

**(Convenience translation of consolidated financial statements
originally issued in Turkish)**

AYGAZ ANONİM ŐİRKETİ

**1 JANUARY - 30 JUNE 2024 INTERIM
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH AUDITOR'S REVIEW REPORT**



**Building a better
working world**

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

Report on Review of Interim Condensed Consolidated Financial Statements

To the Board of Directors of Aygaz Anonim Şirketi

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Aygaz Anonim Şirketi ("the Company") and its subsidiaries ("the Group") as of June 30, 2024 and the interim condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and explanatory notes. Group management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Turkish Accounting Standard 34, Interim Financial Reporting ("TAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matter

The consolidated financial statements of the Group were prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA") as of December 31, 2023, were audited by another audit firm whose independent auditor's report thereon dated March 4, 2024 expressed an unqualified opinion. The Group's interim condensed consolidated financial statements, which were prepared in accordance with TAS 34 as of June 30, 2023 and with the exclusion of the effects of adjustments related to the application of TAS 29 "Financial Reporting in Hyperinflationary Economies" as stated in Note 2.1, were also reviewed by the same audit firm whose independent auditor's review report thereon dated July 31, 2023 expressed that nothing had come to their attention that caused them to believe that the interim condensed consolidated financial statements were not prepared in accordance with TAS 34.



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with TAS 34.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited



Seçkin Özdemir, SMMM
Partner

August 5, 2024
İstanbul, Türkiye

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AYGAZ ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

	Notes	Reviewed 30 June 2024	Audited 31 December 2023
ASSETS			
Current assets			
Cash and cash equivalents	4	2.764.292	4.208.858
Financial investments		178.822	183.695
Trade receivables		3.887.482	5.007.211
- Trade receivables from related parties	20	505.249	375.342
- Trade receivables from third parties	8	3.382.233	4.631.869
Other receivables		102.741	8.593
- Other receivables from related parties	20	90.750	-
- Other receivables from third parties	16	11.991	8.593
Inventories	9	2.386.216	2.475.886
Prepaid expenses		191.520	142.365
Assets related to current year tax		139.265	2.358
Other current assets		88.074	623.359
Total current assets		9.738.412	12.652.325
Non-current assets			
Financial investments	5	4.609.266	3.328.405
Trade receivables		38.380	20.045
- Trade receivables from third parties	8	38.380	20.045
Other receivables		6.145	5.016
- Other receivables from third parties		6.145	5.016
Investments accounted under equity method	10	34.247.756	34.837.617
Property, plant and equipment	11	5.291.203	5.466.523
Right-of-use assets	13	251.734	534.549
Intangible assets		109.183	300.826
- Other intangible assets	12	109.183	300.826
Prepaid expenses		35.132	52.367
Deferred tax asset	19	27.453	416.582
Total non-current assets		44.616.252	44.961.930
Total assets		54.354.664	57.614.255

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

AYGAZ ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

	Notes	Reviewed 30 June 2024	Audited 31 December 2023
LIABILITIES AND EQUITY			
Short-term liabilities			
Short-term financial borrowings	6	692.161	1.237.399
Current portion of long-term financial borrowings	6	988.069	1.415.860
Trade payables		4.902.098	6.527.850
- Trade payables to related parties	20	817.394	1.304.312
- Trade payables to third parties	8	4.084.704	5.223.538
Liabilities for employee benefits		106.156	332.011
Other payables		10.247	9.313
- Other payables to related parties	20	2.101	1.852
- Other payables to third parties		8.146	7.461
Derivative financial instruments	7	20.677	1.281
Deferred income		6.552	61.780
Current income tax liabilities		11.125	101.618
Short-term provisions		1.226.433	966.429
- Short-term provisions for employee benefits		273.818	-
- Other provisions	15	952.615	966.429
Other current liabilities		822.919	617.078
Total short-term liabilities		8.786.437	11.270.619
Long-term liabilities			
Long-term financial borrowings	6	16.941	116.245
Other payables		219.011	266.015
- Trade payables to third parties		219.011	266.015
Long-term provisions		310.731	307.976
- Long-term provisions for employee benefits		310.731	307.976
Deferred tax liabilities	19	202.456	95.318
Total long-term liabilities		749.139	785.554
Total liabilities		9.535.576	12.056.173
Equity			
Share capital	17	219.801	219.801
Adjustment to share capital	17	5.060.970	5.060.970
Other comprehensive income or expenses			
not to be reclassified to profit or loss		2.148.858	926.507
Gains (losses) on the revaluation and/or reclassification		2.178.121	984.656
- Gains (losses) remeasurement from defined benefit plans		(132.170)	(107.152)
- Gains (losses) on financial assets measured at fair value through other comprehensive income		2.310.291	1.091.808
Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss		(29.263)	(58.149)
Other comprehensive income or expenses to be reclassified to profit or loss		(564.923)	(374.533)
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss		(564.923)	(374.533)
Restricted reserves		3.836.482	3.679.446
Retained earnings		33.865.404	28.177.632
Net profit for the period		252.496	7.426.720
Equity attributable to equity holders of the parent		44.819.088	45.116.543
Non-controlling interest		-	441.539
Total equity		44.819.088	45.558.082
Total equity and liabilities		54.354.664	57.614.255

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

AYGAZ ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

	Notes	Reviewed 1 January - 30 June 2024	Not Reviewed 1 April - 30 June 2024	Reviewed 1 January - 30 June 2023	Not Reviewed 1 April - 30 June 2023
Revenue		34.763.014	17.644.968	40.352.982	17.078.200
Cost of sales (-)		(32.107.105)	(16.429.677)	(37.585.349)	(15.486.639)
Gross profit		2.655.909	1.215.291	2.767.633	1.591.561
General administrative expenses (-)		(1.378.570)	(654.141)	(1.326.569)	(628.319)
Marketing expenses (-)		(1.520.776)	(778.281)	(1.337.100)	(656.679)
Research and development expenses (-)		(9.777)	(2.495)	(10.112)	(5.630)
Other operating income		1.061.033	431.712	905.605	658.726
Other operating expenses (-)		(916.574)	(244.065)	(1.271.891)	(1.062.384)
Operating profit (loss)		(108.755)	(31.979)	(272.434)	(102.725)
Income from investment activities		126.828	10.089	351.837	228.784
Loss from investment activities (-)		(115.090)	(111.260)	(9.520)	(5.098)
Profit (losses) from investments accounted under equity method	10	531.395	494.247	1.081.173	771.804
Operating profit before financial income (expense)		434.378	361.097	1.151.056	892.765
Financial income		479.681	182.173	742.887	554.330
Financial expense (-)		(433.406)	(184.557)	(1.122.533)	(756.818)
Net monetary position gains (losses)		(109.359)	(48.222)	399.936	70.112
Profit from continuing operations before tax		371.294	310.491	1.171.346	760.389
Tax income (expense), continuing operations					
Current tax expense for the period (-)	19	(25.538)	112.503	(106.037)	(5.064)
Deferred tax income (expense)	19	(500.818)	(433.177)	(28.582)	(31.262)
Profit (loss) for the period		(155.062)	(10.183)	1.036.727	724.063
Distribution of profit (loss) for the period					
Non-controlling interest		(407.558)	(267.009)	(278.354)	(110.028)
Equity holders of the parent		252.496	256.826	1.315.081	834.091
Earnings (losses) per share (TL)	18	1,1487	1,1684	5,9831	3,7948
Diluted earnings (losses) per share (TL)	18	1,1487	1,1684	5,9831	3,7948

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

AYGAZ ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPERHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

	Reviewed 1 January - 30 June 2024	Not Reviewed 1 April - 30 June 2024	Reviewed 1 January - 30 June 2023	Not Reviewed 1 April - 30 June 2023
Profit (loss) for the period	(155.062)	(10.183)	1.036.727	724.063
Other comprehensive income				
Not to be reclassified to profit or loss	1.222.351	541.796	(1.014.952)	(136.819)
Gains (losses) re-measurement on defined benefit plans	(33.453)	(33.453)	-	-
Gains (losses) on financial assets measured at fair value through other comprehensive income				
- Gains (losses) on financial assets measured at fair value through other comprehensive income	1.282.616	566.242	(1.068.371)	(144.019)
- Gains (losses) from re-measurement on defined benefit plans of investments using equity method	28.886	28.886	-	-
Taxes relating to other comprehensive income not to be reclassified to profit (loss)				
- Gains (losses) re-measurement on defined benefit plan, tax effect	19	8.435	-	-
- Gains (losses) on financial assets measured at fair value through other comprehensive income, tax effect	19	(64.133)	53.419	7.200
To be reclassified to profit or loss	(190.390)	69.176	(296.583)	(150.832)
Currency translation differences	-	-	56.572	91.951
Gains (losses) on cash flow hedges				
- Gains (losses) on cash flow hedges	-	-	2.766	(2.639)
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss				
- Gains (losses) from cash flow hedges of investments using equity method	237.832	(19.995)	408.120	(26.303)
- Gains (losses) from currency translation differences of investments using equity method	(428.222)	89.171	(769.126)	(216.478)
Taxes relating to other comprehensive income to be reclassified to profit (loss)				
- Gains (losses) on cash flow hedges, tax effect	19	-	5.085	2.637
Other comprehensive income (expense) (after taxation)	1.031.961	610.972	(1.311.535)	(287.651)
Total other comprehensive income (expense)	876.899	600.789	(274.808)	436.412
Distribution of total comprehensive income (expense)				
- Non-controlling interest	(407.558)	(267.009)	(278.354)	(110.028)
- Equity holders of the parent	1.284.457	867.798	3.546	546.440

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

AYGAZ ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

	Notes	Other comprehensive income or expenses not to be reclassified to profit or loss				Other comprehensive income or expenses to be reclassified to profit or loss				Accumulated profit					
		Share capital	Adjustment to share capital	Gains (losses) on re-measurement of defined benefit plans	Gains (losses) on financial assets measured at fair value through other comprehensive income	Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss	Currency translation differences	Gains (losses) on cash flow hedges	Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss	Restricted reserves	Retained earnings	Net profit for the period	Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Reviewed															
As of 1 January 2023		219.801	5.060.970	(102.471)	1.078.966	(66.317)	(81.898)	(7.851)	(182.591)	3.710.038	19.995.685	8.541.654	38.165.986	326.967	38.492.953
Transfers		-	-	-	-	-	-	-	-	39.621	8.502.033	(8.541.654)	-	-	-
Increase in capital		-	-	-	-	-	-	-	-	-	-	-	-	246.606	246.606
Total comprehensive income (expense)		-	-	-	(1.014.952)	-	56.572	7.851	(361.006)	-	-	1.315.081	3.546	(278.354)	(274.808)
<i>Net income</i>		-	-	-	-	-	-	-	-	-	-	1.315.081	1.315.081	(278.354)	1.036.727
<i>Other comprehensive income (expense)</i>		-	-	-	(1.014.952)	-	56.572	7.851	(361.006)	-	-	-	(1.311.535)	-	(1.311.535)
Dividend paid		-	-	-	-	-	-	-	-	-	(392.133)	-	(392.133)	-	(392.133)
As of 30 June 2023		219.801	5.060.970	(102.471)	64.014	(66.317)	(25.326)	-	(543.597)	3.749.659	28.105.585	1.315.081	37.777.399	295.219	38.072.618
Reviewed															
As of 1 January 2024		219.801	5.060.970	(107.152)	1.091.808	(58.149)	-	-	(374.533)	3.679.446	28.177.632	7.426.720	45.116.543	441.539	45.558.082
Transfers		-	-	-	-	-	-	-	-	157.036	7.269.684	(7.426.720)	-	-	-
Increase in capital		-	-	-	-	-	-	-	-	-	-	-	-	260.692	260.692
Total comprehensive income (expense)		-	-	(25.018)	1.218.483	28.886	-	-	(190.390)	-	-	252.496	1.284.457	(407.558)	876.899
<i>Net income</i>		-	-	-	-	-	-	-	-	-	-	252.496	252.496	(407.558)	(155.062)
<i>Other comprehensive income (expense)</i>		-	-	(25.018)	1.218.483	28.886	-	-	(190.390)	-	-	-	1.031.961	-	1.031.961
Increase/decrease resulting from changes in ownership percentages leading to loss of control		-	-	-	-	-	-	-	-	-	-	-	-	(294.673)	(294.673)
Dividend paid	17	-	-	-	-	-	-	-	-	-	(1.581.912)	-	(1.581.912)	-	(1.581.912)
As of 30 June 2024		219.801	5.060.970	(132.170)	2.310.291	(29.263)	-	-	(564.923)	3.836.482	33.865.404	252.496	44.819.088	-	44.819.088

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

AYGAZ ANONİM ŞİRKETİ

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

	Notes	Reviewed 1 January - 30 June 2024	Reviewed 1 January - 30 June 2023
Cash flows from operating activities		187.194	418.662
Net income (loss)		(155.062)	1.036.727
Adjustments related with the reconciliation of net profit (loss) for the period		919.842	(97.152)
Adjustments for depreciation and amortization expenses	3, 11, 12, 13	539.876	501.415
Adjustments for impairment reversal (loss)		(20.544)	(8.935)
Adjustments for provisions		313.386	121.052
Adjustments for dividend income (expense)		(107.896)	(230.249)
Adjustments for interest income		(319.699)	(297.070)
Adjustments for interest expense		139.293	449.407
Adjustments for unrealized foreign translation differences		105.948	716.226
Adjustments for fair value gains (losses) on derivative financial instruments		19.396	158.035
Adjustments for undistributed profits of investments accounted under equity method	10	(531.395)	(1.081.173)
Adjustments for tax income (expenses)	19	526.356	134.619
Adjustments for gains (losses) on disposal of non-current assets		(3.146)	(36.285)
Adjustments related to losses (gains) from the disposal of subsidiaries or joint ventures		99.304	-
Other adjustments for reconciliation of profit (loss)		2.046	(4.242)
Net monetary position gains		156.917	(519.952)
Changes in working capital		(306.319)	(269.829)
Change in blocked deposits		26	155.288
Adjustments for decrease in trade receivables		857.989	423.715
Adjustments for decrease in other operating receivables		193.085	768.396
Adjustments for decrease in inventories		89.670	1.580.038
(Increase) in prepaid expenses		(19.313)	(89.251)
Adjustments for (decrease) in trade payables		(1.352.139)	(2.927.460)
(Decrease) in liabilities for employee benefits		(214.421)	(151.315)
Adjustments for increase (decrease) in other operating payables		194.012	(23.612)
(Decrease) in deferred income		(55.228)	(5.628)
Cash flows from operating activities		458.461	669.746
Payments related to provisions for employee benefits		(24.327)	(152.254)
Tax returns (payments)		(246.940)	(98.830)
Cash flows from investing activities		1.018.878	1.881.742
Cash outflows related to sales resulting in the loss of control over subsidiaries		(155.861)	-
Cash outflows from the purchase of interests or capital increase of investments in associates or joint ventures		-	(211.111)
Cash inflows from the sale of property, plant and equipment and intangible assets		53.395	95.758
Cash outflows from the purchase of property, plant and equipment and intangible assets	11, 12	(472.540)	(351.487)
Dividends received		1.328.319	2.332.354
Other cash inflows (outflows)			
- Decrease (increase) in financial investments		4.873	(230.378)
- Contributions of non-controlling interests to capital increases		260.692	246.606
Cash flows from financing activities		(1.982.930)	(2.928.116)
Proceeds from borrowings		672.213	1.608.479
Repayments of borrowings		(1.139.308)	(3.761.252)
Payments of lease liabilities		(74.843)	(27.595)
Dividends paid		(1.581.296)	(391.977)
Interest paid		(166.788)	(647.028)
Interest received		307.092	291.257
Net increase (decrease) in cash and cash equivalents before currency translation differences		(776.858)	(627.712)
Effect of currency translation differences		83.200	55.622
Effect of monetary gain / (loss) on cash and cash equivalents		(750.882)	(678.821)
Net increase (decrease) in cash and cash equivalents		(1.444.540)	(1.250.911)
Cash and cash equivalents at the beginning of the period	4	4.205.392	3.594.608
Cash and cash equivalents at the end of the period	4	2.760.852	2.343.697

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

AYGAZ ANONİM ŞİRKETİ

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE COMPANY

The main activity of Aygaz Anonim Şirketi (the “Company” or “Aygaz”) is the purchase of liquid petroleum gas (LPG) in bulk from domestic refineries and the overseas market and delivery to retailers for distribution to customers. The Company manufactures LPG cylinders, LPG tanks, regulators and other supplementary materials which support the Company’s main business and which are necessary equipment for the end-user. The Company is controlled by Koç Holding A.Ş. the parent company, Koç Family and the companies owned by Koç Family.

The Company is registered at the Capital Markets Board of Turkey (“CMB”) and as of 30 June 2024, 24,27% of its shares have been quoted at Borsa Istanbul.

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

Büyükdere Cad. No: 145/1 Aygaz Han, Zincirlikuyu, 34394 / İstanbul

Total end of period and average number of personnel employed by categories in Aygaz and its subsidiaries (together with referred to as the “Group”) are as follows:

	<u>End of period</u>		<u>Average</u>	
	<u>30 June 2024</u>	<u>31 December 2023</u>	<u>1 January - 30 June 2024</u>	<u>1 January - 30 June 2023</u>
Monthly paid	1.012	1.012	1.010	995
Hourly paid	632	646	639	665
Total number of personnel	1.644	1.658	1.649	1.660

Subsidiaries

Subsidiaries	Place of incorporation and operation	Ownership interest (%)		Voting power right	Principal activity
		30 June 2024	31 December 2023		
Anadoluhisari	Türkiye	100	100	100	Shipping
Kandilli	Türkiye	100	100	100	Shipping
Kuzguncuk	Türkiye	100	100	100	Shipping
Kuleli	Türkiye	100	100	100	Shipping
Akpa	Türkiye	100	100	100	Marketing
Aygaz Doğal Gaz Toptan Satış	Türkiye	100	100	100	Natural gas
Aygaz Doğal Gaz İletim	Türkiye	100	100	100	Natural gas
Bal Kaynak	Türkiye	100	100	100	Bottled water

Akpa Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama Anonim Şirketi (“Akpa”) is mainly engaged in sales of cylinders through either its own organisation or dealers, retail and wholesale of LPG, fuel and lubricants through autogas stations.

Main activity of Aygaz Doğal Gaz Toptan Satış A.Ş. and Aygaz Doğal Gaz İletim A.Ş. (together “Aygaz Doğal Gaz”) is to purchase natural gas from domestic and/or overseas suppliers, selling natural gas to domestic and/or overseas customers and make related arrangements for the modulation, storing of natural gas and building necessary facilities.

AYGAZ ANONİM ŞİRKETİ

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE COMPANY (Continued)

Within July 2010, the Company has restructured its shipping operations under new legal entities, and established Anadoluhisarı Tankercilik A.Ş. (“Anadolu Hisarı”), Kandilli Tankercilik A.Ş. (“Kandilli”), Kuleli Tankercilik A.Ş. (“Kuleli”) and Kuzguncuk Tankercilik A.Ş. (“Kuzguncuk”) with an effective ownership interest of 100%. The main activities of these companies are to purchase, build or rent vessels and to operate them in domestic and/or overseas transportation of crude oil, petroleum products, liquid petroleum gas, natural gas and solid, liquid and liquefied products. On 13 October 2017, the vessel named “Kuleli” which is used for the transportation of LPG was sold by Kuleli Tankercilik A.Ş. - the Company’s subsidiary. On 14 March 2019 Kuleli has acquired the 100% of shares of Bal Kaynak Su İthalat İhracat Sanayi ve Ticaret A.Ş. (“Bal Kaynak”).

Investments in associates

Investments in associates	Place of incorporation and operation	Ownership interest (%)				Principal activity
		30 June 2024	31 December 2023	Voting power right	Voting power right	
EYAŞ	Türkiye	20,00	20,00	20,00	20,00	Energy
Sendeo	Türkiye	27,50	55,00	27,50	55,00	Cargo transportation/distribution

In December 2005, Enerji Yatırımları A.Ş. (“EYAŞ”) was established to acquire 51% block shares of Türkiye Petrol Rafinerileri A.Ş. (“TÜPRAŞ”), to participate in Tüpraş’s management and its operational decisions as well as to establish and operate in oil refinery related sectors in Turkey. As of 30 June 2024, EYAŞ’s ownership in Tüpraş has been 46,40%.

Sendeo Dağıtım Hizmetleri A.Ş. (“Sendeo”) (Former trade name: Aygaz Aykargo Dağıtım Hizmetleri A.Ş. (“Aykargo”) which started as an in-house entrepreneurship Project, has started its cargo delivery and distribution activities in 2020. On 11 January 2024, it was announced to the public that the operations of Sendeo and Ekol Ekspres Kargo A.Ş. (“Kolay Gelsin”) would be conducted under the 'Kolay Gelsin' brand with a principle of equal partnership between Sendeo’s partners and Ahmet Musul. All the prerequisites mentioned in the announcement have been completed by 28 June 2024. As of 30 June 2024, the share ratios in Sendeo’s capital are as follows: Ahmet Musul 50,00%, the Company 27,50%, and Koç Holding 22,50% (Note:10).

AYGAZ ANONİM ŞİRKETİ

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE COMPANY (Continued)

Joint ventures

Joint Ventures	Place of incorporation and operation	Ownership interest (%)		Voting power right	Principal activity
		30 June 2024	31 December 2023		
OAGM	Türkiye	50,00	50,00	50,00	Real Estate
United Aygaz	Bangladesh	50,00	50,00	50,00	LPG supply, filling and distribution

Opet Aygaz Gayrimenkul A.Ş. ("OAGM") was established on 20 September 2013 as a joint venture with 50% equal shares by the Company and Opet Petrolcülük A.Ş., which is the Company's business partner, operating in distribution of fuel products. Its main activity is to establish, purchase, operate and rent fuel and LPG stations.

In line with Group's growth strategy abroad, in order to operate in LPG supply, filling and distribution in the Bangladesh market, on 5 March 2019 the Share Purchase Agreement ('Contract') and Partnership Agreement was signed between the Company and United Enterprises & Co. Ltd. With Contract it was decided that 50% of the shares of United LPG Ltd, the subsidiary of United Enterprises & Co. Ltd, which has a pre-license for LPG filling facility but no current operations yet, will be acquired. With the occurrence of preconditions determined on the agreement, the share transfer transaction was completed in 20 January 2021, and the name of the Joint Venture Company became United Aygaz LPG Ltd ("United Aygaz") on 14 February 2023. A capital increase approximately amounting to a total of USD 24.000 thousand has been made to United Aygaz in 2023, which is equivalent to the share of the Company, has been paid in cash.

Approval of interim condensed consolidated financial statements:

The interim condensed consolidated financial tables for the period ended on 30 June 2024 are approved on the Board of Directors meeting held on 5 August 2024 to be published.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation of financial statements

The condensed consolidated financial statements of the Group have been prepared in accordance with the Turkish Financial Reporting Standards, (“TFRS”) and interpretations as adopted in line with international standards by the Public Oversight Accounting and Auditing Standards Authority of Turkey (“POA”) in line with the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by the Capital Markets Board of Turkey (“CMB”) on June 13, 2013 which is published on Official Gazette numbered 28676. TFRS are updated in harmony with the changes and updates in International Financial and Accounting Standards (“IFRS”) by the communiqués announced by the POA.

The condensed interim consolidated financial statements are presented in accordance with “Announcement regarding with TAS Taxonomy” which was published on 3 July 2024 by POA and the format and mandatory information recommended by CMB.

The Group prepared its condensed consolidated interim financial statements for the six months period ended 30 June 2024 in accordance with TAS 34 “Interim Reporting” standard. Interim condensed consolidated financial statements do not include all the information required for the annual financial statements and therefore they should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023.

Foreign subsidiaries have prepared their statutory financial statements in accordance with the related local laws and regulations. Consolidated financial statements have been prepared under the historical cost convention except for the derivative instruments and available for sale financial assets presented at fair values.

Summary of significant accounting policies

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, 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 year ending on or after 31 December 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.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 30 June 2023, and 31 December 2023 on the purchasing power basis as of 30 June 2024.

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

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation of financial statements (Continued)

Financial reporting in hyperinflationary economy (Continued)

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TÜİK). As of 30 June 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Year End	Index	Conversion Factor	Three-year Compound Inflation Rate
30 June 2024	2.319,29	1,000	324%
31 December 2023	1.859,38	1,247	268%
30 June 2023	1.351,59	1,716	190%

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period condensed consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous Reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the statement of financial position date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the statement of financial position, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the condensed consolidated profit or loss statement.

2.2 Summary of significant accounting policies

The interim condensed consolidated financial statements of the Group for the six-month period ended 30 June 2024 have been prepared in accordance with TAS 34 “Interim Financial Reporting”. Additionally, the accounting policies used in the preparation of the interim condensed consolidated financial statements for the period ended 30 June 2024 are consistent with those used in the preparation of annual consolidated financial statements for the year ended 31 December 2023. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 New and revised Turkey Financial Reporting Standards

The accounting policies adopted in preparation of the consolidated financial statements as of 30 June 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 1 January 2024 and thereafter. The effects of these standards and interpretations on the the Group’s financial position and performance have been disclosed in the related paragraphs.

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

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities; In March 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity’s right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period (“future covenants”), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with TAS 8. The amendments did not have a significant impact on the financial position or performance of the Group.

Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback; In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under “Subsequent measurement of the lease liability” heading after the commencement date in a sale and leaseback transaction, the seller lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16. The amendments did not have a significant impact on the financial position or performance of the Group.

AYGAZ ANONİM ŞİRKETİ

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 New and revised Turkey Financial Reporting Standards (Continued)

- a) *The new standards, amendments and interpretations which are effective as of 1 January 2024 are as follows: (Continued)*

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements; The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose. The mentioned amendments does not have a significant impact on the financial position and performance of the Group.

- b) *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 consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated 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; In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group is in the process of assessing the impact of the interpretation on financial position or performance of the Group.

TFRS 17 - The new Standard for insurance contracts; POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after 1 January 2025 with the announcement made by the POA. The Group is in the process of assessing the impact of the interpretation on financial position or performance of the Group.

**NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024**

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**

2.3 New and revised Turkey Financial Reporting Standards (Continued)

b) Standards issued but not yet effective and not early adopted (Continued)

Amendments to TAS 21 - Lack of exchangeability In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

c) The amendments which are effective immediately upon issuance

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments. As of 15 July 2024, the Group's companies falling within the scope of the relevant standard in Belgium have been identified and the notification has been made in a timely manner. Furthermore, the Group is monitoring whether the legislation has entered into force in each country, the applicable statutory deadlines, and the notification obligations. The Group is in the process of assessing the impact of the interpretation on financial position or performance of the Group.

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

Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments

In May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). The amendment clarifies that a financial liability is derecognised on the ‘settlement date’. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

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NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 New and revised Turkey Financial Reporting Standards (Continued)

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

IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements; In April 2024, IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. IFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as IAS 7, IAS 8 and IAS 34. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures; In May 2024, IASB issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards may elect to apply IFRS 19. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

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NOTE 3 - SEGMENT INFORMATION

The segmental operations are specified according to the internal reports reviewed regularly by the authority entitled to making decision for the Group’s operations.

The Group's decision-making authority has started to monitor its activities in the cargo transportation and distribution separately by taking into consideration its significant share in the consolidated financial results, in order to accurately evaluate the resources to be allocated to the departments and the performance of the departments. In addition, the Group has decided to present the activities of EYAŞ company, which are accounted for using the equity method, separately from LPG and Natural gas activities, which are the main business lines of the Group.

The Group Management evaluates financial results and performance based of TFRS financial statements. Therefore, TFRS financial statements are the basis of segmental reporting. The Group evaluates the performance of its segments based on gross profit, operating profit and profit from continuing operations before tax.

Operational segments which have been prepared in accordance with the reportable segments for the six months period ended 30 June 2024 are as follows:

	30 June 2024				
	LPG and Gas	Cargo transportation and Distribution	Petroleum products and Electricity	Consolidation adjustments	Consolidated
Total assets	22.509.784	-	31.851.916	(7.036)	54.354.664
Total liabilities	9.542.612	-	-	(7.036)	9.535.576
Investments accounted under equity method	2.135.169	260.671	31.851.916	-	34.247.756

	1 January - 30 June 2024				
	LPG and Gas	Cargo transportation and Distribution	Petroleum products and Electricity	Consolidation adjustments	Consolidated
Sales revenue (net)	33.985.804	779.678	-	(2.468)	34.763.014
Gross profit	2.897.758	(241.849)	-	-	2.655.909
Operating profit (loss) (*)	345.196	(595.942)	-	(2.468)	(253.214)
Operating profit (loss)	355.910	(456.398)	-	(8.267)	(108.755)
Net monetary position gains (losses)	(106.869)	(2.490)	-	-	(109.359)
Profit (loss) from continuing operations before tax	341.426	(469.150)	507.285	(8.267)	371.294
Profit (loss) for the period	251.604	(905.684)	507.285	(8.267)	(155.062)

Non-controlling interest	-	(407.558)	-	-	(407.558)
Equity holders of the parent	251.604	(498.126)	507.285	(8.267)	252.496

Profit (losses) from investments accounted under equity method	24.110	-	507.285	-	531.395
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Amortization and Depreciation (**)	439.291	100.585	-	-	539.876
Investment expenditures	429.469	43.071	-	-	472.540

(*) Excluded other operating income/expense, net.

(**) Total amount of TL 104.660 thousand consist of amortization and depreciation expenses allocated under TFRS 16, ‘Leases’ (2023: TL 84.862 thousand) (Note:13).

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NOTE 3 - SEGMENT INFORMATION (Continued)

Operational segments which have been prepared in accordance with the reportable segments for the six months period ended 30 June 2023 are as follows:

	31 December 2023				
	LPG and Gas	Cargo transportation and Distribution	Petroleum products and Electricity	Consolidation adjustments	Consolidated
Total assets	21.045.227	1.828.450	32.792.421	1.948.157	57.614.255
Total liabilities	11.221.349	847.643	-	(12.819)	12.056.173
Investments accounted under equity method	2.045.196	-	32.792.421	-	34.837.617
	1 January - 30 June 2023				
	LPG and Gas	Cargo transportation and Distribution	Petroleum products and Electricity	Consolidation adjustments	Consolidated
Sales revenue (net)	39.840.933	514.781	-	(2.732)	40.352.982
Gross profit	3.151.916	(384.283)	-	-	2.767.633
Operating profit (loss) (*)	799.818	(703.234)	-	(2.732)	93.852
Operating profit (loss)	424.895	(694.597)	-	(2.732)	(272.434)
Net monetary position gains (losses)	410.661	(10.725)	-	-	399.936
Profit (loss) from continuing operations before tax	710.720	(688.997)	1.152.355	(2.732)	1.171.346
Profit (loss) for the period	505.663	(618.560)	1.152.356	(2.732)	1.036.727
Non-controlling interest	-	(278.354)	-	-	(278.354)
Equity holders of the parent	505.663	(340.206)	1.152.356	(2.732)	1.315.081
Profit (losses) from investments accounted under equity method	(71.183)	-	1.152.356	-	1.081.173
Amortization and Depreciation	432.385	69.030	-	-	501.415
Investment expenditures	328.033	23.454	-	-	351.487

(*) Excluded other operating income/expense, net.

The accounting policy of Special Consumption Tax (SCT) on imported LPG which is required to be paid after the declaration made to the Republic of Turkey, Ministry of Finance is applied to be included in revenues and cost of goods sold (Gross profit and net income is not impacted by this record). For the period 1 January-30 June 2024, SCT on imported LPG included in revenues and the cost of goods sold is amounting to TL 5.427.957 thousand (1 January-30 June 2023: TL 2.613.670 thousand).

NOTE 4 – CASH AND CASH EQUIVALENTS

	30 June 2024	31 December 2023
Cash on hand	2.531	2.254
Cash at banks	2.739.672	4.191.981
- Time deposits	2.522.652	3.997.888
- Demand deposits	217.020	194.093
Receivables from credit card transactions	22.089	14.623
Total	2.764.292	4.208.858

As of 30 June 2024 the Group’s TL time deposits amounting to TL 1.276.110 thousand with average maturities of 3 days and interest rates of 48,33%; USD time deposits amounting to USD 37.974 thousand (TL 1.246.542 thousand) with average maturities of 3 days and interest rate of 3,18% (31 December 2023: The Group’s TL time deposits amounting to TL 2.020.877 thousand with average maturities of 8 days and interest rates of 42,06%. USD time deposits amounting to USD 53.840 thousand (TL 1.977.012 thousand) with average maturities of 2 days and interest rate of 3,71%).

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 30 June 2024 unless otherwise indicated.)

NOTE 4 – CASH AND CASH EQUIVALENTS (Continued)

The amount of cash and cash equivalents shown in the statement of cash flow as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
Cash and cash equivalents	2.764.292	4.208.858
Less: Blocked deposits (*)	(3.440)	(3.466)
	2.760.852	4.205.392

(*) The amount consists of the cash collaterals given to Istanbul Clearing, Settlement and Custody Bank Inc.-Takasbank in accordance with the procedure with respect to central transportation services provided by Takasbank in the Organized Natural Gas Market operated by Energy Exchange Istanbul (EXIST/EPIAŞ).

NOTE 5 – FINANCIAL ASSETS

The long-term financial assets of the Group are as follows as of 30 June 2024 and 31 December 2023:

	30 June 2024		31 December 2023	
	Participation amount	Participation rate (%)	Participation amount	Participation rate (%)
Financial assets measured at fair value through other comprehensive income				
- Koç Finansal Hizmetler A.Ş.	4.598.992	3,93	3.316.376	3,93
Financial assets measured at fair value through profit or loss				
- Ram Dış Ticaret A.Ş.	6.045	2,50	7.221	2,50
- Tat Gıda Sanayi A.Ş. (*)	-	-	579	0,08
- Other	4.229	-	4.229	-
	4.609.266		3.328.405	

(*) The sale of Tat Gıda Sanayi A.Ş. shares was completed as of 19 February 2024.

NOTE 6 - FINANCIAL BORROWINGS

As of 30 June 2024 and 31 December 2023 the Group’s short-term financial borrowings are as follows:

	30 June 2024	31 December 2023
Short-term bond issued	-	222.436
TL-denominated short-term bank borrowings	164.263	406.426
USD-denominated short-term bank borrowings	500.977	-
Factoring liabilities	-	498.948
Short-term lease liabilities	26.921	109.589
Total short-term financial borrowings	692.161	1.237.399
Short-term portion and interest accruals of		
USD-denominated long-term bank borrowings	988.069	1.415.860
Total short-term portion of long-term financial borrowings	988.069	1.415.860

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NOTE 6 - FINANCIAL BORROWINGS (Continued)

As of 30 June 2024 the details of short-term financial borrowings are as follows:

Currency	Annual average effective interest rate (%)	Original amount	TL amount
TL	49,41	164.263	164.263
USD	5,63	15.261	500.977
			665.240

As of 31 December 2023, the details of short-term financial borrowings are as follows:

Currency	Annual average effective interest rate (%)	Original amount	TL amount
TL	29,27	406.426	406.426
			406.426

As of 30 June 2024 and 31 December 2023 the Group’s long-term financial borrowings are as follows:

	30 June 2024	31 December 2023
Long-term lease liabilities	16.941	116.245
Total long-term bank borrowings	16.941	116.245

As of 30 June 2024 the details of long-term financial borrowings are as follows:

Currency	Annual average effective interest rate (%)	Original amount	TL amount
USD	7,93	30.100	988.069
Short-term portion of long-term loans and interest accruals			(988.069)
			-

As of 31 December 2023 the details of long-term financial borrowings are as follows:

Currency	Annual average effective interest rate (%)	Original amount	TL amount
USD	7,52	38.558	1.415.860
Short-term portion of long-term loans and interest accruals			(1.415.860)
			-

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NOTE 7 - DERIVATIVE FINANCIAL INSTRUMENTS

As of 30 June 2024 and 31 December 2023 the Group’s derivative financial instruments are as follows:

	30 June 2024		31 December 2023	
	Contract amount	Fair value assets/ (liabilities)	Contract amount	Fair value assets/ (liabilities)
Short-term derivative instruments				
Forward transactions (1)	492.393	(20.677)	190.303	(1.281)
Total short-term derivative financial liabilities	492.393	(20.677)	190.303	(1.281)

(1) As of 30 June 2024, the Group has entered into forward transaction with a maturity of 30-93 days and nominal value amounting to USD 15.000 thousand (31 December 2023: USD 5.000 thousand with a maturity of 91-93 days) (Note 21).

NOTE 8 - TRADE RECEIVABLES AND PAYABLES FROM THIRD PARTIES

The Group’s trade receivables from third parties as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
Trade receivables	3.279.645	4.560.243
Notes receivables	127.944	117.526
Allowance for doubtful receivables (-)	(25.356)	(45.900)
Total current trade receivables	3.382.233	4.631.869

	30 June 2024	31 December 2023
Notes receivable	38.380	20.045
Total non-current trade receivables	38.380	20.045

The Group’s trade payables to third parties as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
Trade payables	4.084.704	5.223.538
Total short-term trade payables	4.084.704	5.223.538

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NOTE 9 – INVENTORIES

	30 June 2024	31 December 2023
Raw materials	2.188.446	2.251.976
Work in process	14.900	11.821
Finished goods	83.521	64.117
Trade goods	99.349	147.972
	2.386.216	2.475.886

As of 30 June 2024, the inventories comprise of 101.275 tons of LPG (31 December 2023: 107.471 tons).

NOTE 10 - EQUITY INVESTMENTS

The details of carrying values and consolidation rates subject to equity investments are as follows:

	30 June 2024		31 December 2023	
	Participation amount	Participation rate (%)	Participation amount	Participation rate (%)
EYAŞ	31.851.916	20,00	32.792.421	20,00
Sendeo (*)	260.671	27,50	-	-
OAGM	1.496.391	50,00	1.482.381	50,00
United Aygaz	638.778	50,00	562.815	50,00
	34.247.756		34.837.617	

(*) On 28 June 2024, as part of conducting the operations of Sendeo and Ekol Ekspres Kargo A.Ş. ("Kolay Gelsin") under the 'Kolay Gelsin' brand with an equal partnership principle between Sendeo's partners and Ahmet Musul, the following agreements were executed: a 'Share Purchase and Participation Agreement' between Ahmet Musul and Koç Parties for a cash capital increase amounting to a total value of TL 330 million in Sendeo with the acquisition of shares representing 50% of Sendeo capital by Ahmet Musul from Koç Holding and the Company for a total of 165 million TL in proportion to their shares, and the participation of all partners in the new partnership structure in proportion to their shares following the transfer; a 'Share Purchase Agreement' between Sendeo and Ahmet Musul for the acquisition of all shares representing Kolay Gelsin's capital from Ahmet Musul at a total value of TL 330 million; and a 'Shareholders Agreement' between Ahmet Musul and Koç Parties, regulating the rights and obligations of shareholders in Sendeo and Kolay Gelsin based on joint control. All closing transactions and share transfers as stipulated in these agreements have been completed. As a result of this transaction, Sendeo was deconsolidated from the scope of the Group's subsidiaries and accounted for investment in associates under the relevant accounting standard. In condensed consolidated financial statements as of 30 June 2024, Sendeo has been accounted at TL 260.671 thousand as an investment valued by the equity method based on the share value within the valuation report prepared on the relevant date. Consequently, a one-time transaction loss of TL 99.304 thousand resulting from the loss of control over the share transfer has been recognized under 'loss from investment activities' in the Group's statement of profit and loss.

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NOTE 10 - EQUITY INVESTMENTS (Continued)

The movement of equity investments is as follows:

	2024	2023
As of January 1	34.837.617	31.777.827
Shares of profit/(loss)	531.395	1.081.173
Shares of other comprehensive income/(loss)	(161.504)	(361.006)
Dividend income	(1.220.423)	(2.102.105)
Increase due to change in control of subsidiaries	260.671	-
Increase in capital of joint venture (*)	-	211.111
As of 30 June 2024	34.247.756	30.607.000

(*) With the Board of Directors Decision of the Company dated on 6 February 2023, it was decided to increase capital of United Aygaz, BDT 1.240.000 thousand, and the BDT 620.000 thousand (approximately USD 24.000 thousand), corresponding to 50% share of the Company has been paid on 27 February 2023 and 27 March 2023 (Note 1).

Shares of profit (loss) of equity investments:

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
EYAŞ	507.285	504.155	1.152.356	855.286
OAGM	14.010	1.540	(58.315)	(66.581)
United Aygaz	10.100	(11.448)	(12.868)	(16.901)
	531.395	494.247	1.081.173	771.804

Shares of other comprehensive gains (losses) of equity investments:

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
EYAŞ	(227.367)	150.657	(126.583)	(84.049)
United Aygaz	65.863	(52.595)	(234.423)	(158.732)
	(161.504)	98.062	(361.006)	(242.781)

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NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

	Land Land improvements	Land improvements	Buildings	Plant, machinery, equipment and LPG cylinders	Vehicles and vessels	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
Acquisition cost									
As of 1 January 2024	334.555	2.474.656	1.301.747	28.620.133	2.654.129	1.255.946	536.467	365.331	37.542.964
Additions	-	-	-	15	10.276	(33.793)	136	495.906	472.540
Transfers (*)	4.766	7.453	2.656	209.441	1.969	90.189	1.427	(318.881)	(980)
Changes in the scope of consolidation	-	-	-	-	(21.501)	(133.122)	(59.231)	(60.816)	(274.670)
Disposals	(4)	(36)	(17)	(113.875)	(1.487)	(45.472)	(25.770)	-	(186.661)
As of 30 June 2024	339.317	2.482.073	1.304.386	28.715.714	2.643.386	1.133.748	453.029	481.540	37.553.193
Accumulated depreciation									
As of 1 January 2024	-	1.583.877	1.081.107	26.251.046	1.745.664	933.598	481.149	-	32.076.441
Charge of the period	-	36.028	9.265	222.262	75.569	42.194	7.480	-	392.798
Changes in the scope of consolidation	-	-	-	-	(9.575)	(38.542)	(22.720)	-	(70.837)
Disposals	-	(20)	(36)	(103.229)	(388)	(8.021)	(24.718)	-	(136.412)
As of 30 June 2024	-	1.619.885	1.090.336	26.370.079	1.811.270	929.229	441.191	-	32.261.990
Net book value	339.317	862.188	214.050	2.345.635	832.116	204.519	11.838	481.540	5.291.203

(*) TL 980 thousand under “Construction in progress” under the account property, plant and equipment has been classified to intangible fixed assets.

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NOTE 11 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	Land	Land	Buildings	Plant, machinery, equipment and LPG cylinders	Vehicles and vessels	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
	improvements								
Acquisition cost									
As of 1 January 2023	334.534	2.425.401	1.300.114	28.516.227	2.535.436	1.179.204	516.065	333.448	37.140.429
Additions	-	-	-	45	2.435	29.764	132	319.003	351.379
Transfers (*)	-	-	-	128.908	30.557	403	2.655	(162.547)	(24)
Disposals	-	(1.970)	(645)	(154.735)	(63.229)	(46.955)	-	29.572	(237.962)
As of 30 June 2023	334.534	2.423.431	1.299.469	28.490.445	2.505.199	1.162.416	518.852	519.476	37.253.822
Accumulated depreciation									
As of 1 January 2023	-	1.515.063	1.062.657	25.970.740	1.639.341	888.902	467.471	-	31.544.174
Charge of the period	-	36.005	9.884	235.471	59.123	38.238	6.426	-	385.147
Disposals	-	(1.160)	(94)	(143.688)	(12.973)	(20.572)	-	-	(178.487)
As of 30 June 2023	-	1.549.908	1.072.447	26.062.523	1.685.491	906.568	473.897	-	31.750.834
Net book value	334.534	873.523	227.022	2.427.922	819.708	255.848	44.955	519.476	5.502.988

(*) TL 24 thousand under “Construction in progress” under the account property, plant and equipment has been classified to intangible fixed assets.

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NOTE 12 - INTANGIBLE ASSETS

	Rights
Acquisition costs	
As of 1 January 2024	1.316.731
Disposals	(17)
Transfers (*)	980
Changes in the scope of consolidation	(205.500)
As of 30 June 2024	1.112.194
Accumulated amortisation	
As of 1 January 2024	1.015.905
Charge for the period	42.418
Disposals	(17)
Changes in the scope of consolidation	(55.295)
As of 30 June 2024	1.003.011
Net book value	109.183

(*) TL 980 thousand under “Construction in progress” under the account property, plant and equipment has been classified to intangible fixed assets.

	Rights
Acquisition costs	
As of 1 January 2023	1.171.741
Additions	108
Transfers (*)	24
As of 30 June 2023	1.171.873
Accumulated amortisation	
As of 1 January 2023	951.302
Charge for the period	31.406
As of 30 June 2023	982.708
Net book value	189.165

(*) TL 24 thousand under “Construction in progress” under the account property, plant and equipment has been classified to intangible fixed assets.

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NOTE 13 - RIGHT OF USE ASSETS

	Land improvements	Land Buildings	Plant, machinery, equipment and LPG cylinders	Vehicles and vessels	Furniture and fixtures	Total	
As of 1 January 2024	19.419	18.643	243.275	133.272	119.870	70	534.549
Additions	6.383	1.418	5.234	-	9.518	-	22.553
Disposals	-	-	(262)	(4.251)	(54.515)	-	(59.028)
Changes in the scope of consolidation	-	-	(161.952)	-	(34.753)	-	(196.705)
Charge for the period	(1.798)	(547)	(46.302)	(6.609)	(49.378)	(26)	(104.660)
Disposals from accumulated depreciation	(1)	2	232	1.414	53.378	-	55.025
As of 30 June 2024	24.003	19.516	40.225	123.826	44.120	44	251.734
As of 1 January 2023	21.400	18.392	207.557	146.514	84.846	124	478.833
Additions	415	1.253	74.399	-	96.446	-	172.513
Disposals	-	-	(12.084)	-	(4.359)	-	(16.443)
Charge for the period	(1.234)	(501)	(37.162)	(6.625)	(39.314)	(26)	(84.862)
Disposals from accumulated depreciation	2	-	11.866	-	3.564	-	15.432
As of 30 June 2023	20.583	19.144	244.576	139.889	141.183	98	565.473

NOTE 14 – CONTINGENT ASSETS AND LIABILITIES

Guarantees given as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
Letter of guarantees given for gas purchase	3.011.924	3.164.797
Other letter of guarantees given	480.039	615.136
	3.491.963	3.779.933

The liability for environmental pollution:

According to the effective environmental laws, the Group is responsible for the environmental pollution it causes as a result of its operational activities without seeking a reason of fault. The Group may be fined with an indemnity if the Group causes an environmental pollution. There is no case opened for environmental pollution against the Group, accordingly the Group does not have a liability related with the environmental pollution cases as of the consolidated balance sheet date.

National inventory reserve liability:

Due to the liability of the storage of national petroleum stocks, petroleum products and LPG distributor license owners should hold a minimum of twenty days’ average reserves at their own or other licensed storages, either together or separately. Within the decision of National Petroleum Reserves Commission numbered 2018/3 on 28 December 2018, it was decided to keep the national petroleum stocks minimum 20 days as of 1 July 2019 by the petroleum products and LPG distributor license owners. The Group is fulfills its obligations in respect to the national inventory possession obligation.

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NOTE 14 - CONTINGENT ASSETS AND LIABILITIES (Continued)

The details of the Company’s and its subsidiaries’ guarantees given or contingent liabilities on the behalf of each other, related parties, parent company or third parties within the context of business operations or other purposes are as follows:

	30 June 2024					31 December 2023				
	TL Equivalent of Euro	TL Equivalent of USD	TL Equivalent of other	TL	Total TL	TL Equivalent of Euro	TL Equivalent of USD	TL Equivalent of other	TL	Total TL
A. CPMBs given on behalf of the Company’s legal personality	388.080	44.150	-	2.831.911	3.264.141	450.097	32.037	-	2.976.311	3.458.445
B. CPMBs given in favor of subsidiaries included in full consolidation (*)	-	214.392	-	13.430	227.822	-	267.426	-	53.921	321.347
C. CPMBs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business (*)	-	-	-	-	-	-	-	-	141	141
D. Other CPMBs	-	-	-	-	-	-	-	-	-	-
i. CPMBs given in favor of parent company	-	-	-	-	-	-	-	-	-	-
ii. CPMBs given in favor of companies not in the scope of B and C above	-	-	-	-	-	-	-	-	-	-
iii. CPMBs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-	-	-	-
Total amount of CPMBs	388.080	258.542	-	2.845.341	3.491.963	450.097	299.463	-	3.030.373	3.779.933

(*) As of 30 June 2024, total amount of commission accrued for guarantees given or contingent liabilities except ‘A. CPMBs given on behalf of the Company’s legal personality’ is TL 1.671 thousand (31 December 2023: TL 3.525 thousand).

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NOTE 15 – OTHER SHORT-TERM PROVISIONS AND LIABILITIES

	30 June 2024	31 December 2023
Provision for price revision (*)	636.787	712.337
Provision for EMRA contribution	19.886	41.566
Provision for selling and marketing expenses	35.957	35.701
Provision for lawsuit	17.149	28.950
Provision for warranty expenses	6.260	5.172
Provision for other operating expenses	236.576	142.703
Other short-term provisions	952.615	966.429

(*) As per the contract with Akfel Gaz Sanayi ve Ticaret A.Ş. (“Akfel”) which is the natural gas supplier of the Company's subsidiary Aygaz Doğal Gaz Toptan Satış A.Ş.(“ADG”), as the price revision arbitration process between Akfel and Gazprom Export LLC (“Gazprom”) resulted against Akfel, the amount of provision set aside as of 30 June 2024 is USD 19.399 thousand (the equivalent of TL 636.787 thousand) (31 December 2023: USD 19.399 thousand provision – the equivalent of TL 712.337 thousand).

NOTE 16 - OTHER SHORT-TERM PROVISIONS AND LIABILITIES

	30 June 2024	31 December 2023
Guarantees and deposits given	6.251	1.433
Other receivables	5.740	7.160
Total other current receivables	11.991	8.593

NOTE 17- SHARE CAPITAL

Shareholders	Participation rate (%)	30 June 2024	Participation rate (%)	31 December 2023
Koç Holding A.Ş.	40,68	89.425	40,68	89.425
Liquid Petroleum Gas Development Company (“LPGDC”) (*)	24,52	53.885	24,52	53.885
Temel Ticaret ve Yatırım A.Ş.	5,77	12.693	5,77	12.693
Koç Family	4,76	10.452	4,76	10.452
Publicly held (*)	24,27	53.346	24,27	53.346
Nominal capital	100,00	219.801	100,00	219.801
Inflation adjustment (**)		5.060.970		5.060.970
Adjusted capital		5.280.771		5.280.771

(*) TL 2.725.041,31 under publicly held shares (0,91% participation rate on the share capital) belong to Hilal Madeni Eşya Ticaret Sanayi ve Yatırım A.Ş., a 100% owned subsidiary of LPGDC.

(**) Adjustment to share capital” represents the restatement effect of cash and cash equivalent contributions to share capital measured in accordance with the TAS/TFRS promulgated by the POA. “Adjustment to share capital” has no use other than being transferred to paid-in share capital.

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NOTE 17- SHARE CAPITAL (Continued)

The historical values and inflation adjustment effects of the following accounts under shareholders’ equity of Company’s as of 30 June 2024 in accordance with TFRS and Tax Procedure Law (“TPL”) financial statements are as follows:

30.06.2024 (according to TFRS)	Nominal Value	Effect of Inflation Adjustment	Indexed Value
Capital	219.801	5.060.970	5.280.771
Legal reserves	530.498	3.140.742	3.671.240

30.06.2024 (according to TPL (VUK))	Nominal Value	Effect of Inflation Adjustment	Indexed Value
Capital	219.801	5.892.771	6.112.572
Legal reserves	530.498	6.980.342	7.510.840

NOTE 18 – EARNINGS PER SHARE

	1 January - 30 June 2024	1 April - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2023
Average number of ordinary shares outstanding during the period (one thousand)	21.980.100	21.980.100	21.980.100	21.980.100
Net profit for the year attributable equity holders of the parent company	252.496	256.826	1.315.081	834.091
Earnings (losses) per hundred shares (TL)	1,1487	1,1684	5,9831	3,7948

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NOTE 19 – TAX ASSETS AND LIABILITIES

	30 June 2024	31 December 2023
Current corporate tax provision	19.540	492.676
Less: Prepaid taxes and funds	(147.680)	(393.416)
Current tax liability	(128.140)	99.260
	1 January -	1 January -
	30 June 2024	30 June 2023
Current corporate tax provision	(25.538)	(106.037)
Deferred tax income / (expense)	(500.818)	(28.582)
Total tax expense	(526.356)	(134.619)

Corporate tax

The Group is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated tax charge based on the Group's results for the years and periods.

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 dividends received from resident companies, other exempt income and investment incentives utilized.

As of 30 June 2024 the rate of tax is 25% (2023: 25%). Corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances.

In Turkey, advance tax returns are filed on a quarterly basis. Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. Tax carry back is not allowed.

In accordance with the Law No. 7440 on the "Restructuring of Certain Receivables and Amending Certain Laws" published in the Official Gazette on 12 March 2023, with the exceptions and deductions subject to deduction from corporate income in accordance with the regulations in the laws, by being shown in the corporate tax return for the year 2022. An additional tax of 10% should be calculated over the bases subject to reduced corporate tax, without being associated with the period income, and at the rate of 5% over the exempted earnings. As of 31 December 2023, the Company's accrued amount for the related tax in addition to the corporate tax is TL 37.339 thousand (nominal TL 29.934 thousand). The tax payment has been divided in two installments in the year 2023 and the was paid in May 2023 and August 2023.

Deferred tax

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between the financial statements as reported for TAS/IFRS purposes issued by POA and financial statements prepared in accordance with the tax legislation. These differences arise from the differences in accounting periods for the recognition of income and expenses in accordance with TAS/IFRS and tax legislation.

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NOTE 19 – TAX ASSETS AND LIABILITIES (Continued)

As of 30 June 2024 and 31 December 2023, the distribution of deferred tax liability calculated using effective tax rates as of the balance sheet date is as follows:

	30 June 2024	31 December 2023
Depreciation/amortization differences of property, plant and equipment and other intangible assets	192.791	143.188
Revaluation of financial assets measured at fair value through other comprehensive income	121.596	57.464
Accumulated deductible financial losses	-	(380.566)
Provision for employment termination benefits	(66.741)	(63.093)
Valuation of inventories	(33.298)	(49.814)
Other	(39.345)	(28.443)
Deferred tax assets/liabilities, net	175.003	(321.264)

In Turkey, since the companies cannot declare consolidated tax refund, subsidiaries with deferred tax assets and subsidiaries with deferred tax liabilities cannot be netted off and are shown separately.

	30 June 2024	31 December 2023
Deferred tax assets	(27.453)	(416.582)
Deferred tax liabilities	202.456	95.318
Deferred tax (assets) / liabilities, net	175.003	(321.264)

Movement of deferred tax assets and liabilities are as follows:

	2024	2023
As of January 1	(321.264)	270.826
Change to the profit or loss	500.818	28.582
Change to the equity	55.698	(58.504)
- Effect of gains/(losses) re-measurement on defined benefit plans	(8.435)	-
- Effect of gains/(losses) on financial assets measured at fair value through other comprehensive income	64.133	(53.419)
- Effect of gains/(losses) on cash flow hedges	-	(5.085)
Changes in the scope of consolidation	(60.249)	-
As of 30 June	175.003	240.904

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NOTE 20 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES

A company is defined as a related party of the Company, if one of the companies has a control power on the other company or has a significant impact on financial and administrative decisions of the other company. The Company is controlled by Koç Holding, Koç Family or entities owned by Koç Family. In financial statements, shareholder companies, shareholders and financial investments and other Group companies’ assets are shown as related parties. As of 30 June 2024, there is a dividend payable to shareholders other than Koç Group amounting to TL 2.101 thousand (31 December 2023: TL 1.852 thousand) in the other payables to related parties of the consolidated balance sheet. The amount of TL 90.750 thousand in other receivables from related parties includes receivables from Ahmet Musul related to the sale of Sendeo shares; this receivable was collected in cash on 17 July 2024.

Balances with related parties	Receivables		Payables	
	Trade	Non-trade	Trade	Non-trade
30 June 2024				
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	25.335	-	275.246	-
Defaş Madencilik San. Ve Tic. A.Ş.	20.415	-	-	-
Opet Petrolcülük A.Ş.	12.028	-	452.416	-
Düzye Tüketim Malları San. Pazarlama ve Tic. A.Ş.	8.077	-	543	-
Ford Otomotiv Sanayi A.Ş.	5.790	-	-	-
Otokar Otomatîv ve Savunma Sanayi A.Ş.	5.072	-	-	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	3.639	-	-	-
Arçelik A.Ş.	2.235	-	-	-
Tofaş Türk Otomobil Fabrikası A.Ş.	1.646	-	-	-
Zer Merkezi Hizmetler ve Ticaret A.Ş. (**)	102	-	67.748	-
Other	11.625	90.750	21.441	-
Shareholders				
Koç Holding A.Ş.	90	-	-	-
Investments accounted under the equity method				
United Aygaz	409.195	-	-	-
	505.249	90.750	817.394	-
31 December 2023				
Balances with related parties				
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	44.396	-	490.039	-
Opet Petrolcülük A.Ş.	12.123	-	379.597	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	10.523	-	3.190	-
Arçelik A.Ş.	9.757	-	7.653	-
Demir Export A.Ş. - Fernas İnşaat A.Ş. Adi Ortaklığı	7.172	-	-	-
Tofaş Türk Otomobil Fabrikası A.Ş.	3.051	-	230	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	2.586	-	34.888	-
Zer Merkezi Hizmetler ve Ticaret A.Ş. (**)	2	-	80.724	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	-	190.381	-
Other	46.332	-	48.700	-
Shareholders				
Koç Holding A.Ş.	6.925	-	68.910	-
Investments accounted under the equity method				
United Aygaz	232.475	-	-	-
	375.342	-	1.304.312	-

(*) Group companies include Koç Group companies.

(**) Zer Merkezi Hizmetler ve Ticaret A.Ş. (“Zer”) provides purchasing services for various item to the Group. As of balance sheet date, trade payables consist of Group’s payables to third party intermediary service companies and payables to Zer for commissions for intermediary activities.

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NOTE 20 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

	1 January - 30 June 2024			
Transactions with related parties	Purchases (Goods)	Sales (Goods)	Purchases (Service)	Sales (Service)
Group companies (*)				
Opet Petrolcülük A.Ş.(**)	1.849.769	282.517	284.866	5.281
Türkiye Petrol Rafinerileri A.Ş.	1.673.663	272.840	4.384	391
Zer Merkezi Hizmetler ve Ticaret A.Ş.	67.911	151	64.328	48
Ram Dış Ticaret A.Ş.	27.464	-	87	-
Opet Fuchs Madeni Yağ San. Tic A.Ş.	11.527	120	150	164
Divan Turizm İşletmeleri A.Ş.	1.973	6.882	71	38
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	754	365	41.720	2.348
Koçtaş Yapı Marketleri Ticaret A.Ş.	447	8.340	2.522	2.303
Arçelik A.Ş.	55	13.394	11.009	10.710
Ford Otomotiv Sanayi A.Ş.	-	29.770	701	735
Türk Traktör ve Ziraat Makinaları A.Ş.	-	23.143	-	-
Otokar Otomotiv ve Savunma Sanayi A.Ş.	-	16.648	18	19
Tofaş Türk Otomobil Fabrikası A.Ş.	-	7.292	254	268
Demir Export A.Ş.	-	2.618	253	261
Entek Elektrik Üretimi A.Ş.	-	151	21.536	60
Other	13.278	83.729	85.658	9.419
Shareholders				
Koç Holding A.Ş. (***)	-	310	61.953	93
Other	-	609	-	-
Investments accounted under the equity method				
United Aygaz	-	1.293.801	-	-
	3.646.841	2.042.680	579.510	32.138

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NOTE 20 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

Transactions with related parties	1 January - 30 June 2023			
	Purchases (Goods)	Sales (Goods)	Purchases (Service)	Sales (Service)
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	1.747.859	974.408	32.009	77
Opet Petrolcülük A.Ş.(**)	1.248.176	154.586	290.239	3.391
Zer Merkezi Hizmetler ve Ticaret A.Ş.	53.158	227	215.490	41
Entek Elektrik Üretimi A.Ş.	24.154	105	8.247	45
Opet Fuchs Madeni Yağ San. Tic A.Ş.	11.598	96	184	88
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	6.191	264	58.718	1.877
Koçtaş Yapı Marketleri Ticaret A.Ş.	211	9.929	1.114	11.585
Divan Turizm İşletmeleri A.Ş.	79	6.634	1.124	57
Arçelik A.Ş.	-	18.572	-	5.392
Ford Otomotiv Sanayi A.Ş.	-	27.082	-	486
Türk Traktör ve Ziraat Makinaları A.Ş.	-	22.236	-	221
Demir Export A.Ş.	-	10.780	-	-
Otokar Otomotiv ve Savunma Sanayi A.Ş.	-	15.291	-	141
Tofaş Türk Otomobil Fabrikası A.Ş.	-	13.472	-	163
Demir Export A.Ş. - Fernas İnşaat A.Ş. Adi Ortaklığı	-	11.135	-	-
Other	3.112	25.402	70.258	4.872
Shareholders				
Koç Holding A.Ş. (***)	-	280	69.223	-
Other	-	400	-	-
Investments accounted under the equity method				
United Aygaz	-	419.445	-	-
	3.094.538	1.710.344	746.606	28.436

(*) Group companies include Koç Group companies.

(**) Commission expenses regarding LPG sold at Opet stations for six-month period ended 30 June 2024 is TL 277.351 thousand (1 January – 30 June 2023: TL 265.871 thousand). The commission expense mentioned above is evaluated as part of sales and accounted under income statement as sales discounts.

(***) Billed remuneration for services such as finance, law, planning, tax and senior management provided by Koç Holding, the main shareholder, to Group companies, service expenses including personnel and senior management as a result of arrangement of 1st Serial Number of General Communiqué About Transfer Pricing Through Hidden Income Distribution’s “11- In Group Services”.

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NOTE 20 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

	1 January - 30 June 2024			
	Rent	Rent	Tangible and	Tangible
Tangible asset and rent transactions with related parties	income	expense	intangible	asset sales
			asset purchases	
Group companies (*)				
Opet Petrolcülük A.Ş.	2.266	-	-	-
Other	-	-	234	100
	2.266	-	234	100

	1 January - 30 June 2023			
	Rent	Rent	Tangible and	Tangible
Tangible asset and rent transactions with related parties	income	expense	intangible	asset sales
			asset purchases	
Group companies (*)				
Opet Petrolcülük A.Ş.	1.272	-	-	-
Koç Digital Çözümler A.Ş.	-	-	17.953	-
Other	-	-	2.067	358
Shareholders				
Koç Holding A.Ş.	-	1.160	-	-
	1.272	1.160	20.020	358

	1 January - 30 June 2024			
	Financial	Financial	Other	Other
Financial and other transactions with related parties	income	expense	income	expense
Group companies (*)				
Yapı ve Kredi Bankası A.Ş.	27.410	3.732	-	-
Other	-	-	7	842
	27.410	3.732	7	842

	1 January - 30 June 2023			
	Financial	Financial	Other	Other
Financial and other transactions with related parties	income	expense	income	expense
Group companies (*)				
Yapı ve Kredi Bankası A.Ş.	98.033	16.839	-	-
Other	-	-	-	146
	98.033	16.839	-	146

(*) Group companies include Koç Group companies.

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NOTE 20 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

Cash at banks	30 June 2024	31 December 2023
Group companies (*)		
Yapı ve Kredi Bankası A.Ş.	307.112	185.242
Credit card receivables	30 June 2024	31 December 2023
Group companies (*)		
Yapı ve Kredi Bankası A.Ş.	11.116	9.786

(*) Group companies include Koç Group companies.

Benefits to Top Management:

The Company has determined senior managers as Board of Directors’ members, General Manager, Vice General Managers and Directors directly reporting to General Manager.

Benefits to top management personnel includes salaries, premiums, SSI employer’s contribution, employer’s contribution of unemployment insurance and the attendance fees of board of directors.

As of 30 June 2024, total benefit provided to the senior management of the Company is TL 32.422 thousand (1 January - 30 June 2023: TL 114.332 thousand). As of 30 June 2024, there have been no payments made to senior management for leave of employment (30 June 2023: TL 84.513 thousand) the entire amount consists of short-term benefits.

NOTE 21 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS

Foreign currency risk management

Transactions in terms of foreign currency cause the Group expose to foreign exchange risk. The Group controls foreign currency risk coming from its operations and cash flows of finance contracts by using “foreign exchange forward contracts”.

The Group’s monetary and non-monetary assets and liabilities in terms of foreign currencies are as follows:

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

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NOTE 21 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

	30 June 2024			
	Total TL equivalent	TL equivalent of USD	TL equivalent of Euro	Other
1. Trade receivables	767.982	764.116	3.866	-
2.a Monetary financial assets	1.411.423	1.406.809	3.601	1.013
2.b Non-monetary financial assets	-	-	-	-
3. Other	-	-	-	-
4. Current assets	2.179.405	2.170.925	7.467	1.013
5. Trade receivables	-	-	-	-
6.a Monetary financial assets	-	-	-	-
6.b Non-monetary financial assets	-	-	-	-
7. Other	-	-	-	-
8. Non-current assets	-	-	-	-
9. Total assets	2.179.405	2.170.925	7.467	1.013
10. Trade payables	(2.792.787)	(2.761.978)	(32.124)	1.315
11. Financial liabilities	(1.489.046)	(1.489.046)	-	-
12.a Other monetary financial liabilities	(636.803)	(636.803)	-	-
12.b Other non-monetary financial liabilities	-	-	-	-
13. Current liabilities	(4.918.636)	(4.887.827)	(32.124)	1.315
14. Trade payables	-	-	-	-
15. Financial liabilities	-	-	-	-
16.a Other monetary financial liabilities	-	-	-	-
16.b Other non-monetary financial liabilities	-	-	-	-
17. Non-current liabilities	-	-	-	-
18. Total liabilities	(4.918.636)	(4.887.827)	(32.124)	1.315
19. Net asset/liability position of off balance sheet asset and liabilities (19a-19b)	492.393	492.393	-	-
19.a Total derivative assets	492.393	492.393	-	-
19.b Total derivative liabilities	-	-	-	-
Net foreign currency asset/ (liability) position (9+18+19)	(2.246.838)	(2.224.509)	(24.657)	2.328
Net foreign currency asset/(liability) position of monetary items				
21. (1+2a+5+6a+10+11+12a+14+15+16a)	(2.739.231)	(2.716.902)	(24.657)	2.328
22. Fair value of derivative instruments held for hedging	-	-	-	-
23. Hedged foreign currency assets	-	-	-	-
24. Hedged foreign currency liabilities	-	-	-	-
25. Export (*)	6.670.447	6.603.289	55.359	11.799
26. Import (*)	19.152.226	19.130.468	19.131	2.627

(*) Transit sales and purchases are included.

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NOTE 21 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

	31 December 2023			
	Total TL equivalent	TL equivalent of USD	TL equivalent of Euro	Other
1. Trade receivables	982.139	854.791	127.348	-
2.a Monetary financial assets	1.980.903	1.965.830	13.842	1.231
2.b Non-monetary financial assets	-	-	-	-
3. Other	994	254	740	-
4. Current assets	2.964.036	2.820.875	141.930	1.231
5. Trade receivables	-	-	-	-
6.a Monetary financial assets	-	-	-	-
6.b Non-monetary financial assets	-	-	-	-
7. Other	-	-	-	-
8. Non-current assets	-	-	-	-
9. Total assets	2.964.036	2.820.875	141.930	1.231
10. Trade payables	(2.887.420)	(2.806.689)	(80.660)	(71)
11. Financial liabilities	(1.415.860)	(1.415.860)	-	-
12.a Other monetary financial liabilities	(712.347)	(712.347)	-	-
12.b Other non-monetary financial liabilities	(16.515)	(14.462)	-	(2.053)
13. Current liabilities	(5.032.142)	(4.949.358)	(80.660)	(2.124)
14. Trade payables	-	-	-	-
15. Financial liabilities	-	-	-	-
16.a Other monetary financial liabilities	-	-	-	-
16.b Other non-monetary financial liabilities	-	-	-	-
17. Non-current liabilities	-	-	-	-
18. Total liabilities	(5.032.142)	(4.949.358)	(80.660)	(2.124)
19. Net asset/liability position of off balance sheet asset and liabilities (19a-19b)	183.602	183.602	-	-
19.a Total derivative assets	183.602	183.602	-	-
19.b Total derivative liabilities	-	-	-	-
Net foreign currency asset/ (liability) position (9+18+19)	(1.884.504)	(1.944.881)	61.270	(893)
Net foreign currency asset/(liability) position of monetary items				
21. (1+2a+5+6a+10+11+12a+14+15+16a)	(2.052.585)	(2.114.275)	60.530	1.160
22. Fair value of derivative instruments held for hedging	-	-	-	-
23. Hedged foreign currency assets	-	-	-	-
24. Hedged foreign currency liabilities	-	-	-	-
25. Export (*)	19.271.747	18.442.332	818.880	10.535
26. Import (*)	43.124.871	43.074.316	39.325	11.231

(*) Transit sales and purchases are included.

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NOTE 21 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Group’s consolidated assets and liabilities denominated in foreign currency are as follows:

	30 June 2024	31 December 2023
Assets	2.179.405	2.964.036
Liabilities	(4.918.636)	(5.032.142)
Net asset/liability position	(2.739.231)	(2.068.106)
Derivative instruments net position	492.393	183.602
Net foreign currency asset/liability position	(2.246.838)	(1.884.504)
Inventories under the natural hedge (*)	1.627.743	1.982.693
Net foreign currency position after the natural hedge	(619.095)	98.189

(*) The Group manages its foreign currency risk by regularly considering and reflecting the foreign exchange rate changes in the determination of product prices (natural hedge). As of 30 June 2024, the Group has LPG amounting to TL 1.627.743 thousand (31 December 2023: TL 1.982.683 thousand).

The Group is exposed to exchange risk due to its operations based on foreign currency. The respective exchange risk, together with the monetary assets and liabilities in foreign currency in the balance sheet, is managed with a comprehensive risk monitoring system within the targeted limits with the treasury transactions, natural hedge applications and forward foreign currency purchase/sale or derivative transaction contracts made by the Group to eliminate the currency risk.

Foreign currency sensitivity:

The Group is mainly exposed to foreign currency risk in USD and EURO.

The following table details the Group’s sensitivity to a 10% increase and decrease in the USD and Euro. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. The sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

A positive number indicates an increase in profit/loss and other equity accounts.

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NOTE 21 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

	30 June 2024			
	Income/(Expense)		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
10% fluctuation of USD rate				
USD net asset/(liability)	(271.690)	271.690	(271.690)	271.690
Secured portion from USD risk	49.239	(49.239)	49.239	(49.239)
USD net effect	(222.451)	222.451	(222.451)	222.451
10% fluctuation of Euro rate				
Euro net asset/(liability)	(2.466)	2.466	(2.466)	2.466
Secured portion from Euro risk	-	-	-	-
Euro net effect	(2.466)	2.466	(2.466)	2.466
Total net effect	(224.917)	224.917	(224.917)	224.917
	31 December 2023			
	Income/(Expense)		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
10% fluctuation of USD rate				
USD net asset/(liability)	(211.428)	211.428	(211.428)	211.428
Secured portion from USD risk	18.360	(18.360)	18.360	(18.360)
USD net effect	(193.067)	193.067	(193.067)	193.067
10% fluctuation of Euro rate				
Euro net asset/(liability)	6.053	(6.053)	6.053	(6.053)
Secured portion from Euro risk	-	-	-	-
Euro net effect	6.053	(6.053)	6.053	(6.053)
Total net effect	(187.014)	187.014	(187.014)	187.014

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NOTE 21 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Currency forward agreements

The Group’s currency forward agreements as of 30 June 2024 and 31 December 2023 are as follows:

						30 June 2024
Maturity	Parity	Type of contract	Transactions	Total amount	Currency	
30-93 days	33,19-35,25	Forward	Buys USD, sells TL	15.000	USD	
						31 December 2023
Maturity	Parity	Type of contract	Transactions	Total amount	Currency	
91-93 days	30,04-30,99	Forward	Buys USD, sells TL	5.000	USD	

Fair value hierarchy table

The fair values of financial assets and financial liabilities are determined as follows:

- First level: The fair value of financial assets and financial liabilities are determined with reference to actively traded market prices;
- Second level: Other than market prices specified at first level, the fair value of financial assets and financial liabilities are evaluated with reference to inputs that used to determine directly or indirectly observable price in market;
- Third level: The fair value of financial assets and financial liabilities are evaluated with reference to inputs that used to determine fair value but not relying on observable data in the market.

Level classifications of financial assets and liabilities at fair value are as follows:

Financial assets/(liabilities)	Level of fair value as of reporting date				
	30 June 2024	1st level	2nd level	3rd level	
Financial assets measured at fair value	4.609.266	4.598.992	6.045	4.229	
Derivative financial instruments	(20.677)	-	(20.677)	-	
Financial assets/(liabilities)	Level of fair value as of reporting date				
	31 December 2023	1st level	2nd level	3rd level	
Financial assets measured at fair value	3.328.405	3.316.955	7.221	4.229	
Derivative financial instruments	(1.281)	-	(1.281)	-	

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NOTE 21 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Information for reflecting financial assets and liabilities at fair value

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, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Group, using available market information and appropriate valuation methodologies. However, judgements are necessarily required to interpret the market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Group could realize in a current market exchange.

Following methods and assumptions were used to estimate the fair value of the financial instruments for which is practicable to estimate fair value:

Financial assets

The carrying amounts of foreign currency denominated monetary assets which are translated at year end exchange rates are considered to approximate their fair values.

The carrying values of cash and cash equivalents are estimated to be their fair values since they are short-term.

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

Financial Liabilities

The carrying values of short-term financial liabilities and other financial liabilities are estimated to be their fair values since they are short-term.

NOTE 22 - SUBSEQUENT EVENTS

None.

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