

**Aydem Yenilenebilir Enerji
Anonim Şirketi and Its Subsidiaries**

**Interim Consolidated Financial Statements
For the Period Ended 30 June 2025
and Independent Auditor's Review Report**



REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the General Assembly of Aydem Yenilenebilir Enerji Anonim Şirketi

Introduction

We have reviewed the accompanying consolidated interim statement of financial position of Aydem Yenilenebilir Enerji Anonim Şirketi (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as at 30 June 2025 and the related consolidated interim statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and notes, comprising material accounting policy information and other explanatory information. The management of the Group is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with Turkish Accounting Standard 34 (“TAS 34”) “Interim Financial Reporting”. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements (“SRE”) 2410, “Review of interim financial information performed by the independent auditor of the entity”. A review of consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view of the financial position of Aydem Yenilenebilir Enerji Anonim Şirketi as at 30 June 2025, and its financial performance and cash flows for the six-month period then ended in accordance with TAS 34.



Other matter

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another firm of auditors whose report, dated 11 March 2025, expressed an unmodified opinion on those statements.

The consolidated interim financial information of the Group for the six-month period then ended 30 June 2024 was reviewed by another firm of auditors whose report, dated 22 August 2024, expressed an unmodified conclusion on that financial information.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

A handwritten signature in blue ink, appearing to read "Çağlar Sürücü", written in a cursive style.

Çağlar Sürücü, SMMM
Independent Auditor

Istanbul, 19 August 2025

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

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(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

		Reviewed	Audited
	Notes	30 June 2025	31 December 2024
ASSETS			
Current assets:			
Cash and cash equivalents	3	872,220,111	2,035,489,292
Financial investments	27	1,767,439,126	1,900,246,529
Trade receivables		3,241,645,605	3,688,837,190
- Due from related parties	5	591,145,365	3,653,824,014
- Due from third parties	6	2,650,500,240	35,013,176
Other receivables		176,532,020	180,923,613
- Due from related parties	5	129,713,252	128,069,361
- Due from third parties	7	46,818,768	52,854,252
Inventories	8	26,352,802	23,808,137
Prepaid expenses	26	164,924,435	124,928,882
Other current assets	13.1	32,678	182,997
Total current assets		6,249,146,777	7,954,416,640
Non-current assets:			
Other receivables		5,386,149	6,296,501
- Due from third parties	7	5,386,149	6,296,501
Property, plant and equipment	9.1	53,273,285,382	54,316,056,019
Right of use assets	9.2	364,948,647	391,418,379
Intangible assets	10	2,743,693,006	2,781,763,047
Prepaid expenses	26	339,472,223	336,283,517
Other non-current assets	13.2	28,809,909	43,021,864
Total non-current assets		56,755,595,316	57,874,839,327
Total assets		63,004,742,093	65,829,255,967

The accompanying notes form an integral part of these interim consolidated financial statements.

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries**Interim consolidated statement of financial position as at 30 June 2025**

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

		Reviewed	Audited
	Notes	30 June 2025	31 December 2024
LIABILITIES			
Current liabilities:			
Short-term portion of long-term financial liabilities	23.1	6,935,382,665	7,394,580,067
Lease liabilities	23.2	28,102,646	37,604,240
Trade payables		236,988,353	267,709,139
- Due to related parties	5	39,399,129	49,262,618
- Due to third parties	6	197,589,224	218,446,521
Liabilities for employee benefits	12	51,433,543	14,607,647
Other payables		8,575,623	276,214
- Due to related third parties	7	8,336,426	-
- Due to third parties		239,197	276,214
Current provisions		100,123,218	119,829,347
- Provisions for employee benefits	11.1	81,707,740	101,744,148
- Other short-term provisions	11.1	18,415,478	18,085,199
Other current liabilities	13.3	133,510,327	126,439,174
Total current liabilities		7,494,116,375	7,961,045,828
Non-current liabilities:			
Financial liabilities	23.1	17,744,361,439	20,953,234,575
Lease liabilities	23.2	39,356,411	49,361,675
Non-current provisions		179,326,830	103,261,640
- Provisions for employee benefits	11.4	179,326,830	103,261,640
Deferred tax liabilities	22	4,868,376,672	4,834,440,795
Total non-current liabilities		22,831,421,352	25,940,298,685
Total liabilities		30,325,537,727	33,901,344,513

The accompanying notes form an integral part of these interim consolidated financial statements.

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries**Interim consolidated statement of financial position as at 30 June 2025**

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

		Reviewed	Audited
	Notes	30 June 2025	31 December 2024
EQUITY			
Equity attributable to holders of the parent:			
Paid-in capital	14	705,000,000	705,000,000
Adjustment to share capital	14	7,772,490,100	7,772,490,100
Share premiums	14	888,688,995	888,688,995
Treasury shares	14	(197,402,258)	(197,402,258)
Restricted reserves	14	277,628,803	277,628,803
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		82,441,071	117,699,428
- <i>Gains on revaluation of property, plant and equipment</i>		221,274,938	228,753,041
- <i>Actuarial losses on defined benefit plans</i>		(138,833,867)	(111,053,613)
Other comprehensive income that may be reclassified to loss or profit in subsequent periods		(20,041,345,710)	(20,686,915,214)
- <i>Reserve of losses on cash flow hedge</i>		(20,041,345,710)	(20,686,915,214)
Retained earnings		43,058,199,703	56,783,567,994
Net profit/(loss) for the period		133,503,662	(13,732,846,394)
Equity attributable to equity holders of the parent		32,679,204,366	31,927,911,454
Total equity		32,679,204,366	31,927,911,454
Total equity and liabilities		63,004,742,093	65,829,255,967

The accompanying notes form an integral part of these interim consolidated financial statements.

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

Interim consolidated statement of profit or loss and other comprehensive income for the six-months period ended 30 June 2025

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

		Reviewed 1 January – 30 June 2025	Unaudited 1 April – 30 June 2025	Reviewed 1 January – 30 June 2024	Unaudited 1 April – 30 June 2024
	Notes				
LOSS OR PROFIT STATEMENT					
Revenue	15	5,844,429,432	2,146,030,992	4,723,760,453	2,219,991,613
Cost of sales	16	(4,282,410,276)	(1,206,433,303)	(3,005,068,531)	(1,494,826,378)
Gross profit		1,562,019,156	939,597,689	1,718,691,922	725,165,235
General administrative expenses	17	(416,331,196)	(197,724,111)	(310,779,955)	(123,747,041)
Other operating income	19	213,562,820	10,851,598	591,464,422	194,446,893
Other operating expenses	19	(20,174,316)	(11,397,175)	(2,465,308)	(1,554,307)
Operating profit		1,339,076,464	741,328,001	1,996,911,081	794,310,780
Income from investing activities	21	110,194,243	57,026,421	7,657,471	4,348,563
Expense from investing activities	21	-	-	(451,715,517)	(451,254,949)
Profit before finance income/(expense)		1,449,270,707	798,354,422	1,552,853,035	347,404,394
Finance income	20	268,383,810	119,072,758	575,994,542	213,980,406
Finance expenses	20	(4,884,252,083)	(2,333,218,421)	(4,743,572,046)	(1,571,340,581)
Gains/(losses) on net monetary position	28	3,128,107,355	1,180,295,141	5,469,068,196	1,913,961,347
Gain/(loss) before tax		(38,490,211)	(235,496,100)	2,854,343,727	904,005,566
Tax income/(expense)		171,993,873	198,147,969	1,130,888,204	2,132,269,970
- Deferred tax income/(expenses)	22	171,993,873	198,147,969	1,130,888,204	2,132,269,970
Net profit/(loss) for the period		133,503,662	(37,348,131)	3,985,231,931	3,036,275,536
Gain attributable to					
Equity holders of the parent		133,503,662	(37,348,131)	3,985,231,931	3,036,275,536
Gain/(loss) earnings per share					
- Gain/(loss) earnings per share	25	0.19	(0.05)	5.70	4.34
OTHER COMPREHENSIVE INCOME/(LOSS) STATEMENT					
Other comprehensive income/(loss) that will not be reclassified to profit or loss		(27,780,254)	(25,108,873)	(36,187,274)	(16,886,990)
- Actuarial losses on defined benefit plans	11.4	(37,040,339)	(33,478,497)	(48,249,699)	(22,515,987)
- Total tax on remeasurement losses on defined benefit plans		9,260,085	8,369,624	12,062,425	5,628,997
Other comprehensive income/(loss) that will be reclassified to profit or loss		645,569,504	407,321,089	(125,145,228)	234,382,652
- Reserve of gains or losses on cash flow hedge	23.1	860,759,339	543,094,786	(166,860,304)	312,510,203
- Tax related to other comprehensive income that will be reclassified to profit or loss		(215,189,835)	(135,773,697)	41,715,076	(78,127,551)
Other comprehensive income/(loss)		617,789,250	382,212,216	(161,332,502)	217,495,662
Total comprehensive income/(loss)		751,292,912	344,864,085	3,823,899,429	3,253,771,198

The accompanying notes form an integral part of these interim consolidated financial statements.

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

Interim consolidated statement changes in equity for the six-months period ended 30 June 2025

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

						Other comprehensive income that will not be reclassified to (loss) or profit	Other comprehensive income that will be reclassified to (loss) or profit				
	Paid-in capital	Adjustment to share capital	Share premiums	Treasury shares	Restricted reserves	Gains on revaluation of property, plant and equipment	Actuarial (loss)/gain on defined benefit plans	Reserve of (losses)/gains on cash flow hedge	Retained earnings	Net profit/ (loss) for the period	Total equity
Balance as of 1 January 2024	705,000,000	7,772,490,100	888,688,994	(201,289,664)	232,319,387	2,359,552,108	(98,458,918)	(20,585,815,610)	59,296,252,497	(2,156,359,918)	48,212,378,976
Transfers	-	-	-	-	-	-	-	-	(2,156,359,918)	2,156,359,918	-
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	-	3,985,231,931	3,985,231,931
Other comprehensive income/(loss)	-	-	-	-	-	-	(36,187,274)	(125,145,228)	-	-	(161,332,502)
Total comprehensive income/(loss)	-	-	-	-	-	-	(36,187,274)	(125,145,228)	-	3,985,231,931	3,823,899,429
Depreciation transfers related to revaluation of property, plant and equipment	-	-	-	-	-	(68,948,563)	-	-	68,948,563	-	-
Balance as of 30 June 2024	705,000,000	7,772,490,100	888,688,994	(201,289,664)	232,319,387	2,290,603,545	(134,646,192)	(20,710,960,838)	57,208,841,142	3,985,231,931	52,036,278,405
Balance as of 1 January 2025	705,000,000	7,772,490,100	888,688,995	(197,402,258)	277,628,803	228,753,041	(111,053,613)	(20,686,915,214)	56,783,567,994	(13,732,846,394)	31,927,911,454
Transfers	-	-	-	-	-	-	-	-	(13,732,846,394)	13,732,846,394	-
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	-	133,503,662	133,503,662
Other comprehensive income/(loss)	-	-	-	-	-	-	(27,780,254)	645,569,504	-	-	617,789,250
Total comprehensive income/(loss)	-	-	-	-	-	-	(27,780,254)	645,569,504	-	133,503,662	751,292,912
Depreciation transfers related to revaluation of property, plant and equipment	-	-	-	-	-	(7,478,103)	-	-	7,478,103	-	-
Balance as of 30 June 2025	705,000,000	7,772,490,100	888,688,995	(197,402,258)	277,628,803	221,274,938	(138,833,867)	(20,041,345,710)	43,058,199,703	133,503,662	32,679,204,366

The accompanying notes form an integral part of these interim consolidated financial statements.

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

Interim consolidated statement of cash flows for the six-months period ended 30 June 2025

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

		Reviewed 1 January- 30 June 2025	Reviewed 1 January- 30 June 2024
	Notes		
A, CASH FLOWS FROM OPERATING ACTIVITIES		2,967,602,584	3,627,908,937
Net profit for the period		133,503,662	3,985,231,931
Net profit for the period adjustment to reconcile		2,021,309,424	(1,102,057,091)
Adjustment related to amortization and depreciation	9, 10	1,240,317,559	1,768,452,332
Adjustment related to other provisions	6	(29,538)	(31,933)
Adjustment related to provisions for employee benefits	11	60,602,186	24,097,581
Adjustment related to provisions for litigations		3,089,839	(3,817,650)
Adjustment related to income of interest	20, 21	(78,333,288)	(292,778,492)
Adjustment related to expense of interest	23	979,396,451	1,327,283,760
Adjustment related to tax income / expense	22	(171,993,873)	(1,130,888,204)
Adjustment related to unrealized foreign exchange loss	23.1	3,878,977,711	3,396,668,453
Adjustment related to losses arising from disposal of fixed assets		-	451,115,038
Adjustment to related party to interest income / expense from related parties	20	(98,626,266)	(39,937,619)
Adjustments related to fair value gain		(10,598,167)	-
Other Adjustments related to (profit)/loss reconciliation		-	248,178
Monetary (gains)/losses on net monetary position		(3,781,493,190)	(6,602,468,535)
Changes in working capital		877,977,930	787,072,518
Increase/decrease in financial investments		275,089,636	(94,833,528)
Increase/decrease in trade receivables from third parties		(2,615,457,526)	(60,340,022)
Increase/decrease in trade receivables from related parties		3,161,304,915	276,338,192
Increase/decrease in other receivables		(23,520,040)	903,867,269
Increase/decrease in inventories		(2,544,665)	527,418
Increase/decrease in trade payables to third parties		(20,857,297)	(274,882,558)
Increase/decrease in trade payables to related parties		(9,863,489)	(2,138,178)
Increase/decrease in other liabilities		15,370,562	32,141,663
Increase/decrease in liabilities for employee benefits		98,455,834	6,392,262
Payments related to provisions for employee benefits		(65,188,432)	(42,338,421)
B, CASH FLOWS FROM INVESTING ACTIVITIES		(329,289,317)	(241,354,190)
Interest received		78,333,288	306,236,366
Inflow related to sales of tangible assets	9, 21	1,246,450	135,747,937
Outflow related to purchase of tangible and intangible assets		(123,438,944)	(349,584,757)
Cash inflows arising from disposal of shares or debt instruments of other businesses or funds		7,273,423,416	233,907,418
Cash outflows arising from acquisition of shares or debt instruments of other businesses or funds		(7,558,853,527)	(567,661,154)
C, CASH FLOWS FROM FINANCING ACTIVITIES		(3,667,718,476)	(1,224,089,307)
Cash outflow for borrowings	23.1	(2,618,487,455)	-
Cash outflow related to lease liabilities	23.2	(34,567,132)	(28,463,821)
Interest paid	23.1	(1,014,663,889)	(1,195,625,486)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(1,029,405,209)	2,162,465,440
D, EFFECT OF NET MONETARY POSITION DIFFERENCES GAINS (LOSSES) ON CASH AND CASH EQUIVALENTS		(133,863,972)	(597,851,703)
E, CASH AND CASH EQUIVALENTS BEGINNING OF PERIOD		2,035,489,292	2,347,127,406
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)		872,220,111	3,911,741,143

The accompanying notes form an integral part of these interim consolidated financial statements.

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

Notes to the interim consolidated financial statements for the six-month period ended 30 June 2025

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

1 Organization and nature of operations of the Group

Aydem Yenilenebilir Enerji Anonim Şirketi ("Aydem Yenilenebilir" or "the Company") was established on 6 July 1995 as Bereket Enerji Üretim Otoprodüktör Grubu Sanayi ve Ticaret Anonim Şirketi. The Company first changed its corporate name to Bereket Enerji Üretim Anonim Şirketi on 21 May 2004 and then on 27 December 2019, the Company changed again its corporate name to Aydem Yenilenebilir Enerji Anonim Şirketi. In 2019, the Company has been restructured in a way that it operates solely in renewable energy generation business. In relation to the restructuring process, Aydem Yenilenebilir has merged with all of its subsidiaries which are operating in renewable energy generation business and disposed the non-relevant operations and subsidiaries and became a pure renewable energy generation Company, the shares of the Company has started to be traded on Borsa İstanbul as of 29 April 2021.

In these consolidated financial statements, Aydem Yenilenebilir, its subsidiaries and its associate are referred to together as "the Group".

Aydem Yenilenebilir generates electricity from local renewable sources. The Group installed its first hydroelectric power plant ("HPP") on the Bereket Çayı stream and continues to generate electricity with hydro, wind ("WPP"), solar power plant ("SPP") and geothermal ("GPP") in different regions of the country.

The address of the registered office of the Company is as follows:

Adalet Mah, Hasan Gönüllü Bulvarı No:15/1 Merkezefendi, Denizli,

As of 30 June 2025, and 31 December 2024, the Group's subsidiaries ("subsidiaries") and their main business activities are as follows:

Subsidiaries	Location	Main Activities	Ownership Percentage	
			30 June 2025	31 December 2024
Ey-Tur Enerji Elektrik Üretim ve Ticaret Ltd, Şti, ("Ey-tur") /HPP	Kağızman/Kars	Electricity generation by hydropower	100%	100%
Başat Elektrik Üretim ve Ticaret Ltd, Şti, ("Başat") / HPP	Üzümlü/Erzincan	Electricity generation by hydropower	100%	100%
Sarı Perakende Enerji Satış ve Ticaret A.Ş, ("Sarı Perakende")	İzmir	Trading of electricity	100%	100%
Akköprü Yenilenebilir Enerji A.Ş, ("Akköprü HPP")	Muğla	Electricity generation by hydropower	100%	100%

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

Notes to the interim consolidated financial statements for the six-month period ended 30 June 2025

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

1

Organization and nature of operations of the Group (*continued*)

As of 30 June 2025, and 31 December 2024, the number of employees of the Company and its subsidiaries and its associate are as shown in the table below:

The Company and its subsidiaries	30 June 2025	31 December 2024
Aydem Yenilenebilir	550	553
Sarı Perakende	-	-
Ey-Tur	-	-
Başat	-	-
Akköprü	-	-
Total	550	553

Laws and regulations affecting the business activities

The Group is subject to the regulation and board decisions communiques issued by the Energy Market Regulatory Authority (EMRA) and obliged to carry out electricity generation and sales activities in accordance with the Electricity Market Law No. 6446 dated 14 March 2013 which entered into force with the Official Gazette No.28603 dated 30 March 2013.

List of shareholders

As of 30 June 2025, and 31 December 2024, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

Shareholders	30 June 2025		31 December 2024	
	TL	%	TL	%
Aydem Enerji Yatırımları A.Ş.*	574,975,680	81.56	574,975,680	81.56
Publicly traded	130,000,000	18.44	130,000,000	18.44
Others	24,320	0.00	24,320	0.00
Total paid in capital	705,000,000	100	705,000,000	100
Adjustment to share capital **	7,772,490,100		7,772,490,100	
Total capital	8,477,490,100		8,477,490,100	

* Aydem Enerji Yatırımları A.Ş. is controlled by Aydem Holding A.Ş.

** Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital restated for the effects of inflation. Adjustment to share capital is not available for any other use except to be added to share capital.

As of 29 April 2021, the Company started to be traded on Borsa Istanbul - Star Market.

Approval of consolidated financial statements:

Consolidated financial statements prepared as of 30 June 2025 were approved for publication by the Board of Directors on 19 August 2025. The General Assembly have the right to amend the consolidated financial statements.

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

Notes to the interim consolidated financial statements for the six-month period ended 30 June 2025

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

2 Basis of presentation of consolidated financial statements

2.1 Basic principles of presentation

The accompanying consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, no: 14.1 "Basis of Financial Reporting in Capital Markets", which was published in the Official Gazette No: 28676 on 13 June 2013. The accompanying consolidated financial statements have been prepared in accordance with Turkish Financial Reporting Standards ("TFRS") and interpretations regarding these standards that have been put into effect by Public Oversight Accounting and Auditing Standards Authority of Türkiye ("POA") under Article 5 of the Communiqué. TFRS is updated through communiqués to be in line with the changes in International Financial Reporting Standards ("IFRS").

The interim consolidated financial statements have been prepared in accordance with the formats stated in "Announcement regarding to TAS Taxonomy" which was published on 4 July 2024 by POA. Group's interim consolidated financial statements for the period ended 30 June 2025 have been prepared in accordance with the TAS 34 Interim Financial Reporting ("TAS 34"). Interim financial information does not include all the information and disclosures required to be included in the annual financial statements. In addition, significant accounting policies and significant accounting estimates and assumptions used in the preparation of the interim consolidated financial statement for the six months period ended 30 June 2025 are consistent with consolidated financial statements as at 31 December 2024. Therefore, the interim consolidated financial statements should be read and evaluated together with the annual financial statements prepared by the Group as of 31 December 2024.

Financial reporting in hyperinflationary economy

In accordance with the announcement made by the Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, and the decision of the Capital Markets Board (CMB) dated December 28, 2023 and numbered 81/1820, inflation accounting has been implemented as of December 31, 2023, in line with Turkish Accounting Standard 29 (TAS 29) – Financial Reporting in Hyperinflationary Economies.

TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of December 31, 2024 and June 30, 2024 on the purchasing power basis as of June 30, 2025.

Pursuant to the decision of the Capital Markets Board (CMB) dated December 28, 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of IAS 29 starting from their annual financial reports for the periods ending on December 31, 2023.

The adjustments made in accordance with IAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Türkiye published by the Turkish Statistical Institute (TÜİK). As of June 30, 2025, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

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2 Basis of presentation of consolidated financial statements (*continued*)

2.1 Basic principles of presentation (*continued*)

Financial reporting in hyperinflationary economy (continued)

Year-end	Index	Adjustment coefficient	Three-year cumulative inflation rates
30 June 2025	3,132.17	1.00000	220%
31 December 2024	2,684.55	1.16674	291%
30 June 2024	2,319.29	1.35049	324%

Assets and liabilities were separated into those that were monetary and non-monetary, with non-monetary items were further divided into those measured on either a current or historical basis to perform the required restatement of financial statements under TAS 29. Monetary items (other than index-linked monetary items) and non-monetary items carried at amounts current at the end of the reporting period were not restated because they are already expressed in terms of measuring unit as of 30 June 2025. Nonmonetary items which are not expressed in terms of measuring unit as of 30 June 2025 were restated by applying the conversion factors. The restated amount of a non-monetary item was reduced, in accordance with appropriate TFRSs, in cases where it exceeds its recoverable amount or net realizable value. Components of shareholders' equity in the statement of financial position and all items in the statement of profit or loss and other comprehensive income have also been restated by applying the conversion factors.

Non-monetary items measured at historical cost that were acquired or assumed and components of shareholders' equity that were contributed or arose before the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e. before 1 January 2005, were restated by applying the change in the CPI from 1 January 2005 to 30 June 2025.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.1 Basic principles of presentation (*continued*)

Financial reporting in hyperinflationary economy (continued)

The application of TAS 29 results in an adjustment for the loss of purchasing power of the Turkish lira presented in Net Monetary Position Gains (Losses) item in the profit or loss section of the statement of profit or loss and comprehensive income. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power and an entity with an excess of monetary liabilities over monetary assets gains purchasing power to the extent the assets and liabilities are not linked to a price level. This gain or loss on the net monetary position is derived as the difference resulting from the restatement of non-monetary items, owners' equity and items in the statement of profit or loss and other comprehensive income and the adjustment of index linked assets and liabilities.

In addition, in the first reporting period in which TAS 29 is applied, the requirements of the Standard are applied as if the economy had always been hyperinflationary. Therefore, the statement of financial position at the beginning of the earliest comparative period, i.e. as of 1 January 2022, was restated as the base of all subsequent reporting. Restated retained earnings/losses in the statement of financial position as of 1 January 2022 was derived as balancing figure in the restated statement of financial position.

As with the statement of profit or loss, all items in the statement of other comprehensive income are presented in the measurement unit current at the balance sheet date. Therefore, all amounts are restated by applying changes in the general price index from the dates when the related income and expense items were initially recognized in the financial statements. The effects of inflation accounting on cash flow hedge gains/(losses) are transferred to retained earnings at the earlier of when the inflation accounting practice is discontinued or when the hedge accounting ceases. Similarly, all items in the statement of cash flows are expressed in the current measurement unit as of the balance sheet date.

2.2 Functional and presentation currency

The Group has presented its consolidated financial statements in TL, which is the functional currency of the Company and its subsidiaries as well as its associate.

The preparation of the Group's interim consolidated financial statements, transactions in foreign currencies (currencies other than TL) are recorded based on the exchange rates on the transaction date. Monetary assets and liabilities indexed to foreign currency in the consolidated statement of financial position are translated into TL using the exchange rates valid on the date of the statement of financial position. Non-monetary items recorded in foreign currency that are monitored at fair value are translated into TL using the exchange rates on the date the fair value is determined. Non-monetary items in foreign currency measured in terms of historical cost are not subject to re-translation. Income or expense arising from the adjustments or translations of items in foreign currency are included in the statement of profit or loss and other comprehensive income.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.3 Basis of consolidation

Consolidated financial statements include the financial statements of the company and its subsidiaries as of 30 June 2025. Subsidiaries are companies over which the Group has direct or indirect control over their operations. Control is provided if the Group meets the following conditions:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

If a situation or event occurs that could cause a change in at least one of the criteria listed above, the Group re-evaluates whether it has control over its investment.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- Events and conditions that may indicate whether the Group has the power to decide on management of operations (including voting at previous general assembly meetings).

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.3 Basis of Consolidation (*continued*)

i) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquire. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of TFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with TFRS 9. Other contingent consideration that is not within the scope of TFRS 9 is measured at fair value at each reporting.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.3 Basis of consolidation (*continued*)

iii) *Associates*

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Associates are accounted for equity method in the consolidated financial statements. Under equity method, investment in an associate is initially recognised at cost. After initial recognition, Group's share of the profit or loss of the investee, is recorded to the financial statements by increasing or decreasing the net book value. Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate or joint venture.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss within operating profit when the associate's main course of business is renewable energy generation and represents profit or loss after tax.

The financial statements of the associate are prepared for the same reporting period as the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within "Share of profit of an associate" in the statement of profit or loss.

iv) *Non-controlling interests*

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either:

- at fair value; or
- at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.3 Basis of consolidation (*continued*)

v) *Partial share purchase and sale transactions with non-controlling interests*

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Accordingly, in the case of additional share purchases from and sales to non-controlling interests, the difference between the acquisition cost and the carrying amount of the net assets of the subsidiary in proportion to the acquired interest is recognized in equity. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

vi) *Acquisition of companies under common control*

For the accounting of business combinations under common control, assets and liabilities subject to business combination are included in the consolidated financial statements with carrying values of historical TFRS financial statements, which were prepared for the purpose of consolidation of the ultimate parents' consolidated financial statements. The financial statements of the acquired entities have been consolidated from the beginning of the financial year in which the business combination occurs. Prior period financial statements have been restated in the same manner for comparability purposes. As a result of these transactions, no goodwill or negative goodwill has been calculated. Any difference between the consideration paid and the share capital of the acquired entity are accounted under equity as "Share Premiums".

vii) *Eliminations*

During the preparation of the consolidated financial statements, unrealized gains and losses arising from intra-group transactions between entities included in the consolidated financial statements, intra-group balances and intra-group transactions are eliminated. Gains and losses arising from the transactions between the associate and the parent company and the consolidated subsidiaries of the parent company and jointly controlled entities are offset against the parent company's interest in the associate. Unrealized losses are eliminated in the same manner as unrealized gains, unless there is evidence of impairment.

viii) *Loss of control*

Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.4 Going concern

The Group has prepared consolidated financial statements on a going concern basis and does not expect any significant risks to this assumption.

The Group's EBITDA for the periods ended 30 June 2025 and 2024 amounts to TL 2,579,394,023 and TL 3,765,363,413 respectively (Note 4.3). The Group's net profit for the same periods are TL 133,503,662 and TL 3,985,231,931 respectively. As of 30 June 2025, the Group's short-term liabilities exceed its current assets by TL 1,244,969,598 (31 December 2024: TL 6,629,188), primarily due to the short-term maturities of the long-term loan, amounting to TL 3,590,738,124 due August 2025 and TL 3,344,644,541 due February 2026 (Note 23.1).

The Group is expecting to cover a large portion of bond liabilities with cash generated from operations. The Group is in the process of preparing to refinance its outstanding Eurobond debt in this year in order to provide longer term funding. The Group also plans to support growth investments with refinancing.

The fact that a portion of the Group's electricity sales are guaranteed prices in USD under the Feed in Tariff Mechanism ("YEKDEM") positively impacts gross profitability. Moreover, the exchange rate losses arising from the foreign currency loans of companies operating under the feed-in tariff ("FIT") are largely offset by their foreign currency-indexed revenues.

As of 14 August 2025, the Ministry of Energy and Natural Resources (MENR) officially approved the total of 18 MW portion of the Group's 36 MW capacity increase project for the Uşak region Wind Power Plant (WPP). Accordingly, as of that date, the Group's total installed capacity has increased from 1,186 MW to 1,198 MW. Approval for the remaining 18 MW is expected by the end of the year. These capacity enhancements are anticipated to have a favourable impact on the Group's cash flows.

2.5 Comparative information and restatement of prior period financial statements

The accompanying consolidated financial statements are prepared comparatively to present the tendency in the financial position, financial performance and cash flows of the Group. If necessary, in order to meet the consistency with the presentation of the financial statements in the current period, comparative information is reclassified and material differences are explained in related notes.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.6 The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of 30 June 2025 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2025 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) Standards, amendments, and interpretations applicable as of 30 June 2025:

Amendments to IAS 21 - Lack of Exchangeability; effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The amendments did not have a significant impact on the financial position or performance of the Group.

ii) Standards, amendments, and interpretations that are issued but not effective as of 30 June 2025:

Amendment to TFRS 9 and TFRS 7 - Classification and Measurement of Financial Instruments; effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

Annual improvements to TFRS – Volume 11; effective from annual periods beginning on or after 1 January 2026 (earlier application permitted), Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- TFRS 1 First-time Adoption of International Financial Reporting Standards;
- TFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing TFRS 7;
- TFRS 9 Financial Instruments;
- TFRS 10 Consolidated Financial Statements; and
- TAS 7 Statement of Cash Flows.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.6 The new standards, amendments and interpretations (*continued*)

Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity; effective from annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required. These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 18 Presentation and Disclosure in Financial Statements; effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 19 Subsidiaries without Public Accountability: Disclosures; effective from annual periods beginning on or after 1 January 2027. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.7 Summary of significant accounting policies

Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements,

- a) A person or a close member of that person's family is related to a reporting entity if that person:
- i. has control or joint control over the reporting entity,
 - ii. has significant influence over the reporting entity,
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions applies:
- i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii. Both entities are joint ventures of the same third party.
 - iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - vi. The entity is controlled or jointly controlled by a person identified in (a).
 - vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.7 Summary of significant accounting policies (*continued*)

Property, plant and equipment

Accounting and measurement

The Group, has adopted the revaluation method in accordance with TAS 16 for its entire power plants, Power plants are measured at fair value less accumulated depreciation and impairment losses recognised after the date of revaluation. Other tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Construction in progress is also stated at cost, net of accumulated impairment losses, if any. An investment in a power plant is classified as construction in progress during the physical construction process; when completed, it is transferred to the power plant class (Note 9.1) and recognized at fair value.

The frequency of revaluations depends on the changes in the fair values of property, plant and equipment subject to revaluation. The Group revalued the property, plant and equipment consisting of the power plant as of 31 December 2024 and performed a detailed impairment analysis as of 30 June 2025. The Renewable Energy Group consist of power plants below:

Çırakdamı HPP, Dereli HPP, Bereket I-II HPP, Dalaman I-V HPP, Gökyar HPP, Feslek HPP, Koyulhisar HPP, Mentaş HPP, Toros HPP, Gökteş I-II HPP, Aksu HPP, Akıncı HPP, Uşak WPP, Yalova WPP, Söke WPP and Uşak SPP.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation is calculated using the straight-line method over property, plant and equipment. Land is not depreciated on the basis that it has an indefinite life. Purchase costs are accounted by separating the land and building components in the purchases of buildings, including land.

The estimated useful lives of the significant property, plant and equipment as of 30 June 2025 are as follows:

	<u>Years</u>
Power plants	20-49

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.7 Summary of significant accounting policies (*continued*)

Property, plant and equipment (*continued*)

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate. Repair and maintenance costs are recognised in profit or loss as incurred.

A class of power plant is a grouping of assets of a similar nature and used in an entity's operations and contains land, buildings, machinery and equipment, furniture and fixtures.

Expenses for the repair of property, plant and equipment are normally charged as expense. They are, however, capitalized if they result in an enlargement or substantial improvement of the respective assets.

Intangible assets

Accounting and measurement

Intangible assets acquired by the Group with a finite useful life are measured at acquisition cost less accumulated amortization and any permanent impairment losses.

Right to operate licences

The Adıgüzel HPP and Kemer HPP operating licences which has been obtained through Transfer of Operating Rights Agreement ("Agreement") with the Privatization Administration and the Electricity Generation Corporation ("EÜAŞ") are accounted as intangible assets.

Computer software

Computer software are recognized at acquisition cost and amortized on a straight-line basis over their estimated useful lives of 3-15 years. Where an indication of impairment exists, the carrying amount of any intangible assets is assessed and written down immediately to its recoverable amount.

Subsequent costs

Subsequent costs are capitalized only if they have an impact that increases the future economic benefits of the intangible assets to which they relate. All other expenditures are recognized in profit or loss when incurred.

Amortization

Intangible assets are recognized in profit or loss on a straight-line basis over their estimated useful lives starting from the date they are ready for use. The estimated useful lives for the current and comparative periods are valid until the end of the license terms.

Amortization methods, useful lives and residual values are reviewed at each reporting date and, where appropriate, adjusted.

The estimated useful lives in the current periods are as follows:

	<u>Years</u>
Right to operate licences	12-49
Computer software	3-15

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2 Basis of presentation of consolidated financial statements (*continued*)

2.7 Summary of significant accounting policies (*continued*)

Financial liabilities

Non-derivative financial liabilities of the Group comprised of “borrowings”, “trade payables” and “other payables” in the statement of financial position.

i. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

ii. Borrowing costs

If financing costs arising from the loans are associated with acquisition or construction of qualifying assets, they are included in cost value of qualifying assets. Qualifying assets refer to assets which require a long time to be available for use or sales as intended. Other borrowing costs are accounted in statement of profit or loss in the period they occur.

iii. Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Financial assets

i. Financial investment

The Group’s financial assets at fair value through profit or loss include short-term bonds and mutual funds held for sale. These financial investments are initially recognized at acquisition cost, which reflects their fair value at the transaction date. In subsequent periods, they are measured at fair value. Gains and losses arising from the valuation of these assets are recognized in the consolidated statement of profit or loss.

ii. Cash and cash equivalents

Cash and cash equivalents include cash on hand, time deposits held in banks with maturities of three months or less, and demand deposits. The Company reviews these cash and cash equivalents for impairment using the expected credit loss model.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.8 Cash flow hedge transactions

For a hedge of foreign currency risk, the foreign currency component of a non-derivative financial asset or liability may be designated, as a hedging instrument. The foreign currency risk component of a non-derivative financial instrument is determined in accordance with TAS 21.

Accordingly, starting from 20 March 2021, the Company hedges the spot risk of highly probable forecast sales that are denominated in USD with its financial liability in the same foreign currency.

While the Company's functional currency is TL, the Company is exposed to exchange rate risks due to its finances and operations. The Company has outstanding USD debt due to its power plant investments. The Company also generates significant sales revenue in USD.

The source of USD denominated revenue is sales of electricity generated via renewable power plants. Such production is incentivized in Türkiye through a feed-in tariff mechanism (Council of Ministers Decree No. 2013/5625). The kWh sale price of generated electricity is guaranteed in USD prices, whereas the amount of future renewable generation remains uncertain and depends on climate conditions and/or operational risks. The feed-in tariff ("FIT") revenues are calculated on a daily basis and are aggregated at monthly intervals. This enables the Company to classify expected future revenues as a monthly stream of forecasted USD cash inflows for risk management purposes.

The Company's foreign currency risk management objective is to rely on natural currency hedges due to operations. It achieves this feat by aligning its forecasted USD inflows and its USD bond payments. Moreover, the forecasted USD inflows vs scheduled USD bond repayments constitute a hedged portfolio that allows a Cash Flow Hedge Accounting relationship to reduce the Company's income statement volatility. In particular, the Company associates its forecasted future USD cash inflows due to renewable-generated electricity sales, with its outstanding USD bonds. The Company is implementing Hedge Accounting under TFRS 9 to reflect its economic hedges onto financial reporting:

Hedge Accounting Component	Definition
Hedged Item	Forecasted future USD cash inflows due to FIT incentive
Hedging Instrument	USD denominated financial borrowings
Hedged Risk	Foreign exchange risk of forecasted future USD cash inflows due to FIT incentive

As of 30 June 2025, the amount of forecasted revenue under FIT and bilateral agreements are USD 148,139,224 whereas the total notional of the outstanding USD denominated bonds is USD 606,696,300. The Group designates USD 506,696,300 of this amount as part of its rebalanced hedge accounting relationship, per TFRS 9.6.2.4 (c). Due to under-hedged nature of the hedged-item, the Company achieves 1:1 hedge ratio with the hedging instrument at all times by way of re-balancing, in line with TFRS 9.6.4.1.c.iii. As a result of the sensitivity analysis performed on the forecasted revenue figures, the Group concluded that the 10% increase/decrease in the forecasts do not have a significant effect on the evaluation of the hedge effectiveness tests.

The maturity breakdown of the designated layer of the hedging instrument notional as of 30 June 2025 is provided below;

Payment Date	Principal Payment Amount
August 2025	56,299,589
February 2026	56,299,589
August 2026	56,299,589
February 2027	337,797,533
Total	506,696,300

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2 Basis of presentation of consolidated financial statements (*continued*)

2.8 Cash flow hedge transactions (*continued*)

The accounting treatment applied with respect to the cash flow hedge is as follows:

- The portion of the foreign exchange gain or loss of the hedging instrument (USD denominated bonds) that is determined to be an effective hedge is recognised in other comprehensive income ("OCI"), until the accompanying hedged item (forecasted USD cash inflows) occurs.
- Any ineffective portion of the hedge is recognized each reporting period in consolidated statement of profit or loss as "Finance Expenses / Foreign Exchange losses".
- The hedged item, revenue, is recognised in accordance with TFRS 15 and the settlement of the hedging instrument is realised through the repayments of the bond.
- Gains and losses deferred in OCI, remain in OCI until the cash flows associated with the hedged item occur. At the time when a forecast sale occurs, the respective amount of foreign exchange gain/loss is reclassified from OCI to profit or loss (within financial expense / "Finance Expenses – Foreign Exchange losses transferred from equity (cash flow hedge)") as a reclassification adjustment in the same periods during which the hedged expected forecasted sales affect profit or loss.
- If the cash flows are not expected to occur, then the corresponding 'previously effective' foreign exchange gain/loss in OCI are recycled immediately to consolidated statement of profit or loss as "Finance Expenses / Foreign Exchange losses transferred from equity (cash flow hedge)".

As of 30 June 2025, the hedge relationship has been measured as effective.

2.9 Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements:

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Note 6 – Trade receivables

Note 9 – Property, plant and equipment

Note 11 – Provisions

Note 2.8 – Cash flow hedge transactions

Note 22 – Taxation on income

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. The assumptions underlying estimates and estimates are constantly monitored. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

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2 Basis of presentation of consolidated financial statements (*continued*)

2.9 Significant accounting judgments, estimates and assumptions (*continued*)

The Group has chosen revaluation method instead of historical cost model as an accounting policy among application methods mentioned under TAS 16 for its power plants. An independent valuation firm has been authorized for revaluation because using of long-term price expectation, electricity generation expectation and discount rate which are sensitive to sectoral and economic variables and also complexity of inputs and calculations. As of 31 December 2024, the fair value which is determined with valuation study by an independent valuation company which has CMB license is used for power plants. In the aforementioned valuation and impairment studies, "income reduction method - discounted cash flow analysis " was applied.

Since long term electricity prices and generations are the most important inputs of "Income Approach - discounted cash flow analysis". Long term electricity prices and generation estimations are considered long term electricity demand, entrance of new plants, renewable total capacity and evolution of capacity factor.

Generation forecasts have been prepared using historical generation data and feasibility reports. In valuation models prepared in USD terms, discount rate has been determined as 10.7%, 10.3%, 10.0% HPP, WPP, SPP respectively. In real terms, considering the prevailing macroeconomic market conditions. An increase in the discount rate negatively affects the fair value of the power plants. The portion of the relevant valuation results related to the decrease in value that is associated with "Gains/(losses) on revaluation of property, plant and equipment" has been recognized in the consolidated statement of other comprehensive income statement, while the remaining amount has been accounted for in the consolidated statement of profit or loss statement. The valuation report is prepared by an independent valuation firm holding the relevant Capital Markets Board (CMB) license and possessing the necessary professional expertise.

2.10 Revenue

The operations of the Group entities are regulated under Electricity Market Law No. 6446, the Regulation on Electricity Market License of EMRA, the Electricity Market Balancing and Settlement Regulation ("BSR") and other related legislative provisions.

Electricity sales is recognised as revenue at the time of electricity delivery, on an accrual basis. In the case of revenue from feed-in-tariff ("FIT"), sale of electricity is recorded based upon output delivered at rates specified under FIT. In the case of revenue from other than FIT, sale of electricity is again recorded based upon output delivered but at market rates.

The Company sells electricity to related parties Gediz Elektrik Perakende A.Ş. ("Gediz EPSAŞ"), Aydem Elektrik Perakende A.Ş. ("Aydem EPSAŞ") and other third parties within the scope of bilateral agreements. Bilateral agreements are commercial agreements made between real or legal persons, subject to the provisions of private law, regarding the purchase and sale of electrical energy or capacity and not subject to the approval of the Energy Market Regulatory Board. In bilateral agreements, conditions related to the supply of electrical energy such as unit price, price commitment, security fee conditions, contract duration are determined and signed.

2.11 Seasonal changes in operations

Due to the nature of the industry in which the Group operates, its business volume exhibits seasonal fluctuations. Business volume tends to be higher in the second quarter for hydroelectric power plants, first quarter for wind power plants and third quarter for solar power plants. Seasonality does not have a significant impact on the business volume of the Group's remaining segments.

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3 Cash and Cash Equivalents

As of June 30, 2025 and December 31, 2024 cash and cash equivalents are as follows:

	30 June 2025	31 December 2024
Cash at banks	872,170,652	2,035,088,338
- Demand deposits	35,939,395	3,633,831
- Time deposits	836,231,257	2,031,454,507
Cash	9,708	-
Other cash and cash equivalents	39,751	400,954
	872,220,111	2,035,489,292

As of 30 June 2025, the interest rate of the Group's term TL denominated time deposits amounting is between 5% to 47%, average maturity 1 day. (31 December 2024: between 40% and 48.5%, average maturity 3 days). US Dollars denominated time deposits amounting interest rate is between 0.01% to 2.50%, average maturity 1 day. (31 December 2024: between 0.01% and 2.25%, average maturity 4 days). There is no EUR time deposits. (31 December 2024: 1%, average maturity 3 days).

As of June 30, 2025, the Group's restricted deposits amount to USD 210,469 (December 31, 2024: TL 10,042,000 and USD 2,843,000).

4 Segment reporting

4.1 Statement of financial position

Financial information is provided on a power plant-by-power plant basis to board of directors, which collectively comprise the chief operating decision maker. The information provided to the members of the executive management includes results or operation, valuation gains and losses on power plants, assets and liabilities of each power plant. The individual properties are also monitored based on type of power plants such as Hydro, Wind, Geothermal and Solar. The Group management considers that it is appropriate to report the segments based on this aggregation, to monitor the financial performance.

Group management assesses segment performance over earnings before interest, tax, depreciation and amortization ("EBITDA"). EBITDA is calculated by adjusting the operating income by depreciation and amortization expenses.

The Company management preferred to use EBITDA in the evaluation of department performances in terms of comparability with companies in the same sector. EBITDA is not a measure of financial performance defined in TFRS. It may not be comparable to similar indicators defined by other companies.

The accounting policies adopted by each of the reportable segments are consistent with TFRS used in preparation of consolidated financial statements of the Group. The detailed information regarding the reporting segments of Group is presented below:

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4 Segment reporting (*continued*)

4.1 Statement of financial position (*continued*)

30 June 2025	Hydro Power Plants	Wind Power Plants	Solar Power Plant	Other	Unallocated *	Consolidated
Segment assets	42,905,841,614	10,529,042,806	2,350,043,876	232,050,092	6,987,763,705	63,004,742,093
Segment liabilities	18,723,239,364	2,193,243,642	1,724,051,886	-	7,685,002,835	30,325,537,727
31 December 2024	Hydro Power Plants	Wind Power Plants	Solar Power Plant	Other	Unallocated *	Consolidated
Segment assets	43,460,479,244	11,066,927,350	2,339,161,929	231,250,543	8,731,436,901	65,829,255,967
Segment liabilities	19,355,412,480	2,387,156,453	1,980,292,141	-	10,178,483,439	33,901,344,513

* Includes assets and liabilities which are not attributable to a reportable segment such as cash, trade receivables, other assets, trade payables, other liabilities, tax assets and liabilities, etc.

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4 Segment reporting (*continued*)

4.2 Statement of profit or loss

1 January- 30 June 2025	Hydro Power Plants	Wind Power Plants	Solar Power Plant	Total Renewable Energy	Unallocated *	Consolidated
Revenues	2,548,670,891	911,399,095	159,346,296	3,619,416,282	2,225,013,150	5,844,429,432
- Revenues from Feed in Tariff (FIT)	1,234,779,972	534,521,481	-	1,769,301,453	-	1,769,301,453
- Other than FIT	1,313,890,919	376,877,614	159,346,296	1,850,114,829	2,225,013,150	4,075,127,979
Cost of Sales	(1,465,585,227)	(744,858,946)	(79,019,714)	(2,289,463,887)	(1,992,946,389)	(4,282,410,276)
Operational Expenses/Income (incl. Other Expense and Income)	-	-	-	-	(222,942,692)	(222,942,692)
Earnings before interest and taxes (EBIT)	1,083,085,664	166,540,149	80,326,582	1,329,952,395	9,124,069	1,339,076,464
Add-back, Depreciation & Amortization Expenses	747,539,779	392,963,967	50,687,913	1,191,191,659	49,125,900	1,240,317,559
Earnings before interest, taxes, depreciation and amortization (EBITDA) **	1,830,625,443	559,504,116	131,014,495	2,521,144,054	58,249,969	2,579,394,023

* Within the unallocated portion, TL 2,187,076,565 of the revenue is attributable to wholesale commercial sales, specifically derived from electricity trading activities. In the cost of sales, TL 1,868,770,090 corresponds to the cost incurred from electricity trading activities. Also, includes head office costs and expenses which is not attributable to a reportable segment. Operational expenses mainly consist of personnel expenses. Operational income is mainly composed of foreign exchange income and interest income from commercial transactions related to trading activities.

** EBITDA is calculated by adjusting the operating income by depreciation and amortization expenses.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker function is carried out by the Board of Directors.

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4 Segment reporting (*continued*)

4.2 Statement of profit or loss (*continued*)

1 January- 30 June 2024	Hydro Power Plants	Wind Power Plants	Solar Power Plant	Total Renewable Energy	Unallocated *	Consolidated
Revenues	3,371,550,090	1,090,231,950	238,744,931	4,700,526,971	23,233,482	4,723,760,453
- Revenues from Feed in Tariff (FIT)	331,814,723	1,090,231,950	238,744,931	1,660,791,604	-	1,660,791,604
- Other than FIT	3,039,735,367	-	-	3,039,735,367	23,233,482	3,062,968,849
Cost of Sales	(1,753,503,162)	(822,698,947)	(116,150,137)	(2,692,352,246)	(312,716,285)	(3,005,068,531)
Operational Expenses/Income (incl, Other Expense and Income)	-	-	-	-	278,219,159	278,219,159
Earnings Before Interest and Taxes (EBIT)	1,618,046,928	267,533,003	122,594,794	2,008,174,725	(11,263,644)	1,996,911,081
Add-back, Depreciation & Amortization Expenses	939,011,663	443,180,493	80,147,906	1,462,340,062	306,112,270	1,768,452,332
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) **	2,557,058,591	710,713,496	202,742,700	3,470,514,787	294,848,626	3,765,363,413

* Includes head office costs and expenses which is not attributable to a reportable segment. Operational expenses mainly consist of personnel expenses. Most of operational income is composed of foreign exchange income and interest income from commercial transactions related to trading activities.

** EBITDA is calculated by adjusting the operating income by depreciation and amortization expenses.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker function is carried out by the Board of Directors.

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4 Segment reporting (*continued*)

4.3 Reconciliations of EBITDA

	30 June 2025	30 June 2024
Profit for the period	133,503,662	3,985,231,931
Add/(Less):		
Income tax expense	(171,993,873)	(1,130,888,204)
Income from investing activities	(110,194,243)	(7,657,471)
Expense from investing activities	-	451,715,517
Finance income	(268,383,810)	(575,994,542)
Finance expense	4,884,252,083	4,743,572,046
Depreciation and amortization	1,240,317,559	1,768,452,332
Monetary gain	(3,128,107,355)	(5,469,068,196)
Consolidated EBITDA	2,579,394,023	3,765,363,413

5 Related party disclosures

Aydem Holding A.Ş. ("Aydem Holding") is the ultimate parent company and controlling party of the Group. The Group controlled by Ceyhan Saldanlı.

Transactions with related parties are classified according to the following groups and include all related party disclosures in this note.

1. Ultimate parent and its subsidiaries
2. Other companies controlled by the shareholders of Aydem Holding and other key persons.

Since the transactions between the Group and its subsidiaries, which are related parties of the Group, are eliminated during consolidation, they are not disclosed in this note.

The shareholders, key management personnel and members of the Board of Directors, their families and partners and entities controlled by the ultimate shareholders are considered and referred to as related parties in the consolidated financial statements. The Group companies have carried out various transactions with related parties during their operations.

Trade receivables from related parties generally arise from sale of electricity. Trade payables to related parties generally arise from the service purchases. The Company, related parties Gediz Elektrik Perakende A.Ş. ("Gediz EPSAŞ") and Aydem Elektrik Perakende A.Ş. ("Aydem EPSAŞ") sells electricity to companies within the scope of bilateral agreements. Bilateral agreements are commercial agreements made between real or legal persons, subject to the provisions of private law, regarding the purchase and sale of electrical energy or capacity and not subject to the approval of the Energy Market Regulatory Board. In bilateral agreements, conditions related to the supply of electrical energy such as unit price, price commitment, security fee conditions, contract duration are determined and signed.

Other receivables from related parties arise from sale of subsidiary shares and amounts arisen from operational activities. At the end of each quarter period for other receivables and payables interest is accrued using market interest rates, which are determined using the Group external cost of borrowing.

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5 Related party disclosures (*continued*)

5.1 Related party balances

As of 30 June 2025, and 31 December 2024, short-term trade receivables due from related parties are as follows:

	30 June 2025	31 December 2024
Gediz EPSAŞ ⁽¹⁾	591,145,365	828,501,399
Aydem EPSAŞ ⁽¹⁾	-	2,825,322,615
	591,145,365	3,653,824,014

As of 30 June 2025, and 31 December 2024, short-term other receivables due from related parties are as follows:

	30 June 2025	31 December 2024
Aydem Holding A.Ş. ("Aydem Holding") ⁽¹⁾ *	129,713,252	128,069,361
	129,713,252	128,069,361

* Mainly consists of receivables related to the sale of 50% shares belonging to Yalova Karacabey. Group sold the 50% shares of Yalova on 30 June 2020 to Aydem Holding A.Ş. The interest rate applied by the Group on USD-denominated intercompany balances is 7.95% (31 December 2024: 9.01%)

As of 30 June 2025, and 31 December 2024, short-term trade payables due to related parties are as follows:

	30 June 2025	31 December 2024
GDZ Enerji Yatırımları A.Ş. ("GDZ Enerji") ⁽¹⁾	15,361,503	7,704,880
Aydem Holding ⁽¹⁾	15,032,916	37,894,792
Aydem EPSAŞ ⁽¹⁾	5,331,318	-
ADM Elektrik Dağıtım A.Ş. ("ADM EDAŞ") ⁽¹⁾	3,290,461	2,800,954
Other	382,931	861,992
	39,399,129	49,262,618

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5 Related party disclosures (continued)**5.2 Related party transactions**

For the period ended 30 June 2025 and 2024, income and expense transactions with related parties are as follows:

Electricity sales and other sales	1 January- 30 June 2025	1 January- 30 June 2024
Gediz EPSAŞ ⁽¹⁾	2,815,142,717	2,184,283,486
Aydem EPSAŞ ⁽¹⁾	85,685,096	328,259,337
Other	23,838	1,066,994
	2,900,851,651	2,513,609,817

Purchase of electricity and services	1 January- 30 June 2025	1 January- 30 June 2024
Aydem EPSAŞ ⁽¹⁾	113,575,973	146,881,997
Aydem Holding ⁽¹⁾	89,117,573	61,283,848
GDZ Enerji ⁽¹⁾	48,410,391	36,971,619
ADM EDAŞ ⁽¹⁾	16,013,852	20,395,583
Gediz EPSAŞ ⁽¹⁾	3,375,287	70,368,599
Other	3,148,891	2,678,605
	273,641,967	338,580,251

Other income	1 January- 30 June 2025	1 January- 30 June 2024
Aydem EPSAŞ ⁽¹⁾ *	138,890,245	424,357,469
Gediz EPSAŞ ⁽¹⁾ *	66,390,321	56,375,495
Aydem Holding ⁽¹⁾	15,108,055	12,421,385
Other	12,354	-
	220,400,975	493,154,349

* Consists of net foreign exchange income and late interest income regarding trade receivables.

Finance income	1 January- 30 June 2025	1 January- 30 June 2024
Aydem EPSAŞ ⁽¹⁾	82,789,405	33,204,635
Aydem Holding ⁽¹⁾	4,950,517	6,732,986
Gediz EPSAŞ ⁽¹⁾	4,517,603	-
	92,257,525	39,937,621

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5 Related party disclosures (*continued*)**5.2 Related party transactions (*continued*)**

The executive management of the Group is comprised of general manager and directors. For the period ended 30 June 2025 and 2024, the sum of short-term benefits, such as remuneration and attendance fees, provided to key management executives personnel is as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Benefits to key management personnel	30,876,419	30,008,661
	30,876,419	30,008,661

6 Trade receivables and payables**Short term trade receivables**

As of 30 June 2025, and 31 December 2024, the Group's short-term trade receivables are as follows:

	30 June 2025	31 December 2024
Trade receivables due from related parties (Note 5)	591,145,365	3,653,824,014
Trade receivables due from third parties	2,657,569,650	43,293,021
	3,248,715,015	3,697,117,035
Less: Allowances for doubtful trade receivables	(7,069,410)	(8,279,845)
	3,241,645,605	3,688,837,190

As of 30 June 2025, and 31 December 2024, short-term receivables consist of the following items:

	30 June 2025	31 December 2024
Trade receivables related to electricity sales *	3,241,089,410	3,688,428,906
Income accruals related to electricity sales **	556,195	408,284
Doubtful trade receivables	7,069,410	8,279,845
Allowances for doubtful trade receivables	(7,069,410)	(8,279,845)
	3,241,645,605	3,688,837,190

* Consists of electricity sales and ancillary income within the bilateral agreements.

** Consists of the Group's unbilled receivables arising from the electricity sales.

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6**Trade receivables and payables (continued)****Short term trade receivables (continued)**

As of 30 June 2025, and 31 December 2024, The Group has overdue trade receivables and that receivables have not been impaired. The aging of trade receivables is as follows:

	30 June 2025	31 December 2024
Not overdue	3,217,434,133	1,131,883,768
1-30 days past due	-	501,765,803
1-3 months past due	13,585,486	1,002,372,617
3-12 months past due	10,625,986	1,052,815,002
	3,241,645,605	3,688,837,190

The liquidity and exchange rate risk that the Group is exposed in relation with trade receivables are explained under Note 24.

The movement of provisions for doubtful receivables for the period ended 30 June 2025 and 2024 are as follows:

	2025	2024
Opening balance (1 January)	8,279,845	11,895,644
Provisions no longer required	(29,538)	(31,933)
Inflation effect	(1,180,897)	(2,355,654)
Closing balance (30 June)	7,069,410	9,508,057

Short term trade payables

As of 30 June 2025, and 31 December 2024, the Group's short-term trade payables are as follows:

	30 June 2025	31 December 2024
Trade payables due to third parties	197,589,224	218,446,521
Trade payables due to related parties (Note 5)	39,399,129	49,262,618
	236,988,353	267,709,139

As of 30 June 2025, and 31 December 2024, short-term trade payables from third parties consist of the following items:

	30 June 2025	31 December 2024
Trade payables	157,090,391	158,773,729
Expense accruals	40,498,833	59,672,792
	197,589,224	218,446,521

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7**Other receivables and payables****Other short term receivables**

As of 30 June 2025, and 31 December 2024, the Group's short-term other receivables are as follows:

	30 June 2025	31 December 2024
Other receivables due from related parties (Note 5)	129,713,252	128,069,361
Other receivables due from third parties	46,818,768	52,854,252
	176,532,020	180,923,613

As of 30 June 2025, and 31 December 2024, short-term other receivables from third parties consist of the following items:

	30 June 2025	31 December 2024
Receivables from tax administration	46,538,518	52,646,481
Deposits and guarantees given	280,250	207,771
	46,818,768	52,854,252

Other long term receivables

As of 30 June 2025, and 31 December 2024, other long-term receivables from third parties consist of the following items:

	30 June 2025	31 December 2024
Other receivables due from third parties	5,386,149	6,296,501
	5,386,149	6,296,501

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7 Other receivables and payables (*continued*)

Other short term payables

As of 30 June 2025, and 31 December 2024, the Group's short-term other payables are as follows:

	30 June 2025	31 December 2024
Other payables due to related parties	8,336,426	-
Other payables due to third parties	239,197	276,214
	8,575,623	276,214

As of 30 June 2025, and 31 December 2024, other short-term payables to third parties consist of the following items:

	30 June 2025	31 December 2024
Deposits and guarantees taken	235,709	275,011
Other payables	3,488	1,203
	239,197	276,214

8 Inventories

As of 30 June 2025, and 31 December 2024, inventories are as follows:

	30 June 2025	31 December 2024
Spare parts *	26,352,802	23,808,137
	26,352,802	23,808,137

* Inventories consist of spare parts used in the maintenance of power plants and consumable materials.

As of 30 June 2025, there is no insurance coverage on the Group's inventories (31 December 2024: None).

As of 30 June 2025, there are no inventories presented as collateral for liabilities (31 December 2024: None).

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9 Property, plant and equipment and right of use assets

9.1 Property, plant and equipment

The ending 30 June 2025 and 2024, movements of property, plant and equipment are as follows:

	Land	Power plants	Construction in progress *	Other	Total
Cost or valuation as of 1 January 2025	59,151,684	77,556,877,236	2,126,898,346	360,800,235	80,103,727,501
Additions	-	6,341,440	114,764,726	1,920,885	123,027,051
Disposals	-	(1,333,358)	-	-	(1,333,358)
Transfers	-	346,853,074	(346,853,074)	-	-
Cost or valuation as of 30 June 2025	59,151,684	77,908,738,392	1,894,809,998	362,721,120	80,225,421,194
Accumulated depreciation as of 1 January 2025	-	(25,515,358,707)	-	(272,312,775)	(25,787,671,482)
Additions	-	(1,152,739,632)	-	(11,811,606)	(1,164,551,238)
Disposals	-	86,908	-	-	86,908
Accumulated depreciation as of 30 June 2025	-	(26,668,011,431)	-	(284,124,381)	(26,952,135,812)
Net book value as of 30 June 2025	59,151,684	51,240,726,961	1,894,809,998	78,596,739	53,273,285,382
	Land	Power plants	Construction in progress *	Other	Total
Cost or valuation as of 1 January 2024	59,151,683	114,156,130,163	2,097,853,646	337,692,593	116,650,828,085
Additions	-	65,442,242	277,345,928	5,816,837	348,605,007
Disposals	-	(119,844,239)	(520,218,041)	(97,975)	(640,160,255)
Cost or valuation as of 30 June 2024	59,151,683	114,101,728,166	1,854,981,533	343,411,455	116,359,272,837
Accumulated depreciation as of 1 January 2024	-	(34,520,948,916)	-	(247,047,451)	(34,767,996,367)
Additions	-	(1,664,652,234)	-	(12,253,517)	(1,676,905,751)
Disposals	-	53,234,973	-	62,307	53,297,280
Accumulated depreciation as of 30 June 2024	-	(36,132,366,177)	-	(259,238,661)	(36,391,604,838)
Net book value as of 30 June 2024	59,151,683	77,969,361,989	1,854,981,533	84,172,794	79,967,667,999

* Mainly consists of investments regarding hybrid solar and capacity increase.

As of 30 June 2025, there are pledges and mortgages on property, plant and equipment of the Group amounting to USD 1,248,750,000 in original currencies (30 June 2024: USD 1,248,750,000 in original currencies) in favour of lenders.

Total depreciation expense of property, plant and equipment amounting to TL 1,152,739,632 (30 June 2024: TL 1,664,652,234) has been reflected to cost of sales and amounting to TL 11,811,606 (30 June 2024: TL 12,253,517) has been reflected to general administration expense.

The Group determined that the power plants constitute a separate class of property, plant and equipment, based on the nature, characteristics and risks of the property and as also mentioned in Note 2, elected to use revaluation method for such assets.

Power plant assets were measured at fair value as of 31 December 2024 and adjusted in accordance with TAS 29 to reflect the purchasing power as of 30 June 2025.

The Company applied the "Income Reduction Method- DCF Analysis" in its valuation and impairment studies. Given that long-term electricity market prices are the most important factor in the "DCF Analysis," the Company collaborated with an independent consultant providing services to companies operating in the energy market. When determining long-term electricity prices, the most important inputs in the model were the forecasted trends in demand, capacity, capacity factor development, electricity export & import trends, and coal prices. The most important assumptions in the income reduction method are, respectively, electricity prices, projected production volume, weighted average cost of capital, discount rate, and exchange rates. The Company does not expect significant changes in the forecasts and assumptions used in the valuation reports. In the income reduction method, the Company discounted its estimated revenues based on the useful life of the power plants.

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9 Property, plant and equipment and right of use assets (*continued*)**9.2 Right of use assets**

The Group has lease contracts for various items of plant, machinery, vehicles, land right of use assets and other equipment used in its operations.

For the period then ended as of 30 June 2025, movements of right of use assets is as follows:

Cost as of 1 January 2025	755,876,212
Additions	10,814,655
Cost as of 30 June 2025	766,690,867
Accumulated depreciation as of 1 January 2025	(364,457,833)
Additions	(37,284,387)
Accumulated depreciation as of 30 June 2025	(401,742,220)
Net book value as of 30 June 2025	364,948,647

For the period then ended as of 30 June 2024, movements of right of use assets is as follows:

Cost as of 1 January 2024	697,025,604
Additions	29,514,153
Cost as of 30 June 2024	726,539,757
Accumulated depreciation as of 1 January 2024	(268,952,907)
Additions	(51,186,121)
Accumulated depreciation as of 30 June 2024	(320,139,028)
Net book value as of 30 June 2024	406,400,729

Total depreciation expense of right of use assets amounting to TL 28,930,511 (30 June 2024: TL 38,104,018) has been reflected to cost of sales and amounting to TL 8,353,876 (30 June 2024: TL 13,082,103) has been reflected to general administration expense.

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10

Intangible assets

As of 5 May 2017, the Company has signed a Transfer of Operating Rights Agreement ("Agreement") with the Privatization Administration and the Electricity Generation Corporation ("EÜAŞ") for Adıgüzel and Kemer Hydroelectric Plants. According to the agreement, the Company obtained the operating rights of the plants for 49 years and is responsible for the transfer of EÜAŞ at the end of the period in a complete and a functional state. During the contract period, the Company is required to carry out all the maintenance, repairs and improvements which are necessary to ensure the convenience and efficiency of the plants for the generation activity, at their own expense. The Company is responsible for any damages and losses that may occur in the generation facilities in general referred as "Power Plants". During the contract period; the Company is required to perform all kinds of additional facilities, the investment for rehabilitation and development in accordance with the legislation, and will obtain the approval of EÜAŞ during the works and procedures to be carried out within this framework. In addition, the company must obtain approval from EÜAŞ in case it wants to make investments and transactions for capacity changes.

As of the transfer date, it is EÜAŞ's responsibility to monitor and solve the administrative, legal disputes regarding the ownership of the immovable on which plants are located and the immovable in use, that are available now or will arise after the transfer date and all responsibilities and obligations arising from this matter.

Intangible assets related to agreements are amortized until the end of the related contract period.

Although the Company has the right to obtain substantially all of the economic benefits from use of the asset, it does not have the right to manage the use of power plants according to Article 7 of the contract signed with the EÜAŞ. Therefore, the contract has not been considered as a lease contract under TFRS 16. On the other hand, the Agreement is not accounted within the scope of TFRIC 12 Service Concession Agreements because although the residual interest of the power plants belongs to EÜAŞ, EÜAŞ does not control at what price electricity will be sold.

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10 Intangible assets (*continued*)

As of 30 June 2025, and 2024, movements of intangible assets are as follows:

	Licences	Operating rights	Softwares	Total
Cost as of 1 January 2025	66,892,104	3,268,202,238	45,272,821	3,380,367,163
Additions	411,893	-	-	411,893
Cost as of 30 June 2025	67,303,997	3,268,202,238	45,272,821	3,380,779,056
Accumulated depreciation as of 1 January 2025	(51,548,635)	(511,351,372)	(35,704,109)	(598,604,116)
Additions	(4,276,275)	(33,349,003)	(856,656)	(38,481,934)
Accumulated depreciation as of 30 June 2025	(55,824,910)	(544,700,375)	(36,560,765)	(637,086,050)
Net book value as of 30 June 2025	11,479,087	2,723,501,863	8,712,056	2,743,693,006
	Licences	Operating rights	Softwares	Total
Cost as of 1 January 2024	62,803,728	3,268,202,238	45,272,820	3,376,278,786
Additions	979,750	-	-	979,750
Cost as of 30 June 2024	63,783,478	3,268,202,238	45,272,820	3,377,258,536
Accumulated depreciation as of 1 January 2024	(40,026,146)	(444,653,367)	(33,983,270)	(518,662,783)
Additions	(6,147,281)	(33,349,003)	(864,176)	(40,360,460)
Accumulated depreciation as of 30 June 2024	(46,173,427)	(478,002,370)	(34,847,446)	(559,023,243)
Net book value as of 30 June 2024	17,610,051	2,790,199,868	10,425,374	2,818,235,293

Amortization expense of intangible assets amounting to TL 33,349,003 (30 June 2024: TL 33,349,003) has been reflected to cost of sales and amounting to TL 5,132,931 (30 June 2024: TL 7,011,457) has been reflected to general administrative expenses.

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11 Provisions, contingent assets and liabilities**11.1 Short-term provisions**

As of 30 June 2025, and 31 December 2024, the breakdown of short-term provisions are as follows:

	30 June 2025	31 December 2024
Short-term provisions for employee benefits	81,707,740	101,744,148
Provision for litigations	18,415,478	18,085,199
	100,123,218	119,829,347

Short-term provisions for employee benefits consist of unused vacation days provisions and premium provisions.

The movement table of unused vacation days provisions is as follows:

	2025	2024
Opening balance (1 January)	29,838,077	25,763,881
Net change in provision within the period	15,213,775	11,397,980
Inflation effect	(5,319,663)	(6,276,763)
Closing balance (30 June)	39,732,189	30,885,098

The movement table of premium provisions is as follows:

	2025	2024
Opening balance (1 January)	71,906,071	48,695,677
Net change in provision within the period	(21,119,604)	(4,900,732)
Inflation effect	(8,810,916)	(9,154,114)
Closing balance (30 June)	41,975,551	34,640,831

Other short-term provisions consist of provisions for ongoing litigations of the Group.

The movement table is as follows:

	2025	2024
Opening balance (1 January)	18,085,199	23,129,320
Net change in provision within the period (Note 19)	3,089,839	-
Inflation effect	(2,759,560)	(8,030,233)
Closing balance (30 June)	18,415,478	15,099,087

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11 Provisions, contingent assets and liabilities (*continued*)**11.2 Contingent liabilities**

As of 30 June 2025, and 31 December 2024, the Group's collateral/pledge/mortgage ("CPM") balances are as follows:

		30 June 2025	31 December 2024
	Currency	TL Amount	TL Amount
A, Guarantees given in the name of its own legal personality*	TL	-	-
B, Guarantees given on behalf of the fully consolidated companies	US Dollars	49,626,324,000	51,402,187,217
C, Total amount of CPM's given to other 3rd parties for the purpose of carrying out their ordinary commercial activities	TL	-	-
D, Other guarantees	TL	-	-
i, Guarantees given on behalf of the majority shareholder		-	-
ii, Guarantees given to on behalf of other group companies which are not in scope of B and C	TL	-	-
iii, Guarantees given on behalf of third parties which are not in scope of C	TL	-	-
Total		49,626,324,000	51,402,187,217

* On 2 December 2021, within the scope of the Eurobond, movable pledge was established on the Company's movable assets to form the guarantee of the bond issuance. The outstanding amount of Eurobond has a nominal value of TL 24,154,035,774.

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11 Provisions, contingent assets and liabilities (*continued*)**11.3 Letters of guarantees received and guarantees given**

		30 June 2025	31 December 2024
	Currency	TL equivalent	TL equivalent
Guarantees given *	TL	452,577,316	471,339,176
Total		452,577,316	471,339,176

* Guarantees given, in general, are comprised of the letters of guarantees given to the several institutions and organizations within the operations of the Group (to Energy Market Regulatory Authority ("EMRA"), Turkish Electricity Transmission Company ("TEİAŞ"), privatization administration and to the judicial authorities for some of the on-going lawsuits.

		30 June 2025	31 December 2024
	Currency	TL equivalent	TL equivalent
Guarantees received *	TL	2,489,461,428	35,681,336
Guarantees received *	EURO	757,370	8,480,161
Guarantees received *	US Dollars	4,413,096,618	4,797,838,057
		6,903,315,416	4,841,999,554

* Guarantees received from Aydem EPSAŞ, Gediz EPSAŞ and third parties.

11.4 Long term provisions

As of 30 June 2025, and 31 December 2024, the long-term provisions are as follows:

	30 June 2025	31 December 2024
Provisions for retirement pay liability	179,326,830	103,261,640
	179,326,830	103,261,640

As of 30 June 2025, and 2024, movements of provisions for retirement pay liability are as follows:

	2025	2024
Opening balance (1 January)	103,261,640	115,492,965
Service cost	48,117,531	4,921,610
Interest cost	18,390,484	12,678,723
Retirement payments paid	(3,558,494)	(3,298,988)
Actuarial loss/(gain)	37,040,339	48,249,699
Inflation effect	(23,924,670)	(33,628,485)
Closing balance (30 June)	179,326,830	144,415,524

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11 Provisions, contingent assets and liabilities (*continued*)**11.4 Long term provisions (*continued*)**

TFRS require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions have been used in the calculation of the total liability. Related rates have been presented by considering the weighted average of actuarial assumptions of the subsidiaries within the scope of consolidation.

The main actuarial assumptions used as of 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
Expected interest in the coming years %	29.32	27.15
Expected inflation in the coming years %	24.95	21.95
Expected probability of leaving without compensation in the coming years %	3.50	4.26

12 Liabilities for employee benefits

As of 30 June 2025, and 31 December 2024, short-term payables related to employee benefits are as follows:

	30 June 2025	31 December 2024
Social security withholdings payable	15,737,047	13,326,279
Payables to personnel	35,696,496	1,281,368
	51,433,543	14,607,647

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13 Other current, non-current assets and other liabilities**13.1 Other current assets**

As of 30 June 2025, and 31 December 2024, other current assets are as follows:

	30 June 2025	31 December 2024
Advances to personnel	5,212	159,540
Short-term deferred value added tax ("VAT")	27,466	23,457
	32,678	182,997

13.2 Other non-current assets

As of 30 June 2025, and 31 December 2024, other non-current assets are as follows:

	30 June 2025	31 December 2024
Long-term deferred VAT	28,809,909	43,021,864
	28,809,909	43,021,864

13.3 Other short-term liabilities

As of 30 June 2025, and 31 December 2024, other liabilities are as follows:

	30 June 2025	31 December 2024
Taxes and funds payable	133,359,235	126,294,270
Other	151,092	144,904
	133,510,327	126,439,174

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14 Share capital

Paid-in capital

The Company adopter the registered share capital system available to companies registered to the CMB and set a limit on its registered share capital representing registered type shares with a nominal value of kurus1, Registered and issued share capital of the Company is a follows:

	30 June 2025	31 December 2024
Limit on registered share capital	2,000,000,000	2,000,000,000
Issued share capital in nominal value	705,000,000	705,000,000
Adjustment to share capital	7,772,490,100	7,772,490,100

Companies in Türkiye may exceed the limit on registered share capital in the event of the issuance of bonus shares to existing shareholders.

As of 30 June 2025, the Group's paid-in capital is divided into 705,000,000 shares (31 December 2024: 705,000,000 shares), each with a nominal value of TL 1. The ultimate shareholder of the Group is Aydem Holding Anonim Şirketi, whose controlling individual shareholder is Ceyhan Saldanlı. Shareholding structure is given in Note 1.

Legal reserves

According to the Turkish Commercial Code ("TCC"), legal reserves are comprised of first and second legal reserves. The first legal reserves are generated by annual appropriations amounting to 5 percent of income disclosed in the Company's statutory accounts until it reaches 20 percent of paid-in share capital. If the dividend distribution is made in accordance with Dividend Distribution Communiqué II-19.1. a further 1/10 of dividend distributions, in excess of 5 percent of paid-in capital is to be appropriated to increase second legal reserves. If the dividend distribution is made in accordance with statutory records, a further 1/11 of dividend distributions, in excess of 5 percent of paid-in capitals are to be appropriated to increase second legal reserves. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50 percent of paid-in capital. At 30 June 2025, legal reserves of the Group amounted to TL 277,628,803 (31 December 2024: TL 277,628,803).

Dividend distribution

Companies distribute their profits in accordance with their dividend policy determined by the General Assembly and with General Assembly resolution in accordance with provisions of the relevant legislation. According to the Turkish Commercial Code, legal reserves can only be distributed as dividends after they reach 50% of the Company's paid in capital or issued share capital. Accordingly the Group determined its dividend distribution policy in line with the communique. Companies pay dividends according to their articles of association or dividend distribution policy. In addition, dividends may be paid in equal or different amount of installments, and cash dividend advances may be distributed over profit for the year period presented in financial statements.

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14 Share capital (*continued*)

Share premium

Excess amount of selling price and nominal value for each share was recorded as share premium in equity.

As of December 31, 2022, the Company has gained TL 94,753,311 from the block sale of 5,733,502 shares purchased within the scope of the share buyback program with a price of TL 24.76 per share on December 23, 2022 at Borsa Istanbul. The inflation adjusted value of the related amount is TL 263,001,001.

5,000,000 shares of the Company with a nominal value of 1 TL were offered to the public on 29 April 2021 and were sold at TL 9.9 per share. The amount of TL 5,000,000 was used in the capital increase and the remaining TL 40,098,520 was recorded in the "Share Premium/(Discounts)" account. Expenses amounting to TL 4,401,480 incurred within the scope of initial public offering was deducted from "Share Premium/(Discount)" within the scope of TAS 32. The inflation adjusted value of the related amount is TL 235,939,625.

On April 16, 2019, in accordance with EMRA permission dated April 16, 2019, a total of 1,200 Düzce Aksu shares of Aydem Elektrik Perakende A.Ş. with a total value of TL 120,000,000 were taken over and the amount of TL 49,474,498 resulting from the transaction was recorded in the "Share Premium/(Discount)" account. The inflation adjusted value of the related amount is TL 378,298,802.

On December 31, 2020, the Company signed a share sale agreement to sell its 50% shares in Yalova RES Elektrik Üretim A.Ş. to Aydem Holding A.Ş. for TL 38,316,320. The Company has recognized the difference amounting to TL 1,845,320 between the value of the subsidiary disposed of and the fair value determined by independent valuation experts in equity. The inflation adjusted value of the related amount is TL 11,449,567.

Treasury Shares

As of December 31, 2023, within the scope of the share buyback program, shares were repurchased at an average price of TL 13.66 TL. 83,423,193 related to the transaction was recorded under "Treasury Shares" account. The inflation adjusted value of the related amount is TL 197,402,258.

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14 Share capital (continued)**Treasury Shares (continued)**

As at the end of June 30, 2025 and December 31, 2024, the comparative amounts of equity items prepared in accordance with Tax Procedural Law and TAS/IFRS are as follows:

30 June 2025	Historical value	Indexed value	Inflation adjustment effect
Paid-in capital	705,000,000	8,477,490,100	7,772,490,100
Share premium / discount	186,171,649	888,688,995	702,517,346
Treasury shares	(80,091,338)	(197,402,258)	(117,310,920)
Restricted reserves	123,781,283	277,628,803	153,847,520
	934,861,594	9,446,405,640	8,511,544,046

31 December 2024	Historical value	Indexed value	Inflation adjustment effect
Paid-in capital	705,000,000	8,477,490,100	7,772,490,100
Share premium / discount	186,171,649	888,688,995	702,517,346
Treasury shares	(80,091,338)	(197,402,258)	(117,310,920)
Restricted reserves	123,781,283	277,628,803	153,847,520
	934,861,594	9,446,405,640	8,511,544,046

15 Revenue

Details of revenue for the periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Revenues from electricity sales	5,844,429,432	4,723,760,453
- Revenues from feed in tariff (FIT)	1,769,301,453	1,660,791,604
- Other than FIT*	4,075,127,979	3,062,968,849
	5,844,429,432	4,723,760,453

Management monitor revenues into two categories due to its risk group: FIT and Other than FIT.

* Amount of TL 2,187,076,565 of the income is attributable to commercial operations, specifically derived from electricity trading activities.

16 Cost of sales

Details of the cost of sales for the periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Cost of energy sales and generation	(4,282,410,276)	(3,005,068,531)
- Depreciation and amortization expenses	(1,215,019,146)	(1,736,105,255)
- Cost of energy sales and generation *	(3,067,391,130)	(1,268,963,276)
	(4,282,410,276)	(3,005,068,531)

* Cost of energy generation mainly includes costs of energy sales and generation, system usage and transmission costs, maintenance and repair expenses and personnel expenses. In the cost of energy sales and generation, TL 1,868,770,090 corresponds to the cost incurred from electricity trading activities.

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17 General and administrative expenses

The details of general administrative expenses for the periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Personnel expenses	(201,261,944)	(163,602,620)
Administrative expenses *	(90,604,266)	(61,176,052)
Consultancy expenses	(71,373,383)	(22,626,487)
Depreciation and amortization expenses	(25,298,413)	(32,347,077)
Tax, duties and fees expenses	(4,961,848)	(8,299,626)
Maintenance and repair expenses	(4,479,038)	(4,056,517)
License and dues expenses	(1,687,303)	(2,228,993)
Insurance charges	(804,794)	(1,016,537)
Other	(15,860,207)	(15,426,046)
	(416,331,196)	(310,779,955)

* Consists of expenses related to shared services received from Aydem Holding.

18 Expenses by nature

The details of expenses incurred for the periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Costs of energy sales and generation *	(2.564.774.338)	(854.278.523)
Depreciation and amortization expenses	(1.240.317.559)	(1.768.452.332)
Personnel expenses	(580.218.057)	(435.063.182)
Administrative expenses	(90.604.266)	(61.176.052)
Consulting expenses	(80.459.150)	(33.602.469)
License and dues expenses	(25.395.190)	(33.220.414)
Other	(116.972.912)	(130.055.514)
	(4,698,741,472)	(3,315,848,486)

* In the cost of energy sales and generation, TL 1,868,770,090 corresponds to the cost incurred from electricity trading activities.

19 Other operating income and other operating expenses

Details of other operating income for the periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Interest income from commercial transactions	190,230,240	154,255,177
Foreign exchange income arising from operating activities	4,705,065	289,342,768
Provision for trade receivables no longer applicable	29,538	31,933
Provision for lawsuits no longer applicable	-	3,830,726
Compensation from insurances	-	101,856,398
Other	18,597,977	42,147,420
	213,562,820	591,464,422

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19 Other operating income and other operating expenses (*continued*)

Details of other operating expenses for the periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Foreign exchange expense arising from operating activities	(12,802,410)	-
Litigation expenses	(3,089,839)	-
Interest expense on trade transactions	(3,008,642)	(248,177)
Donations	(989,284)	(1,478,844)
Other	(284,141)	(738,287)
	(20,174,316)	(2,465,308)

20 Financial income and expense

The details of finance income for the periods ended 30 June 2025 and 2024 is as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Interest income from related parties	98,626,266	39,937,619
Foreign exchange income arising from financing activities	91,424,256	244,439,416
Interest income	78,323,665	291,586,273
Other	9,623	31,234
	268,383,810	575,994,542

The details of financial expenses for the periods ended 30 June 2025 and 2024 is as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Foreign exchange losses arising from financing activities	(2,254,508,283)	(2,386,428,849)
Foreign exchange losses recycled from hedge fund	(1,624,469,428)	(1,010,239,604)
Bond interest expenses	(963,576,148)	(1,315,944,401)
Bank commission and other expenses	(25,877,921)	(19,619,833)
Right of use assets obligations interest expenses (Note 23)	(15,820,303)	(11,339,359)
	(4,884,252,083)	(4,743,572,046)

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21 Income and expense from investing activities

The details of gains from investing activities for the periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Securities sales income	99,393,827	4,867,389
Gains on financial investments presented at fair value	10,598,167	-
Gains from investing rent	202,249	216,950
Currency protected deposit income	-	1,160,986
Gain from the sale of the tangible fixed assets	-	20,765
Gains on scrap sales	-	1,391,381
	110,194,243	7,657,471

The details of losses from investing activities for the year periods 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Losses arising from disposal of investments in progress*	-	(451,135,803)
Losses from the sale of the tangible fixed assets	-	(579,714)
	-	(451,715,517)

*An application was made to the Energy Market Regulatory Authority for the termination of the production licenses of Ey-Tur and Başat, subsidiaries of Aydem Yenilenebilir Enerji A.Ş. The termination request was approved by the board decision dated June 13, 2024. Based on the decision recognized under expenses from investment activities.

22 Taxation on income

Corporation tax

The Group is subject to corporation tax applicable in Türkiye. The corporate tax rate is 25%. Corporate tax rate to be accrued on the taxable corporate income is determined by adding the expenses that cannot be deducted from the tax base in the determination of the commercial income and deducting gains from the tax, non-taxable income and other discounts (previous year losses, if any, and investment discounts used, if preferred).

In Türkiye, provisional tax is calculated and accrued on a quarterly basis. The provisional tax rate that should be calculated on corporate earnings during the taxation phase of 2025 corporate earnings as of temporary tax periods is 25% (31 December 2024: 25%).

Losses can be carried forward for a maximum of 5 years to be deducted from future taxable profits. However, losses cannot be deducted retrospectively from the profits of previous years.

There is no clear and definitive agreement on tax assessment procedures in Türkiye. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. These declarations and the accounting records that are the basis of these declarations can be examined and changed by the Tax Office within 5 years.

Deferred taxes

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TFRS and tax purposes.

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22 Taxation on income (*continued*)

Income withholding tax

There is a withholding tax liability on dividend distributions and this withholding tax liability is accrued in the period in which the dividend payment is made. Dividend payments other than those made to non-resident corporations which have a place of business or permanent representative in Türkiye and resident corporations are subject to withholding tax at the rate of 15%. In the application of withholding tax rates for dividend payments to non-resident corporations and real persons, the withholding tax rates in the related Double Tax Treaty Agreements are also taken into consideration. Allocation of retained earnings to capital is not considered as profit distribution and therefore not subject to withholding tax.

Transfer pricing arrangements

In Türkiye, the transfer pricing provisions of the Corporate Tax Law "disguised profit distribution via transfer pricing" is stated in Article 13 entitled. The communiqué of 18 November 2007 on disguised profit distribution through transfer pricing regulates the details of the application.

If the taxpayer purchases or sells goods or services at a price or price that they determine in contradiction with the principle of conformity with peers, the gain is deemed to be completely or partially distributed implicitly through transfer pricing. Disguised profit distribution through such transfer pricing is considered an unacceptable expense for corporate tax.

Transfer pricing regulations

Transfer pricing is disclosed in the 13th clause of the Corporate Tax Law under the heading "veiled shifting of profit" via transfer pricing. The application details are stated in the "general communiqué regarding veiled shifting of profits via transfer pricing" published on 18 November 2007. Veiled shifting of profits via transfer pricing will not be deducted from tax assessment for the purposes of corporate tax.

Disguised capital

The provisions on disguised capital are regulated under Article 12 of the Corporate Tax Law and accordingly, the portion of all kinds of debts obtained directly or indirectly from shareholders or persons related to shareholders and used in the enterprise exceeding three times the beginning-of-period equity capital of the corporation at any time during the accounting period is considered as disguised capital for the relevant accounting period.

In order for the debts used in the enterprise to be considered as implicit capital;

- Obtained directly or indirectly from a shareholder or a person related to a shareholder,
- Use in business,
- It must exceed three times the institution's equity at any time during the accounting period.

Tax expense

The expense tax for the periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Deferred tax income	171,993,873	1,130,888,204
	171,993,873	1,130,888,204

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22 Taxation on income (continued)*Reconciliation of effective tax rate*

As of 30 June 2025 and 2024, the reported tax provision is different from the amount calculated using the statutory tax rate on profit before tax. The reconciliation of tax expense / income is as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Period profit / (loss)	133,503,662	3,985,231,931
Tax income/(expenses)	171,993,873	1,130,888,204
Profit/(loss) before taxation	(38,490,211)	2,854,343,727
Tax calculated with the company's legal tax rate	9,622,553	(713,585,932)
Non-deductible expenses	(44,954,199)	(32,796,764)
Tax exemption	139,779,768	157,395,167
The effect of tax losses which no deferred tax recognized	(523,562,462)	(441,352,664)
Non-temporary element of monetary gain/loss	579,521,483	2,155,671,452
Other	11,586,730	5,556,945
Tax income/(expense)	171,993,873	1,130,888,204

Deferred tax liabilities

As of 30 June 2025 and 2024, the movement of deferred tax liability is as follows:

	2025	2024
Opening balance (1 January)	4,834,440,795	10,341,066,606
Recognized in other comprehensive income	205,929,750	(53,777,501)
Recognised in profit or loss	(171,993,873)	(1,130,888,204)
Closing balance (30 June)	4,868,376,672	9,156,400,901

As of 30 June 2025, and 31 December 2024, the breakdown of deferred tax liabilities is as follows:

	30 June 2025	31 December 2024
Increase / decrease in value of tangible assets measured by fair value	(6,383,551,794)	(6,399,346,452)
Tangible and intangible assets	14,579,691	(6,314,662)
Amortized cost adjustment for financial borrowings	(54,845,379)	(49,563,576)
Rediscount on payables	30,305,009	34,530,172
Provision for litigation	4,603,870	4,159,596
Provisions for retirement pay and unused vacation liabilities	54,764,755	30,853,750
Foreign exchange differences related to prepaid expenses	59,188,053	55,717,049
Capitalized borrowing costs	1,447,791,029	1,530,821,784
Other	(41,211,906)	(35,298,456)
Deferred tax liabilities	(4,868,376,672)	(4,834,440,795)

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22 Taxation on income (continued)

Deferred tax liabilities (continued)

The breakdown of the unused tax loss carry forwards of the Group are as follows:

	30 June 2025		31 December 2024	
	Deferred tax		Deferred tax	
	Recognized	Not recognized	Recognized	Not recognized
Expire in 2025	-	-	-	69,023,166
Expire in 2026	-	2,406,815,885	-	2,808,126,692
Expire in 2027	-	156,512,065	-	182,608,778
Expire in 2028	-	2,488,404,904	-	2,903,319,807
Expire in 2029	-	1,283,540,958	-	1,497,557,685
Expire in 2030	-	1,714,947,573	-	-
	-	8,050,221,385	-	7,460,636,128

The Group has not recognized deferred tax asset over the unused tax loss carry forwards as of 30 June 2025 due to the significant uncertainties in the projection of the taxable profits in under the Tax Provision Law.

23 Financial liabilities

23.1 Issued bond liabilities

As of 30 June 2025, and 31 December 2024, terms and conditions of financial liabilities are as follows:

30 June 2025					
Currency	Effective interest rate	Maturity for the latest payment	Original currency amount	Short-term	Long-term
USD	8.63%	2027	619,900,938	6,935,382,665	17,744,361,439
				6,935,382,665	17,744,361,439
31 December 2024					
Currency	Effective interest rate	Maturity for the latest payment	Original currency amount	Short-term	Long-term
USD	8.63%	2027	687,436,385	7,394,580,067	20,953,234,575
				7,394,580,067	20,953,234,575

The Group on the Irish Stock Exchange issued USD 750,000,000 with a maturity of 5.5 years, coupon payments every 6 months, principal and coupon payments at maturity, annual fixed interest rate of 7.75%, on 2 August 2021. With the amount obtained through the bond issuance, the entire loan debt of the Company to the banks has been repaid, and the remaining amount is going to be used for the investments in line with the Company's growth strategy.

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23 Financial liabilities (continued)**23.1 Issued bond liabilities (continued)**

The repayments of the bond and debt instruments agreements according to their original maturities as of 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
To be paid within 3 months	3,590,738,124	3,826,959,184
To be paid within 3-12 months	3,344,644,541	3,567,620,883
To be paid in 1-2 year	17,744,361,439	6,415,763,280
To be paid in 2-3 year	-	14,537,471,295
	24,679,744,104	28,347,814,642

As of June 30, 2025, the fair value of the issued bonds, which are classified as fixed-interest debt instruments and have a carrying amount of TL 24,679,744,104 (December 31, 2024: TL 28,347,814,642) on the balance sheet, has been determined as TL 24,487,405,798 (December 31, 2024: TL 28,029,506,307) based on calculations using market interest rates, and this value is considered to be close to the carrying amount.

The movement of issued financial liabilities for the period ended 30 June 2025 and 2024 is as follows:

	2025	2024
Opening balance (1 January)	28,347,814,642	33,856,640,734
Principal payments in the period	(2,618,487,455)	-
Interest accrued in the period	963,576,148	1,315,944,401
Interest paid	(1,014,663,889)	(1,195,625,486)
Exchange rate differences accrued in the period	3,878,977,711	3,396,668,453
Exchange rate differences subjected to cash flow hedge, accounted in OCI	(860,759,339)	166,860,304
Inflation effect	(4,016,713,714)	(7,178,642,357)
Closing balance (30 June)	24,679,744,104	30,361,846,049

Financial covenants on bank borrowings

The Issuer shall, not later than the first Interest Payment Date (being 2 February 2022) and at all times thereafter for so long as any Note remains outstanding, maintain one or more cash accounts denominated in U.S. Dollars with one or more Approved Banks (the "Interest Reserve Accounts") and the Issuer shall, commencing from (and including) the first Interest Payment Date and at all times thereafter for so long as any Note remains outstanding, maintain an aggregate amount of cash deposited in its Interest Reserve Accounts in an amount at least equal to:

The Company shall, so long as any Note remains outstanding, fund the interest reserve account on a monthly basis and maintain the required balance given the amount of upcoming interest payment, the amount standing in the account will gradually increase and finally be equal to debt service amount on the date of debt service.

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23 Financial liabilities (continued)**23.2 Lease liabilities**

The repayments of the lease liabilities according to their original maturities as of 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
To be paid within a year	28,102,646	37,604,240
To be paid in 1-5 years	13,802,153	17,624,107
To be paid over 5 years	25,554,258	31,737,568
	67,459,057	86,965,915

For the period then ended as of 30 June 2025 and 2024, movements of lease liabilities are as follows:

	2025	2024
Opening balance (1 January)	86,965,915	91,795,556
Additions	10,814,655	29,514,153
Accretion of interest	15,820,303	11,339,359
Payments	(34,567,132)	(28,463,821)
Inflation effect	(11,574,684)	(18,701,308)
Closing balance (30 June)	67,459,057	85,483,939

23.3 Hedge reserve

The movement of cash flow hedge reserve for the period ended 30 June 2025 and 2024 is as follows:

	2025	2024
Opening balance (1 January)	20,686,915,214	20,585,815,610
Current year exchange differences recognised in OCI	763,710,091	1,127,054,629
Reclassified from OCI to profit or loss	(1,624,469,430)	(960,194,325)
Deferred tax	215,189,835	(41,715,076)
Closing balance (30 June)	20,041,345,710	20,710,960,838

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24 Nature and level of risks arising from financial instruments

Financial instruments and financial risk management

The Group may be exposed to the following risks depending on the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note provides information on the Group's exposure to the risks outlined above, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Credit risk

Credit risk is the risk that a customer or a counterparty will fail to fulfil its obligations under the contract and is mainly attributable to customer receivables. The carrying values of financial assets represent the maximum exposure to credit risk.

The maximum credit risk the Group is exposed to as of 30 June 2025 and 31 December 2024 are as follows:

30 June 2025	Receivables				Cash and cash equivalents
	Trade receivables		Other receivables		
	Related parties	Other parties	Related parties	Other parties	
Maximum exposure to credit risk as of reporting date (A+B+C+D)	591,145,365	2,650,500,240	129,713,252	52,204,917	872,220,111
- Secured part of the maximum credit risk exposures via collateral etc.	591,145,365	2,475,989,752	-	-	-
A. Net book value of financial assets those are neither overdue nor impaired	591,145,365	2,626,288,768	129,713,252	52,204,917	872,220,111
B. Net book value of assets that are overdue but not impaired	-	24,211,472	-	-	-
C. Net book value of impaired financial assets	-	-	-	-	-
- Overdue (gross carrying amount)	-	7,069,410	-	-	-
- Impairment amount (-)	-	(7,069,410)	-	-	-
- Secured portion covered with guarantees, etc	-	-	-	-	-
- Overdue (gross carrying amount)	-	-	-	-	-
- Impairment amount (-)	-	-	-	-	-
- Secured portion covered with guarantees, etc	-	-	-	-	-
D. Off-balance sheet items including risk	-	-	-	-	-

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24 Nature and level of risks arising from financial instruments (*continued*)**Credit risk (*continued*)**

31 December 2024	Receivables				Cash and cash equivalents
	Trade receivables		Other receivables		
	Related parties	Other parties	Related parties	Other parties	
Maximum exposure to credit risk as of reporting date (A+B+C+D)	3,653,824,014	35,013,176	128,069,361	59,150,753	2,035,489,292
- Secured part of the maximum credit risk exposures via collateral etc,	3,653,824,014	-	-	-	-
A. Net book value of financial assets those are neither overdue nor impaired	1,096,870,593	35,013,176	128,069,361	59,150,753	2,035,489,292
B. Net book value of assets that are overdue but not impaired	2,556,953,421	-	-	-	-
C. Net book value of impaired financial assets	-	-	-	-	-
- Overdue (gross carrying amount)	-	8,279,845	-	-	-
- Impairment amount (-)	-	(8,279,845)	-	-	-
- Secured portion covered with guarantees, etc	-	-	-	-	-
- Overdue (gross carrying amount)	-	-	-	-	-
- Impairment amount (-)	-	-	-	-	-
- Secured portion covered with guarantees, etc	-	-	-	-	-
D. Off-balance sheet items including risk	-	-	-	-	-

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24 Nature and level of risks arising from financial instruments (*continued*)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial liabilities in the future. The Group's liquidity risk is managed by providing sufficient financing facilities from various financial institutions in a way that does not harm or damage the Group's reputation in order to fund the current and future debt requirements under normal conditions or in crisis situations.

As at 30 June 2025 and 31 December 2024, the maturity of financial liabilities including estimated interest payments according to the payment schedule is as follows:

30 June 2025	Book value	Contractual cash outflow	0-3 months	3-12 months	1-5 years	≥ 5 years
Non-derivative financial liabilities						
Financial liabilities	24,679,744,104	27,273,932,072	3,619,750,654	3,515,754,096	20,138,427,322	-
Financial lease liabilities (TFRS 16)	67,459,057	189,252,710	11,449,031	38,940,981	48,698,653	90,164,045
Trade payables to related parties	39,399,129	39,399,129	39,399,129	-	-	-
Trade payables to third parties	197,589,224	197,589,224	188,980,331	8,608,893	-	-
Total	24,984,191,514	27,700,173,135	3,859,579,145	3,563,303,970	20,187,125,975	90,164,045

31 December 2024	Book Value	Contractual cash outflow	0-3 months	3-12 months	1-5 years	≥ 5 years
Non-derivative financial liabilities						
Financial liabilities	28,347,814,642	32,106,864,157	3,856,993,412	3,749,275,603	24,500,595,142	-
Financial lease liabilities (TFRS 16)	86,965,915	235,138,338	11,889,186	55,956,559	59,730,198	107,562,395
Trade payables to related parties	49,262,618	49,262,618	49,262,618	-	-	-
Trade payables to third parties	218,446,521	218,446,521	164,923,692	53,522,829	-	-
Total	28,702,489,696	32,609,711,634	4,083,068,908	3,858,754,991	24,560,325,340	107,562,395

Market risk

Market risk; The risk of changes in the money market, such as exchange rates, interest rates or the prices of instruments traded in the securities markets, may change the Group's income or the value of its financial assets. Market risk management aims to optimize return while controlling market risk exposure within acceptable limits.

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24 Nature and level of risks arising from financial instruments (*continued*)

Currency risk

While the Group's functional currency is Turkish Lira, the Group is exposed to foreign exchange risks. The Group has outstanding US Dollar debt instruments due to power plant investments. The Group also realizes significant USD indexed sales within the scope of the Feed-in Tariff.

As of 30 June 2025, and 31 December 2024, the foreign currency position of the Group arises from foreign currency assets and liabilities stated in the table below.

	30 June 2025		
	Original Amounts		
	TL Equivalent	US Dollars	EUR
Assets			
Cash and cash equivalents	171,703,528	4,319,068	1,294
Other receivables from related parties	129,708,010	3,263,850	-
Trade receivables due from related parties	27,776,277	628,386	60,156
Trade receivables due from third parties	233	-	5
Total Assets	329,188,048	8,211,304	61,455
Liabilities			
Short-term and long-term financial liabilities	(24,679,744,104)	(619,900,938)	-
Short-term trade payables due to third parties	(121,661,677)	(2,408,146)	(552,300)
Short-term trade payables due to related parties	(2,118,418)	(53,210)	-
Total liabilities	(24,803,524,199)	(622,362,294)	(552,300)
Foreign currency liability position	(24,474,336,151)	(614,150,990)	(490,845)
Amounts subject to cash flow hedge accounting *	5,630,198,782	141,418,221	-
Net foreign currency position after cash flow hedge	(18,844,137,369)	(472,732,769)	(490,845)

	31 December 2024			
	Original Amounts			
	TL Equivalent (indexed values)	TL Equivalent	US Dollars	EUR
Assets				
Cash and cash equivalents	399,395,917	342,318,044	9,694,057	8,406
Financial investments	919,133,675	787,779,816	22,329,170	-
Other receivables due from related parties	128,069,361	109,766,927	3,111,281	-
Trade receivables due from related parties	1,513,482,693	1,297,190,092	36,761,983	5,888
Total assets	2,960,081,646	2,537,054,879	71,896,491	14,294
Liabilities				
Short-term and long-term financial liabilities	(28,347,814,642)	(24,296,614,104)	(687,436,385)	-
Short-term trade payables due to third parties	(27,371,524)	(23,459,846)	(460,541)	(195,166)
Total liabilities	(28,375,186,166)	(24,320,073,950)	(687,896,926)	(195,166)
Foreign currency liability position	(25,415,104,520)	(21,783,019,071)	(616,000,435)	(180,872)
Amounts subject to cash flow hedge accounting *	7,958,880,750	6,821,473,074	193,350,767	-
Net foreign currency position after cash flow hedge	(17,456,223,770)	(14,961,545,997)	(422,649,668)	(180,872)

* Please refer to Note 2.8

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24 Nature and level of risks arising from financial instruments (*continued*)**Currency risk (*continued*)**Sensitivity analysis

The Group is mainly exposed to foreign currency risk in USD Dollars. The following table details the Group's sensitivity to a 10% increase and decrease in US Dollars and Euro, 10% is the rate used to report the exchange rate risk within the Group to the executives and this rate indicates the possible change in the exchange rates expected by the management. The sensitivity analysis covers only foreign currency denominated monetary items at the end of the year and shows the effects of the 10% increase in foreign exchange rates of these items at the end of the year excluding tax effects. A positive value indicates an increase in profit or loss and other equity items.

Exchange rate sensitivity analysis table		
30 June 2025		
	Increase in value of foreign currency	Decrease in value of foreign currency
If US dollar gains/losses 10% against TL		
1- TL net assets / liabilities	(1,882,062,609)	1,882,062,609
2- TL hedged portion (-)	562,007,322	(562,007,322)
3- TL net effect (1 + 2)	(1,320,055,287)	1,320,055,287
If Euro gains/losses 10% against TL		
4- TL net assets / liabilities	(2,291,819)	2,291,819
5- TL hedged portion (-)	-	-
6- Net effect of TL (4 + 5)	(2,291,819)	2,291,819
Total (3 + 6)	(1,322,347,106)	1,322,347,106

Exchange rate sensitivity analysis table		
31 December 2024		
	Increase in value of foreign currency	Decrease in value of foreign currency
If US dollar gains/losses 10% against TL		
1- TL net assets / liabilities	(1,742,880,463)	1,742,880,463
2- TL hedged portion (-)	795,888,073	(795,888,073)
3- TL net effect (1 + 2)	(946,992,390)	946,992,390
If Euro gains/losses 10% against TL		
4- TL net assets / liabilities	(776,642)	776,642
5- TL hedged portion (-)	-	-
6- Net effect of TL (4 + 5)	(776,642)	776,642
Total (3 + 6)	(947,769,032)	947,769,032

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Nature and level of risks arising from financial instruments (*continued*)

Capital risk managements

In managing capital, the Group's objectives are to maintain the Group's ability to continue to operate in order to maintain an optimal capital structure to provide returns to shareholders, benefits to other shareholders, and to reduce capital costs.

In order to maintain or adjust the capital structure, the Group determines the amount of dividend payable to shareholders.

The Group monitors capital on the basis of the net financial debt / equity ratio. Net financial debt is calculated by deducting cash and cash equivalents from total financial debt.

As of 30 June 2025, and 31 December 2024, net financial liabilities/equity ratios are as follows:

	30 June 2025	31 December 2024
Total financial liabilities *	24,679,744,104	28,347,814,642
Cash and cash equivalents	(2,639,659,237)	(3,935,735,821)
Net financial liabilities	22,040,084,867	24,412,078,821
Equity	32,679,204,366	31,927,911,454
	67.44%	76.46%

* Includes issued bond liabilities (Note 23.1).

Fair value of financial instruments

When measuring the fair value of an asset or liability, the Company uses market observable inputs. Fair value measurements are categorised into different levels of the fair value hierarchy based on the information used in the valuation techniques described below.

- Level 1: Quoted prices (unadjusted) in markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value hierarchy table as of 30 June 2025 is as follows:

Financial assets at fair value in statement of financial position	Level 1	Level 2	Level 3
Financial investment	-	1,143,943,216	-
Power plants	-	-	51,240,726,961
Total assets	-	1,143,943,216	51,240,726,961

Fair value hierarchy table as of 31 December 2024 is as follows:

Financial assets at fair value in statement of financial position	Level 1	Level 2	Level 3
Financial investment	-	1,001,660,983	-
Power plants	-	-	52,041,518,529
Total assets	-	1,001,660,983	52,041,518,529

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Nature and level of risks arising from financial instruments (*continued*)

Fair value of financial instruments (*continued*)

If the information used to measure the fair value of an asset or liability can be categorised into a different level of the fair value hierarchy, that fair value is categorised into the same level of the fair value hierarchy that includes the least significant information for the overall measurement.

The Company recognises transfers between levels in the fair value hierarchy at the end of the reporting period in which the change occurs.

Fair value is the amount that would be realised in a sale transaction between two parties willing to exchange a financial asset, other than in a forced sale or liquidation, and is most readily measurable at fair value.

The Company has generally assumed that the carrying amounts of financial instruments with short remaining maturities or financial instruments that are initially recognised close to the reporting date approximate their fair values. It is also assumed that the fair value of foreign currency assets and liabilities within financial instruments, which are translated into Turkish Lira at the year-end exchange rate, approximates their carrying value.

However, since it is necessary to use judgement to determine the estimated fair value, fair value measurements may not reflect the values that may occur in current market conditions. Therefore, apart from the aforementioned assumptions, inputs that are not based on observable market data for financial assets or liabilities (unobservable inputs), which are used by the Company management in the use of judgement in fair value analysis, have been assessed within the scope of the classification defined as level 3 of the valuation method for the comparative fair value analysis of long-term financial liabilities.

Financial assets

The carrying values of financial assets including cash and cash equivalents and financial investments which are accounted with their costs are estimated to be their fair values since they are short term.

The carrying values of trade receivables along with the related allowances for uncollectability are estimated to be their fair values.

Financial liabilities

The carrying values of trade payables are estimated to be their fair values since they are short term and leasing liabilities are estimated to be their fair values assuming that there is no significant change in the market prices of similar leases with the same maturity. The fair value of the Eurobond liability has been calculated and disclosed in Note 23.1.

Derivative instruments

The Company uses derivative financial instruments (mainly foreign currency forward contracts) to hedge its foreign currency risk. Derivative financial instruments are measured at fair value at the contracts date and remeasured at fair value at subsequent reporting dates. Changes in the fair value of derivative financial instruments are recognised in the statement of profit or loss in the period in which they arise.

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25

Earnings per share

The calculation of basic and diluted Earnings per share for the periods ended 30 June 2025 and 2024 were based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares as follows:

	30 June 2025	30 June 2024
Numerator:		
Income / (loss) for the period attributable to owners of the company	133,503,662	3,985,231,931
Denominator:		
Weighted average number of shares	698,894,974	698,894,974
Basic and diluted profit /(loss) per share	0.19	5.70
30 June 2025	Number of shares	Time weighting (days)
Outstanding ordinary shares as of 1 January 2025 (Par Value: TL 1)	698,894,974	180
Weighted average for the period	698,894,974	180 / 180
30 June 2024	Number of shares	Time weighting (days)
Outstanding ordinary shares as of 1 January 2024 (Par Value: TL 1)	698,894,974	180
Weighted average for the period	698,894,974	180 / 180

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

Notes to the interim consolidated financial statements for the six-month period ended 30 June 2025

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26 Prepaid expenses

As of 30 June 2025 and 31 December 2024, short term prepaid expenses as follows:

	30 June 2025	31 December 2024
Advances given for purchase orders	37,435,884	87,803,470
Prepaid expense for the following months	127,214,130	36,909,189
Job advances	274,421	216,223
	164,924,435	124,928,882

As of 30 June 2025 and 31 December 2024, long term prepaid expenses as follows:

	30 June 2025	31 December 2024
Advances given *	339,472,223	336,283,517
	339,472,223	336,283,517

* This amount comprises advances paid to Parla Solar Hücre ve Panel Üretim A.Ş. for the procurement of solar panels.

27 Financial investments

As of 30 June 2025 and 31 December 2024, financial investments are as follows:

	30 June 2025	31 December 2024
Restricted accounts	623,495,910	898,585,546
- Interest reserve account related to Eurobond *	623,495,910	898,585,546
Other financial investments **	1,143,943,216	1,001,660,983
	1,767,439,126	1,900,246,529

* The Company shall, so long as any Note remains outstanding, fund the interest reserve account on a monthly basis and maintain the required balance given the amount of upcoming interest payment, the amount standing in the account will gradually increase and finally be equal to debt service amount on the date of debt service.

** Comprised of short-term funds and bonds with maturities of less than one year.

Aydem Yenilenebilir Enerji Anonim Şirketi and Its Subsidiaries

Notes to the interim consolidated financial statements for the six-month period ended 30 June 2025

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise indicated.)

28 Monetary gain

	1 January- 30 June 2025
Balance sheet items	2,921,194,772
Tangible and intangible fixed assets	8,095,696,546
Right of use assets	54,712,084
Inventories	5,200,150
Prepaid expenses	46,575,269
Paid-in capital	(1,211,522,401)
Restricted reserves	(39,676,073)
Premiums/discounts on shares	(127,002,994)
Treasury shares	28,210,857
Deferred tax liabilities	(690,892,381)
Accumulated other comprehensive income and expenses not to be reclassified to profit or loss	(11,527,031)
Accumulated other comprehensive income and expenses to be reclassified to profit or loss	2,923,821,158
Retained earnings	(6,152,400,412)
Profit or loss statement items	206,912,583
Revenue	(330,696,466)
Cost of sales	262,833,296
General administrative expenses	27,854,324
Other income/expenses from operating activities	(16,073,437)
Income/expenses from investing activities	(8,367,664)
Financing income/expenses	271,362,530
	3,128,107,355

29 Events after the reporting period

On August 4, 2025, USD 90,920,182 was transferred to the relevant investor accounts for the payment of coupon number 8 and principal payment of the bonds with a nominal value of USD 750 million and a maturity of 5.5 years.

Uşak WPP capacity increase project has been completed as of 14 August 2025 with the approval of the Ministry of Energy and Natural Resources (MENR) for the displacement of 5 * 1.5 MW = 7.5 MW turbines and commissioning of 6 MW 2 new turbines in order to increase efficiency. The capacity increase of 12 MWm, the total installed capacity of Uşak WPP has increased from 215.65 MWm to 227.65 MWm. Total installed capacity, which was 1,186 MWm as of 14 August 2025, increased by 1% to 1,198 MWm.