

(Convenience translation of the
report and consolidated financial
statements originally
issued in Turkish)

Astor Enerji A.Ş. and its subsidiaries

**Financial statements and limited
audit for the period
January 1-June 30, 2025**

Astor Enerji A.Ş. and its subsidiaries

Table of contents	<u>Pages</u>
Statement of consolidated financial position	1-2
Statement of consolidated profit or loss and other comprehensive income	3
Statement of consolidated changes in equity	4
Statement of consolidated cash flows	5
Notes to the consolidated financial statements	6-27

Astor Enerji A.Ş. and its subsidiaries

Statement of consolidated financial position as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

		Current year	Prior year
		Unaudited	Audited
	Notes	June 30, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	3	4.705.523.275	5.446.722.884
Financial investments	3	5.697.758.511	3.795.421.463
Trade receivables:			
- Due from related parties	5, 17	72.710.809	20.530.477
- Due from third parties	5	6.227.102.222	7.615.053.911
Other receivables:			
- Due from related parties		-	4.827.993
- Due from third parties		681.008.182	269.462.127
Inventories	6	4.597.825.310	3.340.025.874
Prepaid expenses	8	5.134.115.160	4.107.778.994
Other current assets		27.650.057	37.706.825
Total current assets		27.143.693.526	24.637.530.548
Non-current assets			
Other receivables:			
- Due from third parties		7.860.560	16.970.140
Financial investments	3	1.338.946.039	1.087.432.740
Property, plant and equipment	7	7.044.990.653	6.611.090.118
Intangible assets:			
- Other intangible assets	7	2.041.953.541	2.417.647.107
- Goodwill	7	277.868.028	-
Prepaid expenses		223.232.389	122.335.597
Deferred taxes	12	78.772.707	753.126.348
Total non-current assets		11.013.623.917	11.008.602.050
Total assets		38.157.317.443	35.646.132.598

The accompanying notes are an integral part of these financial statements.

Astor Enerji A.Ş. and its subsidiaries**Statement of consolidated financial position as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

		Current year	
		Unaudited	Prior year Audited
	Notes	June 30, 2025	December 31, 2024
Liabilities			
Short-term financial liabilities			
Short-term borrowings	4	3.316.317.200	2.086.265.802
Current instalments of long-term financial liabilities	4	91.901.809	140.312.300
Trade payables:			
- Due to related parties	5, 17	-	5.001.247
- Due to third parties	5	2.159.583.496	1.953.556.074
Deferred income	10	5.533.949.493	6.480.797.633
Current tax liabilities		16.763.788	-
Short-term provisions:			
- Liabilities related to employee benefits		180.656.930	157.828.446
- Short-term provisions for employee benefits		65.246.788	45.856.008
- Other provisions		246.157.805	7.842.938
Other current liabilities		282.000.665	370.122.837
Total short-term liabilities		11.892.577.974	11.247.583.285
Long-term Liabilities			
Long-term borrowings	4	30.260.043	44.486.402
Long-term provisions:			
- Long-term provisions for employee benefits		76.523.540	57.488.278
Total long-term liabilities		106.783.583	101.974.680
Total liabilities		11.999.361.557	11.349.557.965
Equity			
Paid-in share capital	11	998.000.000	998.000.000
Share capital adjustment differences	11	2.451.373.985	2.451.373.985
Share premiums and discounts		2.738.743.310	2.738.743.310
Reserves on retained earnings		976.685.982	976.685.982
Other comprehensive income or expenses that will not be reclassified to profit or loss:			
- Revaluation gain on property, plant and equipment		928.681.011	928.681.011
- Defined benefit plans remeasurement (loss)/ gain		(70.299.665)	(51.368.954)
Foreign currency translation differences		9.626.286	3.287.884
Retained earnings		16.251.171.415	10.388.446.320
Net profit for the year		1.873.973.562	5.862.725.095
Total equity		26.157.955.886	24.296.574.633
Total liabilities and equity		38.157.317.443	35.646.132.598

The accompanying notes are an integral part of these financial statements.

Astor Enerji A.Ş. and its subsidiaries**Statement of consolidated profit and loss for the period ended June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

		Current Period	Prior Period	Current Period	Prior Period
		Reviewed	Reviewed	Not Reviewed	Not Reviewed
	Notes	1 January – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Revenue	13	13.595.269.221	15.467.319.618	6.940.483.012	6.971.254.374
Cost of sales (-)		(8.287.410.946)	(9.755.605.951)	(3.948.771.086)	(4.186.970.611)
Gross profit		5.307.858.275	5.711.713.667	2.991.711.926	2.784.283.763
Administrative expenses (-)		(271.900.189)	(333.513.588)	(122.473.950)	(171.140.684)
Marketing, sales and distribution expenses (-)		(993.312.242)	(871.748.944)	(500.070.933)	(300.449.579)
Research and development expenses (-)		(83.244.020)	(212.219.524)	(52.636.943)	(176.069.701)
Other income from operating activities	14	1.789.163.663	1.280.231.853	986.709.779	537.424.573
Other expenses from operating activities (-)	14	(1.933.146.537)	(1.123.595.374)	(975.989.467)	(311.164.313)
Operating profit		3.815.418.950	4.450.868.090	2.327.250.412	2.362.884.059
Income from investment activities	15	1.660.975.611	1.097.796.990	713.074.181	521.519.158
Expenses from investment activities (-)	15	(18.530.854)	(178.500.765)	1.085.727	88.952.802
Operating profit before finance expenses		5.457.863.707	5.370.164.315	3.041.410.320	2.973.356.019
Financial income	16	1.185.782.295	768.420.506	698.066.041	570.472.684
Financial expenses (-)	16	(588.923.907)	(269.059.494)	(242.936.393)	(179.947.041)
Net monetary loss		(3.929.344.506)	(3.641.181.731)	(2.224.478.513)	(2.810.881.078)
Profit/loss from operations before tax		2.125.377.589	2.228.343.596	1.272.061.455	553.000.584
Current tax expenses (-)	12	(216.771.023)	(370.548.754)	(94.830.409)	(34.513.505)
Deferred tax (expenses)/ income	12	(34.633.004)	(126.990.614)	(265.133.534)	375.399.000
Profit for the period		1.873.973.562	1.730.804.228	912.097.512	893.886.079
Earnings per share	20	1,88	1,73	0,91	0,90
Other comprehensive income					
Not to be reclassified to profit or loss					
(Losses) on remeasurement of defined benefit plans		(25.240.948)	(17.130.334)	(26.769.584)	(28.321.134)
Deferred tax income		6.310.237	4.282.583	6.692.396	7.080.284
Foreign currency translation differences		6.338.402	(14.182.036)	3.260.957	(17.089.275)
Other comprehensive (loss)/ income		(12.592.309)	(27.029.787)	(16.816.231)	(38.330.125)
Total comprehensive income		1.861.381.253	1.703.774.441	895.281.281	855.555.954

The accompanying notes are an integral part of these financial statements.

(Convenience translation of the independent auditors' report and financial statements originally issued in Turkish)

Astor Enerji A.Ş. and its subsidiaries

Statement of consolidated changes in equity for the period ended June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30 ,2025, unless otherwise stated.)

	Paid-in capital	Share capital adjustment differences	Share premiums and discounts (*)	Reserves on retained earnings	Property, plant and equipment revaluation fund	Accumulated other comprehensive income	Foreign currency translation differences	Retained earnings / (losses)	Net profit for the year	Total equity
Balances as of January 1, 2024	998.000.000	2.451.373.985	2.738.743.310	533.507.000	928.681.011	(29.333.687)	(3.327.208)	5.252.938.750	7.745.991.406	20.616.574.567
Transfers	-	-	-	-	-	-	-	7.745.991.406	(7.745.991.406)	-
Net profit for the year	-	-	-	-	-	-	-	-	1.730.804.228	1.730.804.228
Other comprehensive expenses	-	-	-	-	-	(12.847.751)	(14.182.036)	-	-	(27.029.787)
Balances as of June 30, 2024	998.000.000	2.451.373.985	2.738.743.310	533.507.000	928.681.011	(42.181.438)	(17.509.244)	12.998.930.156	1.730.804.228	22.320.349.008
Balances as of January 1, 2025	998.000.000	2.451.373.985	2.738.743.310	976.685.982	928.681.011	(51.368.954)	3.287.884	10.388.446.320	5.862.725.095	24.296.574.633
Transfers	-	-	-	-	-	-	-	5.862.725.095	(5.862.725.095)	-
Net profit for the year	-	-	-	-	-	-	-	-	1.873.973.562	1.873.973.562
Other comprehensive expenses	-	-	-	-	-	(18.930.711)	6.338.402	-	-	(12.592.309)
Balances as of June 30, 2025	998.000.000	2.451.373.985	2.738.743.310	976.685.982	928.681.011	(70.299.665)	9.626.286	16.251.171.415	1.873.973.562	26.157.955.886

The accompanying notes are an integral part of these financial statements.

Astor Enerji A.Ş. and its subsidiaries**Statement of consolidated cash flows for the period ended June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

		Unaudited January 1 – June 30, 2025	Unaudited January 1 – June 30, 2024
A. Cash flows from operating activities	Notes	2.202.498.043	5.208.723.667
Net profit for the year		1.873.973.562	1.730.804.228
Adjustment for reconciliation of profit for the year		1.208.346.474	859.320.808
Adjustments for depreciation and amortization expenses	7	448.512.673	451.124.051
Adjustment for provisions:			
-Adjustments for doubtful trade receivables		(141.756.926)	(3.462.544)
-Adjustment for unused vacation liabilities		19.390.780	23.263.114
-Adjustment for provision for employment termination benefits		13.662.448	16.251.800
Adjustment for tax expenses		251.404.027	497.539.368
Adjustment for losses/ (gains) on sales of fixed assets		(28.578.367)	11.433.549
Adjustments related to interest income and expenses		(646.530.606)	(1.449.552.312)
Foreign currency translation differences		6.338.402	(14.182.036)
Fair value adjustments for financial investments		1.324.677.532	-
Adjustments for provisions for lawsuits		253.306.035	-
Monetary gain/ (loss)		(292.079.524)	1.326.905.818
Changes in working capital:			
Changes in trade receivables		1.335.771.356	2.853.411.737
Changes in inventories		(1.257.799.436)	(315.568.501)
Changes in trade payables		(201.026.175)	(674.521.956)
Changes in other receivables		(397.608.482)	(100.833.922)
Changes in other liabilities		(276.953.377)	(533.187.486)
Changes in deferred income		946.848.140	675.055.512
Changes in prepaid expenses		(1.127.232.958)	735.573.179
Changes in other current assets		98.178.939	(21.329.932)
B. Cash flows from investing activities		(2.398.454.060)	(2.457.359.208)
Cash outflows from purchases of tangible and intangible assets	7	(1.511.827.378)	(1.704.811.225)
Cash inflows from sales of tangible and intangible assets	7	1.005.107.736	178.181.790
Cash paid for acquisition of subsidiary	7	(277.868.028)	-
Cash outflows from financial investments		(1.613.866.390)	(930.729.773)
C. Cash flows from financing activities		(1.286.443.201)	(982.670.728)
Cash inflows from borrowings and repayments of borrowings, net		1.167.163.793	(490.762.259)
Interest paid		(587.618.416)	(102.390.508)
Changes in financial investments		(1.865.988.578)	(389.517.961)
Increase in cash and cash equivalents (A+B+C)		(1.482.399.218)	1.768.693.731
D. Cash and cash equivalents at the beginning of the year		5.446.722.884	2.834.181.034
Monetary gain/ (loss) on cash and cash equivalents		741.199.609	(672.120.396)
E. Cash and cash equivalents at the end of the year (A+B+C+D)	3	4.705.523.275	3.930.754.369

The accompanying notes are an integral part of these financial statements.

Astor Enerji A.Ş. and subsidiaries

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

1. Organization and operations of the Group

Astor Enerji A.Ş. ("Astor" or the "Company") was established as Transtek Transformatör Sanayi ve Ticaret A.Ş. in Istanbul in 1983. The Company changed its trade name to Astor Transformatör ve Enerji Sanayi Ticaret Anonim Şirketi and Astor Transformatör Enerji Turizm İnşaat ve Petrol Sanayi Ticaret A.Ş. in 2003 and 2008, respectively. The current trade name is Astor Enerji A.Ş., which was announced in the Turkish Trade Registry Gazette with registration number 10281, dated March 5, 2021.

The actual business activity of the Company involves manufacturing transformers and medium/high voltage switching products required by industrial facilities, as well as the energy generation, transmission, and distribution sectors. In order to carry out these productions, the Company also engages in the import, export, purchase, and sale of necessary machinery, equipment, raw materials, finished products, and semi-finished goods. Additionally, the Company provides field installation, commissioning, and field-testing services as part of its after-sales support for the products it manufactures.

The registered address of the Company is Alci OSB Mah. 2001 Cadde, Block A, No: 5a, Sincan, Ankara, Turkey. In its factory, which was commissioned in 2017 and has a closed area of approximately 78,000 m2, established on a land of 95,000 m2, and in the same area, Alci OSB Mah. 2011 Cad. No: 5 in the mechanical manufacturing factory, which started its operations in 2020, which has a closed area of approximately 27,000 m2 and established on land of 42,000 m2, they manufacture substations including oily type distribution, dry type distribution, power, special type and industrial transformers, medium and high voltage switching products, concrete and sheet metal kiosks.

The registered address of the Company is Alci OSB Mah., 2001 Cadde, Block A, No: 5a, Sincan, Ankara, Turkey.

As of June 30, 2025, the number of employees employed within the Company is 2.354 (December 31, 2024: 2.122).

As of January 18, 2023, the company was listed on Borsa İstanbul A.Ş., and its shares began trading from this date.

The Company's structure of shareholders is as follows;

	Share (%)	June 30, 2025		December 31, 2024	
		TL	Share (%)	TL	
Feridun Geçgel	67%	671.150.000	67%	671.150.000	
Public portion	28%	276.900.000	28%	276.900.000	
Astor Holding A.Ş.	5%	49.950.000	5%	49.950.000	
Paid-in capital	100	998.000.000	100	998.000.000	
Share capital adjustment differences		2.451.373.985		1.958.422.203	
Total		3.449.373.985		2.956.422.203	

As of June 30, 2025, the Company's capital consists of 998.000.000 shares nominal value TL 1 (998.000.000 shares nominal value TL 1 as of December 31, 2024).

The subsidiaries, branches and their respective principal activities of Astor Enerji A.Ş. included in the consolidation are as follows:

Subsidiaries	Country of Operation	Ownership Interest	Principal Activity
Astor RO Energy S.R.L.	Romania	%100	Solar power generation and trading
Asener Enerji Elektrik İnşaat Taah. San. ve Tic. A.Ş.	Türkiye	%100	Electricity generation
Branches	Country of Operation		Principal Activity
Astor Enerji A.Ş. Baghdad Branch	Iraq		Installation and assembly of electrical equipment
Astor Enerji A.Ş. Zaragoza Branch	Spain		Installation and assembly of electrical equipment

Approval of financial statements:

Financial statements have been approved by the management and authorized for publication on August 19, 2025. The General Assembly has the authority to alter the financial statements.

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

2. Basis of presentation of financial statement and significant accounting policies

2.1. Basis of Presentation

Principles of preparation of consolidated financial statements

Group's financial statements have been prepared in accordance with the principles set forth in the Capital Markets Board's ("CMB") Communiqué No. II-14.1 on "Principles of Financial Reporting in Capital Markets," published in the Official Gazette No. 28676 dated June 13, 2013. They are also prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") and related amendments and interpretations issued by the Public Oversight, Accounting and Auditing Standards Authority ("POA"), ensuring alignment with international standards. TFRS are updated through communiqués to maintain consistency with changes in International Financial Reporting Standards ("IFRS").

The financial statements are based on Group's legal records and are expressed in Turkish Lira. They have been prepared after being subjected to certain adjustments and reclassification changes in accordance with the Turkish Accounting Standards published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") to fairly present Group's financial position.

The preparation of financial statements in accordance with TAS (Turkish Accounting Standards) and TFRS (Turkish Financial Reporting Standards) requires the use of certain assumptions and significant accounting estimates that affect the explanatory notes related to assets, liabilities, and contingent assets and liabilities. Although these estimates are based on management's best judgments within the context of current events and actions, actual results may differ from those estimates. Assumptions and estimates that require complex and more advanced judgments can have a significant impact on the financial statements.

There are no seasonal and periodic changes that will significantly affect Group's activities.

Functional and reporting currency

TL has been determined as the reporting and presentation currency for the financial statements of the Group. The accompanying financial statements are prepared in TL including the financial statements as of June 30, 2025 and the previous period's financial data to be used for comparison.

The exchange rate information for the end of the period as of June 30, 2025 and 2024 used by the Group is as follows;

	June 30, 2025	December 31, 2024
USD	39,7408	35,2803
EUR	46,6074	36,7362

The functional currency of the Group and its subsidiaries operating in Turkey is the Turkish Lira ("TL"). The functional currencies of the Group's subsidiaries operating outside Turkey are as follows:

	Functional currency
Astor RO Energy S.R.L.	RON

The functional currency of the Group's branch operating outside Turkey is as follows:

	Functional currency
Astor Enerji A.Ş. - Baghdad Branch	IQD
Astor Enerji A.Ş. - Zaragoza Branch	EUR

The reporting presentation currency for the Group's financial statements is set as TRY. During the inclusion of branches with functional currencies other than TRY, the translation process is carried out by converting the balance sheet items at the exchange rate at the end of the reporting period and converting income and expenses at the average exchange rate for the period into TRY. Any resulting gain or loss from the translation process is reported in the other comprehensive income statement under the "foreign currency translation differences" account.

Astor Enerji A.Ş. Baghdad and Zaragoza Branch engages in all types of tenders and commercial activities related to the installation, assembly, and commissioning of electrical equipment in the country and region where it operates.

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

2. Basis of presentation of financial statement and significant accounting policies (continued)

2.1. Basis of Presentation (continued)

Principles of preparation of consolidated financial statements (continued)

Going concern basis

The financial statements have been prepared on the basis of the continuity of the enterprise under the assumption that the group will benefit from its assets and fulfil its obligations in the next one year and within the natural flow of its activities.

Financial Reporting in Hyperinflationary Economies

Entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after June 30, 2025 with the announcements made by the Public Oversight Accounting and Auditing Standards Authority on November 23, 2023. 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.

The accompanying financial statements are prepared on a historical cost basis, except for (assets and liabilities will be specified) measured at fair value and (classes of property, plant and equipment or intangible assets will be specified) measured at revalued amounts.

Financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish lira and, as a result, are expressed in terms of purchasing power of Turkish lira as of June 30, 2025 as per TAS 29.

On the application of TAS 29, the entity used the conversion coefficient derived from the Customer Price Indexes published by Turkey Statistical Institute according to directions given by POA. The CPI for current and previous year periods and corresponding conversion factors since the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e., since January 1, 2005, were as follow:

Date	Index	Adjustment coefficient	Three-Year Cumulative Inflation Rate
June 30, 2025	3.132,17	1,00000	%220
December 31, 2024	2.684,55	1,16674	%291
June 30, 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 June 30, 2025. Non-monetary items which are not expressed in terms of measuring unit as of June 30, 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 January 1, 2005, were restated by applying the change in the CPI from January 1, 2005 to June 30, 2025.

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 January 1, 2022, was restated as the basis of all subsequent reporting. Restated retained earnings/losses in the statement of financial position as of January 1, 2022 was derived as balancing figure in the restated statement of financial position.

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

2. Basis of presentation of financial statement and significant accounting policies (continued)

2.1. Basis of Presentation (continued)

Principles of preparation of financial statements (continued)

If an enterprise whose functional currency is the currency of a hyperinflationary economy presents its financial statements in a foreign currency, the financial statements are adjusted for inflation before translation in accordance with TAS 29. In the translation of the enterprise's current period financial position statement and profit or loss and other comprehensive income statements, the exchange rate at the end of the current reporting period is used for all assets, liabilities, equity, income and expense items.

In the translation of comparative financial statements, it is important whether the currency in which the translation is made is the currency of a hyperinflationary economy or not. If the currency in which the translation is made is not the currency of a hyperinflationary economy, the comparative amounts would be those presented as current year amounts in the prior year's financial statements. Otherwise, all comparative figures are also translated the exchange rate at the end of the current reporting period.

2.2. Comparative information and restatement of prior period financial statements

The financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of the financial situation and performance trends order to comply with the presentation of the current period financial statements, comparative information is reclassified when deemed necessary and significant differences are disclosed.

2.3 The new standards, amendments and interpretations

The accounting policies adopted in preparation of the financial statements as of June 30, 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 financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as of January 1, 2025 are as follows:

- Amendments to TAS 21 - Lack of exchangeability

These changes have had no impact on the Group's financial position or performance.

Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and disclosures when the new standards and interpretations become effective.

- Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- TFRS 17 - The new Standard for insurance contracts

The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following amendments to IFRS 9 and IFRS 7, Annual Improvements to IFRS Accounting Standards as well as IFRS 18 and IFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its financial statements after the amendments and new Standard are issued and become effective under TFRS.

- Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments
- Annual Improvements to IFRS Accounting Standards – Volume 11
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity
- IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

2. Basis of presentation of financial statement and significant accounting policies (continued)**2.4 Summary of significant accounting policies**

In accordance with Turkish Accounting Standard No:34 "Interim Financial Reporting," entities are free to prepare their interim financial statements either as a full set or in a condensed format. In this context, the Group has opted to prepare condensed financial statements for interim periods. Therefore, these condensed interim financial statements should be read in conjunction with the Group's financial statements as of December 31, 2024.

3. Cash and cash equivalents and short-term financial investments**a) Cash and cash equivalents**

	June 30, 2025	December 31, 2024
Cash:	51.640.603	44.208.179
USD	50.965.442	43.074.329
IQD	569.945	1.120.710
TL	105.217	13.140
Cash at banks:		
- Demand deposits		
USD	196.761.085	236.987.725
EUR	119.093.315	190.923.128
IQD	99.239.777	22.143.048
TL	75.283.875	106.516.684
GBP	29.214.804	265.617.762
RON	182.534	-
- Time deposits		
TL	4.122.258.636	3.620.633.698
EUR	279.316	214.307.842
USD	-	740.932.428
Other cash equivalents	11.569.329	4.452.390
Cash and cash equivalents in financial statements	4.705.523.275	5.446.722.884

As of June 30, 2025, the annual average interest rate applied to EUR-denominated time deposits is 1,84% and the annual average interest rate applied to TL-denominated time deposits is 44,75%, and the maturities of time deposits are less than three months (As of December 31, 2024, the annual average interest rate applied to USD-denominated time deposits is 3,80%, the annual average interest rate applied to EUR-denominated time deposits is 2,3% the annual average interest rate applied to TL-denominated time deposits is 42%, and the maturities of time deposits are less than three months).

b) Financial investments**i) Short-term investments**

	June 30, 2025	December 31, 2024
Financial investments	5.697.758.511	3.795.421.463
Total	5.697.758.511	3.795.421.463

ii) Long-term investments

	June 30, 2025	December 31, 2024
Re-Pie Portföy Yönetim A.Ş. Venture Capital Fund (*)	951.545.755	1.022.787.292
A1 Capital Yatırım Menkul Değerler A.Ş. Bonds	330.468.188	-
Hedef Portföy Yönetim A.Ş. Value Venture Capital Fund	54.284.892	62.234.768
Albaraka Portföy Yönetim A.Ş. Ostim Venture Capital Fund (*)	2.647.204	2.410.680
Total	1.338.946.039	1.087.432.740

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

4. Financial instruments

As of June 30, 2025 and December 31, 2024, the details of the Group's financial liabilities are as follows:

	June 30, 2025	December 31, 2024
Short-term bank loans	3.316.317.200	2.086.265.802
Short-term portion of long-term bank loans	91.901.809	140.312.300
Short-term financial borrowings	3.408.219.009	2.226.578.102
	June 30, 2025	December 31, 2024
Long-term bank borrowings	30.260.043	44.486.402
Long-term financial borrowings	30.260.043	44.486.402
Total financial liabilities	3.438.479.052	2.271.064.504

The repayment schedule of financial borrowings is as follows:

	June 30, 2025	December 31, 2024
To be paid within 1 year	3.408.219.009	2.226.578.102
To be paid within 1 to 2 years	30.260.043	44.486.402
Total	3.438.479.052	2.271.064.504

As of June 30, 2025 and December 31, 2024, bank loans and leasing borrowings original currency balances and effective interest rates as follows:

		June 30, 2025	
	Weighted effective interest rate (%)	Original currency	TL
Bank loans and leasing borrowings:			
- TL	22,47%	3.024.453.980	3.024.453.980
- EUR	4,81%	4.603.921	214.963.072
- USD	5,95%	5.000.000	199.062.000
Total			3.438.479.052
			December 31, 2024
	Weighted effective interest rate (%)	Original currency	TL
Bank loans and leasing borrowings:			
- TL	25,90%	1.826.274.445	1.826.274.445
- EUR	4,72%	6.483.410	238.605.056
- USD	5,95%	5.833.697	206.185.003
Total			2.271.064.504

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

5. Trade receivables and payables

a) Trade receivables

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

	June 30, 2025	December 31, 2024
Notes receivable: (*)	1.910.803.272	2.279.606.697
Trade receivables: (*)		
-Trade receivables from related parties (Note 17)	72.710.809	20.530.477
-Trade receivables from third parties	5.190.851.207	6.340.038.572
Minus: Provision for doubtful receivables (-)	(655.487.693)	(749.864.588)
Minus: Rediscount interest expenses (-)	(219.064.564)	(254.726.770)
Total	6.299.813.031	7.635.584.388

(*) Trade receivables and notes receivable consist of amounts due from customers for services provided in the normal course of business. Group holds trade receivables and notes receivable to collect contractual cash flows and therefore measures them at amortized cost using the effective interest method.

b) Trade payables

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

	June 30, 2025	December 31, 2024
Notes payables	281.766.254	391.173.031
Trade payables:		
Trade payables to related parties	-	5.001.247
Trade payables to third parties	1.763.104.760	1.480.650.542
Other trade payables	195.273.546	184.020.270
Minus: Rediscount interest income (-)	(80.561.064)	(102.287.769)
Total	2.159.583.496	1.958.557.321

6. Inventories

	June 30, 2025	December 31, 2024
Raw materials	1.417.705.424	1.547.843.631
Semi-finished goods	1.725.309.059	768.074.140
Finished goods	1.358.515.133	1.001.606.408
Merchandise goods	96.295.694	22.501.695
Total	4.597.825.310	3.340.025.874

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

7. Property, plant and equipment

As of January 1 – June 30, 2025, the details of property, plant and equipment and accumulated depreciation are as follows:

	January 1, 2025	Additions	Disposals	Transfers	June 30, 2025
Cost:					
Land	362.138.430	-	-	-	362.138.430
Land improvements	558.886.364	-	-	99.469.878	658.356.242
Buildings	1.135.193.232	-	-	91.371.599	1.226.564.831
Plant, machinery and equipment	4.315.184.306	140.111.742	(933.004)	102.980.210	4.557.343.254
Vehicles	385.821.136	25.645.380	(60.367.926)	-	351.098.590
Furniture and fixtures	270.648.784	10.541.704	(25.524)	-	281.164.964
Leasehold improvements	6.789.948	-	-	-	6.789.948
Purchased by financial leasing	190.841.477	-	-	(190.841.477)	-
Construction in progress	1.846.755.923	651.228.494	-	(102.980.210)	2.395.004.207
Total	9.072.259.600	827.527.320	(61.326.454)	-	9.838.460.466
Accumulated depreciation:					
Land improvements	39.120.465	32.876.186	-	3.692.726	75.689.377
Buildings	154.899.547	28.403.379	-	14.621.542	197.924.468
Plant, machinery and equipment	1.827.725.324	256.141.453	(340.304)	172.525.762	2.256.052.235
Vehicles	27.754.695	32.290.688	(25.414.391)	-	34.630.992
Furniture and fixture	218.515.459	8.166.256	(142)	-	226.681.573
Leasehold improvements	2.313.962	177.206	-	-	2.491.168
Purchased by financial leasing	190.840.030	-	-	(190.840.030)	-
Total	2.461.169.482	358.055.168	(25.754.837)	-	2.793.469.813
Net book value	6.611.090.118				7.044.990.653

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

7. Property, plant, and equipment (continued)

The movements of property, plant and equipment and accumulated depreciation between January 1 and June 30, 2024 are as follows:

	January 1, 2024	Additions	Disposals	Transfers	June 30, 2024
Cost:					
Land	362.138.430	-	-	-	362.138.430
Land improvements	66.445.695	-	-	-	66.445.695
Buildings	1.135.193.232	-	-	-	1.135.193.232
Plant, machinery and equipment	3.532.421.111	228.929.460	(1.343.110)	128.619.625	3.888.627.086
Vehicles	362.854.414	26.884.896	(90.771.188)	-	298.968.122
Furniture and fixtures	245.592.864	13.589.526	-	-	259.182.390
Leasehold improvements	6.789.948	-	-	-	6.789.948
Purchased by financial leasing	190.841.476	-	-	-	190.841.476
Construction in progress	992.974.941	872.410.703	(99.826.422)	(1.025.118.499)	740.440.723
Total	6.895.252.111	1.141.814.585	(191.940.720)	(896.498.874)	6.948.627.102
Accumulated depreciation:					
Land improvements	7.937.113	3.280.659	-	-	11.217.772
Buildings	99.919.994	27.489.776	-	-	127.409.770
Plant, machinery and equipment	1.384.506.683	214.398.040	(21.718)	-	1.598.883.005
Vehicles	60.328.812	15.362.692	(13.737.212)	-	61.954.292
Furniture and fixture	202.192.407	8.118.464	-	-	210.310.871
Leasehold improvements	1.862.766	241.730	-	-	2.104.496
Purchased by financial leasing	175.919.548	9.946.989	-	-	185.866.537
Total	1.932.667.323	278.838.350	(13.758.930)	-	2.197.746.743
Net book value	4.962.584.788				4.750.880.359

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

7. Intangible assets

The movements of property, plant and equipment and accumulated depreciation between January 1, 2025 and June 30, 2025 are as follows:

	January 1, 2025	Additions	Disposal	Transfers	June 30, 2025
Costs:					
Rights	96.825.444	30.261.455	-	-	127.086.899
Capitalized development costs (*)	3.285.285.931	654.038.603	(992.381.764)	-	2.946.942.770
Other intangible assets	1.309.879	-	-	-	1.309.879
Total	3.383.421.254	684.300.058	(992.381.764)	-	3.075.339.548
Accumulated depreciation:					
Rights	37.689.567	7.615.535	-	-	45.305.102
Capitalized development costs	926.774.702	82.841.970	(22.845.645)	-	986.771.027
Other intangible assets	1.309.878	-	-	-	1.309.878
Total	965.774.147	90.457.505	(22.845.645)	-	1.033.386.007
Net book value	2.417.647.107				2.041.953.541

The movements of property, plant and equipment and accumulated depreciation between January 1, 2024 and June 30, 2024 are as follows:

	January 1, 2024	Additions	Disposal	Transfers	June 30, 2024
Costs:					
Rights					
Capitalized development costs (*)	48.466.694	1.531.560	-	-	49.998.254
Ongoing development costs (*)	3.102.700.820	561.465.080	-	896.498.874	4.560.664.774
Other intangible assets	1.309.879	-	-	-	1.309.879
Total	3.152.477.393	562.996.640	-	896.498.874	4.611.972.907
Accumulated depreciation:					
Rights	24.916.765	6.281.456	-	-	31.198.221
Capitalized development costs	913.158.518	166.004.245	-	-	1.079.162.763
Other intangible assets	1.309.878	-	-	-	1.309.878
Total	939.385.161	172.285.701	-	-	1.111.670.862
Net book value	2.213.092.232				3.500.302.045

(*) Group has established a Research and Development (R&D) Center to benefit from incentives and exemptions under Law No. 5746, "Law on Supporting Research and Development Activities, issued by the Ministry of Industry and Technology of the Republic of Turkey ("Ministry"). Group has received the R&D Center certificate from the Ministry.

Goodwill

Goodwill represents the positive difference between the cost of an acquired subsidiary at the acquisition date and the fair value of its net assets. The Group does not amortize goodwill. The carrying amount of goodwill is reviewed for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

Goodwill arising from the acquisition of foreign operations, together with fair value adjustments made to the carrying amounts of assets and liabilities at the date of acquisition, is treated as assets and liabilities of the foreign operation. Accordingly, such amounts are expressed in the functional currency of the foreign operation and translated at the closing exchange rate at the balance sheet date.

As of 2025, Astor Enerji A.Ş. acquired 100% of the shares of Asener Enerji Üretim Elektrik İnşaat Taahhüt Sanayi ve Ticaret A.Ş., a company holding a solar energy license. Based on the financial statements as of 30 June 2025, provisional goodwill has been calculated over the net assets acquired. As of 30 June 2025, the provisional goodwill amount was TL 277.868.028.

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

8. Prepaid expenses

As of June 30, 2025 and December 31, 2024, the details of the short-term prepaid expenses account are as follows:

	June 30, 2025	December 31, 2024
Order advances for inventory purchases	4.987.956.528	3.984.527.964
Prepaid expenses to related parties	82.225.256	43.298.867
Expenses for the following months	63.933.376	79.952.163
Total	5.134.115.160	4.107.778.994

As of June 30, 2025 and December 31, 2024, the details of the long-term prepaid expenses account are as follows:

	June 30, 2025	December 31, 2024
Advances given (*)	178.971.744	-
Expenses for future years	44.260.645	122.335.597
Total	223.232.389	122.335.597

(*) Consists of advances given to entities holding solar energy generation licenses to be incorporated into Astor Ro S.R.L.

8. Contingent liabilities, collateral, pledges and mortgages

The positions of the guarantees, pledges, mortgages and sureties given by the Group ("GMPs") are as follows:

	June 30, 2025				
	TL equivalent	USD	EUR	TL	GBP
A. Total amount of GMPs given for companies' own legal entity	885.548.216	-	19.000.000	7.616	-
B. Total amount of GMPs given in favor of partnerships included in scope of full consolidation	-	-	-	-	-
C. Total GPM given for execution of ordinary commercial activities to collect third parties' debt	-	-	-	-	-
D. Total other GMPs given	-	-	-	-	-
I. Total amount of GPM given on behalf of main shareholder	-	-	-	-	-
ii. Total amount of GPM given on behalf of group companies which are not in scope of B and C	-	-	-	-	-
iii. Total amount of GPM given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total	885.548.216	-	19.000.000	7.616	-

	December 31, 2024				
	TL equivalent	USD	EUR	TL	GBP
A. Total amount of GMPs given for companies' own legal entity	6.546.672.811	75.238.761	77.782.709	1.008.996.369	583.370
B. Total amount of GMPs given in favor of partnerships included in scope of full consolidation	-	-	-	-	-
C. Total GPM given for execution of ordinary commercial activities to collect third parties' debt	-	-	-	-	-
D. Total other GMPs given	2.599.708	-	-	2.599.708	-
i. Total amount of GPM given on behalf of main shareholder	-	-	-	-	-
ii. Total amount of GPM given on behalf of group companies which are not in scope of B and C	2.599.708	-	-	2.599.708	-
iii. Total amount of GPM given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total	6.551.872.227	75.238.761	77.782.709	1.014.195.785	583.370

The ratio of other collateral security deposits given by the Group to the Group's equity is 0% as of June 30, 2025 (December 31, 2024: 0,01%).

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

9. Contingent liabilities, collateral, pledges and mortgages (continued)

The positions of the guarantees, pledges, mortgages and sureties given by the Group ("GMPs") are as follows:

a) GMPs given on behalf of its own legal entity:

June 30, 2025	TL equivalent	TL	USD	EUR	GBP
Guarantee letters	7.616	7.616	-	-	-
Mortgages (*)	885.540.600	-	-	19.000.000	-
Total	885.548.216	7.616	-	19.000.000	-
December 31, 2024	TL equivalent	TL	USD	EUR	GBP
Guarantee letters	5.732.303.011	1.008.996.369	75.238.761	55.614.663	583.370
Mortgages (*)	814.369.800	-	-	22.168.048	-
Total	6.546.672.811	1.008.996.369	75.238.761	77.782.711	583.370

(*) There is a mortgage granted for bank loans related to the investment in the amount of 19.000.000 euros on the Temelli factory (December 31, 2024: 19.000.000 EUR).

b) Other GPM's given to related parties on behalf of its own legal entity**Guarantee letters**

	June 30, 2025	December 31, 2024
Güney Elektrik Ltd. Şti. (***)	-	1.365.358
Özgüney Elektrik A.Ş. (**) (***)	-	700.044
Güney Ges Elektrik San. Tic. Ltd. Şti. (***)	-	534.306
Total	-	2.599.708

(***) As of June 30, 2025 and December 31, 2024, this represents the letters of guarantee and sureties provided by the Group on behalf of its legal entity for related parties.

c) CPM's received on behalf of its own legal entity:

	June 30, 2025	December 31, 2024
Guarantee letters	4.172.784	699.093.632
Total	4.172.784	699.093.632

10. Deferred income

As of June 30, 2025 and December 31, 2024, the details of short-term deferred income are as follows:

	June 30, 2025	December 31, 2024
Advances received: (*)		
Advances received from related parties	25.892.813	7.852.471
Advances received from unrelated parties	5.211.535.263	5.959.293.985
Income for the next months	296.521.417	513.651.177
Total	5.533.949.493	6.480.797.633

(*) Group has order advance balances received from its customers in the deferred income account.

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

11. Shareholders' equity

a) Capital

As of June 30, 2025 and December 31, 2024, the details of Group's paid-in share capital are as follows:

	Share (%)	June 30, 2025	Share (%)	December 31, 2024
		TL		TL
Feridun Geçgel	67%	671.150.000	67%	671.150.000
Publicly traded part	28%	276.900.000	28%	276.900.000
Astor Holding A.Ş.	5%	49.950.000	5%	49.950.000
Paid-in capital		998.000.000		998.000.000
Share capital adjustment differences		2.451.373.985		2.451.373.985
Total		3.449.373.985		3.449.373.985

As of June 30, 2025, the Company's capital consists of 998.000.000 shares with a par value of 1 TL (December 31, 2024: 998.000.000 shares with a par value of 1 TL).

b) Legal reserves

As of June 30, 2025 and December 31, 2024, the details of Group's restricted profit reserves are as follows:

	June 30, 2025	December 31, 2024
Legal reserves	976.685.982	976.685.982
Total	976.685.982	976.685.982

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. 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% of paid-in share capital.

Dividends

According to the Turkish Commercial Code ("TCC"), unless the reserve funds required to be set aside and the dividends determined for shareholders in the articles of association or profit distribution policy are allocated, it is not permissible to allocate additional reserve funds, transfer profits to the following year, or distribute profits to usufruct holders, board members, Group employees, or non-shareholders. Additionally, dividends cannot be distributed to these people unless the dividends determined for shareholders are paid in cash.

In calculating the net distributable profit for the period, any amount exceeding the total of general legal reserves, including prior years' profits, premiums related to shares, and equity items excluding capital, adjusted for inflation accounting, is considered as a reduction item. Equity inflation adjustment differences and the registered values of extraordinary reserves can be used for bonus capital increases, cash profit distribution, or offsetting losses. However, equity inflation adjustment differences will be subject to corporate tax if used for cash profit distribution.

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

12. Tax assets and liabilities

In Turkey, the general corporate tax rate is 25% (December 31, 2024: 25%). With Article 15 of Law No. 7351 published in the Official Gazette No. 31727 and dated January 22, 2022, an amendment was made to Article 32 of the Corporate Tax Law No. 5520, and the corporate tax rate began to be applied with a 1 point discount on the earnings of exporting institutions obtained exclusively from exports and the earnings of institutions that have an industrial registry certificate and are actually engaged in production activities obtained exclusively from production activities. With Article 21 of Law No. 7456 published in the Official Gazette No. 32249 and dated July 15, 2023, the corporate tax discount rate to be applied to the earnings of institutions obtained exclusively from exports was increased to 5 points.

The Law Amending the Tax Procedure Law and the Corporate Tax Law, Law No. 7352, was enacted on January 20, 2022. According to this law, financial statements for the 2021 and 2022 accounting periods, as well as the 2023 accounting period, will not be subject to inflation adjustment under Article 298 of the Repeated Tax Procedure Law, regardless of whether the conditions for inflation adjustment are met. The Public Oversight Authority issued a statement on January 20, 2022, regarding the application of Financial Reporting in Hyperinflationary Economies under IFRS, indicating that no adjustments were necessary under IAS 29 for the 2021 financial statements. Consequently, no inflation adjustments have been made to the financial statements in accordance with IAS 29.

The tax amounts reflected in the profit or loss statements for the years ended on June 30, 2025 and December 31, 2024, are summarized below:

	June 30, 2025	December 31, 2024
Period tax expenses	(216.771.023)	(370.548.754)
Deferred tax expenses	(34.633.004)	(126.990.614)
Total tax expenses, net	(251.404.027)	(497.539.368)

As of June 30, 2025 and December 31, 2024, the details of the deferred tax assets and liabilities prepared using the applicable tax rates are as follows:

	Deferred tax assets/ liabilities	Deferred tax assets/ liabilities
	June 30, 2025	December 31, 2024
Deferred tax assets and liabilities:		
Deferred tax asset calculated on the investment incentive certificate (*)	453.915.117	474.033.590
Provision for severance payments and unused vacation	(506.576.083)	(381.366.921)
Provisions for doubtful receivables and ECL	35.442.582	25.836.072
Rediscount income/ (expenses), net	15.693.717	37.653.529
Differences of tangible assets and intangible assets book value	42.022.891	19.230.034
Inventories	(26.685.817)	44.226.720
Differences in foreign currency valuation	(15.306.463)	24.835.590
Other (**)	80.266.763	508.677.734
Deferred tax (liabilities)/ assets, net	78.772.707	753.126.348

(*) Consists of the deferred tax asset recognized in relation to the corporate tax reduction benefits utilized by the Group under the investment incentive certificate obtained for its machinery and equipment investments. As a result of Astor Enerji A.Ş.'s application to the General Directorate of Incentive Implementation and Foreign Capital of the Ministry of Economy of the Republic of Turkey, the investment incentive application was included within the scope of the Project-Based State Aid granted under the decision of the Council of Ministers. Accordingly, the investment incentive certificate numbered 575771 was published in the Official Gazette of the Republic of Turkey dated August 29, 2024, issue number 32485, serial number 1352, while the investment incentive certificate numbered 559376 was published in the Official Gazette dated March 10, 2024. Additionally, the investment incentive certificate numbered 506339 was approved by the Presidency on October 31, 2019, and published in the duplicate Official Gazette dated December 31, 2019, issue number 30995-5.

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

12. Tax assets and liabilities (continued)

The investment incentives and support applicable to each certificate are as follows:

For certificate no. 575771:

- Employer's share of social security premium support (7 years)
- Corporate tax reduction (80% with an investment contribution rate of 40%)
- Customs duty exemption
- Interest rate support
- VAT exemption

For certificate no. 559376:

- Employer's share of social security premium support (7 years)
- Corporate tax reduction (80% with an investment contribution rate of 40%)
- Income tax exemption
- Interest rate support
- VAT exemption

For certificate no. 506339:

- Employer's share of social security premium support (7 years)
- Corporate tax reduction (80% with an investment contribution rate of 40%)
- Customs duty exemption
- Interest rate support
- VAT exemption

(**) Primarily consists of advance indexation adjustments.

13. Revenue

	1 January – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Domestic sales	6.754.681.719	9.561.472.117	3.867.845.103	4.737.555.571
Export sales	6.738.177.939	6.112.213.268	3.121.663.888	2.294.057.903
Other income	317.312.752	81.197.997	151.683.509	45.625.205
Gross sales	13.810.172.410	15.754.883.382	7.141.192.500	7.077.238.679
Returns and discounts on sales (-)	(214.903.189)	(287.563.764)	(200.709.488)	(105.984.305)
Net sales	13.595.269.221	15.467.319.618	6.940.483.012	6.971.254.374

14. Other income and expenses from main operations

a) Other income from main operations

	1 January – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Foreign exchange gains from commercial activities	1.581.333.797	990.000.109	878.590.522	380.932.072
Scrap sales income	81.274.154	94.427.211	40.238.966	51.095.102
Price difference income	9.781.562	20.868.309	38.684	6.414.640
Other (*)	116.774.150	174.936.224	67.841.607	98.982.759
Total	1.789.163.663	1.280.231.853	986.709.779	537.424.573

(*) Mainly consists of price differences, income and penalty revenues.

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

14. Other income and expenses from main operations (continued)**b) Other expenses from main operations**

	1 January – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Foreign exchange losses from commercial actives	(1.587.290.915)	(1.064.298.690)	(921.929.396)	(267.434.885)
Competition Authority fine provision expense	(253.306.035)	-	-	-
Donations and grants income	(2.456.126)	(6.109.171)	(693.880)	(5.432.537)
Other (*)	(90.093.461)	(53.187.513)	(53.366.191)	(38.296.891)
Total	(1.933.146.537)	(1.123.595.374)	(975.989.467)	(311.164.313)

(*) It mainly consists of discount, commission, price and maturity difference expenses.

15. Income and expenses from investment activities**a) Income from investment activities**

	1 January – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Fair value differences of financial investments	1.623.484.773	1.045.175.968	691.729.637	526.802.849
Gain on sale of fixed assets	37.490.838	52.621.022	21.344.544	(5.283.691)
Total	1.660.975.611	1.097.796.990	713.074.181	521.519.158

b) Expenses from investment activities (-)

	1 January – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Loss on sale of fixed assets	(9.618.383)	(114.446.194)	3.934.595	84.381.261
Losses on sale of funds	(8.912.471)	(64.054.571)	(2.848.868)	4.571.541
Total	(18.530.854)	(178.500.765)	1.085.727	88.952.802

16. Financial expenses and income**a) Financial income**

	1 January – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Interest income	1.051.089.724	666.470.426	649.921.923	508.981.650
Foreign exchange gains from financing activities	134.692.571	101.950.080	48.144.118	61.491.034
Total	1.185.782.295	768.420.506	698.066.041	570.472.684

b) Financial expenses

	1 January – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Bank commission interest expenses	463.722.064	147.647.887	138.205.597	105.972.566
Foreign exchange losses from financing activities	111.072.808	102.390.508	97.264.020	60.324.230
Guarantee letter commission expenses	14.129.035	19.021.099	7.466.776	13.650.245
Total	588.923.907	269.059.494	242.936.393	179.947.041

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

17. Related party disclosures

Group's executive management consists of members of the Board of Directors.

Remuneration and similar benefits provided to members of the board of directors and executive management for the years ended June 30, 2025 and December 31, 2024 are summarized below:

	June 30, 2025	December 31, 2024
Benefits and services provided to senior executives	2.520.000	5.638.268
Remuneration and similar benefits provided to executive management	17.865.552	30.275.265
Total	20.385.552	35.913.533

a) Trade receivables from related parties

	June 30, 2025	December 31, 2024
Astor Ps Makina Enerji A.Ş. (1)	72.710.809	-
Özgüney Elektrik A.Ş. (2)	-	20.530.477
Total	72.710.809	20.530.477

b) Payables to related parties

	June 30, 2025	December 31, 2024
EFG Elektrik Enerji A.Ş. (2)	-	173.254
Özgüney Elektrik A.Ş. (2)	-	4.827.993
Total	-	5.001.247

c) Prepaid expenses to related parties

	June 30, 2025	December 31, 2024
EFG Elektrik Enerji A.Ş. (2)	43.200.000	-
Özgüney Elektrik A.Ş. (2)	38.875.256	43.298.867
Total	82.225.256	43.298.867

d) Deferred expenses to related parties

	June 30, 2025	December 31, 2024
EFG Elektrik Enerji A.Ş. (2)	19.760.154	-
Etm Astor Sarl (1)	6.132.659	7.852.470
Total	25.892.813	7.852.470

e) Other receivables from related parties

	June 30, 2025	December 31, 2024
Özgüney Elektrik A.Ş. (2)	-	4.827.993
Total	-	4.827.993

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

17. Related party disclosures (continued)

f) Sales of goods and services to related parties

	1 January – 30 June 2025	1 April – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
EFG Elektrik Enerji A.Ş. (2)	116.433.089	84.060.876	38.085.165	29.019.984
Güney Ges Elektrik A.Ş. (2)	106.016.100	-	-	-
Astor Ps Makina Enerji A.Ş.	80.274.615	-	80.003.257	-
Özgüney Elektrik A.Ş. (2)	-	57.580.817	-	14.959.022
Total	302.723.804	141.641.693	118.088.422	43.979.006

g) Purchases of goods and services from related parties

	1 January – 30 June 2025	1 April – 30 June 2024	1 April – 30 June 2025	1 April – 30 June 2024
Özgüney Elektrik A.Ş. (2)	154.379.907	406.131.778	205.345	200.399.906
EFG Elektrik Enerji A.Ş.(2)	103.032.081	106.811.991	68.622.230	58.965.477
Güney Ges Elektrik A.Ş. (2)	101.373.255	-	101.373.255	-
Total	358.785.243	512.943.769	170.200.830	259.365.383

Group procures raw materials and other materials from related party companies.

(1) Company owned by shareholders

(2) Companies controlled by close family members

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

18. The nature and risk level of financial instruments

The main financial instruments of the Group consist of short-term and long-term bank loans, cash and bank deposits. The main purpose of these financial instruments is to finance the Group's operating activities. Group also has other financial instruments such as trade payables and trade receivables arising from direct operating activities.

Share capital management

While managing the capital, Group's goals are to maintain the most appropriate capital structure and to ensure the continuity of Group's activities in order to benefit its partners and reduce the cost of capital.

Currency Risk Management

Transactions denominated in foreign currencies give rise to currency risk. Currency risk is managed by balancing assets and liabilities denominated in foreign currencies.

As of June 30, 2025 and December 31, 2024, Group's foreign currency position is as follows:

					Total TL equivalent (Presentation currency)
June 30, 2025	USD	EUR	IQD	GBP	
Cash and cash equivalents	3.116.391	2.553.065	1.046.087.565	2.801.570	426.941.752
Trade receivables	72.360.708	23.118.268	-	-	3.953.154.803
Total assets	75.477.099	25.671.333	1.046.087.565	2.801.570	4.380.096.555
Bank loans	5.000.000	4.603.921	-	-	414.025.072
Trade payables	12.992.798	17.890.391	-	731.325	1.392.575.160
Total liabilities	17.992.798	22.494.312	-	731.325	1.806.600.232
Net foreign currency position	57.484.301	3.177.021	1.046.087.565	2.070.245	2.573.496.323

					Total TL equivalent (Presentation currency)
December 31, 2024	USD	EUR	IQD	GBP	
Cash and cash equivalents	28.939.507	11.013.221	1.015.574.834	6.008.459	1.714.005.938
Trade receivables	76.680.963	26.263.551	-	-	3.670.150.433
Total assets	105.620.470	37.276.772	1.015.574.834	6.008.459	5.384.156.371
Bank loans	5.833.697	6.483.410	-	-	444.790.059
Trade payables	8.213.987	21.086.292	-	15.938	1.067.047.883
Total liabilities	14.047.684	27.569.702	-	15.938	1.511.837.942
Net foreign currency position	91.572.786	9.707.070	1.015.574.834	5.992.521	3.872.318.429

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

18. The nature and risk level of financial instruments (continued)**Currency risk sensitivity**

Group is mainly exposed to exchange rate risk in USD and EURO.

The foreign exchange rate sensitivity analysis table of the Group as of June 30, 2025 and December 31, 2024, are as follows:

		June 30, 2025	
		Profit/ loss	
		Appreciation of foreign currency	Depreciation of foreign currency
1-	Appreciation/ depreciation of TL against USD at 10%: USD net asset/ liability	228.353.384	(228.353.384)
2-	Portion protected from USD risk (-)	-	-
3-	USD net effect (1+2)	228.353.384	(228.353.384)
4-	Appreciation/ depreciation of TL against EURO at 10%: EURO net asset/ liability	14.618.543	(14.618.543)
5-	Portion protected from EURO risk (-)	-	-
6-	EURO net effect (4+5)	14.618.543	(14.618.543)
7-	Appreciation/ depreciation of TL against IQD at 10%: IQD net asset/ liability	3.175.922	(3.175.922)
8-	Portion protected from IQD risk (-)	-	-
9-	IQD net effect (7+8)	3.175.922	(3.175.922)
10-	Appreciation/ depreciation of TL against GBP at 10%: GBP net asset/ liability	11.257.516	(11.257.516)
11-	Portion protected from GBP risk (-)	-	-
12-	GBP net effect (7+8)	11.257.516	(11.257.516)
Total (3+6+9+12)		257.349.632	(257.349.632)
		December 31, 2024	
		Profit/ loss	
		Appreciation of foreign currency	Depreciation of foreign currency
1-	Appreciation/ depreciation of TL against USD at 10%: USD net asset/ liability	322.982.335	(322.982.335)
2-	Portion protected from USD risk (-)	-	-
3-	USD net effect (1+2)	322.982.335	(322.982.335)
4-	Appreciation/ depreciation of TL against EURO at 10%: EURO net asset/ liability	35.477.574	(35.477.574)
5-	Portion protected from EURO risk (-)	-	-
6-	EURO net effect (4+5)	35.477.574	(35.477.574)
7-	Appreciation/ depreciation of TL against IQD at 10%: IQD net asset/ liability	2.280.981	(2.280.981)
8-	Portion protected from IQD risk (-)	-	-
9-	IQD net effect (7+8)	2.280.981	(2.280.981)
10-	Appreciation/ depreciation of TL against GBP at 10%: GBP net asset/ liability	26.491.320	(26.491.320)
11-	Portion protected from GBP risk (-)	-	-
12-	GBP net effect (7+8)	26.491.320	(26.491.320)
Total (3+6+9+12)		387.231.843	(387.231.843)

Astor Enerji A.Ş.**Notes to the consolidated financial statements as of June 30, 2025**

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

18. The nature and risk level of financial instruments (continued)**Credit risk**

Credit risk is the risk that one of the parties investing in a financial instrument cannot fulfil its obligations and suffer financial losses from the other party. Group manages credit risk by limiting its transactions with certain third parties and by constantly reviewing the credit risk of third parties.

Credit risk concentrations occur when counterparties carry out similar business activities or operate within the same geographic region or if they have similar economic characteristics, the fulfilment of their contractual obligations is equally affected by changes in economic, political and other circumstances. Group manages credit risk by diversifying its sales activities against the risk of excessive concentration resulting from working with individuals and groups in limited regions and sectors. The maximum credit risk amount of the Group is the carried value of the financial instruments it carries in the financial statements.

June 30, 2025	Receivables				Deposits in Banks
	Trade Receivables		Other Receivables		
	Related Party	Other	Related Party	Other	
Maximum exposure to credit risk as of reporting date (A+B+C+D)	72.710.809	6.227.102.222	-	681.008.182	4.642.313.341
- The portion of the maximum risk secured by collateral, etc.	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	72.710.809	6.227.102.222	-	681.008.182	4.642.313.341
B. net book value of financial assets that are past due but not impaired	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-
- Pass due (gross amount)	-	655.487.693	-	-	-
- Impairment (-)	-	(655.487.693)	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
D. Off-balance sheet items including credit risk	-	-	-	-	-

December 31, 2024	Receivables				Deposits in Banks
	Trade Receivables		Other Receivables		
	Related Party	Other	Related Party	Other	
Maximum exposure to credit risk as of reporting date (A+B+C+D)	20.530.477	7.615.053.911	-	269.462.127	5.398.062.316
- The portion of the maximum risk secured by collateral, etc.	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	20.530.477	7.615.053.911	-	269.462.127	5.398.062.316
B. net book value of financial assets that are past due but not impaired	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-
- Pass due (gross amount)	-	749.864.588	-	-	-
- Impairment (-)	-	(749.864.588)	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
D. Off-balance sheet items including credit risk	-	-	-	-	-

Astor Enerji A.Ş.

Notes to the consolidated financial statements as of June 30, 2025

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of June 30, 2025, unless otherwise stated.)

19. Earnings per share

Group's earnings per share statement for the years ended June 30, 2025 and 2024 are as follows:

	January 1 – June 30, 2025	January 1 – June 30, 2024	April 1 – June 30, 2025	April 1 – June 30, 2024
Net income attributable to shareholders	1.873.973.562	1.730.804.228	912.097.512	893.886.079
Weighted average number of shares outstanding	998.000.000	998.000.000	998.000.000	998.000.000
Earnings per share	1,88	1,73	0,91	0,90

20. Subsequent event after financial statements

None.