207.001)	(19.381.567)
21. Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(801.539.294)	(28.498.767)	(27.846.849)
22. Total fair value of financial instruments used for foreign currency hedging	--	--	--
23. Amount of the hedged portion of foreign currency assets	--	--	--
24. Amount of the hedged portion of foreign currency liabilities	--	--	--
25. Exports	--	--	--
26. Imports	--	--	--

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi

NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

	Exchange rate sensitivity analysis table			
	31 December 2021			
	Profit/Loss before tax		Equities	
	Increase in foreign currency rate	Decrease in foreign currency rate	Increase in foreign currency rate	Decrease in Foreign Currency Rate
If the USD exchange rate changes by 10%::				
1- USD net asset / liability	(36.329.509)	36.329.509	(29.063.607)	29.063.607
2- USD Dollar hedged portion (-)	--	--	--	--
3- USD net effect (1+2)	(36.329.509)	36.329.509	(29.063.607)	29.063.607
If the EURO exchange rate changes by 10%::				
4- EUR net asset / liability	(29.293.107)	29.293.107	(23.434.486)	23.434.486
5- Euro hedged portion (-)	--	--	--	--
6- EURO net effect (1+2)	(29.293.107)	29.293.107	(23.434.486)	23.434.486
Total (3+6)	(65.622.616)	65.622.616	(52.498.093)	52.498.093

Interest Rate Risk

The Group is affected by the changes in the interest rate due to the variable interest rate bank loans and is exposed to interest rate risk. While there is no risk in fixed-rate bank loans and time deposits, they are affected by future interest rates for future loans and deposits for the continuation of their operations.

The interest position table is as follows;

	31 December 2022	31 December 2021
Fixed rate financial instruments		
Financial assets	640.037	320.000
Financial liabilities	(557.898.328)	(461.402.678)
Variable rate financial instruments		
Financial liabilities	(1.125.712.294)	(433.194.522)

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Capital Risk Management

The Group's objectives when managing capital are to maintain the Group's ability to continue as a business in order to maintain an optimal capital structure to provide returns for shareholders, benefits for other shareholders, and to reduce the cost of capital.

In order to maintain or reorganize its capital structure, the Group determines the amount of dividend payable to shareholders, can issue new shares and sell assets to reduce borrowing.

The Group monitors capital using the debt-to-equity ratio. This ratio is founded by dividing net debt by total capital. Net debt amount is calculated by deducting cash and cash equivalents from total liabilities (consisting of bank loans, financial leasing liabilities, trade payables and other payables that can be seen in the financial statements). Total equity is founded by adding net debt to equity shown on the balance sheet.

	31 December 2022	31 December 2021
Total liabilities	2.499.984.979	1.273.378.141
Cash and cash equivalents	(27.639.780)	(170.866.301)
Net debt (A)	2.472.345.199	1.102.511.840
Equities	707.733.542	558.669.910
Equities + net debt (B)	3.180.078.741	1.661.181.750
Net debt / (Equities + net debt) ratio (A / B)	78%	66%

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

NOTE 31 – INVESTMENTS ACCOUNTED BY THE EQUITY METHOD

	31 December 2022		31 December 2021	
	Total	Ratio	Total	Ratio
Landfill	85.377.149	50%	51.044.936	50%
	85.377.149		51.044.936	

	31 December 2022	31 December 2021
As of January 1st	51.044.936	25.302.630
Profits / losses of shares	34.332.213	25.742.306
	85.377.149	51.044.936

	31 December 2022	31 December 2021
Total assets	244.239.364	115.328.187
Total liabilities	(82.513.110)	(22.198.233)
Net asset	161.726.254	93.129.954

	31 December 2022	31 December 2021
Total sales revenues	99.306.002	63.599.993
Profit/ (loss) for the period (net)	68.664.426	51.484.612

NOTE 32 - OTHER MATTERS THAT MAINLY AFFECT THE FINANCIAL STATEMENTS OR REQUIRED FOR THE FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.

NOTE 33 – EVENTS AFTER THE BALANCE SHEET DATE

-From the Group's special situation statement dated 24 February 2023; As a result of the earthquake with the epicenter in Kahramanmaraş on 6 February 2023 and felt effectively in the surrounding provinces, there was no loss of life and property in our facilities in Malatya and İskenderun. There is no earthquake-related damage in the facilities and production continues.

- On March 3, 2023, the Law on the Amendment of the Social Insurance and General Health Insurance Law No. 7438 and the Decree Law No. 375 was published in the Official Gazette. Under this law, the Group's work on the amount of severance pay to be paid to its personnel who will retire under this law continues as of the date of the report signature and this issue is considered as an event that does not require correction after the reporting period under the TAS 10 Events After Reporting Period standard.

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NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

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NOTE 33 – EVENTS AFTER THE BALANCE SHEET DATE (Continued)

-In line with its goal of being included in the BIST Corporate Governance Index, Biotrend signed a compliance rating agreement with Kobirate International Credit Rating and Corporate Governance Services Inc., which has an operating permit to conduct ratings in accordance with the Corporate Governance Principles of the Capital Markets Board on 16 January 2023.

-Pursuant to our Company's Board of Directors decision dated 20.01.2023 and numbered 2023/1, The Sustainable Lease Certificate Framework Document ("Framework Document") dated on January 2023 prepared by Süratam Sürdürülebilirlik Danışmanlığı A.Ş. in compliance with the Guidelines on Green Debt Instruments, Sustainable Debt Instruments, Green Lease Certificates and Sustainable Lease Certificates ("Guide") published by the Capital Markets Board ("CMB") on 24.02.2022 and the international standards and the Second Party Opinion Report dated 02 January 2023 which is prepared by Metsims Eğitim ve Danışmanlık Hizmetleri Limited Şirketi regarding compliance of the Framework Document with the Guide and international standards attached in the the letter delivered by Kalkınma Yatırım Varlık Kiralama A.Ş. to the CMB on 16.01.2023 has been accepted with regards to the lease certificate issuance application made to the CMB on 23.11.2022 for which our Company will be participating as a Fund User/Originator to issue green and/or sustainable lease certificates based on management agreement in accordance with the conditions stipulated in the regulations and the Guide and other legislation within the 1 (one) year from date of CMB's decision on the approval of issuance document in varying maturities denominated in Turkish Lira; and to issue these lease certificates which will have a size of up to TRY 500.000.000,00 (FivehundredMillionTurkishLiras) to be sold to allocated and/or qualified investors in domestic market without a public offering in coupons by Kalkınma Yatırım Varlık Kiralama A.Ş. as the issuer.

- A memorandum of understanding is ("MOU") is executed by and between our Company, Biotrend Çevre ve Enerji Yatırımları A.Ş., and BEEAH Energy Investment Limited ("BEEAH"), a waste management and clean energy company of Middle East region's sustainability pioneer BEEAH Group (our Company and BEEAH are collectively referred as the "Parties") on the purpose of expressing their mutual interest and desire to cooperate for jointly identifying investment and contracting opportunities for the prospective projects in the field of Integrated Waste Management Facilities (waste collection, tracking and mechanical sorting Units, Anaerobic Digesters, compost and organomineral fertilizer production, hybrid power generation, upcycle plastic recycling, green hydrogen, low-carbon mobility solutions etc.) to improve energy efficiency and R&D studies which are identified as "Project(s)" in MoU on 24 February 2023.

The Parties shall cooperate on the basis of Preferred Partnership throughout the entire period of the MoU; whereas the Parties will identify the type of partnership to jointly participate and cooperate for further development of the Project according to identified Project type and scale.

- The Board of Directors of Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi (the "Company") has adopted the following resolutions in its meeting dated 14.02.2023 with respect to the share buyback transactions by our Company:

(i) to make share buyback transactions in accordance with the Communiqué on Buy-Backed Shares numbered II-22.1 and the announcement of Capital Markets Board (the "CMB") dated 14.02.2023 to protect the shareholders, ensure that the share price is consistent with the actual value and protect the trust of our investors to our Company since the prices of our Company's publicly traded shares do not reflect the actual performance of our Company's activities,

(ii) to limit the funds for share buyback as TL 100.000.000 at maximum which will be made available from our Company's equity capital and to specify the maximum number of shares as 5.000.000 amount,

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NOTE 33 – EVENTS AFTER THE BALANCE SHEET DATE (Continued)

(iii) to make necessary material event disclosures on Public Disclosure Platform with regards to the share buyback transactions and to inform our shareholders about such issue by having it on the agenda of the first General Assembly meeting of our Company meeting to be held,

(iv) not to sell such repurchased shares for 30 days from the date of this disclosure, and in case the value of repurchased shares does not exceed the 10% of our Company's paid capital, to keep the shares until an adoption of a board resolution, and in case the value of such shares exceeds the 10% of our Company's paid capital, to dispose such shares in 3 (three) years, and

(v) to decide on the maximum stipulated period for the share buyback transactions to be realized as 3 (three) years starting from the date of this Board of Directors decision.



Commercial Title: Biotrend Çevre ve Enerji
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Registered Capital Ceiling: TL 625,000,000
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Tax No: 1760414976