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

Astor Enerji A.Ş.

Financial statements as of December 31, 2024 together with the report of independent auditor's

Astor Enerji A.Ş.

Table of contents **Pages**

Eren Bağımsız Denetim A.Ş.
Kızılırmak, Ufuk Üniversitesi
Cad. No.8 Kat:11, 06510
Çankaya/ Ankara, Türkiye

T + 90 312 219 16 50
F + 90 312 219 16 60
www.grantthornton.com.tr

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Astor Enerji A.Ş.;

A) Independent audit of Financial Statements

1) Opinion

We have audited the financial statements of Astor Enerji A.Ş. ("Astor" or the "Company"), which comprise the statement of financial position for the year ended December 31, 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2) Basis for Opinion

We conducted our audit in accordance with International Standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards ("IAS") which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Other Matter

In accordance with the "Announcement on the Inflation Adjustment of the Financial Statements of Companies Subject to Independent Audit" published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") on November 23, 2023, the financial statements as of December 31, 2024, have been subject to inflation adjustment under the IAS 29 "Financial Reporting in Hyperinflationary Economies" standard. In this regard, we would like to draw attention to explanatory Note 2, which includes information on the transition to inflation accounting. This matter does not affect the opinion we have expressed.

Eren Bağımsız Denetim A.Ş.
Kızılırmak, Ufuk Üniversitesi
Cad. No.8 Kat:11, 06510
Çankaya/ Ankara, Türkiye

T + 90 312 219 16 50
F + 90 312 219 16 60
www.grantthornton.com.tr

4) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Procedures in Relation to Key Audit Matter
Trade Receivables	
As of December 31, 2024, there are TL 6.544.379.158 trade receivables in the financial statements. Trade receivables are considered as a significant balance sheet item since they represent 21% of the total assets in the financial statements as of December 31, 2024. Furthermore, the collectability of trade receivables is a significant item of the Company's working capital management and includes significant judgments and estimates of management. Determining the risk of collecting for trade receivables and the provision to be set aside or determining whether a private trade receivable is collectible or not requires important management reasoning. The management of the company in this regard, aging of trade receivables, the Company is taken from the ongoing litigation lawyers report on cases and ongoing risk analysis of credit risk management in the context of guarantees received, and the characteristics of the securities in question, the collection of the current period and the period after the balance sheet date, the performance of all other information made in this regard. Due to the size of the amounts and the reasoning required in the assessment of the collectability of trade receivables and TFRS 9's applications are complex and comprehensive; the existence and collectability of trade receivables are considered as the key audit matter. Details about trade receivables are disclosed in Note 5.	The following procedures have been applied regarding the audit of trade receivables: - Analytical analysis of the aging tables and comparison of the trade receivable collection ratio with the previous year, - Testing of trade receivable balances by sending confirmation letters via sample, - Testing of collections made in the following period by sample, - Evaluation of the compliance of the accounting policies applied to TFRS 9, the Group's past history performance, local and global practices, - Evaluation of the adequacy of the specific provisions allocated for trade receivables, disputes and legal cases related to the receivables have been investigated, and confirmation letters regarding ongoing collection lawsuits, - Evaluation of the adequacy and compliance with TFRS of the disclosures related to the impairment of trade receivables.

Eren Bağımsız Denetim A.Ş.
Kızılırmak, Ufuk Üniversitesi
Cad. No.8 Kat:11, 06510
Çankaya/ Ankara, Türkiye

T + 90 312 219 16 50
F + 90 312 219 16 60
www.grantthornton.com.tr

4) Key Audit Matters

Key audit matters	Audit Procedures in Relation to Key Audit Matters
Application of inflation accounting	
As explained in Note 2.1, due to the assessment of the Company's functional currency (Turkish Lira) as a currency of a hyperinflationary economy as of December 31, 2024, the Company has started to apply the "IAS 29 Financial Reporting in Hyperinflationary Economies" standard. In accordance with IAS 29, the financial statements and prior period financial information have been restated to reflect changes in the general purchasing power of the Turkish Lira, and as a result, they are presented in terms of the purchasing power of the Turkish Lira as of the reporting date. In accordance with the guidelines of IAS 29, the Company has used the Turkish consumer price indices to prepare inflation-adjusted financial statements. The principles applied for inflation adjustment are explained in Note 2.1. Considering the significant impact of IAS 29 on the Company's reported results and financial position, hyperinflation accounting has been considered a key audit matter.	The audit procedures applied are outlined below: - Discussions were held with management responsible for financial reporting to review the principles considered during the application of IAS 29, the identification of non-monetary accounts, and the tests performed on the designed IAS 29 models. - The inputs and indices used have been tested to ensure the completeness and accuracy of the calculations. - The financial statements restated in accordance with IAS 29 and the related financial information have been reviewed. - The adequacy of the information provided in the financial statements with inflation accounting applied and the note disclosures related has been evaluated in terms of IAS 29.

Eren Bağımsız Denetim A.Ş.
Kızılırmak, Ufuk Üniversitesi
Cad. No.8 Kat:11, 06510
Çankaya/ Ankara, Türkiye

T + 90 312 219 16 50
F + 90 312 219 16 60
www.grantthornton.com.tr

5) Responsibilities of Management and Those Charged with Governance for the Financial Statements

Company management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

6) Auditor's Responsibilities for the Audit of the Financial Statements

The responsibilities of independent auditors in an independent audit are as follows:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the IAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the IAS, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Grant Thornton
An instinct for growth™

Eren Bağımsız Denetim A.Ş.
Kızılırmak, Ufuk Üniversitesi
Cad. No.8 Kat:11, 06510
Çankaya/ Ankara, Türkiye

T + 90 312 219 16 50
F + 90 312 219 16 60
www.grantthornton.com.tr

6) Auditor's Responsibilities for the Audit of the Financial Statements

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Legal and Regulatory Requirements

1. In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period January 1 - December 31, 2024 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.

2. In accordance with paragraph 4 of Article 402 of TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The independent audit herein, is conducted and concluded by the engagement partner Emir Taşar.

Eren Bağımsız Denetim Anonim Şirketi
A member firm of Grant Thornton International

Emir TAŞAR
Partner

Emir Taşar, CPA
Partner

March 3, 2025
Ankara, Turkey

Statement of financial position as of December 31, 2024

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated.)

	Notes	Current year Audited December 31, 2024	Prior year Audited December 31, 2023
Assets			
Current assets			
Cash and cash equivalents	*3*	**4.668.328.960**	2.429.146.788
Financial investments	*3*	**3.253.015.861**	2.021.163.845
Trade receivables:			
- Due from related parties	*5, 23*	**17.596.456**	407.164.387
- Due from third parties	*5*	**6.526.782.702**	8.152.693.385
Other receivables:			
- Due from related parties		**4.138.022**	-
- Due from third parties	*6*	**230.953.158**	112.008.358
Inventories	*7*	**2.862.701.086**	2.183.348.448
Prepaid expenses	*10*	**3.520.734.219**	3.512.337.723
Other current assets	*15*	**32.318.124**	992.831
Total current assets		**21.116.568.588**	18.818.855.765
Non-current assets			
Other receivables:			
- Due from third parties	*6*	**14.544.929**	13.453.077
Financial investments	*3*	**932.027.177**	374.017.950
Property, plant and equipment	*8*	**5.666.295.883**	4.253.379.284
Intangible assets:			
- Other intangible assets	*9*	**2.072.139.935**	1.896.818.101
Prepaid expenses	*10*	**104.852.555**	951.625.540
Deferred taxes	*16*	**645.496.680**	768.426.623
Total non-current assets		**9.435.357.159**	8.257.720.575
Total assets		**30.551.925.747**	27.076.576.340

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

Astor Enerji A.Ş.

Statement of financial position as of December 31, 2024

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated.)

	Notes	Current year Audited December 31, 2024	Prior year Audited December 31, 2023
Liabilities			
Short-term financial liabilities			
Short-term borrowings	*4*	**1.788.116.500**	1.260.496.538
Current instalments of long-term financial liabilities	*4*	**120.260.198**	272.838.853
Trade payables:			
- Due to related parties	*5, 23*	**4.286.516**	50.068.584
- Due to third parties	*5*	**1.674.372.387**	2.383.016.777
Liabilities related to employee benefits	*14*	**135.273.103**	74.156.451
Other payables:			
- Due to related parties		**-**	1.273
Deferred income	*12*	**5.554.623.563**	4.805.138.500
Short-term provisions:			
- Short-term provisions for employee benefits	*14*	***39.302.703***	*16.885.258*
- Other provisions	*14*	**6.722.100**	2.724.572
Other current liabilities	*15*	**317.228.395**	376.693.324
Total short-term liabilities		**9.640.185.465**	9.242.020.130
Long-term Liabilities			
Long-term borrowings	*4*	**38.128.828**	122.942.307
Long-term provisions:			
- Long-term provisions for employee benefits	*14*	***49.272.599***	*41.364.442*
Total long-term liabilities		**87.401.427**	164.306.749
Total liabilities		**9.727.586.892**	9.406.326.879
Equity			
Paid-in share capital	*13*	**998.000.000**	998.000.000
Share capital adjustment differences		**1.958.422.203**	1.958.422.203
Share premiums and discounts		**2.347.348.117**	2.347.348.117
Reserves on retained earnings	*13*	**837.107.294**	457.263.244
Other comprehensive income or expenses that will not be reclassified to profit or loss:			
- Revaluation gain on property, plant and equipment		**795.962.738**	795.962.738
- Defined benefit plans remeasurement (loss)/ gain		**(44.027.791)**	(25.141.595)
- Foreign currency translation differences		**2.818.011**	(2.851.715)
Retained earnings		**8.903.828.199**	4.502.238.615
Net profit for the year		**5.024.880.084**	6.639.007.854
Total equity		**20.824.338.855**	17.670.249.461
Total liabilities and equity		**30.551.925.747**	27.076.576.340

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

Astor Enerji A.Ş.

Statement of profit and loss for the period ended December 31, 2024

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated.)

	Notes	Current Period Audited January 1 – December 31, 2024	Prior Period Audited January 1 – December 31, 2023
Revenue	*17*	**26.624.069.648**	24.420.785.951
Cost of sales (-)	*18*	**(17.416.546.509)**	(15.068.861.719)
Gross profit		**9.207.523.139**	9.351.924.232
Administrative expenses (-)	*19*	**(466.844.151)**	(357.025.070)
Marketing, sales and distribution expenses (-)	*19*	**(1.441.580.131)**	(976.752.037)
Research and development expenses (-)	*19*	**(191.515.037)**	(102.990.490)
Other income from operating activities	*20*	**1.778.794.021**	1.886.215.315
Other expenses from operating activities (-)	*20*	**(2.287.090.459)**	(1.828.777.066)
Operating profit		**6.599.287.382**	7.972.594.884
Income from investment activities	*21*	**1.716.862.431**	797.204.204
Expenses from investment activities (-)	*21*	**(442.136.132)**	(411.459.391)
Operating profit before finance expenses		**7.874.013.681**	8.358.339.697
Financial income	*22*	**1.769.931.084**	1.472.870.848
Financial expenses (-)	*22*	**(873.249.115)**	(1.214.247.973)
Net monetary loss	*28*	**(3.624.510.804)**	(1.059.874.070)
Profit from operations before tax		**5.146.184.846**	7.557.088.502
Current tax expenses (-)	*16*	**(441.104.266)**	(1.150.075.680)
Deferred tax (expenses)/ income	*16*	**319.799.504**	231.995.032
Profit for the period		**5.024.880.084**	6.639.007.854
Earnings per share	*26*	**5,03**	6,70
Other comprehensive income			
Not to be reclassified to profit or loss:			
(Losses) on remeasurement of defined benefit plans	*14*	**(25.181.594)**	(21.826.399)
Deferred tax income		**6.295.398**	5.456.600
Foreign currency translation differences		**5.669.726**	(2.851.715)
Other comprehensive (loss)/ income		**(13.216.470)**	(19.221.514)
Total comprehensive income		**5.011.663.614**	6.619.786.340

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

Astor Enerji A.Ş.
Statement of changes in equity
for the years ended December 31, 2024 and 2023
(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of December 31 ,2024, unless otherwise stated.)

	Paid-in capital	Share capital adjustment differences	Property, plant and equipment revaluation fund	Reserves on retained earnings	Accumulated other comprehensive income	Retained earnings/ (losses)	Share premiums and discounts	Foreign currency translation differences	Net profit for the year	Total equity
Balances as of January 1, 2023	850.000.000	1.754.313.428	980.456.607	220.105.369	(8.771.796)	2.909.622.212	-	-	2.946.034.617	9.651.760.437
Transfers	-	-	-	237.157.875	-	2.708.876.742	-	-	(2.946.034.617)	-
Net profit for the year	-	-	-	-	-	-	-	-	6.639.007.854	6.639.007.854
Capital increased (*)	148.000.000	204.108.775	-	-	-	-	-	-	-	352.108.775
Dividend payments	-	-	-	-	-	(1.116.260.339)	-	-	-	(1.116.260.339)
Increases from share-based transactions (**)	-	-	-	-	-	-	2.347.348.117	-	-	2.347.348.117
Other comprehensive expenses	-	-	(184.493.869)	-	(16.369.799)	-	-	(2.851.715)		(203.715.383)
Balances as of December 31, 2023	998.000.000	1.958.422.203	795.962.738	457.263.244	(25.141.595)	4.502.238.615	2.347.348.117	(2.851.715)	6.639.007.854	17.670.249.461
Balances as of January 1, 2024	**998.000.000**	**1.958.422.203**	**795.962.738**	**457.263.244**	**(25.141.595)**	**4.502.238.615**	**2.347.348.117**	**(2.851.715)**	**6.639.007.854**	**17.670.249.461**
Transfers	**-**	**-**	**-**	**379.844.050**	**-**	**6.259.163.804**	**-**	**-**	**(6.639.007.854)**	**-**
Net profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5.024.880.084**	**5.024.880.084**
Dividend payments	**-**	**-**	**-**	**-**	**-**	**(1.857.574.220)**	**-**	**-**	**-**	**(1.857.574.220)**
Other comprehensive expenses	**-**	**-**	**-**	**-**	**(18.886.196)**	**-**	**-**	**5.669.726**	**-**	**(13.216.470)**
Balances as of December 31, 2024	**998.000.000**	**1.958.422.203**	**795.962.738**	**837.107.294**	**(44.027.791)**	**8.903.828.199**	**2.347.348.117**	**2.818.011**	**5.024.880.084**	**20.824.338.855**

(*) The Company has increased its capital from 850.000.000 TL to 998.000.000 TL by raising 148.000.000 TL in cash.

(**) Premiums related to shares refer to cash inflows obtained from the sale of shares at their market prices.

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

Astor Enerji A.Ş.

Statement of cash flows for the period ended December 31, 2024

(Amounts are expressed in based on the purchasing power of the Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated.)

		Audited	Audited
		January 1 – December 31, 2024	January 1 – December 31, 2023
A. Cash flows from operating activities	**Notes**	**7.060.885.450**	5.799.052.647
Net profit for the year		**5.024.880.084**	6.639.007.854
Adjustment for reconciliation of profit for the year		**1.351.206.537**	426.385.189
Adjustments for depreciation and amortization expenses	*8, 9*	**863.107.678**	454.086.934
Adjustment for provisions:			
-Adjustments for doubtful trade receivables	*5*	**623.171.156**	80.062.850
-Adjustment for unused vacation liabilities	*14*	**22.417.445**	(1.086.836)
-Adjustment for provision for employment termination benefits	*14*	**20.045.257**	23.437.073
Adjustment for tax expenses	*16*	**121.304.762**	918.080.648
Adjustment for losses/ (gains) on sales of fixed assets	*21*	**(55.613.728)**	22.547.602
Adjustments related to interest income and expenses	*22*	**(835.758.351)**	(768.781.373)
Fair value adjustments for financial investments		**4.932.580**	15.150.623
Adjustments for provisions for lawsuits	*14*	**3.997.528**	2.724.572
Foreign currency translation differences		**5.669.726**	(2.851.715)
Monetary gain/ (loss)		**577.932.484**	(316.985.189)
Changes in working capital:			
Changes in trade receivables		**2.015.478.614**	(2.699.457.488)
Changes in inventories		**(679.352.638)**	890.648.566
Changes in trade payables		**754.426.458**	180.245.731
Changes in other receivables		**(124.174.674)**	249.685.514
Changes in other liabilities		**(1.398.609.993)**	(2.389.531.576)
Changes in deferred income		**(749.485.063)**	3.327.029.892
Changes in prepaid expenses		**838.376.490**	(826.671.280)
Changes in other current assets		**28.139.635**	1.710.245
B. Cash flows from investing activities		**(4.185.593.625)**	(3.899.946.446)
Cash outflows from purchases of tangible and intangible assets	*8, 9*	**(3.703.166.636)**	(2.656.742.941)
Cash inflows from sales of tangible and intangible assets	*8, 9*	**1.307.434.253**	27.034.670
Cash outflows from financial investments		**-**	(307.463.421)
Changes in financial investments		**(1.789.861.242)**	(962.774.754)
C. Cash flows from financing activities		**(636.109.653)**	189.587.291
Cash inflows from borrowings and repayments of borrowings, net		**277.940.419**	(1.441.282.969)
Interest paid		**943.524.148**	399.782.482
Cash inflows from share issuance		**-**	2.347.348.117
Dividend paid		**(1.857.574.220)**	(1.116.260.339)
Increase in cash and cash equivalents (A+B+C)		**2.239.182.172**	2.088.693.492
D. Cash and cash equivalents at the beginning of the year		**2.429.146.788**	340.453.296
E. Cash and cash equivalents at the end of the year (A+B+C+D)	*3*	**4.668.328.960**	2.429.146.788

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

(Amounts expressed in Turkish Lira ("TRY"), unless otherwise indicated.)

1. Organization and operations of the Company

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, Alcı 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 December 31, 2024, the number of employees employed within the Company is 2.122 (December 31, 2023:1,921).

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;

	December 31, 2024		December 31, 2023	
	Share (%)	**TL**	**Share (%)**	**TL**
Feridun Geçgel	**67%**	**671.150.000**	79%	788.000.000
Public portion	**28%**	**276.900.000**	21%	210.000.000
Astor Holding A.Ş.	**5%**	**49.950.000**	-	-
Paid-in capital	**100**	**998.000.000**	100	998.000.000
Share capital adjustment differences		**1.958.422.203**		1.958.422.203
Total		**2.956.422.203**		2.956.422.203

As of December 31, 2024, 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, 2023).

<u>Approval of financial statements:</u>

Financial statements have been approved by the management and authorized for publication on March 3, 2025. The General Assembly has the authority to alter the financial statements.

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

2.1. Basis of Presentation

Principles of preparation of financial statements

The Company'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 the Company'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 the Company'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 the Company's activities.

Functional and reporting currency

TL has been determined as the reporting and presentation currency for the financial statements of the Company. The accompanying financial statements are prepared in TL including the financial statements as of December 31, 2024 and the previous period's financial data to be used for comparison.

The exchange rate information for the end of the period as of December 31, 2024 and 2023 used by the Company is as follows;

	December 31, 2024	December 31, 2023
USD	**34,1210**	29,4382
EUR	**38,1714**	32,5739

The functional currency of the Company'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 Company'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.

Going concern basis

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

(Amounts expressed in Turkish Lira ("TRY"), unless otherwise indicated.)

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)

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 December 31, 2024 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 December 31, 2024 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
December 31, 2024	2.684,55	1,00000	%291
December 31, 2023	1.859,38	1,44379	%268
December 31, 2022	1.128,45	2,37897	%156

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 December 31, 2024. Non-monetary items which are not expressed in terms of measuring unit as of December 31, 2024 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 December 31, 2024.

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.

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 Company 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 December 31, 2024 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, 2024 and thereafter. The effects of these standards and interpretations on the Company financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows:

- Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities
- Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback
- Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

These changes have had no impact on the Company'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 Company 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
- Amendments to TAS 21 - Lack of exchangeability

The amendments which are effective immediately upon issuance

- Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

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 Company will make the necessary changes to its financial statements after the amendments and new Standard are issued and become effective under TFRS.

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

2.3 The new standards, amendments and interpretations (continued)

- 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

The impact of these changes on the Company's financial position or performance is being evaluated.

2.4 Summary of significant accounting policies

Related parties

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; or
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).

Trade receivables

Trade receivables are recorded from invoice amounts and then carried out after deducting doubtful trade receivable provisions, net of deferred maturity income. Trade receivables with deferred maturity income net off are calculated by discounting the receivables from the original invoice value in the following periods by the effective interest method. Short-term receivables with no determined interest rates are accounted over the original invoice values if the interest accrual effect is not very large. The "simplified approach" is applied within the scope of impairment calculations of trade receivables accounted at amortized cost value in financial statements. With this approach, in cases where trade receivables are not impaired for certain reasons (except for the impairment losses incurred), the provisions for losses related to trade receivables are measured at an amount equal to "lifelong expected Bank loan losses". Following the provision of the provision for the doubtful receivable in case all or part of the doubtful receivable is collected, the collected amount is recorded in other income by deducting the provision for the doubtful receivable.

Trade payables

Trade payables are recorded at their fair values and are subsequently accounted for at the discounted amounts using the effective interest rate method. Maturity differences related to trade payables are accounted under other income and expenses from its main activities.

Prepaid expenses

Prepaid expenses are the amounts generally made to suppliers, and which will be transferred to expense and cost accounts in a later period or periods

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

2.4 Summary of significant accounting policies(continued)

Inventories

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. When the net fair value of the inventories falls below their cost, the inventories are reduced to their net fair value and reflected to the income statement in the year when the impairment occurs. In case, where the conditions leading to the reduction of inventories to net fair value have expired or there has been an increase in net fair value due to changing economic conditions, the provision for impairment disappeared. The disappearance is limited by the amount of impairment previously reserved. The cost of inventories includes all purchasing costs, conversion costs and other costs incurred to bring the inventories to their current state and position

Financial assets

Classification

The Company classified its financial assets in three categories as financial assets carried at amortized cost, financial assets carried at fair value though profit of loss, financial assets carried at fair value though other comprehensive income. Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date. Financial assets are not reclassified after their initial recognition except the situation when the business model used by the Company in the management of financial assets changes. In the case of a business model change, financial assets are reclassified on the first day of the reporting period.

Accounting and measurement

"Financial assets measured at amortized cost" are non-derivative financial assets, which are held within the scope of a business model aiming to collect the contractual cash flows, and which include cash flows that only include interest payments arising from principal and principal balance at certain dates on contract terms. The Company's financial assets, which are accounted for at amortized cost, include "cash and cash equivalents", "trade receivables", "other receivables" and "financial investments". Related assets, with their fair values in their first recording in the financial statements; In the subsequent recognition, it is measured at the discounted prices using the effective interest rate method. Gains and losses resulting from valuation of non-derivative financial assets measured at amortized cost are accounted in the income statement.

"Financial assets whose fair value difference is reflected in other comprehensive income" are non-derivative instruments held within the scope of a business model aiming to collect contractual cash flows and sell financial assets, and which include cash payments that include interest payments only on principal and principal balance at certain dates in contract terms. are financial assets. Outside gains or losses arising from related financial assets, impairment gains or losses and those other than exchange difference income or expenses are reflected to other comprehensive income. In the event that such assets are sold, valuation differences classified into other comprehensive income are classified in previous years' profits. For investments made in equity-based financial assets, the Company may irrevocably choose the method of reflecting subsequent changes in its fair value to other comprehensive income for the first time. In the event that such preference is made, dividends obtained from related investments are accounted in the income statement.

"Financial assets at fair value through profit or loss" consist of financial assets that are measured at amortized cost and whose fair value difference is reflected in other comprehensive income. Gains and losses resulting from the valuation of such assets are accounted for in the income statement

Derecognition

When the rights related to cash flows arising due to the contract regarding financial assets are terminated or when all of the risks and benefits of this financial asset is transferred through sales or purchasing process, said financial assets shall be extracted from the records of the Company. Any rights created or held by the financial assets transferred by the Company are recognized as a separate asset or liability.

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

2.4 Summary of significant accounting policies (continued)

Impairment

Impairment of financial assets and contract assets is calculated using the "expected credit loss" ("ECL") model. Loss provisions are measured on the following basis: 12-months ECLs: ECLs arising from possible default events within 12 months after the reporting date. Lifetime ECLs: ECLs resulting from all possible default events over the expected life of a financial instrument. The lifetime ECL measurement is applied at the reporting date when the bank loan risk related to a financial asset increases significantly after the first recognition date. In all other cases where the relevant increase was not experienced, 12-months ECL calculation was applied.

Effective interest method

The effective interest method is the valuation of the financial asset at amortized cost and the redistribution method in which the relevant income is related. Effective interest rate is the rate which reduces the estimated cash receipts to be collected over the expected life of the financial instrument or, where appropriate for a shorter period of time to the net present value of the related financial asset.

Income related to financial assets other than financial assets at fair value through profit or loss are accounted by using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents are cash, demand deposits and other short-term investments with high liquidity with a maturity of less than 3 months or 3 months from the date of purchase, which can be converted into cash immediately and without significant risk of value change.

Financial liabilities

Financial liabilities are measured at their fair value during their initial recognition. Transaction costs that can be directly associated with the undertaking of the related financial liability are added to the fair value in question.

Financial liabilities are classified as equity instruments and other financial liabilities.

Other financial liabilities

Other financial liabilities are accounted over the amortized cost value by using the effective interest method together with the interest expense calculated over the effective interest rate in the following periods.

Effective interest method; is the method of calculating the amortized costs of the financial liability and distributing the related interest expense to the related period. Effective interest rate: It is the rate that precisely reduces the estimated future cash payments to be made in the lifetime of the financial instrument or, if appropriate, for a shorter period of time, to the net present value of the relevant financial liability.

Netting/Offsetting

Clarification of financial assets and liabilities is possible only if it is legally possible and the entity has an intention in this direction, or the acquisition of assets and the fulfilment of obligations are simultaneous.

Investment properties

Lands and buildings held for the purpose of obtaining rent or appreciation or for both are classified as "investment properties" instead of being used in the production of goods and services or sold for administrative purposes or during the normal course of business.

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

2.4 Summary of significant accounting policies (continued)

Tangible fixed assets and related depreciation

Depreciation is allocated using the straight-line depreciation method based on the acquisition cost/fair value of tangible fixed assets, taking their useful lives into account. The estimated useful lives of these assets are specified below:

	Years
Land improvements	10
Buildings	40-50
Purchased by financial leasing	5
Plant, machinery and equipment	5-15
Vehicles	4-5
Furniture and fixtures	4-40
Special costs	5

If there are indications of impairment in tangible fixed assets, a review is conducted to determine a potential impairment. As a result of this review, the carrying amount of the tangible asset is reduced to its recoverable amount.

The recoverable amount is determined as the higher of the asset's net selling price and the present value of the cash flows expected to be generated from its continued use.

Expenses incurred for replacing a component of tangible fixed assets can be capitalized along with maintenance and repair costs if they enhance the asset's future economic benefits. All other expenses are recognized in the income statement as incurred.

Gains or losses arising from the disposal of tangible fixed assets are recognized in the relevant income and expense accounts in the current period.

Intangible fixed assets

Intangible fixed assets primarily consist of development costs and rights and are initially measured at acquisition cost. Intangible assets are capitalized in the event that economic benefits can be obtained in the future, and the cost can be determined accurately. After the first registration, intangible assets are accounted with their values after deducting accumulated amortization and accumulated impairment provisions.

Intangible fixed assets are amortized using the straight-line method over their estimated economic lives. For intangible fixed assets with a definite useful life, the amortization period and method are reviewed at least once a year.

The carrying values of intangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

	Years
Rights	3 - 15
Development costs	5

Intangible assets purchased

Purchased intangible assets are reported at cost less accumulated amortization and accumulated impairment losses. These assets are amortized using the straight-line method over their expected useful lives. The expected useful life and depreciation method are reviewed every year in order to determine the possible effects of the changes in the estimates and the changes in the estimates are accounted for prospectively.

Research and development expenses

Research expenses are recorded in the income statement in the period incurred. Expenses resulting from development activities (relating to the design and testing of new or improved products) are recorded as intangible assets when the following conditions are all met.

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

2.4 Summary of significant accounting policies (continued)

Intangible fixed assets (continued)

Research and development expenses (continued)

- It is technically feasible to complete the intangible asset so that it will be available for use;
- Management intends to complete the intangible asset and use or sell it;
- There is an ability to use or sell the intangible asset;
- It can be demonstrated how the intangible asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible assets are available; and
- The expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. For ongoing development costs, an impairment test is performed each year within the scope of TAS 36.

Development costs other than research activities that meet the above criteria, capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding five years

Derecognition of intangible assets

An intangible asset is derecognized when it is disposed of or when future economic benefits are not expected from its use or sale. The profit or loss resulting from the derecognition of an intangible asset is calculated as the difference between the net proceeds from the disposal of the assets and their carrying amount, if any. This difference is recognized in profit or loss when the related asset is taken out of the balance sheet.

Impairment of assets

In cases where the registered values of the assets are more than their recoverable values, the book value of the asset is reduced to its recoverable amount and the provision is reflected as expense in the comprehensive income statement by allocating a provision for impairment. On the other hand, the recoverable amount of the cash generating assets is the higher of the net sales prices and usage values. The usage value of the said assets represents the net present values of the net cash inflows to be obtained from the continuous use and sales of these assets, discounted with an appropriate discount rate.

Finance lease (as lessor)

The company leases certain property, plant and equipment. The Company's assumption of all the risk and cost of ownership of the tangible fixed assets it leases is classified as financial leasing. Financial leases are utilized over the value that is lower than the current value of the leased real estate and the present value of the minimum lease payments.
Tangible assets obtained through finance leases are capitalized at the lower of the fair value less tax benefits or incentives at the beginning of the lease period or the discounted value of the minimum lease payments at that date. Principal lease payments are shown as liabilities and are reduced as they are paid. Interest payments are expensed in the income statement during the leasing period. Property, plant and equipment acquired under a finance lease are depreciated over the useful life of the asset.

Current tax expense and deferred tax

Tax liability on period profit or loss includes current period tax and deferred tax. The current year tax liability includes the tax rate over the taxable part of the period profit as of the date of the financial statements, the tax liability calculated in accordance with the applicable tax legislation and the correction records related to the tax liability in the previous years.

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

2.4 Summary of significant accounting policies (continued)

Current tax expense and deferred tax (continued)

Deferred tax is calculated over the temporary differences between the registered values of the assets and liabilities in the financial statements and the tax values by using the liability method. In the calculation of deferred tax, current tax rates are used as of the financial statements as per the tax legislation in force.

While deferred tax liabilities are accounted for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are recognized on condition that it is highly likely to benefit from these differences by obtaining taxable profit in the future.

Provisions for debt

Provisions are recorded if a business has a past (still or ongoing) obligation (legal or structural) and if the resources that provide economic benefits to the business are likely to be disposed of due to this obligation and the amount of the obligation to be realized can be estimated reliably. When the depreciation of money gains importance over time, provisions are reflected with the reduced value of the expenses that are likely to occur in the future on the financial statements. Provisions are reviewed at the date of preparation of each financial position table and necessary arrangements are made to reflect the best estimates of the management. The warranty obligation is calculated by calculating the estimated liability of the returns, which were realized within the scope of the previous years, in proportion to the sales after one year. Provisions are calculated on the gross profit margin of returns.

Contingent liabilities and contingent assets

Contingent liabilities are considered contingent liabilities, which may be confirmed by the occurrence of one or more uncertain events in the future, which arise from past events and whose existence is not fully under control. Contingent liabilities are not reflected in financial statements and explained in footnotes if the situation requiring resource transfer is not likely. Contingent assets, on the other hand, are not reflected in the financial statements, but are explained in the footnotes if they are likely to generate economic returns.

Employee benefits

Provision for severance pay:

In accordance with the existing labor law, the Company is obliged to pay a certain amount of severance pay to personnel who have left their job due to retirement or who have been dismissed due to reasons other than resignation and bad behaviour and who have served at least one year.

The Company calculated the provision for severance pay in its financial statements based on the previous years' experience in completing the personnel service period and qualifying for severance pay and recorded its discounted value as of the date of the financial statements. Calculated actuarial gains and losses are reflected as other comprehensive income.

Unused vacation provision:

The Company accrues the unused vacation allowance in its financial statements on the daily gross date of the unused vacation and is reflected in the personnel expenses accounts as of the financial statement date.

Foreign currency

Transactions made in terms of foreign currency during the period were translated using the exchange rates valid at the date of the transaction. Monetary assets and liabilities at the date of the financial statements have been translated into TL from the Republic of Turkey Central Bank buying rate.

Foreign exchange income and expenses arising from the translation of foreign currency-based monetary assets and liabilities are reflected in the comprehensive income statement of the period. Regarding the main activity subject, foreign exchange income/ expense arising from trade receivables and debts are included in the main operating income/ expenses item, while the others are accounted in the financial income/ expense account.

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

2.4 Summary of significant accounting policies (continued)

Revenue recognition

The Company's main source of income consists of the revenues from the production and sale of transformers, reactors and compact substations.

The Company recognizes the revenue in the financial statements in line with the following 5 basic principles:

- Determination of customer contracts
- Determination of performance obligations in contracts
- Determining the transaction price in contracts
- Allocating the transaction price to the performance obligations in the contracts
- Recognition of revenue when each performance obligation is met

The company recognizes a contract with a customer as revenue if all of the following conditions are met:

- The parties to the contract have approved the contract (written, verbal or in accordance with other commercial practices) and have committed to fulfill their own obligations,
- The rights of each party regarding the goods or services to be transferred can be defined,
- Payment terms for the goods or services to be transferred can be defined.,
- The contract is commercial in nature,
- It is likely that the Company will collect a price for the goods or services to be transferred to the customer.

When assessing whether a charge is likely to be collectible, the company considers only the customer's ability and intention to pay the charge on due date.

At the beginning of the contract, the Company evaluates the goods or services promised in the contract with the customer and defines each commitment to transfer to the customer as a separate performance obligation. The company also determines at the beginning of the contract whether it has fulfilled each performance obligation over time or at a certain point in time.

The Company takes into account the contractual provisions and commercial practices in order to determine the transaction price. The transaction price is the amount that the Company expects to be entitled to in exchange for transferring the goods or services it undertakes to the customer, excluding the amounts collected on behalf of third parties (for example, some sales taxes). The Company distributes the transaction price to each performance obligation (or different goods or services) in an amount that indicates the price it expects to deserve for the transfer of the goods or services committed to the customer.

In the event that the sum of the sales prices of the goods or services pledged in the contract exceeds the price pledged for them in the contract, the customer has received a discount in exchange for the purchase of the goods or services. The Company distributes the discount proportionally to all the performance obligations in the contract, except in cases where there are observable indicators that the discount relates not to all of the performance obligations set out in the contract, but only to one or more of them.

Bank loans

Bank loans are recorded with their values after the transaction costs are deducted from the loan amount received on the date of receipt. Bank loans are carried over the discounted cost value by using effective interest method. The difference between the amount remaining after the transaction costs are deducted and the discounted cost value is reflected in the comprehensive income statement as financing cost during the loan period.

Borrowing costs

Borrowing costs associated with the qualifying asset are included directly in the cost of the qualifying asset. Activation of borrowing costs will be terminated if the activities required to make a special asset ready for use or sale as intended are completed completely. Other borrowing costs are recorded as expense in the period when they occur. There are no borrowing costs capitalized during the relevant periods.

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

2.5 Significant accounting judgments, estimates and assumptions

Significant accounting judgments, estimates and assumptions

The preparation of the financial statement requires Company management to make judgments, estimates and assumptions that are reflected in the measurement of income and expense in the income statement and in the carrying value of assets and liabilities in the balance sheet. The actual future results from operations may be different than those estimated. Estimates are reviewed periodically, and adjustments become necessary, they are reported in the income statement in which they become known. However, the actual results may be different than those estimated.

The key assumptions concerning the future and other key resources of estimation at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the significant judgments with the most significant effect on the amounts recognized in the financial statements are as follows:

a) Provisions for employment termination benefits have been calculated according to various actuarial assumptions (discount rate, estimated future wage increase, and rate of retirement of the employees).

b) Management makes assumptions such as expected credit loss rate when assessing impairment on financial assets. When the Company makes these assumptions and judgements as of each reporting period, past experiences of the Company are taken as basis, and current market conditions and future expectation as to the market are taken into consideration.

c) The Company management made significant assumptions on the useful economic lives of the tangible assets according to experiences of technical team, especially in buildings and equipment.

d) Land and buildings under property, plant and equipment are measured at their fair values in accordance with the revaluation model. The Company had the revaluation study of the mentioned tangible fixed assets performed by an independent valuation company authorized by the Capital Markets Board as of 19 September 2022. During the determination of the fair values of the mentioned tangible fixed assets, evaluations were made by using valuation methods such as market transaction prices and cost method, taking into account the current state of the real estate and the most efficient use.

e) The Company reviews its assets in order to reserve them for impairment when it becomes apparent that the assets may not be sold at their carrying values in accordance with developing events or changing circumstances. If there is such an indication and the carrying value of the assets exceeds the estimated recoverable value, the assets and cash-generating units are presented at their estimated recoverable values. The obtainable value of assets is greater than the net sales price or use value.

f) Research expenses are recorded as expense when realized. Costs incurred in development projects (related to the designs and testing of new or improved products) are recorded as intangible assets if the conditions described in Note 2.4 are met.

g) Provisions for lawsuits are determined by the management with the support of Company's legal advisers that can result a cash outflow for the Company in every period at the date of preparation of financial statements.

3. Cash and cash equivalents and short-term financial investments

a) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash:	**37.890.366**	36.665.824
USD	**36.918.555**	13.501.026
IQD	**960.549**	23.119.260
TL	**11.262**	45.538
Cash at banks:		
- Demand deposits		
IQD	**18.978.574**	153.968.582
TL	**91.994.468**	102.622.349
USD	**203.119.690**	102.364.536
EUR	**163.638.207**	51.634.846
GBP	**227.658.193**	52
- Time deposits		
TL	**3.103.207.104**	1.693.493.699
USD	**635.045.400**	196.927.605
EUR	**182.980.860**	90.406.770
Other cash equivalents	**3.816.098**	1.062.525
Cash and cash equivalents in financial statements	**4.668.328.960**	2.429.146.788

As of December 31, 2024, the annual average interest rate applied to USD-denominated time deposits is 3,8%, the annual average interest rate applied to EUR-denominated time deposits is 2,3%, and the annual average interest rate applied to TL-denominated time deposits is 42%, and the maturities of time deposits are less than three months (As of December 31, 2023, the annual average interest rate applied to TL-denominated time deposits is 40%, and the maturities of time deposits are less than three months).

b) Financial Investments

i) Short-term investments

	December 31, 2024	December 31, 2023
Financial investments (*)	**3.253.015.861**	2.021.163.845
Total	**3.253.015.861**	2.021.163.845

(*) Consist of Azimut Portföy, Hedef Portföy and bank investment funds.

ii) Long-term investments

	December 31, 2024	December 31, 2023
Re-Pie Portföy Yönetim A.Ş. Arf Venture Capital Fund (*)	**876.620.242**	371.417.876
Denizbank Portföy Yönetim A.Ş. Ostim Venture Capital Fund (*)	**53.340.767**	-
Albaraka Portföy Yönetim A.Ş. Ostim Venture Capital Fund (*)	**2.066.168**	2.600.074
Total	**932.027.177**	374.017.950

(*) As of December 31, 2024, financial assets are measured at fair value through profit or loss.

4. Financial Instruments

As of December 31, 2024 and 2023, the details of the Company's financial liabilities are as follows:

	December 31, 2024	December 31, 2023
Short-term bank loans	**1.788.116.500**	1.248.010.100
Short-term portion of long-term bank loans	**120.260.198**	272.838.853
Payables from short-term financial leases	**-**	13.148.737
Short-term deferred finance lease borrowing costs (-)	**-**	(662.299)
Short-term financial borrowings	**1.908.376.698**	1.533.335.391

	December 31, 2024	December 31, 2023
Long-term bank borrowings	**38.128.828**	121.199.157
Payables from long-term financial leases	**-**	1.743.150
Long-term financial borrowings	**38.128.828**	122.942.307
Total financial liabilities	**1.946.505.526**	1.656.277.698

The repayment schedule of financial borrowings is as follows:

	December 31, 2024	December 31, 2023
To be paid within 1 year	**1.908.376.698**	1.533.335.391
To be paid within 1 to 2 years	**38.128.828**	88.369.357
To be paid within 2 to 3 years	**-**	34.572.950
Total	**1.946.505.526**	1.656.277.698

As of December 31, 2024 and 2023, bank loans and leasing borrowings original currency balances and effective interest rates as follows:

			December 31, 2024
	Weighted effective interest rate (%)	**Original currency**	**TL**
Bank loans and leasing borrowings:			
- TL	**25,90%**	**1.565.280.631**	**1.565.280.631**
- EUR	**4,72%**	**5.556.863**	**204.505.895**
- USD	**5,95%**	**5.000.000**	**176.719.000**
Total			**1.946.505.526**

			December 31, 2023
	Weighted effective interest rate (%)	Original currency	TL
Bank loans and leasing borrowings:			
- TL	24,66%	1.304.673.833	1.304.673.833
- EUR	4,62%	10.774.620	351.603.865
Total			1.656.277.698

5. Trade receivables and payables

a) Trade receivables

As of December 31, 2024 and 2023, details of the Company's trade receivables are as follows:

	December 31, 2024	December 31, 2023
Notes receivable: (*)	**1.953.826.950**	3.302.491.916
Trade receivables: (*)	**4.590.552.208**	5.257.365.856
-Trade receivables from related parties (Note 17)	***17.596.456***	*407.164.387*
-Trade receivables from third parties	***5.433.980.450***	*5.244.028.982*
Minus: Provision for doubtful receivables (-)	**(642.701.060)**	(103.926.206)
Minus: Rediscount interest expenses (-)	**(218.323.638)**	(289.901.307)
Total	**6.544.379.158**	8.559.857.772

(*) Trade receivables and notes receivable consist of amounts due from customers for services provided in the normal course of business. The Company holds trade receivables and notes receivable to collect contractual cash flows and therefore measures them at amortized cost using the effective interest method. As of December 31, 2024, the effective interest rates for these receivables range between 4.70% and 48.80% for foreign currency and TRY-denominated receivables (December 31, 2023: between 3.88% and 43.63%). The maturity of trade receivables varies depending on agreements with customers and the type of goods sold; however, the average collection period is 85 days (December 31, 2023: 73 days). The average maturity of notes receivable is 50 days as of December 31, 2024 (December 31, 2023: 46 days).

As of December 31, 2024, and 2023, the movement schedule of the allowance for doubtful receivables is as follows:

	December 31, 2024	December 31, 2023
January 1	**(103.926.206)**	(65.510.225)
Provision recognized during the year (Note 20b)	**(623.171.156)**	(81.468.072)
Inflation effect	**84.396.302**	41.646.869
Cancelled provisions	**-**	1.405.222
December 31, 2024	**(642.701.060)**	(103.926.206)

b) Trade payables

As of December 31, 2024 and 2023, details of the Company's trade payables are as follows:

	December 31, 2024	December 31, 2023
Notes payables (*)	**335.270.295**	830.837.555
Trade payables (*):	**1.269.050.024**	1.471.479.047
Trade payables to related parties	**4.286.516**	50.068.584
Other trade payables	**157.721.840**	203.439.961
Minus: Rediscount interest income (-)	**(87.669.772)**	(122.739.786)
Total	**1.678.658.903**	2.433.085.361

(*) The payment terms of trade payables vary based on agreements with suppliers, with an average maturity of 12 days for 2024 (2023: 15 days). The average maturity of notes payables is 33 days for 2024 (2023: 40 days).

6. Other receivables

a) Other short-term receivables

As of December 31, 2024 and 2023, the details of other receivables are as follows:

	December 31, 2024	December 31, 2023
Other receivables from related parties	**4.138.022**	-
Other receivables from third parties:	**230.953.158**	112.008.358
- Deposits and guarantees given	***2.752.451***	*3.973.955*
- Due from tax office (*)	***225.873.623***	*105.346.220*
- Due from employees	***2.327.084***	*2.688.183*
Total	**235.091.180**	112.008.358

(*) Mainly consists of VAT refund receivables.

b) Other short-term receivables

	December 31, 2024	December 31, 2023
Deposits and guarantees given	**14.544.929**	13.453.077
Total	**14.544.929**	13.453.077

7. Inventories

	December 31, 2024	December 31, 2023
Raw materials	**1.326.640.514**	1.019.794.565
Semi-finished goods	**658.308.276**	338.910.495
Finished goods	**858.466.329**	818.302.120
Merchandise goods	**19.285.967**	6.341.268
Total	**2.862.701.086**	2.183.348.448

8. Property, plant and equipment

As of January 1 – December 31, 2024, the details of property, plant and equipment and accumulated depreciation are as follows:

	1 January 2024	Additions	Disposals	Transfers (*)	December 31, 2024
Cost:					
Land	**310.385.043**	**-**	**-**	**-**	**310.385.043**
Land improvements	**56.949.907**	**-**	**-**	**422.065.725**	**479.015.632**
Buildings	**972.962.193**	**-**	**-**	**-**	**972.962.193**
Plant, machinery and equipment	**3.027.601.022**	**396.645.571**	**(12.555.512)**	**286.808.052**	**3.698.499.133**
Vehicles	**310.998.706**	**198.367.142**	**(178.682.606)**	**-**	**330.683.242**
Furniture and fixtures	**210.495.064**	**21.502.583**	**(27.418)**	**-**	**231.970.229**
Leasehold improvements	**5.819.593**	**-**	**-**	**-**	**5.819.593**
Purchased by financial leasing	**163.568.224**	**-**	**-**	**-**	**163.568.224**
Construction in progress	**851.068.390**	**2.209.020.252**	**-**	**(1.477.253.543)**	**1.582.835.099**
Total	**5.909.848.142**	**2.825.535.548**	**(191.265.536)**	**(768.379.766)**	**7.775.738.388**
Accumulated depreciation:					
Land improvements	**6.802.816**	**26.726.923**	**-**	**-**	**33.529.739**
Buildings	**85.640.377**	**47.122.398**	**-**	**-**	**132.762.775**
Plant, machinery and equipment	**1.186.646.132**	**385.785.086**	**(5.907.045)**	**-**	**1.566.524.173**
Vehicles	**51.707.191**	**32.294.696**	**(60.213.629)**	**-**	**23.788.258**
Furniture and fixture	**173.296.988**	**14.001.741**	**(11.424)**	**-**	**187.287.305**
Leasehold improvements	**1.596.557**	**386.716**	**-**	**-**	**1.983.273**
Purchased by financial leasing	**150.778.797**	**12.788.185**	**-**	**-**	**163.566.982**
Total	**1.656.468.858**	**519.105.745**	**(66.132.098)**	**-**	**2.109.442.505**
Net book value	**4.253.379.284**				**5.666.295.883**

(*) Mainly includes investments in solar power plant construction, charging stations, and the new factory.

8. Property, plant, and equipment (continued)

The movements of property, plant and equipment and accumulated depreciation between January 1 and December 31, 2023 are as follows:

	January 1, 2023	Additions	Disposals	Transfers	December 31, 2023
Cost:					
Land	310.385.043	-	-	-	310.385.043
Land improvements	56.949.907	-	-	-	56.949.907
Buildings	972.962.193	-	-	-	972.962.193
Plant, machinery and equipment	2.386.054.779	348.608.888	(2.939.713)	295.877.068	3.027.601.022
Vehicles	176.154.836	230.560.471	(95.716.601)	-	310.998.706
Furniture and fixtures	206.915.282	16.024.777	(12.444.995)	-	210.495.064
Leasehold improvements	5.819.593	-	-	-	5.819.593
Purchased by financial leasing	163.568.224	-	-	-	163.568.224
Construction in progress	282.598.480	864.346.978	-	(295.877.068)	851.068.390
Total	4.561.408.337	1.459.541.114	(111.101.309)	-	5.909.848.142
Accumulated depreciation:					
Land improvements	1.178.844	5.623.972	-	-	6.802.816
Buildings	38.516.476	47.123.901	-	-	85.640.377
Plant, machinery and equipment	927.784.804	259.856.811	(995.483)	-	1.186.646.132
Vehicles	72.443.763	28.403.587	(49.140.159)	-	51.707.191
Furniture and fixture	167.672.599	17.007.784	(11.383.395)	-	173.296.988
Leasehold improvements	1.182.176	414.381	-	-	1.596.557
Purchased by financial leasing	133.727.335	17.051.462	-	-	150.778.797
Total	1.342.505.997	375.481.898	(61.519.037)	-	1.656.468.858
Net book value	3.218.902.340				4.253.379.284

9. Intangible assets

The movements of property, plant and equipment and accumulated depreciation between January 1, 2024 and December 31, 2024 are as follows:

	January 1, 2024	Additions	Disposal	Transfers	December 31, 2024
Costs:					
Rights	**41.540.294**	**41.447.777**	**-**	**-**	**82.988.071**
Capitalized development costs (*)	**1.655.417.097**	**178.977.931**	**(1.448.071.298)**	**1.397.129.131**	**1.783.452.861**
Ongoing development costs (*)	**1.003.875.178**	**657.205.380**	**-**	**(628.749.365)**	**1.032.331.193**
Other intangible assets	**1.122.684**	**-**	**-**	**-**	**1.122.684**
Total	**2.701.955.253**	**877.631.088**	**(1.448.071.298)**	**768.379.766**	**2.899.894.809**
Accumulated depreciation:					
Rights	**21.355.897**	**10.947.435**	**-**	**-**	**32.303.332**
Capitalized development costs	**782.658.572**	**333.054.498**	**(321.384.211)**	**-**	**794.328.859**
Other intangible assets	**1.122.683**	**-**	**-**	**-**	**1.122.683**
Total	**805.137.152**	**344.001.933**	**(321.384.211)**	**-**	**827.754.874**
Net book value	**1.896.818.101**				**2.072.139.935**

The movements of property, plant and equipment and accumulated depreciation between January 1, 2023 and December 31, 2023 are as follows:

	January 1, 2023	Additions	Disposal	Transfers	December 31, 2023
Costs:					
Rights	34.371.251	7.169.043	-	-	41.540.294
Capitalized development costs (*)	1.201.027.293	84.185.312	-	370.204.492	1.655.417.097
Ongoing development costs (*)	268.232.198	1.105.847.472	-	(370.204.492)	1.003.875.178
Other intangible assets	1.122.684	-	-	-	1.122.684
Total	1.504.753.426	1.197.201.827	-	-	2.701.955.253
Accumulated depreciation:					
Rights	12.109.600	9.246.297	-	-	21.355.897
Capitalized development costs	713.322.737	69.335.835	-	-	782.658.572
Other intangible assets	1.099.779	22.904	-	-	1.122.683
Total	726.532.116	78.605.036	-	-	805.137.152
Net book value	778.221.310				1.896.818.101

(*) The Company 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"). The Company has received the R&D Center certificate from the Ministry.

10. Prepaid expenses

As of December 31, 2024 and 2023, the details of the short-term prepaid expenses account are as follows:

	December 31, 2024	December 31, 2023
Order advances for inventory purchases	**3.415.097.056**	3.301.175.372
Prepaid expenses to related parties (Note 23)	**37.111.004**	190.645.809
Expenses for the following months	**68.526.159**	20.516.542
Total	**3.520.734.219**	3.512.337.723

As of December 31, 2024 and 2023, the details of the long-term prepaid expenses account are as follows:

	December 31, 2024	December 31, 2023
Expenses for future years	**104.852.555**	10.556.862
Advances given (*)	-	941.068.678
Total	**104.852.555**	951.625.540

(*) Mainly consists of advances paid for the purchase of land from the Ankara Chamber of Industry.

11. Contingent liabilities, collateral, pledges and mortgages

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

					December 31, 2024
	TL equivalent	**USD**	**EUR**	**TL**	**GBP**
A. Total amount of GPMs given for companies' own legal entity	**5.611.084.486**	**64.486.352**	**66.666.743**	**864.800.187**	**500.000**
B. Total amount of GPMs 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 GPMs given	**2.228.182**	-	-	**2.228.182**	-
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	**2.228.182**	-	-	**2.228.182**	-
iii. Total amount of GPM given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total	**5.613.312.668**	**64.486.352**	**66.666.743**	**867.028.369**	**500.000**

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

					December 31, 2023
	TL equivalent	USD	EUR	TL	GBP
A. Total amount of GPMs given for companies' own legal entity	5.283.262.478	77.783.378	67.981.435	779.039.374	-
B. Total amount of GPMs 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 GPMs given	3.186.965	-	-	3.186.965	-
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	3.186.965	-	-	3.186.965	-
iii. Total amount of GPM given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total	5.286.449.443	77.783.378	67.981.435	782.226.339	-

The ratio of other collateral security deposits given by the Company to the Company's equity is 0,01% as of December 31, 2024 (December 31, 2023: 0,02%).

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

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

December 31, 2024	**TL equivalent**	**TL**	**USD**	**EUR**	**GBP**
Guarantee letters	**4.913.096.686**	**864.800.187**	**64.486.352**	**47.666.743**	**500.000**
Mortgages (*)	**697.987.800**	**-**	**-**	**19.000.000**	**-**
Total	**5.611.084.486**	**864.800.187**	**64.486.352**	**66.666.743**	**500.000**

December 31, 2023	TL equivalent	TL	USD	EUR	GBP
Guarantee letters	4.389.696.328	779.039.374	77.783.378	40.549.468	-
Mortgages (*)	893.566.150	-	-	27.431.967	-
Total	5.283.262.478	779.039.374	77.783.378	67.981.435	-

(*) 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, 2023: 19.000.000 EUR).

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

Guarantee letters

	December 31, 2024	December 31, 2023
Güney Elektrik Ltd. Şti. (***)	**1.170.234**	1.689.570
Özgüney Elektrik A.Ş. (**) (***)	**600.000**	866.273
Güney Ges Elektrik San. Tic. Ltd. Şti. (***)	**457.948**	631.122
Total	**2.228.182**	3.186.965

(***) As of December 31, 2024 and 2023, this represents the letters of guarantee and sureties provided by the Company on behalf of its legal entity for related parties.

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

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

	December 31, 2024	December 31, 2023
Guarantee letters	**599.210.430**	54.195.908
Total	**599.210.430**	54.195.908

12. Deferred income

As of December 31, 2024 and 2023, the details of short-term deferred income are as follows:

	December 31, 2024	December 31, 2023
Advances received: (*)		
Advances received from related parties	**6.730.270**	1.443.788
Advances received from unrelated parties	**5.107.648.266**	4.146.104.410
Income for the next months	**440.245.027**	657.590.302
Total	**5.554.623.563**	4.805.138.500

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

13. Shareholders' equity

a) Capital

As of December 31, 2024 and 2023, the details of Company's paid-in share capital are as follows:

	December 31, 2024		December 31, 2023	
	Share (%)	**TL**	Share (%)	TL
Feridun Geçgel	**67%**	**671.150.000**	79%	788.000.000
Publicly traded part	**28%**	**276.900.000**	21%	210.000.000
Astor Holding A.Ş.	**5%**	**49.950.000**	-	-
Paid-in capital	**100%**	**998.000.000**	100%	998.000.000
Share capital adjustment differences		**1.958.422.203**		1.958.422.203
Total		**2.956.422.203**		2.956.422.203

As of December 31, 2024, the Company's capital consists of 998.000.000 shares with a par value of 1 TL (December 31, 2023: 998.000.000 shares with a par value of 1 TL).

13. Shareholders' equity (continued)

b) Legal reserves

As of December 31, 2024 and 2023, the details of Company's restricted profit reserves are as follows:

	December 31, 2024	December 31, 2023
Legal reserves	**837.107.294**	457.263.244
Total	**837.107.294**	457.263.244

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 Company'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, company 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.

14. Liabilities related to employee benefits

	December 31, 2024	December 31, 2023
Due to employees	**87.576.150**	63.239.067
Social security withholding payables	**47.696.953**	10.917.384
Total	**135.273.103**	74.156.451

Short-term provisions for employee benefits

	December 31, 2024	December 31, 2023
Provision for unused vacation allowance	**39.302.703**	16.885.258
Total	**39.302.703**	16.885.258

Other provisions

	December 31, 2024	December 31, 2023
Lawsuit provisions (*)	**6.722.100**	2.724.572
Total	**6.722.100**	2.724.572

(*) Mainly consists of provisions for employee lawsuits.

14. Liabilities related to employee benefits (continued)

Long-term provisions for employee benefits

The Company is required to pay severance pay to employees who have worked for at least one year and leave the company due to retirement or reasons other than resignation and misconduct. The severance pay is equivalent to one month's salary for each year of service, and this amount is limited by the legislation to TL 46.655,43 as of December 31, 2024 (January 1, 2023: TL 35.058,58).

The severance pay provision is calculated based on an estimate of the present value of the future possible obligation arising from the retirement of the Company's employees.

TFRS requires the development of actuarial valuation methods to estimate the severance pay provision. Accordingly, the following actuarial assumptions have been used in the calculation of the total provision:

	December 31, 2024	December 31, 2023
Interest rate	**27,15%**	25,05%
Inflation rate	**23,35%**	20,60%
Discount rate	**3,08%**	3,69%

	December 31, 2024	December 31, 2023
Provision for severance pay	**49.272.599**	41.364.442
Total	**49.272.599**	41.364.442

The movements of the severance pay provision over the years are as follows:

	December 31, 2024	December 31, 2023
January 1	**41.364.442**	47.822.305
Service costs	**12.868.445**	15.463.792
Interest costs	**7.176.812**	7.973.281
Payments during the year (-)	**(24.604.200)**	(29.849.412)
Actuarial loss/ (gain)	**25.181.594**	21.826.399
Inflation effect	**(12.714.494)**	(21.871.923)
Closing	**49.272.599**	41.364.442

15. Other assets and liabilities

a) Other current assets

As of December 31, 2024, and 2023, the account of other current assets is as follows:

	December 31, 2024	December 31, 2023
Advances to employees and for business purposes	**32.318.124**	992.831
Total	**32.318.124**	992.831

b) Other short-term liabilities

As of December 31, 2024, and 2023, the details of other short-term liabilities are as follows:

	December 31, 2024	December 31, 2023
Tax payables and other liabilities	**316.745.434**	376.051.567
Other	**482.961**	641.757
Total	**317.228.395**	376.693.324

16. Tax assets and liabilities

In Turkey, the general corporate tax rate is 25% (December 31, 2023: 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 December 31, 2024 and 2023, are summarized below:

	December 31, 2024	December 31, 2023
Period tax expenses	**(441.104.266)**	(1.150.075.680)
Deferred tax expenses	**319.799.504**	231.995.032
Total tax expenses, net	**(121.304.762)**	(918.080.648)

The income tax liabilities for the period is as follows:

	December 31, 2024	December 31, 2023
Corporate tax payables	**(441.104.266)**	(1.150.075.680)
Minus: Prepaid taxes	**441.104.266**	1.150.075.680
Liabilities related to current period taxes	**-**	-

16. Tax assets and liabilities (continued)

As of December 31, 2024 and 2023, 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
	December 31, 2024	December 31, 2023
Deferred tax assets and liabilities:		
Deferred tax asset calculated on the investment incentive certificate (*)	**406.289.209**	-
Provision for severance payments and unused vacation	**22.143.826**	14.562.425
Provisions for doubtful receivables and ECL	**13.278.995**	14.022.253
Rediscount income/ (expenses), net	**35.475.309**	17.100.726
Differences of tangible assets and intangible assets book value	**(326.865.581)**	958.805.142
Inventories	**37.906.257**	(18.416.111)
Differences in foreign currency valuation	**21.286.323**	(25.704.779)
Other (**)	**435.982.342**	(191.943.033)
Deferred tax (liabilities)/ assets, net	**645.496.680**	768.426.623

(*) Consists of the deferred tax asset recognized in relation to the corporate tax reduction benefits utilized by the Company 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.

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.

17. Revenue

	January 1 – December 31, 2024	January 1 – December 31, 2023
Domestic sales	**16.783.807.398**	16.651.023.937
Export sales	**10.002.861.056**	8.303.653.475
Other income	**178.072.104**	163.402.050
Gross sales	**26.964.740.558**	25.118.079.462
Returns and discounts on sales (-)	**(340.670.910)**	(697.293.511)
Net sales	**26.624.069.648**	24.420.785.951

18. Cost of goods sold

	January 1 – December 31, 2024	January 1 – December 31, 2023
Raw materials and supplies and general production expenses	**(11.616.763.219)**	(10.005.720.831)
Change in semi-finished goods inventory	**(3.237.426.209)**	(3.102.981.577)
Personnel expenses	**(1.558.190.465)**	(1.000.610.212)
Depreciation and amortization expenses	**(655.347.890)**	(348.986.629)
Change in finished goods inventory	**380.339.588**	(42.489.318)
Cost of merchandise sold (-)	**(729.158.314)**	(568.073.152)
Total	**(17.416.546.509)**	(15.068.861.719)

19. General administrative expenses, marketing expenses, and research & development expenses (-)

a) General administrative expenses (-)

	January 1 – December 31, 2024	January 1 – December 31, 2023
Personnel expenses	**(295.170.218)**	(240.317.563)
Consulting expenses	**(55.850.407)**	(49.151.856)
Representation and hospitality expenses	**(25.095.308)**	(13.595.305)
Travel expenses	**(14.594.730)**	(5.661.406)
Depreciation expenses	**(11.393.045)**	(873.195)
Taxes, duties, and fees	**(8.868.557)**	(2.182.607)
License fees	**(8.017.198)**	(10.192.548)
Other	**(47.854.688)**	(35.050.590)
Total	**(466.844.151)**	(357.025.070)

19. General administrative expenses, marketing expenses, and research & development expenses (-) (continued)

b) Marketing, sales, and distribution expenses (-)

	January 1 – December 31, 2024	January 1 – December 31, 2023
Sales bonuses and commission expenses	**(559.532.740)**	(312.463.390)
Transportation expenses	**(400.485.959)**	(305.650.477)
Field installation expenses	**(182.614.600)**	(47.682.838)
Personnel expenses	**(164.884.590)**	(125.529.497)
Advertising and sponsorship expenses	**(49.785.653)**	(94.421.599)
Travel expenses	**(24.244.882)**	(50.051.065)
Depreciation expenses	**(4.851.706)**	(1.236.620)
Maintenance and repair expenses	**(4.598.983)**	(14.343.341)
Other	**(50.581.018)**	(25.373.210)
Total	**(1.441.580.131)**	(976.752.037)

c) Research and development expenses (-)

	January 1 – December 31, 2024	January 1 – December 31, 2023
Amortization expenses	**(191.515.037)**	(102.990.490)
Total	**(191.515.037)**	(102.990.490)

20. Other income and expenses from main operations

a) Other income from main operations

	January 1 – December 31, 2024	January 1 – December 31, 2023
Foreign exchange gains from commercial activities	**1.443.705.418**	1.565.830.629
Scrap sales income	**159.643.739**	111.955.283
Price difference and incentive income	**50.830.722**	148.919.667
Other (*)	**124.614.142**	59.509.736
Total	**1.778.794.021**	1.886.215.315

(*) Mainly consists of promotion and penalty income.

b) Other expenses from main operations (-)

	January 1 – December 31, 2024	January 1 – December 31, 2023
Foreign exchange losses from commercial actives	**(1.465.699.293)**	(1.387.052.531)
Provisions for doubtful receivables (Note 5)	**(623.171.156)**	(81.468.072)
Rediscount interest expenses	**(95.478.389)**	(207.649.408)
Donations and grants income	**(5.331.496)**	(9.298.504)
Lawsuit provisions	**(3.997.528)**	(2.724.572)
Other (*)	**(93.412.597)**	(140.583.979)
Total	**(2.287.090.459)**	(1.828.777.066)

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

21. Income and expenses from investment activities

a) Income from investment activities

	January 1 – December 31, 2024	January 1 – December 31, 2023
Fair value differences of fund sales and financial investments	**1.583.261.225**	607.308.637
Gain on sale of fixed assets	**133.601.206**	16.496.801
Currency protected time deposit incomes	**-**	173.398.766
Total	**1.716.862.431**	797.204.204

b) Expenses from investment activities (-)

	January 1 – December 31, 2024	January 1 – December 31, 2023
Loss on sale of fixed assets	**(364.148.654)**	(372.414.988)
Losses on sale of funds	**(77.987.478)**	(39.044.403)
Total	**(442.136.132)**	(411.459.391)

22. Financial expenses and income

a) Financial income

	January 1 – December 31, 2024	January 1 – December 31, 2023
Interest income (*)	**1.512.011.196**	888.934.247
Foreign exchange gains from financing activities	**257.919.888**	583.936.601
Total	**1.769.931.084**	1.472.870.848

(*) As of December 31, 2024, the amount of TL 52.860.020 consists of interest income from related parties (December 31, 2023: TL 29.627).

b) Financial expenses

	January 1 – December 31, 2024	January 1 – December 31, 2023
Bank commission interest expenses	**(580.774.456)**	(528.445.289)
Foreign exchange losses from financing activities	**(270.883.344)**	(660.760.105)
Guarantee letter commission expenses	**(21.591.315)**	(25.042.579)
Total	**(873.249.115)**	(1.214.247.973)

23. Related party disclosures

The Company'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 December 31, 2024 and 2023 are summarized below:

	December 31, 2024	December 31, 2023
Benefits and services provided to senior executives	**25.948.612**	20.142.698
Remuneration and similar benefits provided to executive management	**4.832.500**	3.941.540
Total	**30.781.112**	24.084.238

a) Trade receivables from related parties

	December 31, 2024	December 31, 2023
Özgüney Elektrik A.Ş. (2)	**17.596.456**	294.036.185
EFG Elektrik Enerji A.Ş. (2)	**-**	76.462.850
Astor Energy Algeria (1)	**-**	33.921.258
Etm – Astor Sarl (1)	**-**	2.744.094
Total	**17.596.456**	407.164.387

b) Payables to related parties

	December 31, 2024	December 31, 2023
Özgüney Elektrik A.Ş. (2)	**4.138.021**	50.068.584
EFG Elektrik Enerji A.Ş. (2)	**148.495**	-
Total	**4.286.516**	50.068.584

c) Prepaid expenses to related parties

	December 31, 2024	December 31, 2023
Özgüney Elektrik A.Ş. (2)	**37.111.004**	190.645.809
Total	**37.111.004**	190.645.809

d) Deferred income from related parties

	December 31, 2024	December 31, 2023
Etm – Astor Sarl (1)	**6.730.270**	-
Aserva Danışmanlık A.Ş. (2) (**)	**-**	1.443.788
Total	**6.730.270**	1.443.788

23. Related party disclosures (continued)

e) Sales of goods and services to related parties

	December 31, 2024	December 31, 2023
EFG Elektrik Enerji A.Ş. (2)	**254.345.377**	382.047.472
Özgüney Elektrik A.Ş. (2) (*)	**70.904.187**	47.760
Güney Ges Elektrik A.Ş. (2) (*)	**287.582**	-
Aserva Danışmanlık A.Ş. (2) (**)	**-**	1.443.788
Total	**325.537.147**	383.539.020

(*) Consists of the sale of solar power plant installations.

(**) It has merged under Özgüney Elektrik A.Ş. through a transfer in accordance with Articles 17, 18, 19, and 20 of the Corporate Tax Law.

f) Purchases of goods and services from related parties

	December 31, 2024	December 31, 2023
EFG Elektrik Enerji A.Ş. (2)	**351.469.131**	381.178.916
Özgüney Elektrik A.Ş. (2)	**425.580.574**	92.045.238
Astor PS Makine A.Ş. (2)	**-**	681.550
Total	**777.049.705**	473.905.704

The Company procures raw materials and other materials from related party companies.

(*) As of December 31, 2024, the Company has purchased materials for a rooftop solar power plant from Güney Ges Elektrik A.Ş.

(1) Company owned by shareholders
(2) Companies controlled by close family members

24. The nature and risk level of financial instruments

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

Share capital management

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

The debt-to-equity ratio, calculated by dividing the net debt (which is determined by subtracting financial liabilities from cash and cash equivalents) by total equity, as of December 31, 2024 and 2023, is as follows:

	December 31, 2024	December 31, 2023
Total financial liabilities	**1.946.505.526**	1.656.277.698
Minus: Cash and cash equivalents	**(4.668.328.960)**	(2.429.146.788)
Minus: Financial investments	**(4.185.043.038)**	(2.395.181.795)
Net (cash)	**(6.906.866.472)**	(3.168.050.885)
Shareholders's equity	**20.824.338.855**	17.670.249.461
Total capital	**13.917.472.383**	14.502.198.576
Net (cash) to total equity ratio	**-**	-

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 December 31, 2024 and 2023, the Company's foreign currency position is as follows:

December 31, 2024	**USD**	**EUR**	**IQD**	**GBP**	**Total TL equivalent (Presentation currency)**
Cash and cash equivalents	**24.803.747**	**9.439.316**	**870.438.520**	**5.149.787**	**1.469.056.464**
Trade receivables	**65.722.448**	**22.510.213**	**-**	**-**	**3.145.647.369**
Total assets	**90.526.195**	**31.949.529**	**870.438.520**	**5.149.787**	**4.614.703.833**
Bank loans	**5.000.000**	**5.556.863**	**-**	**-**	**381.224.895**
Trade payables	**7.040.122**	**18.072.839**	**-**	**13.660**	**914.555.534**
Total liabilities	**12.040.122**	**23.629.702**	**-**	**13.660**	**1.295.780.429**
Net foreign currency position	**78.486.073**	**8.319.827**	**870.438.520**	**5.136.127**	**3.318.923.404**

24. The nature and risk level of financial instruments (continued)

Currency Risk Management (continued)

December 31, 2023	USD	EUR	IQD	GBP	Total TL equivalent (Presentation currency)
Cash and cash equivalents	10.620.924	4.360.596	3.427.189.254	-	531.848.533
Trade receivables	95.022.409	32.486.867	-	-	3.855.512.638
Total assets	105.643.333	36.847.463	3.427.189.254	-	4.387.361.171
Bank loans	-	10.774.620	-	-	351.603.865
Trade payables	15.389.899	22.208.200	-	-	1.178.579.436
Total liabilities	15.389.899	32.982.820	-	-	1.530.183.301
Net foreign currency position	90.253.434	3.864.643	3.427.189.254	-	2.857.177.870

Currency risk sensitivity

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

The foreign exchange rate sensitivity analysis table of the Company as of December 31, 2024 and 2023 are as follows:

			December 31, 2024
			Profit/ loss
		Appreciation of foreign currency	**Depreciation of foreign currency**
	Appreciation/ depreciation of TL against USD at 10%:		
1-	USD net asset/ liability	**276.824.766**	**(276.824.766)**
2-	Portion protected from USD risk (-)	**-**	**-**
3-	**USD net effect (1+2)**	**276.824.766**	**(276.824.766)**
	Appreciation/ depreciation of TL against EURO at 10%:		
4-	EURO net asset/ liability	**30.407.456**	**(30.407.456)**
5-	Portion protected from EURO risk (-)	**-**	**-**
6-	**EURO net effect (4+5)**	**30.407.456**	**(30.407.456)**
	Appreciation/ depreciation of TL against IQD at 10%:		
7-	IQD net asset/ liability	**1.955.005**	**(1.955.005)**
8-	Portion protected from IQD risk (-)	**-**	**-**
9-	**IQD net effect (7+8)**	**1.955.005**	**(1.955.005)**
	Appreciation/ depreciation of TL against GBP at 10%:		
10-	GBP net asset/ liability	**22.705.113**	**(22.705.113)**
11-	Portion protected from GBP risk (-)	**-**	**-**
12-	**GBP net effect (7+8)**	**22.705.113**	**(22.705.113)**
	Total (3+6+9+12)	**331.892.340**	**(331.892.340)**

24. The nature and risk level of financial instruments (continued)

Currency Risk Management (continued)

Currency risk sensitivity (continued)

		December 31, 2023	
		Profit/ loss	
		Appreciation of foreign currency	Depreciation of foreign currency
	Appreciation/ depreciation of TL against USD at 10%:		
1-	USD net asset/ liability	265.608.143	(265.608.143)
2-	Portion protected from USD risk (-)	-	-
3-	**USD net effect (1+2)**	265.608.143	(265.608.143)
	Appreciation/ depreciation of TL against EURO at 10%:		
4-	EURO net asset/ liability	12.395.040	(12.395.040)
5-	Portion protected from EURO risk (-)	-	-
6-	**EURO net effect (4+5)**	12.395.040	(12.395.040)
	Appreciation/ depreciation of TL against IQD at 10%:		
7-	IQD net asset/ liability	7.714.603	(7.714.603)
8-	Portion protected from IQD risk (-)	-	-
9-	**IQD net effect (7+8)**	7.714.603	(7.714.603)
	Total (3+6+9)	285.717.786	(285.717.786)

24. 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. The Company 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. The Company 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 Company is the carried value of the financial instruments it carries in the financial statements.

	Receivables				
	Trade Receivables		**Other Receivables**		
December 31, 2024	**Related Party**	**Other**	**Related Party**	**Other**	**Deposits in Banks**
Maximum exposure to credit risk as of reporting date (A+B+C+D)	**17.596.456**	**6.526.782.702**	**4.138.022**	**230.953.158**	**4.626.622.496**
- The portion of the maximum risk secured by collateral, etc.	**-**	**-**	**-**	**-**	**-**
A. Net book value of financial assets that are not overdue or impaired	**17.596.456**	**6.526.782.702**	**4.138.022**	**230.953.158**	**4.626.622.496**
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)	**-**	**642.701.060**	**-**	**-**	**-**
- Impairment (-)	**-**	**(642.701.060)**	**-**	**-**	**-**
- Secured portion of the net book value by guarantees, etc.	**-**	**-**	**-**	**-**	**-**
- Not past due (gross amount)	**-**	**-**	**-**	**-**	**-**
- Impairment (-)	**-**	**-**	**-**	**-**	**-**
D. Off-balance sheet items including credit risk	**-**	**-**	**-**	**-**	**-**

	Receivables				
	Trade Receivables		Other Receivables		
December 31, 2023	Related Party	Other	Related Party	Other	Deposits in Banks
Maximum exposure to credit risk as of reporting date (A+B+C+D)	407.164.387	8.152.693.385	-	112.008.358	2.391.418.440
- The portion of the maximum risk secured by collateral, etc.	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	407.164.387	8.152.693.385	-	112.008.358	2.391.418.440
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)	-	103.926.206	-	-	-
- Impairment (-)	-	(103.926.206)	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
D. Off-balance sheet items including credit risk	-	-	-	-	-

24. The nature and risk level of financial instruments (continued)

Liquidity risk

Regarding the liquidity risk management method, the Board of Directors has established an appropriate liquidity risk management framework to meet the Company's short, medium, and long-term funding and liquidity requirements. The Company manages liquidity risk by regularly monitoring estimated and actual cash flows and ensuring the continuation of sufficient funds and borrowing reserves through the matching of the maturities of financial assets and liabilities. The table below shows the maturity distribution of the Company's non-derivative and derivative financial liabilities. Non-derivative financial liabilities are prepared without discounting, based on the earliest payment dates. Interest payments on these liabilities are included in the table below. When receivables or payables are not fixed, the disclosed amount is determined using the interest rate derived from the yield curves at the reporting date.

Maturities as of December 31, 2024, in accordance with the contract	**Book value**	**Total cash outflows in accordance with the contract (I+II+III)**	**Less than 3 months (I)**	**Between 3 and 12 months (II)**	**Between 1-2 years (III)**
Non-derivative financial liabilities					
Bank loans	**1.826.245.328**	**2.381.818.710**	**684.595.179**	**1.660.632.127**	**36.591.404**
Trade payables	**1.678.658.903**	**1.678.658.903**	**1.678.658.903**	**-**	**-**
Other liabilities	**317.228.395**	**317.228.395**	**317.228.395**	**-**	**-**
Total liabilities	**3.822.132.626**	**4.377.706.008**	**2.680.482.477**	**1.660.632.127**	**36.591.404**

Maturities as of December 31, 2023, in accordance with the contract	Book value	Total cash outflows in accordance with the contract (I+II+III)	Less than 3 months (I)	Between 3 and 12 months (II)	Between 1-2 years (III)
Non-derivative financial liabilities					
Bank loans	1.642.048.110	1.969.272.021	35.241.651	1.731.805.017	202.225.353
Financial lease liabilities	14.229.588	14.229.588	4.212.919	10.016.669	-
Trade payables	2.433.085.361	2.433.085.361	2.433.085.361	-	-
Other liabilities	376.693.324	376.693.324	376.693.324	-	-
Total liabilities	4.466.056.383	4.793.280.294	2.849.233.255	1.741.821.686	202.225.353

25. Fair value disclosures

Interest rate risk

The following sensitivity analyses are determined based on the interest rate risks to which the reported financial instruments are exposed. In the analysis of variable interest liabilities, it is assumed that the balance as of the reporting date remains constant throughout the year.

Financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. It is best determined based on an available market price, if one exists.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgment is applied in interpreting market data for fair value estimation purposes. Accordingly, the estimates presented here may not necessarily reflect the values that the Company could obtain in an actual market transaction.

25. Fair value disclosures (continued)

			December 31, 2024			
	Financial assets valued at amortized cost (TL)		Fair value (TL)	Financial liabilities valued at amortized cost (TL)	Book value (TL)	Notes
		Assets	(Liabilities)			
Financial assets						
Cash and cash equivalents	**4.668.328.960**	**-**	**-**	**-**	**4.668.328.960**	***3***
Short-term financial investments	**3.253.015.861**	**-**	**-**	**-**	**3.253.015.861**	***3***
Long-term financial investments	**932.027.177**	**-**	**-**	**-**	**932.027.177**	***3***
Trade receivables from third parties	**6.526.782.702**	**-**	**-**	**-**	**6.526.782.702**	***5***
Trade receivables from related parties	**17.596.456**	**-**	**-**	**-**	**17.596.456**	***23***
Financial liabilities						
Financial debts	**-**	**-**	**-**	**1.946.505.526**	**1.946.505.526**	***4***
Trade payables	**-**	**-**	**-**	**1.678.658.903**	**1.678.658.903**	***5***

			December 31, 2023			
	Financial assets valued at amortized cost (TL)		Fair value (TL)	Financial liabilities valued at amortized cost (TL)	Book value (TL)	Notes
		Assets	(Liabilities)			
Financial assets						
Cash and cash equivalents	2.429.146.788	-	-	-	2.429.146.788	*3*
Short-term financial investments	2.021.163.845	-	-	-	2.021.163.845	*3*
Long-term financial investments	374.017.950	-	-	-	374.017.950	*3*
Trade receivables from third parties	8.152.693.385	-	-	-	8.152.693.385	*5*
Trade receivables from related parties	407.164.387	-	-	-	407.164.387	*23*
Financial liabilities						
Financial debts	-	-	-	1.656.277.698	1.656.277.698	*4*
Trade payables	-	-	-	2.433.085.361	2.433.085.361	*5*

26. Earnings per share

The Company's earnings per share statement for the years ended December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Net income attributable to shareholders	**5.024.880.084**	6.639.007.854
Weighted average number of shares outstanding	**998.000.000**	991.512.329
Earnings per share	**5,03**	6,70

27. Fees for services received from an independent audit firm

The explanation regarding the fees for the services rendered by the independent audit firms, which is prepared by the Company pursuant to the Board Decision of the KGK published in the Official Gazette on March 30, 2021, and the preparation principles of which are based on the letter of the KGK dated August 19, 2021 are given below:

	December 31, 2024	December 31, 2023
Independent audit fee for the reporting period	**6.000.000**	3.176.333
	6.000.000	3.176.333

28. Disclosures on net monetary position gains/ (losses)

	December 31, 2024
Tangible and intangible fixed assets	**3.915.284.231**
Advances	**1.287.588.245**
Inventories	**154.282.082**
Paid-in capital	**(1.958.422.203)**
Other equity items	**(5.657.824.141)**
Income statement components	**(1.365.419.018)**
Total	**(3.624.510.804)**

29. Subsequent event after financial statements

None.