

“SOCAR-AQS” LLC

**International Financial Reporting Standards
Consolidated Financial Statements and
Independent Auditor’s Report**

31 December 2024

Contents

Independent Auditor's report

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position	1
Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
Consolidated Statement of Changes in Equity	3
Consolidated Statement of Cash Flows	4

Notes to the Consolidated Financial Statements

1	"SOCAR AQS" LLC and its Operations	5
2	Operating Environment of the Group	5
3	Basis of Preparation	6
4	Critical Accounting Estimates and Judgements in Applying Accounting Policies	7
5	Adoption of New or Revised Standards and Interpretations	7
6	New Accounting Pronouncements	8
7	Balances and Transactions with Related Parties	8
8	Property and Equipment	10
9	Right-of-use Assets and Lease Liabilities	14
10	Investments in Joint Ventures	15
11	Prepayments	16
12	Finance Lease Receivables	16
13	Loans Issued	17
14	Other Assets	17
15	Inventories	17
16	Trade and Other Receivables	18
17	Assets and Liabilities Arising from Contracts with Customers	19
18	Cash and Cash Equivalents	20
19	Charter Capital	21
20	Borrowings	21
21	Trade and Other Payables	23
22	Revenue from Contracts with Customers	24
23	Cost of Services	25
24	General and Administrative Expenses	25
25	Other Income Less Expenses	25
26	Finance Costs and Finance Income	26
27	Income Taxes	26
28	Contingencies and Commitments	28
29	Principal Subsidiaries and Joint Venture	28
30	Financial Risk Management	31
31	Management of Capital	36
32	Fair Value Disclosures	36
33	Events after the Reporting Period	37



Independent Auditor's Report

To the Shareholders and the Board of Directors of "SOCAR-AQS" LLC

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of "SOCAR-AQS" LLC (the "Company") and its subsidiaries (together – the "Group") as at 31 December 2024, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

PricewaterhouseCoopers Audit Azerbaijan LLC

Baku, the Republic of Azerbaijan

30 December 2025

“SOCAR AQS” LLC

Consolidated Statement of Profit or Loss and Other Comprehensive Income

<i>In Azerbaijani Manats</i>	Note	2024	2023
Revenue	22	85,998,528	95,172,174
Cost of services	23	(132,465,407)	(100,008,997)
Gross loss		(46,466,879)	(4,836,823)
General and administrative expenses	24	(20,224,821)	(23,199,879)
Net charge for expected credit losses on financial and contract assets	13,14,16,17	(7,041,134)	(12,632,089)
Other income less expenses	25	856,129	261,482
Operating loss		(72,876,705)	(40,407,309)
Finance costs and finance income	26	(1,256,334)	(6,095,114)
Foreign exchange gain / (loss)		129,032	(242,749)
Share of results of joint ventures	10	28,901,000	26,927,000
Loss before income tax		(45,103,007)	(19,818,172)
Income tax benefit	27	4,180,516	111,145
LOSS FOR THE YEAR		(40,922,491)	(19,707,027)
Other comprehensive (loss) / income:			
Translation of financial information of foreign operations to presentation currency		(82,870)	710,241
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(41,005,361)	(18,996,786)
Total comprehensive loss is attributable to:			
- Owners		(41,005,361)	(18,996,786)
Total comprehensive loss for the year		(41,005,361)	(18,996,786)

The accompanying notes on pages 5 to 37 are an integral part of these consolidated financial statements.