

**NATUREL YENİLENEBİLİR ENERJİ
TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
1 JANUARY – JUNE 30, 2024

(CONVENIENCE TRANSLATION OF THE
CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH)

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**NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS
SUBSIDIARIES**

**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2024**

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

	Notes	Reviewed 30 June 2024	Audited 31 December 2023
ASSETS			
Current Assets			
Cash and Cash Equivalents	27	91,779,429	338,646,627
Trade Receivables	5	1,711,126,648	978,280,798
Trade Receivables from Third Parties		1,711,126,648	978,280,798
Other Receivables		414,159,067	62,659,877
Other Receivables from Related Parties	4	396,729,112	-
Other Receivables from Third Parties	6	17,429,955	62,659,877
Derivative Instruments	24-a	15,173,799	23,706,777
Inventories	7	45,216,050	63,996,815
Prepaid Expenses	8	141,071,075	222,130,247
Assets Related to Current Period Tax	22	63,732,816	37,715,703
Other Current Assets	15	39,020,773	84,061,223
Non-Current Assets			
Financial Investments	24-b	3,351,896,412	2,518,763,916
Other Receivables	6	647,745	738,670
Other Receivables from Third Parties		647,745	738,670
Derivative Instruments	24-a	39,841,685	74,098,781
Investment Properties	9	1,916,000,000	983,975,468
Property, Plant and Equipment	10	10,976,943,125	12,053,874,099
Intangible Assets	11	1,417,552	1,773,474
Deferred Tax Assets	15	3,531,273	4,404,719
TOTAL ASSETS		18,811,557,449	17,448,827,194

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

**NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS
SUBSIDIARIES**

**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2024**

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

	Notes	Reviewed 30 June 2024	Audited 31 December 2023
LIABILITIES			
Current Liabilities		2,429,173,508	2,113,499,580
Short-Term Borrowings		242,704,437	287,830,240
Short-Term Portions of Long-Term Borrowings		822,362,382	979,555,482
Other financial liabilities		-	140,608
Trade Payables	5	1,156,408,722	670,042,916
Trade Payables to Third Parties		1,156,408,722	670,042,916
Payables Related to Employee Benefits	14	17,288,905	13,171,065
Other Payables		12,538,977	11,548,016
Other Payables to Third Parties	6	12,538,977	11,548,016
Derivative Instruments	24-a	-	3,041,264
Deferred Income	8	152,622,474	121,376,672
Short-Term Provisions		4,738,167	3,130,201
Short-Term Provisions Related to Employee Benefits	14	4,738,167	3,130,201
Dönem Karı Vergi Yükümlülüğü	26		
Other Current Liabilities	15	16,950,911	22,685,632
Non-Current Liabilities		3,676,939,124	4,063,211,660
Long-Term Borrowings		1,962,791,364	2,408,498,348
Long-Term Provisions		3,042,791	2,531,516
Long-term Provisions for Employee Benefits	14	3,042,791	2,531,516
Deferred Tax Liability	22	1,711,104,969	1,652,181,796
EQUITY		12,705,444,817	11,272,115,954
Equity holders of the parent		6,368,312,628	6,080,459,798
Share Capital	16	165,000,000	165,000,000
Capital Adjustment Differences	16	342,709,241	342,709,241
Repurchased shares (-)		(39,397)	(9,162,773)
Share Premiums/Discounts	16	1,764,864,904	1,761,844,153
Accumulated Other Comprehensive Income (Expenses)			
to be Reclassified to Profit or Loss		(804,118,444)	(825,092,736)
- Gains/Losses on Cash Flow Hedges		(804,118,444)	(825,092,736)
Accumulated Other Comprehensive Income (Expenses)			
not to be Reclassified to Profit or Loss		214,122,969	271,013,093
- Gain / Loss on Remeasurement of Defined Benefit Plans	16	(237,040)	(562,411)
- Revaluation and Reclassification Gain/Loss	16	214,360,009	271,575,504
Restricted Reserves Appropriated from Profit	16	46,050,120	43,569,531
Retained earnings		3,869,303,345	4,229,316,739
Profit/(loss) for the period		770,419,890	101,262,550
Non-controlling interest		6,337,132,189	5,191,656,156
TOTAL LIABILITIES AND EQUITY		18,811,557,449	17,448,827,194

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

NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIOD ENDED 1 JANUARY – JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

	Notes	Reviewed Audited 1 January- 30 June 2024	Reviewed Audited 1 January- 30 June 2023	Audited 1 April- 30 June 2024	Audited 1 April- 30 June 2023
PROFIT OR LOSS					
Revenue	17	1,407,759,457	909,315,690	253,974,363	619,327,840
Cost of Sales (-)	17	(1,166,353,745)	(840,347,094)	(109,198,498)	(594,497,585)
GROSS PROFIT/LOSS		241,405,712	68,968,596	144,775,865	24,830,255
General Administrative Expenses (-)	18	(181,658,052)	(160,638,704)	(76,304,041)	(74,280,374)
Other Income from Operating Activities	19	150,077,853	497,699,603	24,227,930	316,353,181
Other Expenses from Operating Activities (-)	19	(140,461,491)	(412,093,146)	19,507,878	(309,007,959)
OPERATING PROFIT/LOSS		69,364,022	(6,063,651)	112,207,632	(42,104,897)
Income from Investing Activities	20	847,444,079	357,421,155	202,152,022	280,224,873
Expenses from Investing Activities (-)	20	(1,393,884)	(9,276,908)	(277,761,279)	(868,934,981)
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSES		915,414,217	342,080,596	36,598,375	(630,815,005)
Monetary Gain / (Loss)		835,929,340	1,206,127,792	233,813,889	1,292,842,602
Finance Income (+)	21	13,526,330	182,054,414	(1,883,191)	160,797,227
Finance Expenses (-)	21	(297,171,867)	(238,376,846)	(68,331,749)	(127,993,733)
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS		1,467,698,020	1,491,885,956	200,197,324	694,831,091
Tax Expense/Income from Continuing Operations		(104,244,732)	(319,213,617)	(57,945,157)	(102,511,261)
Deferred Tax Expense/Income	22	(104,244,732)	(319,213,617)	(57,945,157)	(102,511,261)
PROFIT/LOSS FOR THE PERIOD		1,363,453,288	1,172,672,339	142,252,167	592,319,830
Distribution of Profit/Loss for the Period					
Non-controlling interest		770,419,890	494,264,189	89,050,810	120,795,155
Equity Holders of the Parent		593,033,398	678,408,150	53,201,357	471,524,675
		1,363,453,288	1,172,672,339	142,252,167	592,319,830
Earnings per share	23	8.28	7.11	0.86	3.59
PROFIT/LOSS FOR THE PERIOD		1,363,453,288	1,172,672,339	142,252,167	592,319,830
OTHER COMPREHENSIVE INCOME:					
Items not to be Reclassified To Profit or Loss		461,962	1,556,260,640	(83,817)	1,555,605,730
Revaluation Increase/Decrease in Property, Plant and Equipment		-	1,898,203,281	-	1,898,203,281
Remeasurement Gains/Losses of Defined Benefit Plans		615,950	(291,727)	(66,274)	(1,110,364)
Taxes on Other Comprehensive Income that will not be Reclassified to Profit or Loss		(153,988)	(341,650,914)	(17,543)	(341,487,187)
Deferred Tax Expense/Income		(153,988)	(341,650,914)	(17,543)	(341,487,187)
Items to be Reclassified To Profit or Loss		(136,426,642)	(714,738,610)	(95,589,366)	(676,244,004)
Other Comprehensive Income (Expense) Related to Cash Flow Hedges		(181,902,189)	(893,423,263)	(130,855,595)	(845,305,005)
Taxes on Other Comprehensive Income that will be Reclassified to Profit or Loss		45,475,547	178,684,653	35,266,229	169,061,001
Deferred Tax Expense/Income		45,475,547	178,684,653	35,266,229	169,061,001
OTHER COMPREHENSIVE INCOME		(135,964,680)	841,522,030	(95,673,183)	879,361,726
TOTAL COMPREHENSIVE INCOME		1,227,488,608	2,014,194,369	46,578,984	1,471,681,556
Attributable to:		1,227,488,608	2,014,194,369	46,578,984	1,471,681,556
Equity holders of the parent		706,275,354	938,117,581	47,505,034	585,805,717
Non-controlling interest		521,213,254	1,076,076,788	(926,050)	885,875,839

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

NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX – MONTH PERIOD ENDED 1 JANUARY – JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

	Accumulated Other Comprehensive Income and Expenses not to be Reclassified to Profit or Loss										Retained Earnings		Equity holders of the parent	Non-controlling interest	Total Equity
	Paid-in Capital	Capital		Share Premiums/ Discounts	Revaluation and Remeasurement Gain / Losses	Accumulated Remeasurement Gains/Losses of Defined Benefit Plans	Cash Flow Hedge Gains (Losses)	Restricted Reserves Appropriated from Profit	Prior Years' Profit / Losses	Net Profit / Loss for the Period					
		Adjustment Differences	Share Repurchases												
Balances as of 1 January 2023 (Beginning of the Period)	33,000,000	190,349,185	(8,274,926)	2,412,253,010	14,881,867	73,893	(656,727,733)	32,966,576	4,039,406,669	(117,963,540)	5,939,965,001	4,987,770,833	10,927,735,834		
Transfers	-	-	-	-	-	-	-	28,352,994	(146,316,534)	117,963,540	-	-	-		
Total Comprehensive Income / (Expense)	-	-	-	-	820,272,349	248,291	(376,667,248)	-	-	494,264,189	938,117,581	1,076,076,788	2,014,194,369		
Increase/Decrease due to Share Repurchase Transactions	-	-	(80,947,860)	-	-	-	-	-	-	-	(80,947,860)	-	(80,947,860)		
Transactions with non-controlling shareholders	-	-	-	-	-	-	-	-	(15,688,216)	-	(15,688,216)	(242,638,609)	(258,326,825)		
	-	-	-	-	-	-	-	-	(59,373,608)	-	(59,373,608)	(5,405,572)	(64,779,180)		
Balances as of 30 June 2023	33,000,000	190,349,185	(89,222,786)	2,412,253,010	835,154,216	322,184	(1,033,394,981)	61,319,570	3,818,028,311	494,264,189	6,722,072,898	5,815,803,440	12,537,876,338		
Balances as of 1 January 2024 (Beginning of the Period)	165,000,000	342,709,241	(9,162,773)	1,761,844,153	271,575,504	(562,411)	(825,092,736)	43,569,531	4,229,316,739	101,262,550	6,080,459,798	5,191,656,156	11,272,115,954		
Transfers	-	-	-	-	-	-	-	2,480,589	98,781,961	(101,262,550)	-	-	-		
Total Comprehensive Income / (Expense)	-	-	-	-	-	325,371	(64,469,907)	-	-	770,419,890	706,275,354	521,213,254	1,227,488,608		
Increase/Decrease due to Share Repurchase Transactions	-	-	9,123,376	3,020,751	-	-	-	-	-	-	12,144,127	-	12,144,127		
Transactions with non-controlling shareholders	-	-	-	-	(57,215,495)	-	85,444,199	-	(458,795,355)	-	(430,566,651)	624,262,779	193,696,128		
Balances as of 30 June 2024	165,000,000	342,709,241	(39,397)	1,764,864,904	214,360,009	(237,040)	(804,118,444)	46,050,120	3,869,303,345	770,419,890	6,368,312,628	6,337,132,189	12,705,444,817		

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

NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED CASH FLOWS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

	Notes	Reviewed 1 January- 30 June 2024	Reviewed 1 January- 30 June 2023
A. Cash Flows from Operating Activities			
Profit/Loss for the Period		1,363,453,288	1,172,672,339
Adjustments Related to Reconciliation of Net Profit/Loss for the Period			
- Adjustments Related to Depreciation and Amortization Expenses	10-11	169,802,306	201,485,269
- Adjustments Related to Provisions	14	1,607,966	552,891
- Adjustments Related to Interest Income and Expenses		162,037,160	(45,889,668)
- Adjustments Related to Fair Value Losses (Gains) on Derivative Financial Instruments	24-a	39,748,810	(62,934,236)
- Adjustments Related to Unrealised Foreign Currency Translation Differences		112,592,370	(12,362,014)
- Adjustments Related to Fair Value Losses/Gains		1,239,663	(217,067,448)
- Fair Value Losses (Gains) of Financial Assets	20	(833,132,497)	(130,018,900)
- Adjustments Related to Employment Termination Benefits	14	1,485,307	1,638,345
- Adjustments Related to Tax Expense / Income	22	104,244,732	319,213,617
Changes in working capital		1,123,079,105	1,227,290,195
- Adjustments Related to Increase / Decrease in Inventories		18,780,765	19,907,180
- Adjustments Related to Increase / Decrease in Trade Receivables		(732,845,850)	(74,770,799)
- Adjustments Related to Increase / Decrease in Other Payables from Operations		990,963	11,589,340
- Adjustments Related to Increase / Decrease in Other Receivables from Operations		45,320,846	(13,041,776)
- Adjustments Related to Decrease (Increase) in Other Assets		45,913,896	75,269,231
- Adjustments Related to Increase/Decrease in Trade Payables		486,866,354	335,214,360
- Adjustments Related to Increase/Decrease in Prepaid Expenses		81,059,172	(143,000,435)
- Adjustments Related to Increase / Decrease in Employee Benefits		4,629,115	1,578,574
- Adjustments Related to Increase (Decrease) in Other Liabilities		(3,294,279)	11,553,430
- Increase (Decrease) in Deferred Income		31,245,802	174,296,187
- (Increase) Decrease in Liabilities arising from Customer Contracts		(757,135,116)	(1,566,152,368)
- Monetary Loss/Gain		(206,988)	(751,033)
- Employment Termination Benefit Paid	14	(206,988)	(751,033)
- Tax Payments/Refunds	22	(26,017,113)	(24,231,428)
		318,386,672	34,750,658
B. Cash Flows Generated from Investing Activities			
Cash Outflows arising from Share Acquisition or Capital Increase of Associates and/or Joint Ventures	24-b	-	(1,928,034,194)
Cash Inflows from Sales of Property, Plant and Equipment and Intangible Assets		22,143,535	854,780
Cash Outflows from Purchase of Property, Plant and Equipment and Intangible Assets	10-11	(45,080,437)	(120,185,583)
Change in Financial Assets		-	538,580,793
Repurchased Shares		9,123,376	(80,947,860)
Interest received		23,870,646	176,086,571
		10,057,120	(1,413,645,493)
C. Cash Flows from Financing Activities			
Cash Inflows/Outflows arising from Other Receivables and Other Payables from Related Parties		(263,058,000)	46,067,007
Cash Inflows from Borrowings		384,242,139	1,741,658,865
Cash Outflows Related to Debt Repayments		(524,898,907)	(611,078,522)
Interest Paid	21	(171,596,224)	(119,862,096)
Dividends Paid		-	(64,779,180)
		(575,310,992)	992,006,074
THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A+B+C)		(246,867,200)	(386,888,761)
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		338,646,627	619,573,314
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)		91,779,427	232,684,553

NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Naturel Yenilenebilir Enerji Ticaret Anonim Şirketi ("Company" or "Naturel"):

The Company's subsidiaries, their main fields of activity and capital shares are as follows:

Subsidiaries	Proportion of ownership interest/controlling interest (%)	Main Activity
Esenboğa Elektrik Üretim A.Ş. (*)	% 62,50/% 62,50	EPC
Margün Enerji Üretim Sanayi ve Ticaret A.Ş.	% 47,26/% 47,26	Energy production/EPC
Bosphorus Yenilenebilir Enerji A.Ş.	% 47,26/% 47,26	Energy production
Agah Enerji Üretim Sanayi ve Ticaret A.Ş.	% 47,26/% 47,26	Energy production
Angora Elektrik Üretim A.Ş.	% 47,26/% 47,26	Energy production/ Repair and maintenance services
Anatolia Yenilenebilir Enerji A.Ş.	% 47,26/% 47,26	Energy production
Troya Yenilenebilir Enerji Ticaret A.Ş.	% 47,26/% 47,26	Energy production
Soleil Yenilenebilir Enerji Ticaret A.Ş.	% 47,26/% 47,26	Energy production
Enerji Teknoloji Yazılım A.Ş.	% 47,26/% 47,26	Software
Margun Climatech B.V.	% 47,26/% 47,26	Holdings
Margun Italy Climatech S.R.L	% 47,26/% 47,26	Climate Tech
Margun Romania Climatech S.R.L	% 47,26/% 47,26	Climate Tech
Margun UK Climatech Ltd	% 47,26/% 47,26	Climate Tech
Esenboğa Batarya Sistemleri ve Enerji Yatırımları A.Ş.	% 62,50/% 62,50	Energy Storage
Naturel Batarya Sistemleri ve Enerji Yatırımları A.Ş.	% 100/% 100	Energy Storage

The Group's installed capacity (kWp) for energy generation is listed below;

Province	District	Installed Power (kWp)	Production Power (kWe)
Ankara	Akyurt/ Kahramankazan/ Kızılcihamam/ Polatlı	25,833	22,581
Yozgat	Akdağmadeni /Sorgun	6,675	5,690
Nevşehir	Merkez	10,318	8,991
Afyon	Dazkırı/ Sinanpaşa	15,485	13,780
Bilecik	Söğüt	2,147	1,998
Konya	Selçuklu/ Tuzlukçu	19,351	17,000
Antalya	Elmalı	3,516	3,540
Eskişehir	Sivrihisar	3,373	2,970
Adana	Çukurova	11,152	9,930
Muğla	Milas	20,170	14,000
Toplam		118,020	100,480

Approval of the Consolidated Financial Statements

The interim condensed consolidated financial statements for the period ended June 30, 2024, were approved by the Board of Directors on September 9, 2024, and authorized for publication.

NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of Compliance to TFRS

The accompanying financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets”, which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Financial Reporting Standards (“TFRS”) that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority (“POA”) under Article 5 of the Communiqué.

In addition, the consolidated financial statements have been prepared in accordance with the formats of “TFRS Taxonomy Announcement” published by POA and Financial Statement Examples and Guidelines for Use published by CMB, on July 3, 2024.

The financial statements have been prepared on the historical cost basis except for revaluation of certain property, plant and equipment and financial instruments. In determining the historical cost, the fair value of the amount paid for the assets is generally taken as the basis.

Currency Used

The individual financial statements of each Group entity are presented in the currency (functional currency) of the primary economic environment in which the entity operates. The results and financial position of each entity are expressed in TL, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

Restatement of financial statements during periods of high inflation

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their interim financial statements for the accounting periods ending on December 31, 2024.

POA made an announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the interim reporting period ending on or after June 30, 2024 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation.

In this framework, while preparing the consolidated financial statements dated June 30, 2024, June 30, 2023 and December 31, 2024, inflation adjustment has been made in accordance with TAS 29.

NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Restatement of financial statements during periods of high inflation (cont'd)

TAS 29 applies to the financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Türkiye are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after June 30, 2024, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more than 100%.

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute (TURKSTAT):

Date	Index	Adjustment coefficient	Three-year cumulative inflation rates
30.06.2024	2,319.29	1.00000	324%
31.12.2023	1,859.38	1.24735	268%
30.06.2023	1,351.59	1.71597	190%

The main lines of TAS 29 indexation transactions are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.
- Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders' equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Company.
- All items in the income statement, except for the effects of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognised in the financial statements.
- The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

The impact of the application of TAS 29 Inflation Accounting is summarised below:

Restatement of the Statement of Financial Position

Amounts in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognised in profit or loss and presented separately in the statement of comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Depreciation and amortisation expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company. If the subsidiary is a foreign subsidiary, its restated financial statements are translated at the closing rate.

When consolidating financial statements with different reporting period ends, all monetary and nonmonetary items are restated in accordance with the measuring unit current at the date of the consolidated financial statements.

Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

Comparative Information and Restatement of Prior Periods' Consolidated Financial Statements

The consolidated financial statements of the Group are prepared in comparison with the prior period in order to allow the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when necessary and significant differences are disclosed. In the current period, the Group has not made any changes in its prior period financial statements.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Going Concern

The consolidated financial statements of the Group are prepared on a going concern basis.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Basis of Consolidation (cont'd)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable TFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TFRS 9 Financial Instruments, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.2 Changes in the Accounting Policies and Errors

The accounting policy changes arising from the first-time application of a new standard are applied retrospectively or prospectively in accordance with the transitional provisions, if any. The changes that take place of any transitional provision, significant changes made optional in accounting policies or determined accounting errors are applied retrospectively by restating prior period financial statements. If changes in accounting estimates are related to only one period, they are applied both in the current period when the amendment is made and for the future periods, both in the current period and in the future.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.3 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2024

Amendments to TAS 1	<i>Disclosure of Accounting Policies</i>
Amendments to TFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to TAS 1	Non-current Liabilities with Covenants
Amendments to TAS 7 and TFRS 7	<i>Supplier Finance Arrangements</i>
TSRS 1	<i>General Requirements for Disclosure of Sustainability-related Financial Information</i>
TSRS 2	<i>Climate-related Disclosures</i>

Amendments to TAS 1 *Disclosure of Accounting Policies*

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for interim reporting periods beginning on or after 1 January 2024 and earlier application is permitted.

Amendments to TFRS 16 *Lease Liability in a Sale and Leaseback*

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

Amendments to TAS 1 *Non-current Liabilities with Covenants*

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. Amendments are effective from annual reporting periods beginning on or after 1 January 2024. The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

Amendments to TAS 7 and TFRS 7 *Supplier Finance Arrangements*

The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

TSRS 1 *General Requirements for Disclosure of Sustainability-related Financial Information*

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.3 New and Amended Turkish Financial Reporting Standards (cont'd)

TSRS 2 Climate-related Disclosures

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

b) New and amended TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information (Amendment to TFRS 17)</i>
Amendments to TAS 21	<i>Lack of Exchangeability</i>

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2025.

Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 — Comparative Information

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 21.

Amendments to TAS 21 Lack of Exchangeability The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025. The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

2.4 Summary of Significant Accounting Policies

Interim condensed consolidated financial statements for the period ending on June 30, 2024 prepared in accordance with the TMS 34 standard for the preparation of the tables. The interim condensed consolidated financial statements for the period ending on 30 June 2024 have been prepared by applying accounting policies consistent with the accounting policies applied during the preparation of the consolidated financial statements for the year ended 31 December 2023. Therefore, these interim condensed consolidated financial statements should be evaluated together with the consolidated financial statements for the year ended 31 December 2023.

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3. SEGMENT REPORTING

The Group has adopted TFRS 8 since its inception and has determined its operating segments based on internal reports regularly reviewed by the authority responsible for making decisions about the Group's activities.

Province	30 June 2024		30 June 2023	
	Production amount (KWh)	Sales amount / TL	Production amount (KWh)	Sales amount / TL
Adana	8,171,308	35,720,613	8,670,033	40,645,089
Muğla	15,000,237	67,567,047	16,512,515	90,034,689
Bilecik	1,677,321	7,387,950	1,333,970	6,338,542
Afyon	12,616,228	55,265,257	11,205,906	52,683,784
Nevşehir	7,997,250	35,068,372	7,556,716	35,432,247
Ankara	18,930,104	82,955,013	16,858,119	79,510,623
Yozgat	5,032,119	22,112,625	4,637,650	21,789,225
Antalya	3,113,893	13,528,749	2,972,608	13,873,282
Eskişehir	2,694,971	11,794,149	2,486,182	11,710,996
Konya	15,302,273	66,849,889	14,682,363	68,955,779
Total	90,535,704	398,249,665	86,916,062	420,974,256

	Electricity Production	Construction Contracting	Related Party	30 June 2024
Domestic sales	398,249,665	1,056,721,359	(47,211,567)	1,407,759,457
Cost of sales (-)	-293,870,759	-919,694,553	47,211,567	-1,166,353,745
Gross Profit (Loss)	104,378,906	137,026,806	-	241,405,712

	Elektrik Üretim	İnşaat Taahhüt	Related Party	30 June 2023
Domestic sales	420,974,256	488,341,434	-	909,315,690
Cost of sales (-)	(276,181,892)	(564,165,202)	-	(840,347,094)
Brüt Kar (Zarar)	144,792,364	(75,823,768)	-	68,968,596

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4. RELATED PARTY DISCLOSURES

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated during consolidation process and are not disclosed in this note,

Other payables	30 June 2024	31 December 2023
Hermes Uluslararası Ticaret ve Lojistik A.Ş. (*)	217,990,640	-
Yusuf Şenel (*)	138,003,094	-
Naturel Holding A.Ş. (*)	40,735,378	-
	<u>396,729,112</u>	<u>-</u>

(*)Collections of the remaining amount were as follows: 138,003,094 TL on July 3, 2024; 122,949,400 TL on July 4, 2024; and 40,735,378 TL on July 1, 2024.

Prepaid Expenses	30 June 2024	31 December 2023
Hermes Uluslararası Ticaret ve Lojistik A.Ş	-	48,313,783
	<u>-</u>	<u>48,313,783</u>

Interest income	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Naturel Holding A.Ş.	5,604,985	9,039,711	5,604,985	9,039,711
	<u>5,604,985</u>	<u>9,039,711</u>	<u>5,604,985</u>	<u>9,039,711</u>

Interest expenses	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Hermes Uluslararası Ticaret ve Lojistik A.Ş	5,802,103	-	5,802,103	-
	<u>5,802,103</u>	<u>-</u>	<u>5,802,103</u>	<u>-</u>

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5. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

As of June 30, 2024 and 31 December 2023, the details of the Group's trade receivables are as follows:

	30 June 2024	31 December 2023
Short-term trade receivables		
Income accruals (*)	1,625,036,701	916,562,550
Trade receivables	84,737,642	60,031,456
Notes receivable	400,000	498,938
Other trade receivables	952,305	1,187,854
Doubtful receivables	4,745,172	5,918,871
Less : Provision for doubtful receivables	(4,745,172)	(5,918,871)
	1,711,126,648	978,280,798

As of 31 December 2023, the Group has no uncollectible receivables (31 December 2023: None)

(*) At the end of the period, the Group's energy revenues consist of revenue accruals and assets related to ongoing construction contracts.

b) Trade Payables:

As of June 30, 2024 and 31 December 2023, the details of the Group's trade payables are as follows:

	30 June 2024	31 December 2023
Short-term trade payables		
Trade payables	36,218,656	115,104,446
Borç senetleri	19,093,146	-
Expense accruals (*)	1,101,096,920	554,938,470
	1,156,408,722	670,042,916

The Group's ongoing construction contracts with non-related parties as a contractor consist of liabilities.

Explanations regarding the nature and level of risks in other receivables are given in Note 25,

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

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6. OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

	30 June 2024	31 December 2023
Short-Term Other Receivables		
Deposits and guarantees given	241,640	217,361
Other miscellaneous receivables (*)	4,181,275	386,538
Receivables from the tax office	11,795,040	62,055,978
SSI incentives receivable from previous years	1,212,000	-
	<u>17,429,955</u>	<u>62,659,877</u>

(*)Consists of advances given for office maintenance expenses.

	30 June 2024	31 December 2023
Long-Term Other Receivables		
Deposits and guarantees given	647,745	738,670
	<u>647,745</u>	<u>738,670</u>

b) Other Payables

	30 June 2024	31 December 2023
Short-Term Other Payables		
Deposits and guarantees received	6,650	83,136
Other miscellaneous payables	12,532,327	11,464,880
	<u>12,538,977</u>	<u>11,548,016</u>

(*)Consists of consultancy services and insurance expenses.

7. INVENTORIES

	30 June 2024	31 December 2023
Trade goods (*)	44,367,568	62,938,464
Other inventories	848,482	1,058,351
	<u>45,216,050</u>	<u>63,996,815</u>

(*) It consists of materials such as solar panels and connectors purchased for EPC Projects,

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8. PREPAID EXPENSES AND DEFERRED INCOME

	30 June 2024	31 December 2023
Short-Term Prepaid Expenses		
Order advances given	77,237,792	79,396,836
Order advances given - related parties	-	48,313,783
Prepaid expenses	4,902,554	9,107,143
Business advances	58,930,729	85,312,485
	<u>141,071,075</u>	<u>222,130,247</u>
	30 June 2024	31 December 2023
Short-Term Deferred Income		
Order advances received (*)	152,622,474	121,376,672
	<u>152,622,474</u>	<u>121,376,672</u>

(*)Consists of advances received for EPC projects.

9. INVESTMENT PROPERTIES

	Land	Buildings	Total
Cost Value			
Opening balance as of 1 January 2024	34,458,358	949,517,110	983,975,468
Transfers	933,264,195	-	933,264,195
Value increase and impairment (-)	(2,122,552)	882,889	(1,239,663)
Closing balance as of 30 June 2024	<u>965,600,001</u>	<u>950,399,999</u>	<u>1,916,000,000</u>
	Land	Buildings	Total
Cost Value			
Opening balance as of 1 January 2023	43,785,519	777,349,529	821,135,048
Transfer	85,243,473	-	85,243,473
Value increase and impairment (-)	37,808,481	179,258,967	217,067,448
Disposal	(15,449,243)	-	(15,449,243)
Closing balance as of 30 June 2023	<u>151,388,230</u>	<u>956,608,496</u>	<u>1,107,996,726</u>

There are no mortgages on the investment properties owned by the Group.

Fair value measurements of the Group's investment properties

As of June 30, 2024 and 31 December 2023, the fair values of the Group's investment properties have been determined by Net Kurumsal Değerleme ve Danışmanlık A.Ş., a valuation company independent from the Group and authorized by the CMB. The fair value of land and buildings owned is determined using the market comparative approach, which reflects current transaction prices for similar properties.

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10. PROPERTY, PLANT AND EQUIPMENT

	Land	Leasehold improvements	Buildings	Plant, Machinery and Equipment	Vehicles	Furniture and Fixtures	Construction in progress	Total
<u>Cost</u>								
Opening balance as of 1 January 2024	1,634,989,174	-	60,394,232	10,168,968,692	158,647,902	37,833,687	8,012,657	12,068,846,344
Additions	-	964,798	-	980,975	33,691,498	3,381,276	5,982,870	45,001,417
Transfers	(933,264,195)	-	-	-	-	-	-	(933,264,195)
Disposals	-	-	-	-	(15,037,625)	(81,576)	(6,975,527)	(22,094,728)
Closing balance as of 30 June 2024	<u>701,724,979</u>	<u>964,798</u>	<u>60,394,232</u>	<u>10,169,949,667</u>	<u>177,301,775</u>	<u>41,133,387</u>	<u>7,020,000</u>	<u>11,158,488,838</u>
<u>Accumulated Depreciation</u>								
Opening balance as of 1 January 2024	-	-	-	-	-	14,972,245	-	14,972,245
Charge for the period	-	2,583	622,929	148,203,328	19,193,712	1,385,485	-	169,408,037
Disposals	-	-	-	-	(2,799,268)	(35,301)	-	(2,834,569)
Closing balance as of 30 June 2024	<u>-</u>	<u>2,583</u>	<u>622,929</u>	<u>148,203,328</u>	<u>16,394,444</u>	<u>16,322,429</u>	<u>-</u>	<u>181,545,713</u>
Carrying value as of 30 June 2024	<u>701,724,979</u>	<u>962,215</u>	<u>59,771,303</u>	<u>10,021,746,339</u>	<u>160,907,331</u>	<u>24,810,958</u>	<u>7,020,000</u>	<u>10,976,943,125</u>

(*) As of June 30, 2024, tangible fixed assets are secured by a pledge of 6,799,645,845 TL and a mortgage of 8,716,619,280 TL.

Depreciation expenses for tangible fixed assets have been recorded in the cost of sales and general administrative expenses.

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10. PROPERTY, PLANT AND EQUIPMENT (cont’d)

	Land	Leasehold improvements	Buildings	Plant, Machinery and Equipment	Vehicles	Furniture and Fixtures	Construction in progress	Total
Cost								
Opening balance as of 1 January 2023	739,157,692	-	50,683,502	11,359,442,383	176,192,378	28,882,668	-	12,354,358,623
Additions	62,627,074	31,089	309,081	45,283	43,509,735	9,761,872	2,778,500	119,062,634
Değer Artışı	566,189,478	-	36,149,132	1,269,476,772	-	-	-	1,871,815,382
Disposals	-	-	-	-	-	(854,780)	-	(854,780)
Closing balance as of 30 June 2023	<u>1,367,974,244</u>	<u>31,089</u>	<u>87,141,715</u>	<u>12,628,964,438</u>	<u>219,702,113</u>	<u>37,789,760</u>	<u>2,778,500</u>	<u>14,344,381,859</u>
Opening balance as of 1 January 2023	-	-	-	-	-	8,946,358	-	8,946,358
Charge for the period	-	-	274,188	184,964,198	12,932,019	2,991,811	-	201,162,216
Disposals	-	-	-	-	-	(67,736)	-	(67,736)
Closing balance as of 30 June 2023	<u>-</u>	<u>-</u>	<u>274,188</u>	<u>184,964,198</u>	<u>12,932,019</u>	<u>11,870,433</u>	<u>-</u>	<u>210,040,838</u>
Carrying value as of 30 June 2023	<u>1,367,974,244</u>	<u>31,089</u>	<u>86,867,527</u>	<u>12,444,000,240</u>	<u>206,770,094</u>	<u>25,919,327</u>	<u>2,778,500</u>	<u>14,134,341,021</u>

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(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

10. PROPERTY, PLANT AND EQUIPMENT (cont’d)

Depreciation periods for property, plant and equipment are as follows:

	<u>Useful Life</u>
Buildings	50 years
Plant, machinery and equipment	45-50 years
Vehicles	5 years
Furniture and fixtures	3-15 years
Leasehold improvements	5 years

11. INTANGIBLE ASSETS

	<u>Rights</u>	<u>Other Intangible Assets</u>	<u>Total</u>
<u>Cost Value</u>			
Opening balance as of 1 January 2024	893,054	2,860,610	3,753,664
Additions	-	79,020	79,020
Disposals	-	(48,807)	(48,807)
Closing balance as of 30 June 2024	<u>893,054</u>	<u>2,890,823</u>	<u>3,783,877</u>
<u>Accumulated Amortisation</u>			
Opening balance as of 1 January 2024	255,503	1,724,687	1,980,190
Charge for the period	1,566	392,703	394,269
Çıkışlar	-	(8,134)	(8,134)
Closing balance as of 30 June 2024	<u>257,069</u>	<u>2,109,256</u>	<u>2,366,325</u>
Carrying value as of 30 June 2024	<u>635,985</u>	<u>781,567</u>	<u>1,417,552</u>
	<u>Rights</u>	<u>Other Intangible Assets</u>	<u>Total</u>
<u>Cost Value</u>			
Opening balance as of 1 January 2023	35,654	1,838,374	1,874,028
Additions	-	1,122,949	1,122,949
Closing balance as of 30 June 2023	<u>35,654</u>	<u>2,961,323</u>	<u>2,996,977</u>
<u>Accumulated Amortisation</u>			
Opening balance as of 1 January 2023	7,061	396,537	403,598
Charge for the period	3,326	319,727	323,053
Closing balance as of 30 June 2023	<u>10,387</u>	<u>716,264</u>	<u>726,651</u>
Carrying value as of 30 June 2023	<u>25,267</u>	<u>2,245,059</u>	<u>2,270,326</u>

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11. INTANGIBLE ASSETS (cont’d)

The amortization periods used for intangible assets are as follows:

	Useful Life
Rights	3 years
Other intangible assets	3-15 years

12. COMMITMENTS

Collaterals-Pledge-Mortgage (“CPM”)

The Company’s collaterals/pledge/mortgage position as of June 30, 2024 and 31 December 2023, is as follows:

30 June 2024	TL equivalent	TL	USD	EUR
A. Total Amount of CPM Given for Its Own				
Legal Entity				
<i>-Collateral</i>	309,408,193	-	-	-
<i>-Pledge</i>	-	-	-	-
<i>-Mortgage</i>	-	-	-	-
B. Total Amount of CPM Given on Behalf of the Fully Consolidated Entities				
<i>-Collateral</i>	240,149,348	-	-	-
<i>-Pledge</i>	1,975,000,000	95,000,000	48,569,159	-
<i>-Mortgage</i>	571,415,000	150,000,000	91,700,000	-
C. Total Amount of CPM Given on Behalf of Third Parties Debts for Continuation of Their Economic Activities				
	-	-	-	-
D. Total Other CPM Given				
i. Total CPM Given on Behalf of the Parent Company				
	-	-	-	-
ii. Total CPM Given on Behalf of Other Group Companies which are not included in the Scope of Items B and C				
	-	-	-	-
iii. Total CPM Given on Behalf of Third Parties which are not included in the Scope of Items C				
	-	-	-	-
Total	3,095,972,541	245,000,000	140,269,159	-

The ratio of other CPMs given by the Company/Group to the equity of the Company/Group is 126.45% as of June 30, 2024.

As of June 30, 2024, guarantees provided on behalf of Group companies amount to TL 57,114,000,000, USD 62,000,000, and EUR 524,000,000, while guarantees provided on behalf of the Company itself amount to TL 15,751,600,000, USD 102,340,000, and EUR 3,274,000.

NATUREL YENİLENEBİLİR ENERJİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

12. COMMITMENTS (cont’d)

Collaterals-Pledge-Mortgage (“CPM”) (cont’d)

31 December 2023		TL equivalent	TL	USD	EUR
A. Total Amount of CPM Given for Its Own					
Legal Entity					
	-Collateral	564,631,744	558,537,183	207,029	-
	-Pledge	4,989,384	4,989,384	-	-
	-Mortgage	-	-	-	-
B. Total Amount of CPM Given on Behalf of the Fully Consolidated Entities					
	-Collateral	217,970,244	217,970,244	-	-
	-Pledge	7,925,281,467	2,463,508,132	118,497,860	60,582,541
	-Mortgage	7,743,373,135	712,752,151	112,261,130	114,381,618
C. Total Amount of CPM Given on Behalf of Third Parties Debts for Continuation of Their Economic Activities					
		-	-	-	-
D. Total Other CPM Given					
i. Total CPM Given on Behalf of the Parent Company					
ii. Total CPM Given on Behalf of Other Group Companies which are not included in the Scope of Items B and C					
		-	-	-	-
iii. Total CPM Given on Behalf of Third Parties which are not included in the Scope of Items C					
		-	-	-	-
Toplam		16,456,245,974	3,957,757,094	230,966,019	174,964,159

The ratio of other CPMs given by the Company/Group to the equity of the Company/Group is 145.99% as of December 31, 2023,

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13. CASH FLOW HEDGE ACCOUNTING FOR HIGH-PROBABILITY FORECAST TRANSACTION CURRENCY RISK

The Group hedges the foreign currency risk on the balance sheet by borrowing in the same currency against the foreign currency risks arising from the foreign currency sales amounts that are highly probable to be realized in the future, considering the agreements made and the corporate budget,

Repayments of foreign currency borrowings, that are subject to hedge accounting and determined as hedging instrument, are made with foreign currency sales cash flows that will be realized on close dates and determined as hedged item,

Within the scope of the currency risk management strategy it has determined, the Group applies hedge accounting for the purpose of hedging the currency risk component of the highly probable estimated transaction cash flow risk, and the foreign exchange rate that has occurred on the hedging instrument, whose effectiveness has been mathematically proven in accordance with TFRS 9 and has not yet been realized, It pulls the fluctuations from the income statement and parks it in the comprehensive income statement and aims to present a healthier income statement,

As of June 30, 2024, the hedging ratio is 90% and hedge effectiveness is 92%,

USD	30 June 2024
Present value of the hedged item (current portion)	6,488,674
Present value of the hedged item (non-current portion)	19,562,576
Present value of the hedging instrument (current portion)	8,291,414
Present value of the hedging instrument (non-current portion)	17,048,582
EUR	30 June 2024
Present value of the hedged item (current portion)	4,764,434
Present value of the hedged item (non-current portion)	24,738,001
Present value of the hedging instrument (current portion)	7,457,078
Present value of the hedging instrument (non-current portion)	18,157,557
TRY	30 June 2024
Present value of the hedged item (current portion)	34,154,375
Present value of the hedged item (non-current portion)	129,471,232
Present value of the hedging instrument (current portion)	(47,140,414)
Present value of the hedging instrument (non-current portion)	(104,144,075)
Hedging effectiveness rate	92%
Inactive portion left in the income statement	12,341,117

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(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

14. EMPLOYEE BENEFITS

Payables related to employee benefits

	30 June 2024	31 December 2023
Payables for employees	9,679,231	8,458,882
Social security premiums payable	7,609,674	4,712,183
	<u>17,288,905</u>	<u>13,171,065</u>

Short-term provisions for employee benefits

	30 June 2024	31 December 2023
Provision for unused vacation	4,738,167	3,130,201
	<u>4,738,167</u>	<u>3,130,201</u>

Long-term provisions for employee benefits

Provision for employment termination benefits:

	31 March 2024	31 December 2023
Provision for employment termination benefits	3,042,791	2,531,516
	<u>3,042,791</u>	<u>2,531,516</u>

According to the articles of Turkish Labor Law in force, the Group have obligation to pay the legal employee termination benefits to each employee whose are 25 years of working life (58 for women and 60 for men) by completing at least one year of service, leaving for military services and deceased.

As of June 30, 2024, the amount payable consists of one month’s salary limited to a maximum of TL 35,058 (31 December 2023: TL 23,489).

Retirement pay liability is not subject to any kind of funding legally. The employee termination benefit has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of employees. TAS 19 Employee Benefits stipulates the development of company’s liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows.

The main assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, as of June 30, 2024, provisions in the accompanying financial statements are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. Provisions at the relevant balance sheet dates are calculated using the real discount rate, which is approximately 5.14% (31 December 2023: 3.12%), based on the assumptions of 22.83% interim inflation and 26.85% interest rate. The maximum amount of TL 41,828 effective as of 1 July 2024 has been taken into account in the calculation of the severance pay provision of the Company (1 July 2023: TL 23,489).

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14. EMPLOYEE BENEFITS (cont'd)

Long-term provisions for employee benefits (cont'd)

	1 January- 30 June 2024	1 January- 30 June 2023
Provision as of 1 January	2,531,516	1,231,481
Service cost	939,641	1,422,429
Interest cost	545,666	215,916
Employment termination benefits paid	(206,988)	(751,033)
Actuarial loss / gain	(265,050)	134,623
Inflation Effect	(501,994)	(203,310)
Provision as of 31 December	<u>3,042,791</u>	<u>2,050,106</u>

15. OTHER ASSETS AND LIABILITIES

	30 June 2024	31 December 2023
<u>Other Current Assets</u>		
Deferred VAT	38,332,379	83,333,346
VAT deductible	-	202
Personnel advances	688,394	727,675
	<u>39,020,773</u>	<u>84,061,223</u>

	30 June 2024	31 December 2023
<u>Other non-current assets</u>		
Prepaid taxes and funds	3,531,273	4,404,719
	<u>3,531,273</u>	<u>4,404,719</u>

	30 June 2024	31 December 2023
<u>Other Current Liabilities</u>		
Taxes and funds payables	16,950,911	22,685,632
	<u>16,950,911</u>	<u>22,685,632</u>

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16. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital / Treasury Shares Adjustment

The paid-in capital structure of the Company as of June 30, 2024 and December 31, 2023 is as follows:

Shareholders	%	30 June 2024	%	31 December 2023
Naturel Holding A.Ş.	%60.51	99,838,906	%60.15	99,250,000
Yusuf ŞENEL	%12.12	20,000,000	%12.12	20,000,000
Publicly traded	%27.37	45,161,094	%27.73	45,750,000
Nominal capital	%100	165,000,000	%100	165,000,000
Inflation adjustment		342,709,241		342,709,241
Adjusted share capital		507,709,241		507,709,241

Restricted reserves appropriated from profit:

	30 June 2024	31 December 2023
Legal reserves	46,050,120	43,569,531
	46,050,120	43,569,531

Other comprehensive income and expenses not to be reclassified to profit or loss:

	30 June 2024	31 December 2023
Increase in revaluation of non-current assets	214,360,009	271,575,504
	214,360,009	271,575,504
	30 June 2024	31 December 2023
Actuarial gains / losses from pension plans fund	(237,040)	(562,411)
	(237,040)	(562,411)
	30 June 2024	31 December 2023
Share premiums	1,764,864,904	1,761,844,153
	1,764,864,904	1,761,844,153

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17. REVENUE AND COST OF SALES

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Domestic Sales	1,407,759,457	909,315,690	253,974,363	619,327,840
Revenue	1,407,759,457	909,315,690	253,974,363	619,327,840
Cost of services sold (-)	(1,166,353,745)	(840,347,094)	(109,198,498)	(594,497,585)
Cost of Sales	(1,166,353,745)	(840,347,094)	(109,198,498)	(594,497,585)
Gross Profit	241,405,712	68,968,596	144,775,865	24,830,255

18. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Genel yönetim giderleri (-)	(181,658,052)	(160,638,704)	(76,304,041)	(74,280,374)
	(181,658,052)	(160,638,704)	(76,304,041)	(74,280,374)
	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Personnel wage expenses	(63,500,070)	(46,150,190)	(33,638,247)	(21,144,536)
Depreciation and amortisation expenses	(25,256,586)	(49,993,534)	(7,030,453)	(31,348,970)
Taxes, duties and charges	(23,747,909)	(3,042,794)	(400,613)	(2,985,762)
Audit and service expenses	(21,046,687)	(12,721,579)	(7,366,554)	(6,074,370)
Donation and aid expenses	(15,150,626)	(25,232,838)	(5,033,599)	(4,009,473)
Traveling expenses	(10,898,824)	(2,627,862)	(10,080,867)	(1,183,291)
Rental and office expenses	(4,905,198)	(4,326,208)	(2,009,220)	2,641,754
Representation and hospitality expenses	(2,674,489)	(1,774,216)	(967,050)	(992,586)
Borsa giderleri	(2,517,304)	(2,171,576)	(311,075)	(1,251,117)
Insurance costs	(477,687)	(1,999,891)	(122,860)	(1,222,775)
Maintenance and repair expenses	(383,672)	(1,174,295)	(256,460)	(382,157)
Communication expenses	(181,714)	(158,049)	(101,465)	(62,774)
Advertisement and advertisement expenses	(12,972)	(306,363)	(3,012)	(93,815)
Other	(10,904,314)	(8,959,309)	(8,982,566)	(6,170,502)
	(181,658,052)	(160,638,704)	(76,304,041)	(74,280,374)

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(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

19. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from core operations for the periods ending on June 30, 2024, and June 30, 2023, are as follows:

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Other Income from Operating Activities				
Foreign exchange gains arising from operating activities	121,984,188	491,525,368	(2,759,314)	315,429,388
Rental income	1,155,633	775,018	159,863	(1,087,677)
Sigorta hasar gelirleri	-	1,364,863	-	1,364,863
Prior period's income and profit	4,714,741	-	4,604,090	(116,885)
Other income	22,223,291	4,034,354	22,223,291	763,492
	<u>150,077,853</u>	<u>497,699,603</u>	<u>24,227,930</u>	<u>316,353,181</u>

The details of other expenses from core operations for the periods ending on June 30, 2024, and June 30, 2023, are as follows

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Other Expenses from Operating Activities				
Foreign exchange losses from operating activities	(124,934,829)	(405,614,112)	33,497,219	(305,321,227)
Commission expenses	(387,481)	(103,901)	44,904	(103,901)
Doubtful debt provision	-	(41,316)	-	10,769
Other expenses	(15,139,181)	(6,333,817)	(14,034,245)	(3,593,600)
	<u>(140,461,491)</u>	<u>(412,093,146)</u>	<u>19,507,878</u>	<u>(309,007,959)</u>

20. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

For the years ended June 30, 2024 and 2023, income from investing activities are as follows:

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Income from Investing Activities				
Increase in value of financial investments presented at fair value	833,132,497	130,018,900	93,820,268	52,822,618
Increase in revaluation of investment property	-	217,067,448	-	217,067,448
Repo income	14,311,582	10,334,807	3,122,227	10,334,807
Menkul kıymet satış karları	-	-	105,209,526	-
	<u>847,444,079</u>	<u>357,421,155</u>	<u>202,152,021</u>	<u>280,224,873</u>

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20. INCOME AND EXPENSES FROM INVESTING ACTIVITIES (cont'd)

For the years ended June 30, 2024 and 2023, expenses from investing activities are as follows:

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Expenses from Investing Activities				
Impairment of property, plant and equipment and investment property	(1,239,663)	-	(277,761,278)	(865,592,523)
Loss on sale of marketable securities	-	(8,803,835)	-	(2,869,385)
Loss on sale of fixed assets	(154,221)	(473,073)	-	(473,073)
	<u>(1,393,884)</u>	<u>(9,276,908)</u>	<u>(277,761,278)</u>	<u>(868,934,981)</u>

21. FINANCE INCOME AND EXPENSES

The details of income from financing activities for the periods ending on June 30, 2024, and June 30, 2023, are as follows:

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Finance income				
Accrued income from related parties	5,604,985	9,039,711	5,604,985	9,039,711
Interest income from currency hedged and time deposits	-	123,817,391	-	111,261,712
Foreign exchange gains on bank borrowings	3,967,266	14,173,460	3,477,427	9,858,401
Interest income from derivative instruments	3,954,079	32,894,662	347,796	32,894,662
Discounted credit interest incom	-	-	-	(4,386,449)
	<u>13,526,330</u>	<u>179,925,224</u>	<u>9,430,208</u>	<u>158,668,037</u>

The details of expenses from financing activities for the periods ending on June 30, 2024, and June 30, 2023, are as follows:

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Finance expenses				
Interest expenses on loans	(171,596,224)	(119,862,096)	(87,684,550)	(77,014,852)
Foreign exchange differences arising from bank borrowings	(102,295,598)	(87,722,702)	32,036,740	(33,851,296)
Accrued expenses from related parties	(5,802,103)	(2,129,190)	(5,802,103)	(2,129,190)
Bank commission expenses	(14,034,817)	(20,951,317)	(5,529,048)	(14,757,618)
Letter of guarantee commission expenses	(2,879,878)	(369,444)	(1,379,554)	930,339
Other financing expenses	(563,247)	-	26,766	34,729
Interest expense on maturity differences	-	(7,342,097)	-	(7,342,097)
Interest expense on derivative instruments	-	-	-	6,136,252
	<u>(297,171,867)</u>	<u>(238,376,846)</u>	<u>(68,331,749)</u>	<u>(127,993,733)</u>

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	30 June 2024	31 December 2023
Current corporate tax provision	-	-
Less: Prepaid taxes and funds	(63,732,816)	(37,715,703)
Tax provision in the balance sheet	(63,732,816)	(37,715,703)
<i><u>Tax expense in the statement of profit or loss:</u></i>		
	1 January- 30 June 2024	1 January- 30 June 2023
<u>Tax expense / (income) consists of the following:</u>		
Current tax expense / (income)	-	-
Deferred tax (income)/expense	(104,244,732)	(319,213,617)
	<u>(104,244,732)</u>	<u>(319,213,617)</u>

Corporate Tax

The Group is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group results for the years and periods. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting non-deductible income and other deductions (prior years’ losses, if any, and investment incentives used, if preferred).

The effective tax rate in 2024 is 25% (2023: 25%).

The Law numbered 7061 on “Amendment of Certain Taxes and Laws and Other Acts” was published on the Official Gazette dated 5 December 2017 and numbered 30261. In accordance with (a) clause in the first paragraph of the Article, the exemption of 75% applied to gains from the sales of lands and buildings held by the entities for two full years has been reduced to rate of 50%. This regulation has been effective from 5 December 2017.

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred Tax:

The Group recognizes deferred tax assets and liabilities on the temporary timing differences between the legal books and the financial statements prepared in accordance with TFRS. Such differences generally arise from timing differences of some revenue and expense balances in legal books and financial statements prepared in accordance with TFRS and are explained below.

According to TAS 12 Income taxes Article 48; "Current and deferred tax assets and liabilities are generally measured using enacted tax rates (and tax laws). However, in some cases, government announcements regarding tax rates (and tax laws) may have a significant effect on the enactment of legislation and may be enacted several months after the announcement. In such cases, the tax asset and liability are calculated based on the tax rates (or laws) announced." According to this paragraph, "Currency hedged deposits tax exemption" has been applied for the financial statements as of 31 December 2021. The public offering of the Group was realized as of 28 September 2021, and as announced in the official gazette dated 25 May 2021 and numbered 31491 with the said public offering transaction, the corporate tax rate of Margün Enerji Üretim Sanayi ve Ticaret AŞ, which is one of the institutions with a public offering of at least 20%, has been applied with a 2 percentage point discount on the corporate income to be obtained in the 2021 - 2025 accounting periods and as announced in the official gazette dated 22 January 2022 and numbered 31727, a discount of 2 points in the tax rate has been made due to the industrial registry certificate and actual production activities.

The tax rate used in the calculation of deferred tax assets and liabilities is 25%.

	30 June 2024	31 December 2023
<u>Deferred tax assets/(liabilities):</u>		
Adjustments related to investment property, property, plant and equipment and intangible assets	(1,619,355,096)	(2,114,079,020)
Cash flow hedge losses	313,799,525	547,318,844
Adjustments related to fair value	(512,512,390)	(279,317,233)
Financial losses	169,708,671	211,685,413
Income/expense accruals	(53,610,849)	(22,560,595)
Provision for unused vacation	721,741	782,550
Provision for employment termination benefits	543,194	632,880
Other	(10,399,765)	3,355,365
	<u>(1,711,104,969)</u>	<u>(1,652,181,796)</u>

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22, INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

The movement of deferred tax assets / (liabilities) for the year ended June 30, 2024 and 2023 are given below:

	1 January- 30 June 2024	1 January- 30 June 2023
<u>Movements in deferred tax assets / (liabilities):</u>		
Opening balance as of 1 January	(1,652,181,796)	(2,031,410,395)
Recognised in the income statement	(104,244,732)	(319,213,617)
Recognised under equity	45,321,559	(162,966,261)
Closing balance as of 30 June	<u>(1,711,104,969)</u>	<u>(2,513,590,273)</u>

23, EARNINGS PER SHARE

Earnings per share are calculated by dividing net profit by the weighted average number of shares that have been outstanding during the year. Companies can increase their capital by distributing shares ("Bonus Shares") from accumulated profits and reassessment funds to current shareholders based on the number of shareholders' shares. When calculating earnings per share, the issuance of bonus shares is considered to be the same as shares issued. Therefore, the weighted average number of shares, which is used when calculating the earning per share, is gained by retrospectively counting the issuance of bonus shares. Earnings per share are determined by dividing net profit attributable to shareholders by the weighted average number of issued ordinary shares. The nominal value of one share of the Group is TL 1.

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Earnings per share				
Net profit / (loss) for the period	1,363,453,288	1,172,672,339	142,252,167	592,319,830
Number of shares	164,728,683	164,886,801	164,728,683	164,886,801
Earnings per share (TL)	<u>8.28</u>	<u>7.11</u>	<u>0.86</u>	<u>3.59</u>

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24, FINANCIAL INSTRUMENTS

a) Derivative Instruments

30 June 2024	<u>Contract Amount</u>	<u>Asset</u>	<u>Liability</u>
Derivative financial assets			
Presentation of hedging derivative instruments at fair value:			
<i>Derivative instrument</i>	-	-	-
<i>Cross currency swap transactions</i>	625,287,533	55,015,484	-
	<u>625,287,533</u>	<u>55,015,484</u>	<u>-</u>
Short-term	-	15,173,799	-
Long-term	-	39,841,685	-
	<u>-</u>	<u>55,015,484</u>	<u>-</u>
31 December 2023	<u>Sözleşme Tutarı</u>	<u>Varlık</u>	<u>Yükümlülük</u>
Derivative financial assets			
Presentation of hedging derivative instruments at fair value:			
<i>Derivative instrument</i>	-	-	3,041,264
<i>Cross currency swap transactions</i>	820,734,043	97,805,558	-
	<u>820,734,043</u>	<u>97,805,558</u>	<u>-</u>
Short-term	-	23,706,777	3,041,264
Long-term	-	74,098,781	-
	<u>-</u>	<u>97,805,558</u>	<u>3,041,264</u>

b) Financial Investments

<u>Long-Term Financial Investments</u>	<u>30 June 2024</u>	<u>31 December 2023</u>
Financial investments at fair value through profit or loss (*)	3,351,896,412	2,518,763,916
	<u>3,351,896,412</u>	<u>2,518,763,916</u>

The Group acquired 30.39% of Enda Enerji Holding A.Ş. for a nominal amount of 1,123,581,672 TL on January 20, 2023. The company is not listed on the stock exchange. The fair value difference is classified as a long-term financial investment recognized in profit or loss. The increase in fair value of 833,132,496 TL has been recorded as investment income.

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24, FINANCIAL INSTRUMENTS (cont'd)

c) Financial Liabilities

The details of financial liabilities carried at amortized cost are as follows:

		30 June 2024	31 December 2023
Short-Term Financial Borrowings			
Short-term bank loans		242,704,437	287,830,240
Short-term portion of long-term bank borrowings		822,362,382	979,555,482
Other financial payables		-	140,608
		<u>1,065,066,819</u>	<u>1,267,526,330</u>
Long-Term Financial Borrowings			
Long-term bank loans		1,962,791,364	2,408,498,348
		<u>1,962,791,364</u>	<u>2,408,498,348</u>

Currency	Weighted average effective interest rate	30 June 2024		
		Short-term	Weighted average effective interest rate	Long-term
TL	% 8,5 - % 87,38	205,891,809	% 44,56 - % 51	20,939,968
USD	% 5,39 - % 14,04	384,824,312	% 5,39 - % 14,04	693,182,238
EUR	% 4,68 - % 5,46	466,589,397	% 4,68 - % 5,46	1,127,832,411
CHF	% 6,41	7,761,301	% 6,41	120,836,747
		<u>1,065,066,819</u>		<u>1,962,791,364</u>

Currency	Weighted average effective interest rate	31 December 2023		
		Short-term	Weighted average effective interest rate	Long-term
TL	% 51	289,073,445	% 51	40,953,159
USD	% 14,04	408,768,555	% 14,04	1,363,552,444
EUR	% 5,46	569,543,722	% 5,46	1,003,992,745
		<u>1,267,385,722</u>		<u>2,408,498,348</u>

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24, FINANCIAL INSTRUMENTS (cont'd)

c) Financial Liabilities (cont'd)

	30 June 2024	31 December 2023
Payable in 1 year	1,065,066,819	1,267,385,722
Payable in 1 - 2 years	634,088,066	753,545,555
Payable in 2 - 3 years	626,682,072	618,310,416
Payable in 3 - 4 years	361,240,619	525,925,670
Payable in 4 - 5 years	168,715,036	510,716,707
5 years and longer	172,065,571	-
	<u>3,027,858,183</u>	<u>3,675,884,070</u>

25, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Financial risk factors

The Group is exposed to market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk, and price risk), credit risk, and liquidity risk due to its activities. The Group's risk management program focuses primarily on minimizing the potential adverse effects of uncertainty in financial markets on the company's financial performance.

Risk management is carried out by a centralized finance department in accordance with policies approved by the Board of Directors. Regarding risk policies, the Group's finance department identifies, evaluates, and mitigates financial risks using tools in collaboration with the Group's operational units.

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25, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

a) Financial risk factors (cont'd)

Foreign exchange risk management (cont'd)

	30 June 2024			Other Currency Equivalent in TL
	TL Equivalent (Functional currency)	USD	EUR	
1. Trade Receivables	43,501,099	313,876	945,040	-
2a. Monetary Financial Assets	106,609,593	275,111	1,846,304	32,721,038
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	97,627,307	2,698,667	257,299	51
4. CURRENT ASSETS	247,737,999	3,287,654	3,048,643	32,721,089
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	12,394,528	376,217	1,274	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS	12,394,528	376,217	1,274	-
9. TOTAL ASSETS	260,132,527	3,663,871	3,049,917	32,721,089
10. Trade Payables	15,344,008	385,039	76,151	2,001
11. Financial Liabilities	858,980,086	11,702,016	13,258,507	7,566,375
12a. Monetary Other Liabilities	198,660,051	6,040,999	-	-
12b. Non-Monetary Other Liabilities	-	-	-	-
13. CURRENT LIABILITIES	1,072,984,145	18,128,054	13,334,658	7,568,376
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1,938,816,570	21,078,787	32,048,250	117,801,922
16a. Monetary Other Liabilities	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES	1,938,816,570	21,078,787	32,048,250	117,801,922
18. TOTAL LIABILITIES	3,011,800,715	39,206,841	45,382,908	125,370,298
19. Net Asset/ (Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)	151,556,964	2,615,347	1,862,669	-
19a. Hedged portion of assets amount	151,556,964	2,615,347	1,862,669	-
19b. Hedged portion of liabilities amount	-	-	-	-
20. Net foreign currencies assets / (liability) position	(2,600,111,224)	(32,927,623)	(40,470,322)	(92,649,209)
21. Monetary Items Net Foreign Currency Asset/Liability Position (1+2a+5+6a-10-11-12a-14-15- 16a)	(2,849,295,495)	(38,241,637)	(42,590,290)	(92,649,260)

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25, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

a) Financial risk factors (cont'd)

Foreign exchange risk management (cont'd)

	TL Equivalent (Functional currency)	31 December 2023		
		USD	EUR	CHF
1. Trade Receivables	1,967,446	66,833	-	-
2a. Monetary Financial Assets	49,979,272	1,205,857	444,559	7,796
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	88,214,123	2,703,694	264,697	-
4. CURRENT ASSETS	140,160,841	3,976,384	709,256	7,796
5. Trade Receivables	367,196	12,473	-	-
6a. Monetary Financial Assets	128,289,389	4,350,146	7,028	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS	128,656,586	4,362,620	7,028	-
9. TOTAL ASSETS	268,817,427	8,339,004	716,284	7,796
10. Trade Payables	105,235,337	2,445,333	1,014,914	-
11. Financial Liabilities	978,312,276	14,915,023	16,500,336	-
12a. Monetary Other Liabilities	121,696,431	2,383,386	1,575,335	-
12b. Non-Monetary Other Liabilities	-	-	-	-
13. CURRENT LIABILITIES	1,205,244,044	19,743,742	19,090,585	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	2,367,545,187	28,591,481	46,712,344	-
16a. Monetary Other Liabilities	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES	2,367,545,187	28,591,481	46,712,344	-
18. TOTAL LIABILITIES	3,572,789,232	48,335,223	65,802,929	-
19. Net Asset/ (Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)	(897,956,367)	(13,731,909)	(15,107,117)	-
19a. Hedged portion of assets amount	-	-	-	-
19b. Hedged portion of liabilities amount	897,956,367	13,731,909	15,107,117	-
20. Net foreign currencies assets / (liability) position	(4,201,928,172)	(53,728,128)	(80,193,763)	7,796
21. Monetary Items Net Foreign Currency Asset/Liability Position (1+2a+5+6a-10-11-12a-14-15-16a)	(3,392,185,928)	(42,699,913)	(65,351,343)	7,796

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25, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

a) Financial risk factors (cont’d)

Foreign exchange risk management (cont’d)

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro. The table below shows the Group's sensitivity to 20% increase or decrease in USD and Euro exchange rates. The 10% rate is the rate used when reporting the exchange rate risk within the Group to the senior managers, and this rate represents the possible change expected by the management in the exchange rates. The sensitivity analysis covers only outstanding foreign currency denominated monetary items at year-end and shows the effects of 20% change in foreign currency rates at the end of the year. This analysis includes foreign borrowings, as well as non-functional currency loans of borrowers and borrowers used for foreign operations within the Group. A positive value represents an increase in profit/loss and other equity items.

	30 June 2024	
	Profit / Loss	
	Appreciation of foreign currency	Depreciation foreign currency
In case of a 20% appreciation of US Dollar against TL		
1 - USD net asset/liability	(216,177,750)	216,177,750
2 - Portion hedged against USD risk (-)	-	-
3 - USD net effect (1 +2)	<u>(216,177,750)</u>	<u>216,177,750</u>
In case of a 20% appreciation of EUR against TL		
4 - EUR net asset/liability	(284,331,530)	284,331,530
5 - Portion hedged against EUR risk (-)	-	-
6 - EUR net effect (4+5)	<u>(284,331,530)</u>	<u>284,331,530</u>
In case of appreciation of other foreign exchange rates by 20% against TL		
7- Other foreign currency net assets / liabilities	(674,736,392)	674,736,392
8- Other foreign currency hedged portion (-)	-	-
9- Other Foreign Currency Assets net effect	<u>(674,736,392)</u>	<u>674,736,392</u>
TOTAL (3 + 6 +9)	<u><u>(358,633,528)</u></u>	<u><u>358,633,528</u></u>

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25, NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

a) Financial risk factors (cont'd)

Foreign exchange risk management (cont'd)

Foreign currency sensitivity (cont'd)

	31 December 2023	
	Profit / Loss	
	Appreciation of foreign currency	Depreciation foreign currency
In case of a 20% appreciation of US Dollar against TL		
1 - USD net asset/liability	(316,331,877)	316,331,877
2 - Portion hedged against USD risk (-)	-	-
3 - USD net effect (1 +2)	<u>(316,331,877)</u>	<u>316,331,877</u>
In case of a 20% appreciation of EUR against TL		
4 - EUR net asset/liability	(522,444,720)	522,444,720
5 - Portion hedged against EUR risk (-)	-	-
6 - EUR net effect (4+5)	<u>(522,444,720)</u>	<u>522,444,720</u>
In case of appreciation of other foreign exchange rates by 20% against TL		
7- Other foreign currency net assets / liabilities	58,378	(58,378)
8- Other foreign currency hedged portion (-)	-	-
9- Other Foreign Currency Assets net effect	<u>58,378</u>	<u>(58,378)</u>
TOTAL (3 + 6 +9)	<u><u>(838,718,219)</u></u>	<u><u>838,718,219</u></u>

26, EVENTS AFTER THE REPORTING PERIOD

On August 2, 2024, the Official Gazette No. 32620 published the Law on Amendments to Tax Laws and Certain Laws, including the Decree Law No. 375. This law introduces regulations and changes regarding the domestic minimum corporate tax application, global minimum tax, and various other tax-related matters. The Group is evaluating the impact of these changes on the interim condensed consolidated financial statements.

27, DISCLOSURES RELATED TO THE STATEMENT OF CASH FLOWS

	30 June 2024	31 December 2023
Cash on hand	609,564	2,283,373
Cash at banks	90,286,461	336,363,254
Demand deposits	68,798,128	55,185,149
Time deposits	21,488,333	281,178,105
Other	883,404	-
	<u>91,779,429</u>	<u>338,646,627</u>

There are no blocked deposits (31 December 2023: None)