



01.01.2024 - 30.09.2024 PERIOD ACTIVITY REPORT

CW ENERJİ MÜHENDİSLİK TİCARET VE SANAYİ A.Ş.

CW  **Enerji**[®]
wherever the sun is shining...

PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ SERIAL: II NO: 14.1.

CONTENTS

1. COMPANY GENERAL INFORMATION	2
2. CAPITAL, PARTNERSHIP STRUCTURE, AND PREFERRED SHARES	
PARTNERSHIP STRUCTURE AND DIVIDEND DISTRIBUTION	3
3. ORGANIZATIONAL STRUCTURE	7
4. BOARD OF DIRECTORS, SENIOR EXECUTIVES AND PERSONNEL INFORMATION	
AND COMMITTEES	7
5. GENERAL ASSEMBLIES AND AMENDMENTS TO THE ARTICLES OF	
ASSOCIATION	10
6. BOARD MEMBERS AND SENIOR MANAGEMENT COMPENSATION	11
7. COMPANY'S ACTIVITIES AND IMPORTANT DEVELOPMENTS RELATED TO	
ACTIVITIES	12
8. RESEARCH AND DEVELOPMENT ACTIVITIES	18
9. LEGAL AND SOCIAL ISSUES	20
10. FINANCIAL SUMMARY	21
11. DEVELOPMENT OF FINANCING SOURCES AND BUSINESS POLICIES	26
12. OVERVIEW OF THE SOLAR ENERGY SECTOR AND TÜRKİYE'S POSITION IN	
THE SECTOR	27
13. INCENTIVES	33
14. SUBSIDIARIES	34
15. ABOUT RELATED PARTY TRANSACTIONS	36
16. OTHER MATTERS	37

1. COMPANY GENERAL INFORMATION

CW Enerji was established in Antalya in 2010 in line with the vision of Tarzan Tarik Sarvan, founding partner and controlling shareholder, to utilize his knowledge and experience gained in Germany in Turkey. The company has taken its place in the sector as a photovoltaic panel manufacturer and EPC (Turnkey Project) company operating in the solar energy sector from renewable energy sources. The company operates in six different locations with a total area of 126,000 m² in Antalya Organized Industrial Zone and Antalya Free Zone and has reached an annual production capacity of 1.8 GW. In addition to industrial installations, CW Enerji offers a wide range of solar energy solutions such as residential rooftop installations, grid-connected (On-Grid) solar energy systems, off-grid battery/battery supported solar systems (Off-Grid), hybrid systems, solar irrigation systems, LED lighting systems, solar camera systems and electric vehicle charging stations. According to 2023 data, CW Enerji ranked 185th in net sales in the Fortune 500 Turkey list and 177th in production-based sales in the ISO 500 list of Turkey's Top 500 Industrial Organizations. It ranked 32nd among the companies with the highest turnover in Organized Industrial Zones in the OSB Stars (OSBÜK) 2023 Survey.

Trade Name	CW Enerji Mühendislik Ticaret ve Sanayi A.Ş.
Headquarters Address	Antalya Organize Sanayi Bölgesi 1. Kısım Atatürk Bulvarı No:20 Döşemealtı, Antalya
Registered Trade Registry Office	Antalya Trade Registry Directorate
Trade Registry Number	64241
Legal Status	Joint Stock Company
Traded on Stock Exchange/Market	BIST/BIST Star
Trading Symbol	CWENE
Internet Address	www.cw-enerji.com
Telephone /Fax	0 242 229 00 54 / 0 242 229 00 74

2. CAPITAL, PARTNERSHIP STRUCTURE, AND PREFERRED SHARES PARTNERSHIP STRUCTURE AND DIVIDEND DISTRIBUTION

The Company adopted the registered capital system in accordance with the provisions of the Capital Markets Law (CMB) and switched to the registered capital system with the permission of the Capital Markets Board (CMB) dated 29.12.2022 and numbered 77/1867. Within the framework of Article 18 of the CML and the Communiqué on Registered Capital System numbered II-18.1; the application for increasing the Company's registered capital ceiling from TL 500,000,000,000 to TL 4,000,000,000,000 and amending Article 6 titled "Capital and Shares" of the Company's Articles of Association within this framework was approved by the CMB on 27.05.2024 and approved at the Ordinary General Assembly Meeting held on 03.07.2024. The decision taken by the General Assembly was registered at the Antalya Trade Registry Office on 10.07.2024 and announced in the Turkish Trade Registry Gazette No. 11119.

In this framework, the registered capital ceiling of the Company is TL 4,000,000,000,000, divided into 4,000,000,000,000 shares with a nominal value of TL 1.00 each.

The Company's issued capital of TL 123,750,000 shall be increased by TL 876,250,000 to a total of TL 1,000,000,000,000, to be covered from the "Share Premiums" account in the inflation adjusted financial statements prepared in accordance with the TPL records and TAS/TFRS, provided that it remains within the registered capital ceiling of TL 4,000,000,000 pursuant to Article 6 of the Articles of Association titled "Capital and Shares", and the shares with a nominal value of TL 876. 250,000 TL nominal value shares, 185,871,212.12 TL nominal value portion of the shares will be issued as Group A registered shares and 690,378,787.88 TL nominal value portion of the shares will be issued as Group B bearer shares, and the shares to be issued due to the capital increase will be distributed to the existing shareholders in dematerialized form in proportion to their shares, and applied to the Capital Markets Board on 19.07.2024 for the approval of the Capital Increase and Amendment of the Articles of Association. The capital increase application is under evaluation by the Capital Markets Board.

(<https://www.kap.org.tr/tr/BildirimPdf/1312362>)

The partnership structure of the Company, whose shares started trading on Borsa Istanbul Star Market on May 5, 2023, is as follows.

PARTNERS	SHARE GROUP	SHARE AMOUNT (TL)	TOTAL SHARE IN CAPITAL(TL)	SHARE IN CAPITAL (%)	VOTING RIGHT RATE (%)
TARZAN TARIK SARVAN	A	24.675.000	85.060.014	68,74	80,33
	B	60.385.014			
DENİZ PORTFOLIO TTSVY EQUITY FREE PRIVATE FUND (EQUITY INTENSIVE FUND)	B	7.400.250	7.400.250	5,98	3,24
OTHER	A+B	31.289.736	31.289.736	25,28	16,43
TOTAL	A+B	123.750.000	123.750.000	100	100

- Group A shares have the privilege to nominate candidates for more than half of the members of the board of directors and 5 votes for each share in the general assembly. Group B shares do not have any privileges.
- Following the conversion of CWENE shares with a total nominal value of TL 3,700,125 each, owned by our shareholders Tarzan Tarik Sarvan and Volkan Yılmaz, to publicly traded shares, in accordance with the schedule stipulated by the legislation, they were transferred to the hedge funds in which they are investors, and in this context, with the transactions realized on 19. With the transactions realized on 09.09.2024, a total of 7,400,250 shares with a nominal value of 7,400,250 were transferred to Deniz Portfolio TTSVY Equity Free Private Fund (Equity Intensive Fund) established for the purpose of the aforementioned transfer transaction.
- The other part consists of Volkan Yılmaz shares amounting to TL 2.599.875 and other part amounting to TL 28.689.861.
- With the transfer of Volkan Yılmaz's shares to the Fund on 19.09.2024, his share in the capital decreased from 5.9% to 2.1%, except for his shares in the Fund's assets.

- CW Enerji summary market information is as follows.

Trading Date on the Exchange	05.05.2023
Traded Market	BIST Star
Indices Included	
National Indices	BIST SERVICES / BIST PARTICIPATION 50 / BIST PARTICIPATION ALL SHARES / BIST 100 / BIST ANTALYA / BIST IPO / BIST PARTICIPATION 30 / BIST STARS / BIST PARTICIPATION 100 / BIST 100-30 / BIST ALL SHARES / BIST ELECTRICITY / BIST 50
Company Sector	ELECTRICITY GAS AND WATER / ELECTRICITY GAS AND STEAM
IPO Price	108,60 TL
Capital	123.750.000 TL
Total IPO Size	30.000.000 Piece / 3.258.000.000 TL
28.06.2024 Closing Price	176,50 TL
28.06.2024 Market Value	21.841.875.011 TL/ 640.712.086 USD

27.09.2024 TCMB USD/TL: 34,09

Dividend Distribution

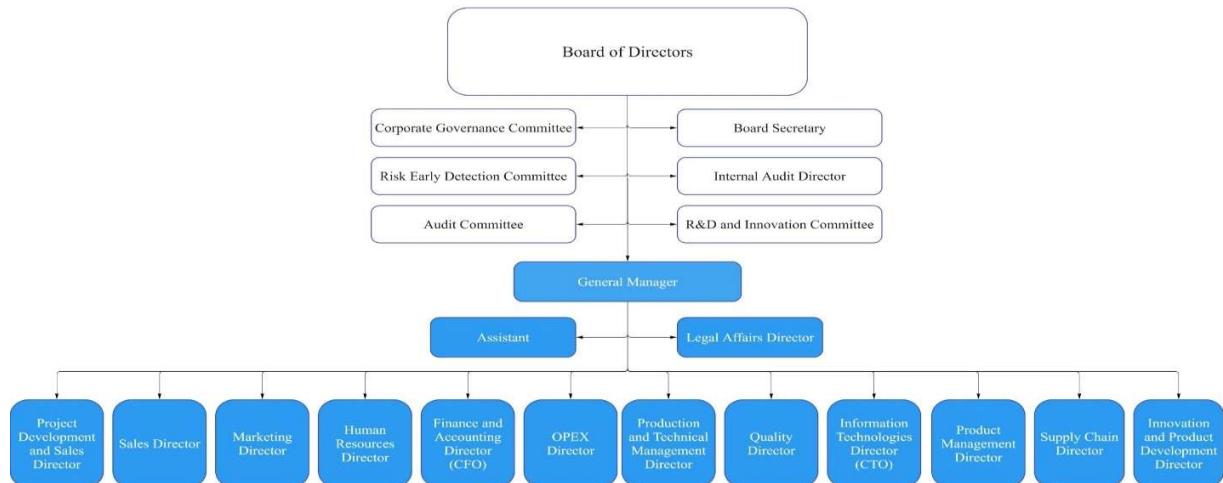
Within the scope of the Company's dividend distribution policy adopted by the resolution of the Board of Directors dated 10.04.2023, the Company aims to distribute at least 25% of its annual distributable profit for at least 5 years, starting from the dividend distribution for the fiscal year 2023, in cash for the first year and in the form of cash and/or bonus shares for the remaining 4 years, in accordance with the provisions of the CMB and the Turkish Commercial Code. Accordingly, our consolidated financial statements for the accounting period 01.01.2023-31.12.2023, prepared in accordance with the provisions of the Capital Markets Board's Communiqué on Principles Regarding Financial Reporting in Capital Markets numbered II-14.1 and audited by Yeditepe Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş., show a net profit for the period of TL 378,713,603, while our legal records prepared in accordance with the provisions of the Unconsolidated Tax Procedure Law show a net profit for the period of TL 1,014,071,261.34.

In this framework; in the calculation of the net distributable profit for the year 2023, taking into account the provisions of the Turkish Commercial Code, Capital Markets Legislation and related legislation, Article 14 of our Articles of Association regarding profit distribution and our Dividend Distribution Policy disclosed to the public; II-14. 1 of the distributable profit for the period amounting to TL 379,355,270 in our independently audited consolidated financial statements prepared in accordance with the Communiqué No. II-14.1 and based on Turkish Accounting Standards; the amount corresponding to 25% of the distributable profit for the period amounting to TL 379,355,270 was distributed on 03.09.2024 as TL 85,354,936.20 net cash in line with the approval of the Ordinary General Assembly Meeting of 2023 held on 03.07.2024.

	GROUP	TOTAL DIVIDENDS DISTRIBUTED		TOTAL DIVIDENDS DISTRIBUTED / NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDEND PER 1 TL NOMINAL VALUE SHARE	
		CASH (TL)	FREE OF CHARGE (TL)		RATE (%)	TUTARI (TL)
NET	A	18.105.591,49	-	4,828630	0,689737	68,97
	B	67.249.344,71	-	17,934900	0,689737	68,97
	TOTAL	85.354.936,20	-	22,76353	0,689737	68,97

<https://www.kap.org.tr/tr/BildirimPdf/1305161>

3. ORGANIZATIONAL STRUCTURE



4. BOARD OF DIRECTORS, SENIOR EXECUTIVES AND PERSONNEL INFORMATION AND COMMITTEES

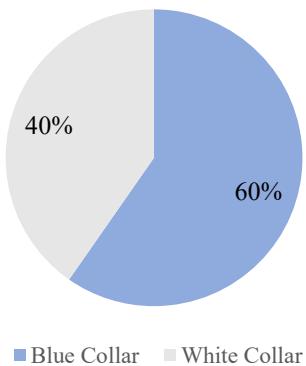
The Company's Board of Directors monitors the compliance of the Company's activities with the legislation, articles of association, internal regulations and policies, takes into account the risks, growth and returns of the Company with the strategic decisions it takes and manages and represents the Company by considering its long-term interests. During the period 01.01.2024-30.09.2024, the Board of Directors held 40 meetings and adopted 40 resolutions. The members of the Board of Directors regularly attended the meetings and all resolutions were passed unanimously by the members present. The Chairman and Members of the Board of Directors have the powers set forth in the relevant articles of the Turkish Commercial Code and Articles 8 and 9 of the Company's Articles of Association.

Name Surname	Position	Start Date of Position	End Date of Position
Tarzan Tarık Sarvan	Chairman of the Board	07.01.2023	07.01.2026
Volkan Yılmaz	Vice Chairman of the Board	07.01.2023	07.01.2026
Mücahit Melik Yetim	Board Member	07.01.2023	07.01.2026
Bedrettin Kara	Independent Board Member	07.01.2023	07.01.2026
İsmail Yüksek	Independent Board Member	07.01.2023	07.01.2026

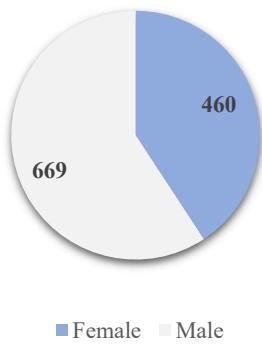
Development and Distribution of Number of Employees

Although there is no collective bargaining agreement within the Company, employees are provided with various rights and benefits such as salary payments, holiday allowances and travel allowances. As of 30.09.2024, the total number of employees, excluding the members of the Board of Directors, is 1,129 and the group distribution of employees is as follows;

Blue-White Collar Rate %



Female-Male Rate



Committees Under the Board of Directors

The Committees within the Board of Directors did not receive any external consultancy services during the year. The Corporate Governance Committee was established to monitor the Company's compliance with corporate governance principles and to ensure that these principles are implemented when necessary. The Audit Committee operates to ensure that the Company's accounting system, public disclosure of financial information, independent audit and internal control mechanisms comply with the regulations. The Early Detection of Risk Committee was established for the purpose of early detection of potential risks that may threaten the existence, growth and continuity of the Company and taking the necessary measures to manage these risks. These committees continue to work diligently in line with their founding objectives. The Corporate Governance Committee and the Early Detection of Risk Committee meet as often as deemed necessary; however, the Audit Committee convenes at least four times a year, at least quarterly.

Committees held a total of 16 meetings between 01.01.2024 and 30.09.2024. These meetings were planned and implemented in order for the committees to fulfill their duties and responsibilities effectively.

Risk Assessment Committee

Chairman: İsmail Yüksek

Member: Bedrettin Kara

Audit Committee

Chairman: İsmail Yüksek

Member: Bedrettin Kara

Corporate Governance Committee

Chairman: İsmail Yüksek

Member: Bedrettin Kara

Member: Nihan Demirtaş Taylan

Member: Özge Onur

Internal Control System and Internal Audit Activities

The Company has an Internal Audit Unit and an Internal Control Unit. The Internal Audit Unit consists of an internal audit manager and internal audit specialists. The Internal Audit Unit reports directly to the Board of Directors and regularly reports to the Board of Directors. It evaluates the effectiveness of the Company's Corporate Governance and Internal Control system and provides assurance and consultancy services to the Board of Directors regarding the audited area and makes recommendations. The Internal Control Unit is staffed by Internal Control engineers and is connected to the Human Resources Directorate due to the nature of its operations. Routine controls are carried out at production-related control points in the production area. It is aimed to keep the Company's activities under control with an effective control mechanism in order to act in accordance with the policies and legislation determined by the Company. It is aimed to increase the efficiency of the company and ensure reliable functioning in the execution of transactions at many points of the company's activities and in financial matters.

5. GENERAL ASSEMBLIES AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

As stated in the material event disclosure dated April 15, 2024, pursuant to the provisions of the Communiqué on Registered Capital System numbered II-18.1; the Company has made the necessary applications before the Capital Markets Board and the Ministry of Trade for the amendment of Article 6 of the Company's Articles of Association titled "Capital and Shares" in order to determine the Company's registered capital ceiling of TL 500,000,000,000 as TL 4,000,000,000,000 and the validity period of the registered capital ceiling as 2024-2028. Article 6 of the Company's Articles of Association titled "Capital and Shares" for the amendment of Article 6 of the Company's Articles of Association as TL 4.000.000.000.000 and the validity period of the registered capital ceiling as 2024-2028 has been determined as TL 4.000.000.000.000 and the validity period of the registered capital ceiling as 2024-2028 has been determined as TL 4.000.000.000.000 and the validity period of the registered capital ceiling has been determined as 2024-2028. The proposal regarding the amendment of the Articles of Association was submitted to the shareholders at the Ordinary General Assembly Meeting of the Company for the year 2023 and approved. The decision taken by the General Assembly was registered by the Antalya Trade Registry Office on 10.07.2024 and announced in the Turkish Trade Registry Gazette No. 11119.

(<https://www.kap.org.tr/tr/Bildirim/1312362>)

6. BOARD MEMBERS AND SENIOR MANAGEMENT COMPENSATION

Compensation provided to board members and key personnel for services rendered to the company and its affiliates;

Annual Wage Payments (TL)	
Explanation of Payment	30.09.2024
Board of Directors Attendance Fees Gross Payments	18.165.409
Total	18.165.409

Annual Wage Payments (TL)	
Explanation of Payment	30.09.2024
For Key Personnel in Management	7.303.065
Total	7.303.065

Annual Wage Payments (TL)	
Explanation of Payment	30.09.2024
Provision for Compensation for Other Employees	124.124.784
Total	124.124.784

Annual Wage Payments (TL)	
Explanation of Payment	30.09.2024
Provision for Compensation for Key Personnel in Management	3.670.193
Total	3.670.193

7. COMPANY'S ACTIVITIES AND IMPORTANT DEVELOPMENTS RELATED TO ACTIVITIES

Main Activity Areas

Since its establishment, the Company has continued to trade solar energy equipment used in various fields and has started to carry out production activities since 2016. The Company's main activity is solar panel production. By closely following the developments in the sector, the Company started to produce Eva raw material and storage systems used in the production of solar panels in the second half of 2023.

The main factors affecting the Company's performance include market demand, competition and regulations. Increasing demand boosts the company's growth potential, while competition in the sector increases the pressure to control costs and innovate. In addition, government incentives and regulations for renewable energy have a positive impact on the company's operations. Key changes include technological innovation and fluctuations in the raw material supply chain. While advancing technology offers the opportunity to produce more efficient solar panels and storage solutions, fluctuations in raw material prices affect production costs and require strategic measures. In response to these changes, the Company aims to reduce costs and improve quality by optimizing production processes in line with its quality and efficiency policies and sustainability principles. In order to strengthen its performance, the Company focuses on R&D investments, integration of new production technologies and strategic investments for market expansion, and aims to achieve innovation and competitive advantage through strategic partnerships and collaborations.

The Company's sales revenues by main categories are classified in the table below.

NET SALES (TL)	30.09.2023		30.09.2024	
Solar Panel Sales (Off-Project)	8.036.027.739	66%	3.289.480.211	48%
Inverter Sales	176.286.357	1%	179.374.064	2%
Other Sales *	444.820.981	4%	613.882.101	9%
Project Sales (Time Spread) **	3.482.475.319	29%	2.797.412.025	41%
TOTAL	12.139.610.396	100%	6.880.148.401	100%

* Other sales include revenue from SPP sales and engineering services, scrap sales revenue, incentive revenues, Eva (Ethylene Vinyl Acetate) sales revenue, revenue from lithium batteries and energy storage systems, and non-production-related income items such as technical services.

***In turnkey projects, project sales include sales of solar panels, inverters, and engineering services, and these sales are spread over time. Project sales are grouped as a basket product consisting of panels, inverters, and services, and progress-based payments are collected.*

Production Facilities

Production Facility	Antalya OIZ 3. Zone	Antalya OIZ 1. Zone	Antalya OIZ 3. Zone	Antalya OIZ 3. Zone	Antalya Free Zone	Antalya OIZ 1. Zone
Commissioning Date	2016*	2020	2023	2023	2021	2023
Property Owner	Company	Company	Rental	Rental	Right of building	Company
Indoor Area	6.747 m ² /	28.230 m ² /	15.589 m ² /	15.367 m ² /	2.492 m ²	12.687 m ² /
Total Area	7.023 m ²	44.734 m ²	25.030 m ²	26.800 m ²		19.966 m ²
Function / Activity	EVA Production* and Warehouse	Company Headquarters, Solar Panel Production, R&D and Warehouse	Storage	Storage	Solar Panel Production and Storage	Lithium Battery Production/Assembly Facility and Storage
Production Capacity*	21,1 million m ² / year	1,800 GW	-	-	-	51.840 pcs / year

**The facility in Zone 3 initially started solar panel production in 2016. With the relocation of this activity to Zone 1 in 2020, the Zone 3 facility was first used as a warehouse and later restored. As of 2023, it is used for EVA production.*

Solar Panel

The Company's main activity and source of income is the sale of photovoltaic solar panels. In its simplest and most understandable form, a solar panel is a system that converts the sun's rays into electrical energy through semiconductor silicon cells. CW Enerji realizes solar panel sales through various channels in Turkey and abroad. Products below 500 kWp are sold through sales points and retail, while products above 500 kWp are sold to large commercial customers. Some of the domestic sales are made to EPC companies; in addition, sales are realized through sales points.

Engineering and Project Design for Investors Who Want to Install Licensed/Unlicensed Power Plants (EPC)

CW Enerji has been providing services since 2010 with its engineering infrastructure within the scope of turnkey solar energy systems installation. The company also signs after-work technical service and maintenance contracts in this field.

Supply and Sales of Other Products in Solar Energy Systems

In addition to the manufacturing of photovoltaic solar panels, the Company has the capability and activity to design and create solar energy systems by incorporating all of the products that will constitute solar energy systems.

Accordingly, the general list of products in the Company's product portfolio is as follows;

Genel Ürün Listesi CW Enerji Ürünleri	
Photovoltaic Solar Panels with Various Power and Technologies	Solar LED Lighting Systems
Off-Grid Inverters	Residential Energy Storage Systems Low Voltage Lithium Batteries
On-Grid Inverter	Industrial Energy Storage Systems High Voltage Cabinet Lithium Batteries
Hybrid Inverters	Solar Power Boxes (Portable)
Irrigation Inverters	Battery Accessories
Irrigation Cabinets	Heating-Cooling Systems Heat Pumps
Charge Controllers (MPPT)	Vehicle Charging Stations
Inverter Communication and Monitoring Devices	Smart Home Systems
Vineyard House / Caravan Solar Packages	EVA (Ethylene Vinyl Acetate) Material
Boat / Yacht Solar Packages	Solar Connectors and Connection Equipment
Micro Inverter Balcony Solar Packages	Solar Infrastructure / Construction Materials (Aluminum / Galvanized)
Agricultural Irrigation Solar Packages	Solar LED Lighting Systems
Photovoltaic Solar Panels with Various Power and Technologies	Flexible Panels
Carport (Solar Parking Lot) Systems	EasyLife Series

Developments in Brands and Intellectual Property Field

The trademarks that the Company has decided to register with the Turkish Patent and Trademark Office for the period 01.01.2024-30.06.2024 are as follows;

- ✓ It was decided to register the trademark with the expression "**chargingvehicles**" on 18.01.2024 for protection for 10 years.
- ✓ It has been decided to register the trademark with the expression "**charging vehicles cv şekil**" on 07.02.2024 for protection for 10 years.
- ✓ It was decided to register the applied trademark with the phrase "**cw autonomous pv home solutions**" on 25.08.2024 for protection for 10 years.
- ✓ It was decided to register the applied trademark with the phrase "**cw bipv pv technology**" on 21.08.2024 for protection for 10 years.
- ✓ It has been decided to register the applied trademark with the expression "**cw lighting technology**" on 21.08.2024 for protection for 10 years.
- ✓ It has been decided to register the trademark with the expression "**cw marine pv solutions**" on 10.09.2024 for protection for 10 years.
- ✓ It was decided to register the applied trademark with the expression "**cw off grid pv solutions**" on 23.08.2024 for protection for 10 years.
- ✓ It has been decided to register the trademark with the expression "**cw on grid pv solutions**" on 15.08.2024 for protection for 10 years.

Unlicensed Electricity Generation and Sales (10 SPPs)

As of 2018, the company acquired 10 affiliated companies with GES through a merger, generating revenue from electricity production; the company has also included the direct sale of these plants as part of its growth model. Details of the solar energy production plants within the company are provided below.

	SPP *	Location	Commissioning Date	Installed Power MWp
1	Feyza SPP	Erzincan	24.01.2018	1,07
2	Fethi SPP	Erzincan	24.01.2018	1,07
3	NZY SPP	Kars	19.01.2018	0,54
4	NZK SPP	Kars	19.01.2018	0,69
5	FG SPP	Kars	19.01.2018	0,54
6	R N SPP	Kars	19.01.2018	0,67
7	Sarilar Solar (Işıklar)SPP	Afyon	12.01.2018	1,04
8	Merthisar SPP	Çankırı	17.08.2018	2,51**
9	Merkür SPP	Tokat	9.11.2018	1,23
10	AYGES SPP	Erzincan	3.12.2018	1,2
Total				10,56

*Excluding the SPP at Ereğli Tarım and the factory roof.

**There are two separate usage agreements for Merthisar Enerji, totaling the added power.

Charging Station Network Operations

The company has obtained a "Charging Network Operator License" valid for 49 years from the Energy Market Regulatory Authority, effective from 09/06/2022, under the "Charging Service Regulation" published in the Official Gazette dated 02.04.2022. Within the scope of the license, the Company has received approval from the Electricity Market Regulatory Authority throughout Türkiye and as of 30.09.2024, the Company has a total of 139 electric vehicle charging stations, 100 AC and 39 DC. The company is the licensee of these charging stations and provides operation certificates to third parties providing space, while the operation of the stations is carried out by the company itself.

Energy Storage Systems

As of May 2023, the necessary machinery and equipment for the Company's energy storage systems have been procured, and serial production is currently ongoing.

Ongoing and Planned Investments

A concrete factory and land property located in the 1st Section of Antalya Organized Industrial Zone were purchased for approximately 847 million TL. To meet the Company's medium- and long-term financing needs and increase liquidity, it was decided to sell the said property to Ziraat Katılım Bankası Anonim Şirketi using the Sell-Leaseback method, lease it back simultaneously, and reacquire ownership at the end of the lease term. Instead of selling the assets outright, this decision was made in line with the Company's best interests to secure financing. Feasibility studies for the investment regarding the property are ongoing, and as of the date of this report, the details have yet to be finalized.

The investment process for aluminum frame production, a key raw material in panel manufacturing, has commenced. The Company publicly announced the start of the aluminum frame production facility investment following the approval of the incentive certificate dated March 26, 2024, No. 564406, by the Ministry of Industry and Technology. An investment incentive certificate worth 554,389,070 TL has been obtained, and an initial financial lease agreement for a total of 8,000,000 euros with a 60-month term was signed with Yapı Kredi Financial Leasing A.Ş. for the purchase of machinery, and the machine orders have been placed. The investment will be carried out at the property located at AOSB 3rd Section, Mah. 32nd Street, No:7, Döşemealtı/Antalya, with production expected to commence in the first quarter of 2025.

8. RESEARCH AND DEVELOPMENT ACTIVITIES

CW Enerji shapes all production processes with R&D and Product Development approaches. In this context, the development of innovative and creative approaches is of great importance. Many R&D projects and beneficial model studies supported by own resources or national resources are being carried out to enable the introduction of new technologies into the country's renewable energy capacity.

Integration of Graphene Oxide-Based Adhesives into Solar Panel Cooling Systems

In this project, adhesives containing graphene oxide with high electrical and thermal conductivity will be developed for cooling systems used to cool solar panels while operating under real environmental conditions, aiming for low-cost and high-performance. The project aims to develop a cost-effective cooling system to ensure the long-lasting and efficient operation of solar panels.

Production of Interdigitated Back Contact (IBC) Halfcut Panel Prototype and Performance Research

Within the scope of the project, it is aimed to develop a new product, the double-sided IBC halfcut panel, with double-sided IBC cells that have high efficiency and performance among solar cell technologies. Additionally, field tests and performance monitoring will be conducted for the panel in different areas to determine its suitability for different application areas. The project aims to develop and launch a high-performance new product.

Investigation of Hotspot Mechanisms in Building Integrated Photovoltaics (BIPV) Panels

Under the project, hotspot mechanisms are being investigated in thermal-insulated BIPV facade panels that are currently being tested in the field. Studies are being conducted to determine the origin of hotspots and to develop new methods for their solution. Thermal-insulated BIPV facade panels have great potential in the construction of zero-carbon buildings or the transformation of existing buildings into zero-carbon buildings. The project aims to develop a new thermal-insulated BIPV panel free of hotspots caused by regional shading or soiling.

Creation of Poly-Si Layer with PVD Technique and Investigation of its Effect on Surface Passivation

Industrially, today, TOPCon (Tunnel Oxide Passivated Contact) solar cells with high efficiency form a large part of the photovoltaic sector after traditional PERC-type solar cells. In this project, an infrastructure for an innovative approach to the TOPCon production line will be developed by creating SiO₂ and poly-Si layers, which are the parts that increase the efficiency of TOPCon solar cells, with the PVD technique. Both thermal and plasma methods are used in the standard TOPCon production line, and hazardous gases are processed at high temperatures for these methods. The aim is to eliminate the use of hazardous gases and chemicals with the PVD technique.

Developing Different Designs of Agro-Photovoltaic Applications for Various Agricultural Systems

Photovoltaic technologies have a significant potential as the largest alternative energy source in the world. However, the installation of photovoltaic energy systems (Solar Power Plants - SPP) and efficient energy production require large areas. Another important aspect is that SPPs need to be located as close to the main grid as possible. Since general societal settlements are located in areas suitable for agriculture, it is possible to use agricultural areas as SPP areas.

As part of its R&D activities, the company emphasizes university-industry collaboration in both long-term and short-term projects. In this context, a consultancy agreement was signed in 2022 with GÜNAM (Solar Energy Institute) and İleri Ar-Ge Teknolojileri Mühendislik Yazılım Eğitim Danışmanlık Sanayi ve Ticaret Limited Şirketi for solar cell technology research, technology determination in cell production investments, and education, among other areas.

Details regarding research and development expenses tracked in the income statement and balance sheet for the periods ending on 30.06.2024 and 31.12.2023 are provided in the table below.

Turkish Lira	31.12.2023	30.09.2024
Recognized in the statement of profit or loss	16.542.681	14.059.194
Capitalized development costs	15.629.336	8.751.594
Amortization (-)	-2.146.470	-1.609.842
R&D Expenses	30.025.547	21.200.946

9. LEGAL AND SOCIAL ISSUES

As of 30.09.2024, the Company is a party to 40 lawsuits and 54 enforcement proceedings.

The total amounts involved in the Company's lawsuits and enforcement proceedings are provided below, however, in ongoing lawsuits, there is a possibility of increasing the amounts in dispute through amendments or by adding interest and litigation costs, which could increase the risk amounts. As of 30.09.2024, the provision allocated for the Company's lawsuits and enforcement proceedings is 3.158.571 TL.

There is no significant lawsuit pending against the Company that could materially affect its financial position and operations.

Administrative-Judicial Sanctions

There are no judicial or administrative sanctions imposed against the Company that may have a negative impact on the Company's operations.

Donations And Social Responsibility Projects

As part of the company policies adopted by the Board of Directors on January 10, 2023, the donation and contribution policy has also been approved by the general assembly. The main purpose of the donation and contribution policy is to determine the upper limit of donations by the general assembly within the framework of the regulations applicable to the Company and Article 3 of the Company's Articles of Association, not to make donations exceeding the determined upper limit, to add the donations made to the distributable profit base, not to result in consequences that may fall within the scope of Article 21/1 of the Capital Markets Law, to present the donations made to social-purpose foundations, associations, universities, and similar institutions established for social purposes, including those made during the year, to the shareholders at the General Assembly, and to make the necessary announcements, within the rules determined by the Capital Markets Board.

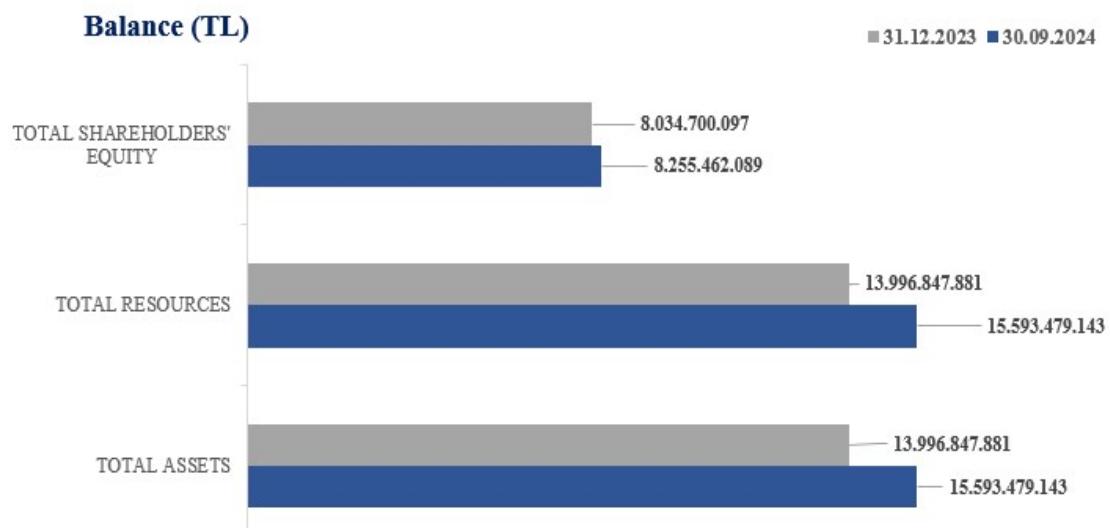
At the 2023 Ordinary General Assembly Meeting held on 03.07.2024, it was decided to set TL 50.000.000 as the upper limit for donations for 2024. In this context, donations and grants amounting to 2.300.000 TL were made for the period 01.01.2024-30.09.2024.

10. FINANCIAL SUMMARY

The financial statements of the Company for the period January 1 - September 30, 2024, prepared in accordance with TFRS standards, are hereby presented for the information of the shareholders. The financial statements of the Company, which is subject to inflation accounting, have been prepared in accordance with Turkish Accounting Standard 29 (TAS29) "Financial Reporting in Hyperinflationary Economies".

The Company has not reviewed the accompanying condensed consolidated statement of financial position, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and other explanatory notes ("condensed interim financial information").

Summary Balance Sheet (TL)	31.12.2023	30.09.2024
Current Assets	7.307.980.224	6.234.195.606
Non-current Assets	6.688.867.657	9.359.283.537
TOTAL ASSETS	13.996.847.881	15.593.479.143
Current Liabilities	4.348.981.199	4.789.223.726
Non-current Liabilities	1.613.166.585	2.548.793.328
Equity	8.034.700.097	8.255.462.089
TOTAL RESOURCES	13.996.847.881	15.593.479.143



Balance Sheet

As of 31.12.2023 and 30.09.2024, CW Enerji's total assets amounted to TL 13,996.8 Million and TL 15,593.4 Million, respectively. It increased by 11.41% compared to the end of 2023. The year-on-year increase in the asset size is due to the incentives provided by the legal regulations in the energy sector, shortened investment return periods with increasing energy prices, increases in production with the capacity increases made by the Company and the demand effect on the sector.

In the third quarter of 2024, the Company's assets consisted of 39.98% current assets and 60.02% non-current assets. The Company prudently manages its inventory and liquidity positions in order to minimize logistical delays in line with increasing product demands and to prevent problems that may arise in the supply of raw materials linked to foreign currency. This strategy has led to growth in the balance sheet and income statement in line with the increasing business volume, while changes in trade receivables and inventories were realized in parallel with this situation. On the liabilities side, the Company's liabilities consist of 30.71% current liabilities, 16.35% non-current liabilities and 52.94% shareholders' equity.

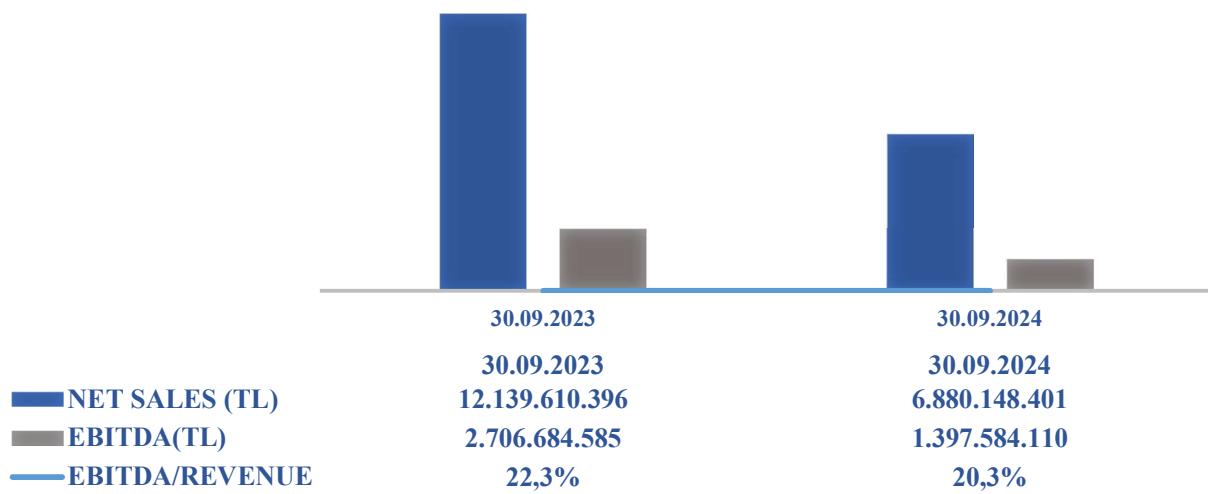
As of 31.12.2023 and 30.09.2024, the Company's total liabilities were recorded as TL 5,962.14 Million and TL 7,338.01 Million, respectively. This increase is mainly attributable to the 58% increase in long-term liabilities due to ongoing investments.

The Company's shareholders' equity amounted to TL 8,034.70 million and TL 8,225.46 million as of 31.12.2023 and 30.09.2024, respectively. Shareholders' equity consists of paid-in capital, positive differences arising from capital restatement, remeasurement losses arising from defined benefit plans, restricted reserves, retained earnings, net profit for the period and share premiums.

Income Statement

Summary Income Statement (TL)	30.09.2023	30.09.2024
Revenue	12.139.610.396	6.880.148.401
Sales Cost	(9.065.270.511)	(5.129.374.830)
Gross Profit	3.074.339.885	1.750.773.571
Operating Expenses	(598.431.111)	(672.497.018)
Depreciation Expenses	230.775.811	319.307.557
EBITDA	2.706.684.585	1.397.584.110
Period Profit	810.644.640	479.334.619

REVENUE AND EBITDA DEVELOPMENT



As of 30.09.2023 and 30.09.2024, revenues amounted to TL 12,139.61 million and TL 6,880.14 million, respectively. Compared to the same period of the previous year, the decrease in revenues was due to factors such as the suspension of new facility applications for unlicensed electricity generation between August 1, 2023 and September 30, 2023 with the regulation published in the Official Gazette dated 29.07.2023, the decrease in panel prices as a result of increased competition due to the entry of new panel manufacturers into the market, the reflection of the increase in polysilicon supply in China on panel component prices and the decline in wafer, cell and panel prices, as well as delays in incentive connection agreements and building permit processes.

As of 30.09.2024, 47,81% of revenue consists of solar panel sales, 40,66% of project sales, 2,61% of inverter sales and 8,92% of other sales.

Financial Ratios

Financial and Liquidity Ratios	31.12.2023	30.09.2024
Leverage Ratio (Total Liabilities / Total Assets)	0,43	0,47
Short-term Liabilities / Total Assets	0,31	0,31
Long-term Liabilities / Total Assets	0,12	0,16
Equity / Total Assets	0,57	0,53
Current Ratio (Current Assets / Short-term Liabilities)	1,68	1,30
Liquidity Ratio (Current Assets - Inventory / Short-term Liabilities)	1,02	0,84
Cash Ratio (Cash and Equivalents / Short-term Liabilities)	0,13	0,03

Profitability Ratios

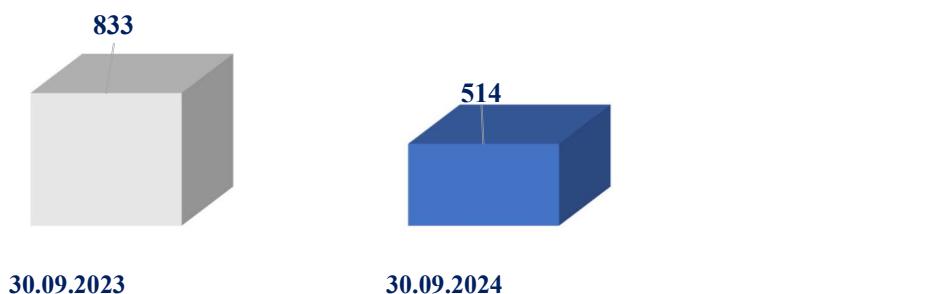
Profit Margins	30.09.2023	30.09.2024
EBITDA	2.706.684.585	1.397.584.110
EBITDA Margin	22%	20%
Gross Profit	3.074.339.885	1.750.773.571
Gross Profit Margin	25%	25%
Net Income	810.644.640	479.334.619
Net Profit Margin	7%	7%

In line with the positive development in the Company's financial performance, liquidity ratios also followed a positive trend, with the current ratio of 1.30 and liquidity ratio of 0.84, both within acceptable limits. As a result of the increased volume of cash and cash equivalents and financial investments, the Cash Ratio was realized at 0.03.

As of 30.09.2024, the Company's gross profit margin was 25.44% and EBITDA margin was 20.31%.

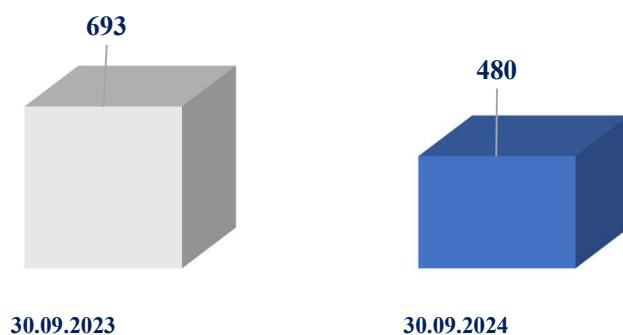
Being in an investment-intensive period, the Company finances its investments mainly through bank loans while maintaining a minimum equity ratio of 20%. Therefore, liquidity, currency and interest rate risks, positions and market developments are regularly monitored. In order to minimize market-related risks, EBITDA margin can be maintained through a profit margin pricing policy. The focus is on minimizing the financial risks that the Company faces due to its operations; market risk, credit risk and liquidity risks; uncertainty in financial markets and their potential negative impact on financial performance.

Solar Panel Production MW



The company has achieved production of 833 and 514 MW for the periods ending on 30.09.2023 and 30.09.2024, respectively.

Solar Panel Sales MW



The company has achieved sales of 693 and 480 MW for the periods ending on 30.09.2023 and 30.09.2024, respectively.

11. DEVELOPMENT OF FINANCING SOURCES AND BUSINESS POLICIES

The Company has the potential to generate cash from its operational activities. In line with its growth plans, the Company has the opportunity to meet the cash resources it needs to realize its investments from the income generated from its shareholders' equity as well as bank loans.

Considering the expected growth in the future periods, the Company meets its working capital needs with cost-effective short-term financing sources in order to take advantage of opportunities to purchase production materials that can be obtained at more favorable costs in the event of cash purchases. For this purpose, the Company utilizes the resources it needs and will need; the cash flows provided by its current activities as well as the credit facilities it has with financial institutions. As of the related periods, the Company utilizes cost-effective short-term resources in order to utilize advantageous raw material purchases, but also utilizes long-term loans for investment financing and short-term bank loans are mainly utilized with cost-effective resources such as exporter support funds, CBRT loans or advance loans. The Company utilizes long-term loans and investment commitment loan opportunities within the scope of the incentive certificate, which are also cost-effective. Taking into account the increases in demand for solar panels and turnkey solar power plant installations, increased sales of commercial products, ongoing and planned capacity increases / investments, and supply chain breaks that have been frequently seen since the pandemic, bank loans are used when appropriate conditions arise to ensure supply security, finance investments and ensure the cash flow security of the business in possible market tightening.

Depending on the business model, the Company manages its working capital so that the sum of trade payables and advances received finances trade receivables, inventories and advances given. Accordingly, the Company does not have any significant borrowing requirements other than the funds required to be available for the financing of high volume opportunity inventory purchases and large scale investments in property, plant and equipment.

Information On Company's Acquisition Of Own Shares

As of 30.09.2024, the company does not own any shares that it has acquired.

12. OVERVIEW OF THE SOLAR ENERGY SECTOR AND TÜRKİYE'S POSITION IN THE SECTOR

Renewable energy sources, including solar, wind, hydroelectric, biofuels, and others, are at the heart of the transition to less carbon-intensive and more sustainable energy systems. In recent years, the main reasons for the increase in production capacity, particularly in solar photovoltaics and wind energy, have been policy support and sharp cost declines.

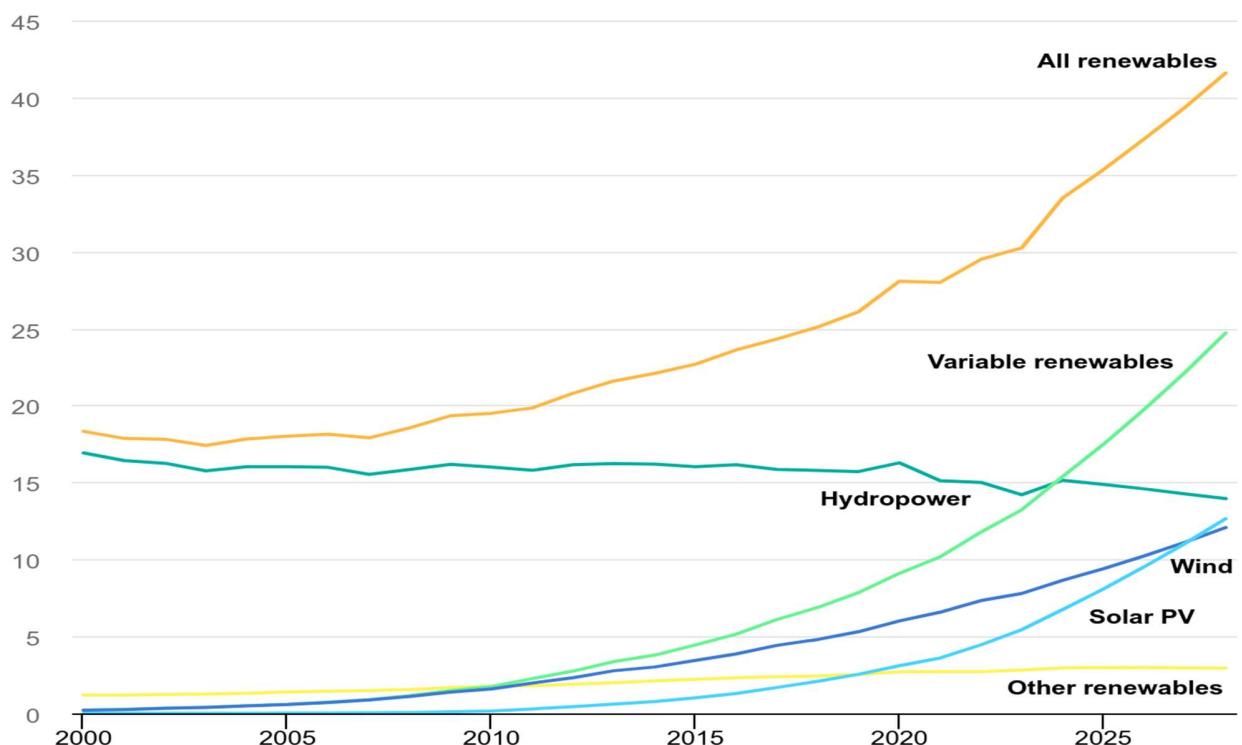
The spread of renewable energy in the power, heating, and transportation sectors is one of the key enablers in keeping the rise in average global temperatures below 1.5°C. In the Net Zero Emissions by 2050 scenario, renewable energy enables the near-complete decarbonization of electricity generation. Meanwhile, renewable transport fuels and renewable heat contribute to significant emissions reductions in transportation, buildings, and industry.

The electricity sector continues to be the brightest spot for renewable energies, with strong growth in solar photovoltaics and wind power in recent years, building on the already significant contribution of hydropower. However, electricity accounts for only one-fifth of global energy consumption, and finding a larger role for renewable energy in transport and heating remains critical for the energy transition.

The world will install more capacity in the next five years than was established since the first commercial renewable energy plant was built over 100 years ago. Driven by supportive policies in over 130 countries, approximately 3,700 GW of new renewable capacity will come online during the 2023-2028 period. Over the next five years, renewable energy activities are expected to progress as follows:

1. In 2024, wind and solar PV together will generate more electricity than hydropower.
2. In 2025, renewable energy will surpass coal to become the largest source of electricity generation.
3. Wind and solar PV will exceed nuclear electricity generation in 2025 and 2026, respectively.
4. In 2028, renewable energy sources will account for over 42% of global electricity generation, with the share of wind and solar PV doubling to 25%.

Share of Renewable Electricity Generation by Technology, 2000-2028



(Source: IEA)

Tracking Renewable Energy Investment

Investment in renewable energy projects reached the second-highest level ever in the first half of 2024. In the first half of 2024, investments amounted to \$312.7 billion. Although this represents an 11% decrease compared to the record levels seen in the second half of 2023, it is roughly the same as the first half of 2023. Once again, solar energy is the main driver of these investments.

In the first half of 2024, global investment in new renewable energy development reached \$312.7 billion. There was a 6% increase in new solar energy investments compared to the same period.

Overview of the Solar Energy Sector in Türkiye

2024 Turkey's total installed capacity, which stood at 113,867 megawatts (MW) at the end of August, reached 114,124 MW in September. Compared to August, a total net additional installed capacity of 240.6 MW was commissioned in September. Of this installed capacity, 236.0 MW came from solar power plants. In the same period, the installed capacity of natural gas and multi-fuel power plants decreased by 23.2 MW, the installed capacity of power plants using renewable waste decreased by 2.1 MW and the installed capacity of wind power plants decreased by 0.1 MW compared to the previous month. There was no change in the installed capacity of other sources.

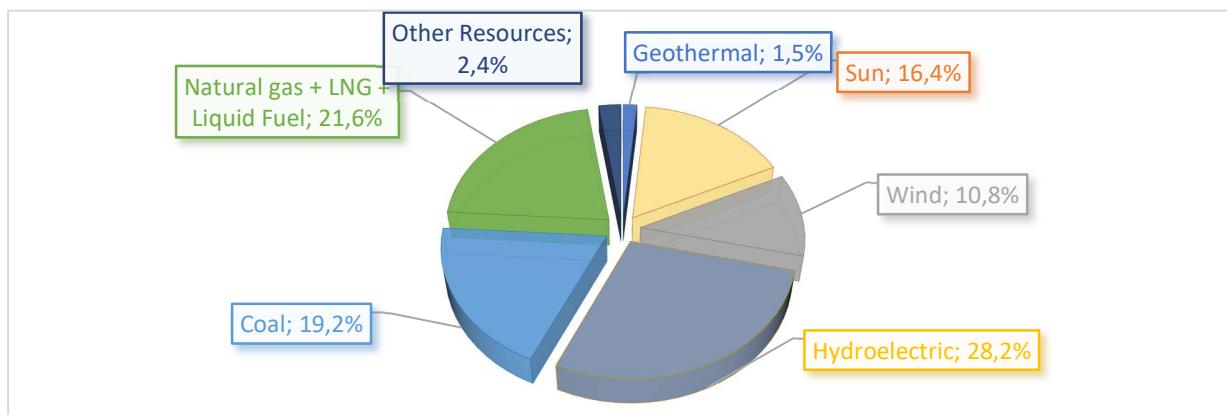
In September, 59.0% of the power plants in operation were generating electricity from renewable sources. Thus, the share of renewable sources continued to increase, approaching 60%. Hydroelectric power plants accounted for 28.2% of Turkey's total installed capacity, while wind and solar power plants accounted for 27.2% of the total installed capacity.
(Source: TSKB Economic Research Report 2024)

Türkiye is a country rich in solar energy potential. The Mediterranean and Southeastern Anatolia regions, in particular, are areas with long sunshine durations throughout the year. Türkiye has rapidly become a growing market in the solar energy sector and has increased its investments in this field. Government incentives and policies supporting renewable energy have strengthened Türkiye's position in the solar energy sector. The Paris Climate Agreement, the European Green Deal, and the Glasgow Climate Pact are the three most important global initiatives supporting sustainable development with a focus on climate change.
(Source: PwC, Solar Energy Sector in the World and Türkiye, March 2024 Report)

In recent times, the renewable energy sector has faced significant changes in global supply-demand dynamics and regulations. Notably, there have been substantial fluctuations in the prices of key components used in solar energy production. The increase in new polysilicon capacities coming online in China has boosted global supply and led to a drop in the prices of wafers, solar cells, and solar panels. This has intensified competition in the sector, especially with the entry of new solar panel manufacturers, further tightening price competition. At the same time, regulatory changes regarding renewable energy projects have been made in many countries. In Türkiye, temporary restrictions imposed on applications for unlicensed electricity production with the regulation published on July 29, 2023, have caused disruptions in project development processes. Specifically, the suspension of grid connection applications and delays in incentive processes have negatively impacted the operational planning of many project owners. These developments have increased uncertainty and risk in the sector, leading investors to act more cautiously.

Electricity Generation by Resources in Türkiye

In 2023, 36.3% of our electricity generation came from coal, 21.4% from natural gas, 19.6% from hydroelectric power, 10.4% from wind, 5.7% from solar, 3.4% from geothermal and 3.2% from other sources. By the end of September 2024, Turkey's installed capacity reached 114,215 MW. As of the end of September 2024, the distribution of our installed capacity by resources is as follows: 28.2% hydraulic energy, 21.6% natural gas, 19.2% coal, 10.8% wind, 16.4% solar, 1.5% geothermal and 2.4% other resources.

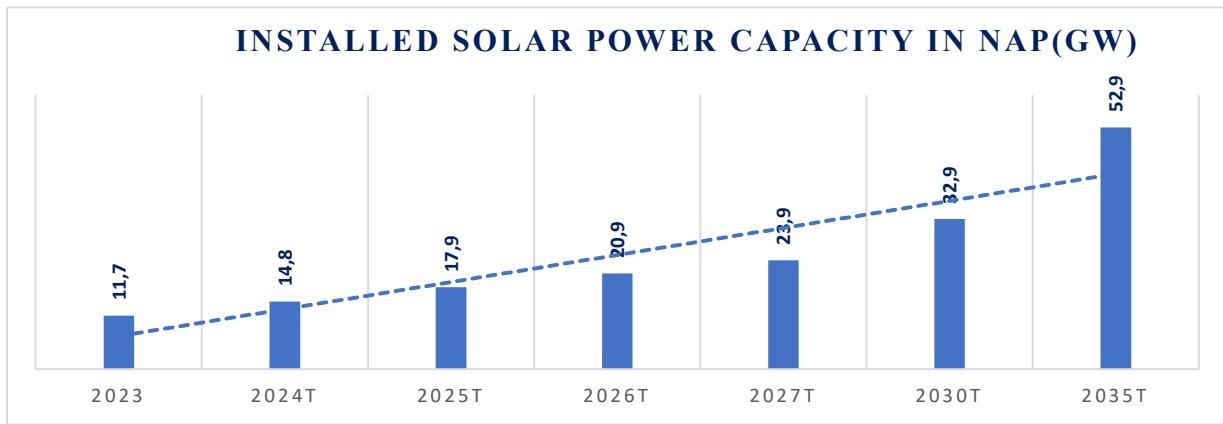


In addition, the number of electricity generation power plants in Turkey increased to 31,590 (including unlicensed power plants) by the end of September 2024. Of the existing power plants, 765 are hydroelectric, 69 coal, 365 wind, 63 geothermal, 341 natural gas, 29,512 solar and 475 other power plants.

(Source: Ministry of Energy and Natural Resources of the Republic of Türkiye)

2035 Projections of the National Energy Plan

The 2022 National Energy Plan published by the Ministry of Energy and Natural Resources in 2023 is a roadmap for Türkiye's transition to clean energy. Following Türkiye's signing of the Paris Agreement in October 2021, committing to Net Zero Emissions by 2053, the National Energy Plan outlines the levels to be reached by 2035 to achieve Türkiye's Net Zero Emissions commitments, taking into account the country's current capabilities in the electricity system and its renewable energy potential.



According to the National Energy Plan, Solar Energy is projected to account for approximately 28% of total installed capacity and approximately 43% of total renewable energy installed capacity by 2035, considering Türkiye's current capabilities in the electricity system and its renewable energy potential.

According to the UEP projections, the increase in installed capacity in solar energy is assumed to be 3 GW/year in the 5-year period between 2025-2030 and 4 GW/year in the period between 2030-2035. (Source: Republic of Türkiye Ministry of Energy and Natural Resources)

Activities in Germany

With the establishment of TTATT AG in 2022, a 100% subsidiary of the Company founded in Germany, the company began to actively operate in the solar energy sector. TTATT AG stands out as a firm specializing in the trade, installation, and services of renewable energy systems, particularly solar energy products. Considering the dynamic structure of Germany's renewable energy market, TTATT AG contributes significantly to the sustainable energy transition by offering high-quality solar panel products and solutions. The company aims to strengthen its presence in Germany's solar energy sector by enhancing its local expertise and international experience.

According to the disclosure made on January 5, 2024, as part of our joint venture with SEAC Holding GmbH in Germany, CWSE Group GmbH and CWSE Management GmbH were established on November 30, 2023. CWSE Group GmbH acquired all the shares of SEAC Projekt GmbH, SEAC Invest 58 GmbH, and the land-based solar energy projects currently under development owned by SEAC Holding GmbH.

CWSE Group GmbH has acquired the rights to approximately 32 MW of operational solar energy plants and approximately 1700 MW of solar energy projects under development through the transfer transactions. All of these projects, which are operational and under development, are located in Germany.

Activities in USA

The establishment of CW Energy USA Inc., a wholly-owned subsidiary of the Company, was completed on 19.10.2024 and started its operations with activities such as the production and sale of photovoltaic solar panels, turnkey solar energy systems installation, design, engineering and maintenance services, supply and sale of solar energy equipment, and electricity generation from solar energy. The growth of the solar panel market in the US and the increasing demand for sustainable energy have been instrumental in taking this important step. CW Energy USA, Inc. aims to serve customers by combining the company's global experience and expertise while seizing opportunities in the local market. The importance of this initiative is further reinforced by the fact that the solar panels produced by the company have successfully passed the quality and qualification tests required for their use in the United States and received UL certification.

(<https://www.kap.org.tr/tr/BildirimPdf/1207833>)

13. INCENTIVES

The main types and amounts of incentives utilized are summarized in the table below;

Incentive Type	31.12.2023	30.09.2024
Employer Incentives According to Law No. 5510	19.014.225	17.288.147
Employer Incentives According to Law No. 6111	5.677.387	2.931.534
Employer Incentives According to Law No. 4857	510.666	806.461
Employer Incentives According to Law No. 3294	266.238	51.983
Employer Incentives According to Law No. 5746	684.361	889.611
Employer Incentives According to Law No. 7103	--	--
Employer Incentives According to Law No. 15510	400.734	502.591
Vocational Training Center Program Incentive	13.463.116	--
TOTAL	40.016.728	22.470.327
Incentive Type	31.12.2023	30.09.2024
Directorate of Technology and Innovation Support Programs Support Program	139.056	--
SSI Incentive	40.016.728	22.470.327
R&D discount	21.105.852	18.178.486
Investment Incentive Certificate Discount	82.467.426	--
TOTAL	143.729.061	40.648.813

14. SUBSIDIARIES

The Company has a total of 7 subsidiaries, 5 in Turkey, 1 in Germany and 1 in the United States of America, and 2 indirect subsidiaries within the scope of consolidation. Information regarding the subsidiaries named CW International Yenilenebilir Enerji Üretim A.Ş., Ereğli Organizasyon İnşaat Hayvancılık Tarım gıda Sanayi ve Ticaret A.Ş., TTATT AG, CW Storage Enerji A.Ş., CW Solar Cell Enerji A.Ş., CW Energy USA, Inc., Mersin Hayvancılık İnşaat Tarım gıda Sanayi ve Ticaret A.Ş. and indirect subsidiaries; CWSE Group GmbH, CWSE Management GmbH are given below.

CW International Yenilenebilir Enerji Üretim A.Ş.

CW International Yenilenebilir Enerji Üretim A.Ş. ("CW International") was established on 26.09.2017 and registered with the Antalya Trade Registry Directorate in Antalya Free Zone, Türkiye. The establishment was announced on 05.10.2017. CW International was established for the purpose of trading solar energy panels and solar energy system products. It currently continues its activities in this field. (CW Enerji Ownership Share 100%; company capital 1 Million TL).

Ereğli Organizasyon İnşaat Hayvancılık Tarım gıda Sanayi ve Ticaret A.Ş.

Although the main activity of Ereğli Organization is animal husbandry, there is no income from its main activity, Ereğli Tarım GES, which it owns, has generated electricity production income by giving the electricity energy it produced from 04.10.2021 to 11.08.2022 to the grid with 1200 kWe installed power in Karataş District of Adana Province. As a result of the change in the Regulation on Unlicensed Electricity Generation in the Electricity Market, there is no production income as of 11.08.2022. Currently, Ereğli SPP generates electricity only for its own consumption. The ownership of the immovable property where Ereğli Organizasyon operates belongs to the Company and a lease agreement has been concluded between the Company and Ereğli Organizasyon (CW Enerji Subsidiary Share 100%; Company capital TL 50 Thousand).

** An application was made to the Capital Markets Board on 17.07.2024 in order to merge Ereğli Organizasyon İnşaat Hayvancılık Tarım gıda Sanayi ve Ticaret A.Ş. under the umbrella of CW Enerji Mühendislik Ticaret ve Sanayi A.Ş. by taking over Ereğli Organizasyon İnşaat Hayvancılık Tarım gıda Sanayi ve Ticaret A.Ş. in the simplified procedure. The application regarding the merger transaction is under evaluation by the Capital Markets Board.

[\(https://www.kap.org.tr/Bildirim/1313453\)](https://www.kap.org.tr/Bildirim/1313453)

TTATT AG

TTATT AG was established on 12.05.2022 in Munich, Germany. The Company owns 100% of TTATT AG's capital. TTATT AG's activities include the production, sale, and online trade of solar panels. Additionally, TTATT AG develops products such as solar modules, wind turbines, and other equipment in the energy sector and software in the energy field. Moreover, TTATT AG is authorized to establish subsidiaries abroad and to hold and manage partnership shares on its own behalf, not as a service to third parties. (CW Enerji Ownership Share 100%; company capital 50 Thousand Euro).

CW Storage Enerji A.Ş.

The company was established in 2023 to carry out R&D (product research, development, and testing) activities related to various electrical, electronic, mechanical, and chemical products related to lithium batteries, thermal batteries, fuel cells, battery laboratory test systems, energy storage systems and transmission systems for energy storage purposes, to trade domestically and internationally all products, systems, materials, mechanical and chemical components, electronic cards, software and system within the scope of R&D activities, and to provide services and maintenance, etc. (CW Enerji Ownership Share 100%; company capital 250 Thousand TL).

CW Solar Cell Enerji A.Ş.

The company, established in 2023 for purposes such as setting up, commissioning, leasing, and producing photovoltaic (PV) solar modules and cell production facilities, has applied for incentives to the Ministry of Industry and Technology of the Republic of Türkiye and received approval on 17.07.2024. The incentive amount is 3,113,328,623 TL. Within the scope of the incentive; customs duty exemption, VAT exemption, interest support, tax reduction, and employer's share of social security premium support are included. The investment will benefit from 5th region supports under Article 17/n of the 2012/3305 Decision on State Aids in Investments. Feasibility studies and financing negotiations for the company's integrated cell production facility investment are ongoing. (CW Energy's Shareholding: 100%; company capital: 500 thousand TL).

(<https://www.kap.org.tr/tr/BildirimPdf/1313454>)

CW Energy USA, Inc.

The company was established in 2023 for the purpose of operating in the photovoltaic energy production sector, including production and sale of photovoltaic solar panels, turnkey installation of solar energy systems, design, engineering and maintenance services, supply and sale of solar energy system equipment, energy production from the sun, etc. (CW Enerji Ownership Share 100%; no initial capital requirement during the establishment stage).

Mersin Hayvancılık İnşaat Tarım Gıda Sanayi ve Ticaret A.Ş.

The shares of Mersin Hayvancılık İnşaat Tarım Gıda Sanayi ve Ticaret A.Ş., which has a solar power plant within its structure, were taken over by the board of directors decision dated 25.09.2024 (CW Enerji Subsidiary Share 100%; Company capital 50 thousand TL).

(<https://www.kap.org.tr/tr/Bildirim/1337890>)

CWSE Group GmbH ve CWSE Management GmbH

Two separate companies, CWSE Group GmbH and CWSE Management GmbH, have been established, of which SEAC Holding GmbH based in Germany will be 50% owned by TTATT AG and thus indirectly by the Company.

15. ABOUT RELATED PARTY TRANSACTIONS

Within the framework of Article 10 titled "Common and Continuous Transactions" of the Capital Markets Board (CMB) Communiqué No. II-17.1 on Corporate Governance, the ratio of transactions with related parties of our Company in 2023 to the revenue and cost of sales disclosed in the publicly available financial statements for the year was approximately 3%.

Detailed information about the transactions our Company conducted with related parties in 2023 is provided in Note 4 of our financial statements for the third quarter of 2024, which have been publicly disclosed.

In the 2023 fiscal year, the ratio of leasing and panel sales transactions with related parties did not exceed the 10% threshold. These transactions were conducted under comparable and/or market conditions. However, it is projected that the ratio of panel sales transactions with our related party based in Germany in 2024 will exceed 10% of revenue and cost of sales. Therefore, it has been concluded that there is no objection to conducting common and continuous transactions under the same conditions with related parties in 2024.

16. OTHER MATTERS

Current Legislation

As of February 2022, solar and wind power plant investments, regardless of their location, have been included in the incentives for at least the 4th region. These projects are granted benefits such as Value Added Tax (VAT) exemptions, customs duty exemptions, a 30% reduction in corporate tax, and six years of employer's social security premium support. In August 2022, the Energy Market Regulatory Authority (EMRA) removed the requirement for self-consumption projects to be within the same distribution region, except for certain exceptions, providing significant flexibility. Additionally, the law numbered 5209, published in the Official Gazette on July 5, 2022, introduced investment incentives for electricity storage facilities. Under this law, entrepreneurs who invest in electricity storage facilities are granted a license to establish solar and/or wind power plants with a capacity matching the storage facility's capacity, without the need for any other preconditions. However, with the amendments to the Electricity Market Licensing Regulation, published in the Official Gazette on October 14, 2023, and enacted with Temporary Article 41, it was stated: *"Until a decision is made by the Board pursuant to the seventh paragraph of Article 12, no applications will be accepted for electricity generation facilities with storage under the scope of the fourteenth paragraph of Article 12 and the twenty-first paragraph of Article 24."* Thus, no applications for electricity generation facilities with storage will be accepted until a new decision is made by the Energy Market Regulatory Board.

Moreover, the Energy Market Regulatory Authority removed the requirement that the auxiliary source capacity of licensed hybrid power plants must be 15% of the installed capacity of the main source.

On February 8, 2024, under decision number 12415, the Board of the Energy Market Regulatory Authority announced the remaining regional capacities at the transmission voltage level and the transformer-based unlicensed production capacities at the distribution level. According to the capacities announced on July 31, 2024, 0.25 MWe remains available for transmission connections and 1,653 MWe for distribution connections. These values are updated monthly on the Türkiye Elektrik İletim A.Ş.'s website and may vary depending on increases or decreases.

The Communiqué on the Amendment of the Communiqué on the Implementation of the Decree on State Aid for Investments (Communiqué No: 2024/1) and the Communiqué with the Same Title (Communiqué No: 2024/2), which was published in the Official Gazette on 24/08/2024 and 25/08/2024 and came into force, states that "solar panels and solar panel carrier construction systems sourced from abroad, as well as solar panels produced without using domestically manufactured solar cells starting from the ingot slicing stage or earlier in the production process" have been excluded from the scope of investment incentives applied by the Ministry of Industry and Technology.

Important Developments After The Reporting Period

Change of Investor Relations Manager

Pursuant to Article 11 of the Capital Markets Board's Communiqué on Corporate Governance numbered II-17.1 ("Communiqué"), the Company's Board of Directors has resolved to appoint Suat Akgül, who holds the licenses stipulated in the Communiqué, as Investor Relations Manager and Corporate Governance Committee Member in addition to his current position as Budget and Reporting Manager, and to appoint Özge Onur as an employee in the Investor Relations Department, effective as of 15.10.2024.

(<https://www.kap.org.tr/tr/Bildirim/1348858>)

Subsidiary Establishment

With the decision taken by the Board of Directors on 16.10.2024, the Company has decided to establish a new company with the title of "SchaltKraft Elektrik Anonim Şirketi", which will be headquartered in Antalya, in order to operate domestically and abroad in the fields of power plant and transformer installations, maintenance and repair services, production and trade of electrical equipment and consultancy services in the energy and electricity sector. The capital of this company was determined as TL 500,000.00 and the company was incorporated as a legal entity with a 100% capital share. The necessary procedures for the establishment of the company have been carried out accordingly.

(<https://www.kap.org.tr/tr/Bildirim/1349322>)

Information to Stakeholders

Shares of CW Enerji Mühendislik Ticaret ve Sanayi Anonim Şirketi are traded on Borsa İstanbul (BIST) under the symbol CWENE on the Star Market.

The company's financial reports and other information can also be obtained from the company's website at <https://cw-enerji.com/tr/>.

The corporate compliance report and sustainability report were disclosed through the public disclosure platform on 06.05.2024.

(<https://www.kap.org.tr/tr/Bildirim/1282225>)

"Corporate Governance Principles" were complied with in the period 01.01.2024 - 30.06.2024 within the scope of the mandatory principles. The Company's policies shared with the public can be accessed from the link below.

(<https://cw-enerji.com/en/investor-relations/company-policies>)

Investor Relations Department Contact Information

All activities related to shareholders are carried out within the Financial, Accounting, and Financial Affairs Deputy General Management of the Company.

The contact information of the Investor Relations Department of the Company is available on the website at <https://cw-enerji.com/tr/>.