

**LİMAK YENİLENEBİLİR ENERJİ A.Ş.**

**CONSOLIDATED FINANCIAL STATEMENTS  
AT 31 DECEMBER 2025 TOGETHER WITH  
INDEPENDENT AUDITOR'S REPORT**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Limak Yenilenebilir Enerji A.Ş.

### Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Limak Yenilenebilir Enerji A.Ş. (the “Company”) and its subsidiaries (together the “Group”) as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRS”).

### What we have audited

The Group’s consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of 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.



### **Other matter**

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another firm of auditors whose report, dated 30 May 2025, expressed an unmodified opinion on those statements.

### **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 also 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, 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 ISA 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 ISA, we exercise professional judgment and maintain professional skepticism 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 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.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

A handwritten signature in blue ink, appearing to read 'C Harman', is positioned above the printed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Cihan Harman, SMMM  
Independent Auditor

Istanbul, 22 May 2026

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

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# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2025 AND 2024

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

	Notes	2025	2024
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	10,825,854	1,282,331
Trade receivables	4	40,644	2,524,561
Other current assets	11	262,712	380,576
<b>Total current assets</b>		<b>11,129,210</b>	<b>4,187,468</b>
<b>Non-current assets</b>			
Investments in joint ventures	5	6,363,695	5,947,391
Property, plant and equipment	6	33,288,382	32,608,067
Intangible assets	7	292,021	302,168
Deferred tax assets	12	1,795,613	1,905,263
Other non-current assets	11	3,303,470	323,927
<b>Total non-current assets</b>		<b>45,043,181</b>	<b>41,086,816</b>
<b>Total assets</b>		<b>56,172,391</b>	<b>45,274,284</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Borrowings	8	2,555,362	2,875,982
Trade payables	4	737,991	1,790,400
Current income tax liabilities	12	8,976	728
Other current liabilities	11	311,861	259,930
<b>Total current liabilities</b>		<b>3,614,190</b>	<b>4,927,040</b>
<b>Non-current liabilities</b>			
Borrowings	8	22,719,089	11,111,090
Provision for defined benefits obligation	10	38,408	31,224
Deferred tax liabilities	12	103,482	113,726
<b>Total non-current liabilities</b>		<b>22,860,979</b>	<b>11,256,040</b>
<b>Total liabilities</b>		<b>26,475,169</b>	<b>16,183,080</b>
<b>EQUITY</b>			
Share capital	13	1,408,565	1,408,565
Adjustment to share capital	13	14,883,851	14,883,851
Hedging reserves		(3,678,960)	(5,797,522)
Actuarial gains or losses		(17,209)	(14,132)
Restricted reserves	13	50,411	50,411
Retained earnings		17,050,564	18,560,031
<b>Total equity</b>		<b>29,697,222</b>	<b>29,091,204</b>
<b>Total liabilities and equity</b>		<b>56,172,391</b>	<b>45,274,284</b>

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

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

	Notes	2025	2024
Revenue	14	4,541,340	9,872,105
Cost of sales	15	(2,975,996)	(4,449,936)
<b>Gross profit</b>		<b>1,565,344</b>	<b>5,422,169</b>
Other operating income	16	8,825	2,611
Other operating expenses	16	(32,171)	(37,303)
<b>Operating profit</b>		<b>1,541,998</b>	<b>5,387,477</b>
Share of profit of joint ventures	5	418,766	785,906
Financial income	17	2,925,292	288,125
Financial expenses	17	(8,410,069)	(3,926,693)
Gains on net monetary position		3,145,279	4,726,095
<b>Profit/(loss) before income tax</b>		<b>(378,734)</b>	<b>7,260,910</b>
<b>Taxation on income</b>			
Current tax expense	12	(16,828)	(9,477)
Deferred tax income/(expense)	12	176,456	(2,852,074)
<b>Profit/(loss) for the year</b>		<b>(219,106)</b>	<b>4,399,359</b>
Earnings/(losses) per share	21	(0.16)	3.12

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

**LİMAK YENİLENEBİLİR ENERJİ A.Ş.****CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME  
FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

	Notes	2025	2024
<b>Profit/(loss) for the year</b>		<b>(219,106)</b>	<b>4,399,359</b>
<b>Items that may be subsequently reclassified to profit or loss</b>			
Cash flow hedges		-	(1,838,337)
Cash flow hedges, tax effect	12	-	459,584
		-	(1,378,753)
<b>Items that have been reclassified to profit or loss</b>			
Cash flow hedges		1,104,269	1,326,463
Cash flow hedges, tax effect	12	(276,068)	(331,616)
		828,201	994,847
		<b>828,201</b>	<b>(383,906)</b>
<b>Items that may not be subsequently reclassified to profit or loss</b>			
Actuarial losses	10	(821)	(2,600)
Actuarial losses, tax effect	12	206	651
Actuarial gains/(losses) from joint ventures	6	(3,283)	875
Actuarial gains/(losses) from joint ventures, tax effect	6	821	(219)
		<b>(3,077)</b>	<b>(1,293)</b>
<b>Other comprehensive income/(loss)</b>		<b>825,124</b>	<b>(385,199)</b>
<b>Total comprehensive income</b>		<b>606,018</b>	<b>4,014,160</b>

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

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

	Share capital	Adjustment to share capital	Hedging reserves	Actuarial gains or losses	Restricted reserves	Retained earnings	Total equity
<b>Balances at 1 January 2024</b>	<b>1,408,565</b>	<b>14,883,851</b>	<b>(7,883,114)</b>	<b>(12,839)</b>	<b>50,411</b>	<b>16,630,170</b>	<b>25,077,044</b>
Transfers	-	-	2,469,498	-	-	(2,469,498)	-
Total comprehensive income/(loss)	-	-	(383,906)	(1,293)	-	4,399,359	4,014,160
<b>Balances at 31 December 2024</b>	<b>1,408,565</b>	<b>14,883,851</b>	<b>(5,797,522)</b>	<b>(14,132)</b>	<b>50,411</b>	<b>18,560,031</b>	<b>29,091,204</b>
<b>Balances at 1 January 2025</b>	<b>1,408,565</b>	<b>14,883,851</b>	<b>(5,797,522)</b>	<b>(14,132)</b>	<b>50,411</b>	<b>18,560,031</b>	<b>29,091,204</b>
Transfers	-	-	1,290,361	-	-	(1,290,361)	-
Total comprehensive income/(loss)	-	-	828,201	(3,077)	-	(219,106)	606,018
<b>Balances at 31 December 2025</b>	<b>1,408,565</b>	<b>14,883,851</b>	<b>(3,678,960)</b>	<b>(17,209)</b>	<b>50,411</b>	<b>17,050,564</b>	<b>29,697,222</b>

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

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

	Notes	2025	2024
<b>Operating activities:</b>			
Profit/(loss) before income tax		(378,734)	7,260,910
<b>Adjustments for:</b>			
Depreciation and amortization	15	1,151,234	1,001,476
Share of profit joint ventures	5	(418,766)	(785,906)
Provision for litigations		25,493	33,696
Provision for defined benefits obligation	10	17,686	15,329
Financial income	17	(2,925,292)	(288,125)
Financial expenses	17	8,410,069	3,926,693
Gains on net monetary position		(3,145,279)	(4,726,095)
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>		<b>2,736,411</b>	<b>6,437,978</b>
<b>Changes in operating assets and liabilities:</b>			
Trade receivables		2,333,689	(1,818,473)
Trade payables		(917,176)	1,476,193
Other assets		353,829	(242,083)
Other liabilities		59,567	258,677
Defined benefits obligation payments	10	(2,509)	(1,090)
Income tax payments		(7,649)	(82,572)
<b>Cash flows from operating activities</b>		<b>4,556,162</b>	<b>6,028,630</b>
<b>Investing activities:</b>			
Purchases of property, plant and equipment		(1,574,903)	(4,653,230)
Purchases of intangible assets		(2,680)	(404)
Advances given for capital expenditures		(1,887,897)	-
Taxes on capital expenditures		(257,846)	(246,374)
Other receivables		(1,158,037)	140,758
Interest received		545,921	12,169
<b>Cash flows used in investing activities</b>		<b>(4,335,442)</b>	<b>(4,747,081)</b>
<b>Financing activities:</b>			
Proceeds from borrowings	8	23,064,325	2,836,005
Payments of borrowings	8	(10,521,515)	(2,327,751)
Payments of lease liabilities	8	(67,672)	(74,060)
Interest and commission payments		(2,618,872)	(2,260,408)
<b>Cash flows from/(used in) financing activities</b>		<b>9,856,266</b>	<b>(1,826,214)</b>
Net increase/(decrease) in cash and cash equivalents		10,076,986	(544,665)
Inflation effect on cash and cash equivalents		(2,548,779)	(619,567)
Foreign exchange gains on cash and cash equivalents		2,015,316	174,455
Cash and cash equivalents at the beginning of the year	3	1,282,331	2,272,108
<b>Cash and cash equivalents at the end of the year</b>		<b>3</b>	<b>10,825,854</b>
		<b>10,825,854</b>	<b>1,282,331</b>

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

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

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### NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

Limak Yenilenebilir Enerji A.Ş. (“Limak Yenilenebilir” or the “Company”) was established in 2004 for the purpose of investing in power plants.

The registered address of the Company is:  
Hafta Sokak No: 9, Gaziosmanpaşa 06700 Ankara

The Company is a member of the Limak Group of companies. The Company’s parent is Limak Yatırım Enerji Üretim İşletme Hizmetleri ve İnşaat A.Ş. (“Limak Yatırım”) and it is ultimately controlled by Limak Holding A.Ş.

Limak Yenilenebilir and its subsidiaries are referred to together as the Group. Entities within the Group and power plants under their operation are listed below:

#### Limak Yenilenebilir Enerji A.Ş., the Company

Alkumru Hydroelectric Power Plant (“Alkumru HPP”) is located on the Botan stream in Siirt province (Southeastern Anatolia region), which is one of the main arteries of the Tigris. The generation license was granted in 2007 for a period of 49 years. The power plant commenced its operations in 2011 and has 276 MWe installed capacity.

Çetin Dam and Hydroelectric Power Plant (“Çetin HPP”) is located on the Botan stream in Siirt province (Southeastern Anatolia region), which is one of the main arteries of the Tigris. The generation license was granted in 2018 for a period of 40 years (*originally issued in 2009 for a period of 49 years*). The power plant commenced its operations in 2020 and has 420 MWe installed capacity.

#### Limgaz Elektrik Üretim Madencilik Sanayi ve Ticaret A.Ş., a subsidiary of the Group

Buharkent Geothermal Power Plant (“Buharkent GPP”) is located in Buharkent, Aydın (Aegean region). The generation license was granted in 2016 for a period of 25 years. The power plant commenced its operations in 2018 and has 15 MWe installed capacity (including its hybrid SPP).

#### LE Erzin GES Enerji A.Ş., a subsidiary of the Group

Erzin Solar Power Plant (“Erzin SPP”) is located in Erzin, Hatay (Mediterranean region). The generation license was granted in 2024 for a period of 30 years. The power plant commenced its operations in 2024 and has 100 MWe installed capacity.

#### LE Güneş Elektrik Üretim A.Ş., a subsidiary of the Group

Konya Apa Solar Power Plant (“Konya Apa SPP”) is located in Apa, Konya (Central Anatolia region). The generation license was granted in 2019 for a period of 49 years. The power plant commenced its operations in 2019 and has 13 MWe installed capacity.

#### Limak Enerji Misis Elektrik Üretim A.Ş., a subsidiary of the Group

Isparta Gönen Solar Power Plant (“Isparta Gönen SPP”) is located in Gönen, Isparta (Mediterranean region). There is no license requirement for the power plant. The power plant commenced its operations in 2017 and has 5 MWe installed capacity.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)

#### Limak Enerji Üretim Sanayi ve Ticaret A.Ş., a subsidiary of the Group

İncir Hydroelectric Power Plant ("İncir HPP") is located on the Botan stream in Siirt province (Southeastern Anatolia region), which is one of the main arteries of the Tigris. The generation license of İncir HPP was granted on 23 October 2025 for a period of 49 years. The planned installed capacity of the power plant is 120 MWe.

Pervari Hydroelectric Power Plant ("Pervari HPP") is located on the Botan stream in Siirt province (Southeastern Anatolia region), which is one of the main arteries of the Tigris. The preliminary generation license was granted in 2024 for a period of 3 years. The planned installed capacity of the power plant is 295 MWe.

#### Darenhes Elektrik Üretimi A.Ş., a joint venture of the Group

Tatar Hydroelectric Power Plant ("Tatar HPP") is located on the Peri Stream in the provinces of Elazığ and Tunceli (Eastern Anatolia region). The generation license was granted in 2005 for a period of 49 years. The power plant commenced its operations in 2013 and has 128 MWe installed capacity.

Pembelik Hydroelectric Power Plant ("Pembelik HPP") is located on the Peri Stream in the provinces of Elazığ and Tunceli (Eastern Anatolia region). The generation license was granted in 2005 for a period of 49 years. The power plant commenced its operations in 2015 and has 127 MWe installed capacity.

#### Seyrantepe Hes Elektrik Üretimi A.Ş., a joint venture of the Group

Seyrantepe Hydroelectric Power Plant ("Seyrantepe HPP") is located on the Peri Stream in the provinces of Elazığ and Tunceli (Eastern Anatolia region). The generation license was granted in 2011 for a period of 41 years (*originally issued in 2003 for a period of 49 years*). The power plant commenced its operations in 2008 and has 57 MWe installed capacity.

Information on installed capacity and granted licenses of power plants is as follows:

<b>Power plants</b>	<b>Installed capacity</b>	<b>Licensed for</b>	<b>Expires in</b>
Alkumru HPP	276 MWe	49 years	2056
Çetin HPP	420 MWe	49 years	2058
İncir HPP	120 MWe	49 years	2074
Tatar HPP	128 MWe	49 years	2054
Pembelik HPP	127 MWe	49 years	2054
Seyrantepe HPP	57 MWe	49 years	2052
Buharkent GPP	15 MWe	25 years	2041
Erzin SPP	100 MWe	30 years	2054
Konya Apa SPP	13 MWe	49 years	2068
Isparta Gönen SPP	5 MWe	-	-

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)

Information on annual electricity generation of power plants in megawatt hours is as follows:

<b>Power plants</b>	<b>2025</b>	<b>2024</b>
Alkumru HPP	395,979	931,202
Çetin HPP	502,720	1,248,294
Tatar HPP	233,896	386,161
Pembelik HPP	226,557	355,947
Seyrantepe HPP	96,861	156,149
Buharkent GPP	74,114	70,241
Erzin SPP	242,344	53,325
Konya Apa SPP	25,868	25,421
Isparta Gönen SPP	9,114	8,813

*HPP : Hydroelectric Power Plant*

*GPP : Geothermal Energy Power Plant*

*SPP : Solar Energy Power Plant*

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AT 31 DECEMBER 2025**

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**

**2.1 Basis of preparation**

**2.1.1 Financial reporting standards**

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRS”) promulgated by the International Accounting Standards Board (“IASB”). The policies set out below have been consistently applied to all the periods and the years presented, unless otherwise stated.

Limak Yenilenebilir, its subsidiaries and joint ventures registered in Türkiye, maintain their books of accounts in accordance with the Turkish Commercial Code (“TCC”), local tax legislation and the Uniform Chart of Accounts issued by the Ministry of Treasury and Finance. These consolidated financial statements are based on the statutory records, which are maintained under historical cost convention, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the IFRS.

The Group also prepares its annual statutory financial statements in accordance with the Turkish Financial Reporting Standards (“TFRS”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2.6.

**2.1.2 Approval of financial statements**

The consolidated financial statements have been authorized for issue by the Board of Directors on 22 May 2026.

**2.1.3 Comparatives**

The consolidated financial statements of the Group are prepared comparatively to enable the determination of the trends of the financial position and performance. The Group presented the consolidated statement of financial position at 31 December 2025 comparatively with the consolidated statement of financial position at 31 December 2024.

The Group presented the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year ended 31 December 2025 comparatively with the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year ended 31 December 2024.

For ensuring compliance with the current year presentation of financial statements, comparative figures are reclassified if necessary.

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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)****2.1.4 Financial reporting in hyperinflationary economy**

Pursuant to the IAS 29 "Financial Reporting in Hyperinflationary Economies", the financial statements of entities whose functional currency is that of a hyperinflationary economy must be adjusted for the effects of changes in a general price index. IAS 29 does not establish an absolute rate when hyperinflation is deemed to arise and IASB does not identify specific hyperinflationary jurisdictions. However, IAS 29 provides a series of non-exclusive guidelines that assist companies in exercising their judgement as to when restatement of financial statements becomes necessary. These guidelines consist of (i) analyzing the behavior of the population regarding preservation of wealth in non-monetary assets or in relatively stable foreign currency, prices being quoted in terms of a relatively stable currency, interest rates and wages being linked to a price index, and the loss of the currency's purchasing power, and (ii) as a quantitative characteristic, verifying if the three-year cumulative inflation rate approaches or exceeds 100%. In March 2022, the International Practices Task Force of the Centre for Audit Quality, which monitors countries experiencing high inflation, categorized Türkiye as a country with three-year cumulative inflation rate greater than 100% as of 28 February 2022. Therefore, entities whose functional currency is TRY, reporting under IFRS have been required to apply IAS 29 to their financial statements for periods ended on and after 30 June 2022.

Under IAS 29, the consolidated financial statements are presented in terms of the measuring unit current as of 31 December 2025. All the amounts included in the consolidated financial statements which are not stated in terms of the measuring unit current at the end of the reporting period are restated applying the general price index. Adjustment for inflation has been calculated considering the price indices published by the Turkish Statistical Institute (Turkstat). Such indices used to restate the financial statements at 31 December 2025 are as follows:

<b>Date</b>	<b>Index</b>	<b>Conversion factor</b>	<b>Three-year cumulative inflation rate</b>
31 December 2025	3,513.87	1.00000	211%
31 December 2024	2,684.55	1.30892	291%
31 December 2023	1,859.38	1.88981	268%

The main procedures applied for the restatements in accordance with IAS 29 are as follows:

- Monetary assets and liabilities are carried at amounts current at the reporting date and not restated because they are already expressed in terms of the measuring unit current at the reporting date.
- Non-monetary assets and liabilities that are not carried at amounts current at the reporting date and components of equity are restated by applying the relevant conversion factors from the date of the transaction to the reporting date.
- All items in the statement of profit or loss and the statement of other comprehensive income, except for those derived from non-monetary assets and liabilities, are restated by applying the monthly conversion factors of the transactions to the reporting date.
- The effects of inflation on the net monetary position are included in the statement of profit or loss as "gains on net monetary position".
- All items in the statement of cash flow are expressed in terms of the measuring unit current at the reporting date; and all items in the statement of cash flows are, therefore, restated by applying the relevant conversion factors from the date on which the transaction originated.
- All comparative figures for the previous reporting periods have been restated by applying the general price index for the current period, so that the resulting comparative financial statements are presented in terms of the current unit of measurement as of the closing date of the reporting period.

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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.2 Amendments to International Financial Reporting Standards**

The accounting policies adopted in preparation of the consolidated financial statements as at 31 December 2025 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRIC interpretations effective as of 1 January 2025. These standards and interpretations do not have a material impact on the Group's financial position and performance.

**a) The new standards, amendments and interpretations applicable as at 1 January 2025:**

- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates": Lack of exchangeability

**b) The standards, amendments and interpretations that are issued but not effective as at 31 December 2025:**

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

- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures": Sale or contribution of assets between an investor and its associate or joint venture
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Classification and measurement of financial instruments
- Annual improvements to IFRS Accounting Standards (Volume 11):
  - IFRS 1 "First-time Adoption of International Financial Reporting Standards": Hedge accounting by a first-time adopter
  - IFRS 7 "Financial Instruments: Disclosures": Gain or loss on derecognition
  - IFRS 9 "Financial Instruments": Lessee derecognition of lease liabilities and transaction price
  - IFRS 10 "Consolidated Financial Statements": Determination of a 'De facto agent'
  - IAS 7 "Statement of Cash Flows": Cost method
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Contracts referencing nature-dependent electricity
- IFRS 18 "Presentation and Disclosure in Financial Statements": The new standard for presentation and disclosure in financial statements
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures": Eligible entities to elect to apply reduced disclosure requirements
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates": Translation to a hyperinflationary presentation currency

**2.3 Changes in accounting policies, estimates and errors**

Significant changes in accounting policies are applied or material misstatements are corrected, retrospectively; by restating the prior period consolidated financial statements.

The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### 2.4 Going concern

The consolidated financial statements have been prepared in accordance with the going concern assumption. The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern.

#### 2.5 Summary of material accounting policies

Where necessary, accounting policies for subsidiaries and joint ventures are amended, hence they comply with the policies adopted by the Group. A summary of material accounting policies used in the preparation of the consolidated financial statements are as follows:

##### 2.5.1 Group accounting

The consolidated financial statements include the accounts of the parent company, Limak Yenilenebilir and its subsidiaries on the basis set out in sections below. The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements and have been prepared in accordance with IFRS, applying uniform accounting policies and presentation. The results of subsidiaries are included or excluded from their effective dates of acquisition or disposal, respectively.

##### *Subsidiaries*

Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and deconsolidated from the date that control ceases. However, in combinations involving entities or businesses under common control, subsidiaries are consolidated as if they had always been combined.

The Group combines individual income and expenses, assets and liabilities and cash flows of subsidiaries on a line-by-line basis with similar items in the consolidated financial statements. Intercompany transactions, balances and unrealized gains/losses on transactions between group companies are eliminated on consolidation.

All subsidiaries are wholly-owned (100%) by the Company and listed below:

- Limgaz Elektrik Üretim Madencilik Sanayi ve Ticaret A.Ş.
- LE Güneş Elektrik Üretim A.Ş.
- Limak Enerji Misis Elektrik Üretim A.Ş.
- LE Erzin GES Enerji A.Ş.
- Limak Enerji Üretim Sanayi ve Ticaret A.Ş. (\*)

(\*) The Company entered into share purchase agreements for the acquisition of all the shares in Limak Enerji Üretim Sanayi ve Ticaret A.Ş. ("LEU") with Limak Holding A.Ş., Limak İnşaat Sanayi ve Ticaret A.Ş. and Limsan İnşaat Sanayi ve Ticaret A.Ş. on 2 April 2025. Accordingly, the LEU became a subsidiary of the Group following the initial purchase of interests as of the same date and subsequent share transactions.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

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### NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

#### *Joint Ventures*

Joint ventures are entities over which the Group has joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint ventures are accounted for using the equity method of accounting and are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture exceeds its interest in the joint venture, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

The joint venture of the Group and ownership interests (%) are below:

	2025	2024
<u>Darenhes Elektrik Üretimi A.Ş.</u>		
Direct and indirect ownership interest	50.00	50.00
Proportion of effective interests	50.00	50.00

The entity consolidated by the joint venture and ownership interests (%) are below:

	2025	2024
<u>Seyrantepe Hes Elektrik Üretimi A.Ş.</u>		
Direct and indirect ownership interest	50.00	50.00
Proportion of effective interests	50.00	50.00

### 2.5.2 Foreign currency translation

#### *Functional and presentation currency*

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which each entity operates ("the functional currency"). The consolidated financial statements are presented in TRY, which is the functional and the presentation currency of Limak Yenilenebilir.

#### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5.3 Related parties**

Shareholders, members of Board of Directors and key management personnel, in each case together with their families and companies controlled by or affiliated with them, joint ventures and associates are considered and referred to as related parties.

**2.5.4 Financial assets and liabilities**

*Classification and measurement*

The Group classifies its financial assets and liabilities in three categories: financial assets and liabilities “measured at amortized cost”, financial assets and liabilities “measured at fair value through profit or loss”, financial assets and liabilities “measured at fair value through other comprehensive income”. The classification of financial assets and financial liabilities are determined considering the entity’s business model for managing these and the contractual cash flow characteristics of the financial asset or liability. The appropriate classification of financial assets or liabilities is determined at the initial recognition.

*Financial assets and liabilities measured at amortized cost*

“Financial assets and liabilities measured at amortized cost” are not actively traded and non-derivative assets and liabilities that are held within a business model whose objective is to hold assets or liabilities in order to be entitled to contractual cash flows and the contractual terms of the financial assets and liabilities give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets and liabilities carried at amortized cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets and liabilities measured at amortized cost are accounted for under the statement of profit or loss.

*Financial assets and liabilities measured at fair value through profit or loss*

Financial assets and liabilities in this category are measured at their fair values at initial recognition and subsequent measurement. Gains and losses on valuation of these financial assets and liabilities are accounted for under profit or loss.

*Financial assets and liabilities measured at fair value through other comprehensive income*

Financial assets and liabilities in this category are measured at their fair values at initial recognition and subsequent measurement. Gains and losses on valuation of these financial assets and liabilities are accounted for under other comprehensive income.

**2.5.5 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term liquid investments with original maturities of 3 months or less.

**2.5.6 Trade receivables**

Trade receivables that are recognized by way of providing goods or services directly to a customer are accounted for initially at fair value and subsequently are measured at amortized cost, using the effective interest method, less provision for impairment, if any.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

The Group applies “simplified approach” for the recognition of impairment losses on trade receivables, carried at amortized cost and that do not comprise of any significant finance component. In accordance with the simplified approach, the Group measures the loss allowances of the trade receivables for an amount equal to “lifetime expected credit losses”, except for credit losses where trade receivables are already impaired for a specific reason. The expected credit losses are reviewed at each reporting period and recognized when necessary.

**2.5.7 Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Liabilities associated with the suppliers, such as resource utilization accruals, are also classified under trade payables.

**2.5.8 Borrowings and borrowing costs**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the year of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the year of the facility to which it relates.

*Borrowing costs*

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset in the year in which the asset is prepared for its intended use or sale. All other borrowing costs and the part of the borrowing cost that compensates for the inflation during the same period are charged to the statement of profit or loss when they are incurred.

Foreign exchange differences to the extent that they are regarded as an adjustment to interest costs are also capitalized. The gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity borrowed funds in its functional currency, and borrowing costs actually incurred on foreign currency borrowings.

**2.5.9 Non-derivative cash flow hedge**

The Group designates certain borrowings (non-derivative financial instruments) as cash flow hedge of highly probable forecast transactions. The effective portion of changes in the foreign exchange differences on borrowings that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit or loss. When a hedging instrument expires or is sold or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized in the statement of profit or loss when the forecast transaction is ultimately realized. When a forecast transaction is no longer expected to occur, the cumulative gain or loss accounted for under equity is immediately transferred to the consolidated statement of profit or loss.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Gains and losses deferred in other comprehensive income, remain in other comprehensive income until the cash flows associated with the hedged item occur. At the time when a forecast sales occurs, the respective amount of foreign exchange gains or losses is reclassified from other comprehensive income to profit or loss within financial income or expenses as a reclassification adjustment in the same periods during which the hedged expected forecasted sales affect profit or loss.

Gains and losses reclassified to profit and loss are based on the amounts originally recorded (*historical*) under equity and then expressed in terms of the measuring unit current (*restated*) at the reporting date, in line with all other items in the statement of profit or loss and other comprehensive income. Consequently, for proper demonstration of gains or losses to be reclassified to profit or loss in subsequent periods, any excess of hedging reserve (*restated*) over cumulative gains or losses existing in hedging reserve (*historical*) is transferred to retained earnings each period. As of 31 December 2025, the excess transferred to retained earnings is TRY1,290,361 (2024: TRY2,469,498).

#### 2.5.10 Property, plant and equipment

Property, plant and equipment are carried at the acquisition cost less accumulated depreciation and impairment, if any. Land is not depreciated. Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Land improvements	8 years
Buildings	up to 50 years
Machinery and equipment	
- Electromechanical equipment	up to 50 years
- Other equipment	5 – 20 years
Motor vehicles	5 – 15 years
Furniture and fixtures	3 – 15 years
Other	3 – 10 years

Estimated useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The cost of an item of property, plant and equipment comprises:

- Acquisition costs, including import duties and non-refundable purchase taxes, less discounts and rebates,
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating,
- Employee benefits arising directly from the construction or acquisition of the item of the asset,
- Site preparation and expropriation costs for the construction works,
- Initial delivery and handling costs,
- Installation and assembly costs,
- Professional fees,
- Borrowing costs eligible for capitalization.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Fair value less cost to sell is the amount obtainable from the sale of an asset less the costs of disposal. Value in use is the present value of the future cash flows expected to be derived from an asset.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other operating income or other operating expense in the consolidated statement of profit or loss.

Advances given for construction activities are carried at cost and are classified under other non-current assets.

**2.5.11 Intangible assets**

Intangible assets are initially recognized at acquisition cost and amortized on a straight-line basis over their estimated useful lives.

Intangible assets comprise energy generation licenses and other rights acquired. Amortization is calculated using the straight-line method over license periods or a period not exceeding 5 years.

**2.5.12 Leases**

At inception of a contract, the Group assesses whether the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset,
- A capacity portion of an asset is physically distinct or represents substantially all of the capacity of an asset,
- The Group has the right to obtain substantially all of the economic benefits from use of the identified asset,
- The Group has the right to direct the use of an identified asset.

The Group recognizes a right-of-use asset and a lease liability at the commencement date of the lease following the consideration of the above-mentioned factors.

The lease liabilities are measured at their present value by discounting the unrealized lease payments using the Group's incremental borrowing rate at the date of initial application and classified as financial liabilities. At initial recognition, the right-of-use assets are accounted for at an amount equal to the lease liabilities (adjusted for the amount of prepaid or accrued lease payments) and classified under property, plant and equipment.

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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5.13 Provision for defined benefits obligation**

Provision for defined benefits obligation, as required by the Turkish Labour Law, represents the estimated present value of the future probable obligation of the Group arising from the retirement of the employees. Provision which is allocated by using defined benefit pension's current value according to actuarial estimations is calculated by using estimated liability method.

**2.5.14 Taxes on income**

Taxes on income for the period comprise current tax and the change in deferred taxes. Current year tax liability consists of the taxes calculated over the taxable portion of the current year income by reference to corporate income tax rates enacted as of the reporting date and adjustments provided for previous years' income tax liabilities.

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred taxes.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences, deductible tax losses carried forward and tax credits over finance costs are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and deferred tax liabilities related to income taxes levied by the same taxation authority are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities.

**2.5.15 Revenue recognition**

The Group recognizes its revenue based on the criteria and principles determined in the relevant standards. The Group's electricity sales represent a promise to transfer a series of distinct goods that are substantially the same and that have the same pattern of transfer to the grid or customer; therefore, each promise to deliver electricity is a separate performance obligation that is satisfied at a point in time. Control of electricity is transferred and therefore electricity sales revenue is recognized when the electricity is delivered to the grid.

**2.5.16 Earnings per share**

Earnings per share are calculated by dividing the profit or loss attributable to equity holders of the company by the weighted average number of ordinary shares in issue, retrospectively adjusted for bonus elements, during the year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.5.17 Offsetting**

All items with significant amounts and nature, even with similar characteristics, are presented separately in the consolidated financial statements. Insignificant amounts are grouped and presented by means of items having similar substance and function.

**2.5.18 Provisions, contingent assets and liabilities**

Provisions are recognized in the consolidated financial statements, when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate, used to calculate the present value of the provision should be pre-tax rate reflecting the current market assessments of the time value of money and the risks specific to the liability. The discount rate shall not reflect risks, for which future cash flow estimates have been adjusted.

A possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group have not been recognized in these consolidated financial statements and treated as contingent liabilities and contingent assets.

**2.5.19 Segment reporting**

Operating segments are assessed concurrently with the internal reporting and strategic segments presented to the authorized decision-making bodies or individuals within the Group. For the purpose of making decisions regarding the allocation of resources to these segments and evaluating their performance, the entities and individuals vested with the authority to make strategic decisions concerning the Group's activities are identified as Group's senior executives.

Given that the Group operates within a single segment, the senior executives make strategic decisions in a manner that encompasses the entirety of the Group's activities. Consequently, in accordance with the relevant provisions of IFRS 8 “Operating Segments”, the Group has only one reportable operating segment, and financial information is not disaggregated by operating segments.

**2.5.20 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

**2.5.21 Events after the reporting period**

The Group adjusts the amounts recognized in the consolidated financial statements to reflect the adjusting events after the reporting date. If non-adjusting events after the reporting date have material influences on the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**

**2.6 Significant accounting judgements, estimates and assumptions**

The preparation of the consolidated financial statements necessitates the use of judgements, estimates and assumptions that affect asset and liability amounts presented as of the reporting date, explanations of contingent liabilities and assets; and income and expense amounts presented for the accounting period. Although these judgements, estimates and assumptions are based on all management information related to the events and transactions, actual results may differ from them. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities for the next reporting period are outlined as follows:

**2.6.1 Useful lives of tangible and intangible assets**

In accordance with the accounting policy stated in Note 2.5.10 Property, plant and equipment and Note 2.5.11 Intangible assets are stated at historical cost less depreciation and net of any impairment. Depreciation on tangible assets is calculated using the straight-line method to allocate their cost amounts to their residual values over their estimated useful lives. Amortization of intangible assets is calculated using the straight-line method over license periods or a period not exceeding 5 years. Useful lives depend on the best estimates of management and are reviewed in each financial period and corrected accordingly.

**2.6.2 Taxation on income**

Deferred tax assets are recognized for unused tax losses and tax credits to the extent that the realization of the related tax benefit is probable (Note 12).

As of 31 December 2025, the Group recognized a deferred tax asset over deductible temporary differences, the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available based on the forecasted income and expense projections (Note 2.5.14). Electricity prices, electricity generation, foreign exchange rates and inflation rates used for developing the taxable profit projections are based on certain assumptions and management estimates. The future cash flows have been calculated on the basis of these estimates, and differences that might arise between the aforementioned estimates and their realizations might affect the deferred tax assets. Should all other assumptions remain the same, electricity prices had considered 10% lower, the deferred tax assets recognized would not have been changed.

**2.6.3 Non-derivative cash flow hedge**

In accordance with the accounting policy stated in Note 2.5.9 the Group applied non derivative hedge accounting for its foreign currency risk arising from highly probable USD denominated revenues through utilizing related USD denominated loans, commencing from 1 January 2016. The Group discontinued the hedge accounting at the beginning of the current year. Considering the forecast revenue is expected to occur, the cumulative gain or loss remain there until the forecast revenue impacts earnings. Accordingly, TRY1,104 million of foreign exchange loss is reclassified from other comprehensive income to profit or loss.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

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### NOTE 3 - CASH AND CASH EQUIVALENTS

	2025	2024
Cash on hand	15	15
Cash at banks		
- demand deposits	10,162,244	1,242,824
- time deposits	663,595	39,492
	<b>10,825,854</b>	<b>1,282,331</b>

The average maturity of time deposits is less than 3 months.

### NOTE 4 - TRADE RECEIVABLES AND PAYABLES

Trade receivables	2025	2024
Customers	40,644	53,819
Due from related parties (Note 18)	-	2,470,742
	<b>40,644</b>	<b>2,524,561</b>

The weighted average term of trade receivables is less than 3 months.

Trade payables	2025	2024
Suppliers	145,663	122,715
Resource utilization accruals (*)	586,014	1,587,017
Due to related parties (Note 18)	6,314	80,668
	<b>737,991</b>	<b>1,790,400</b>

The weighted average term of trade payables is less than 3 months.

(\*) Resource utilization accruals consist of water utilization fee accruals and resource utilization administration share.

Water utilization accruals are calculated based on the annual electricity generation by determined unit price for each year in accordance with the framework of the Water Utilization Right Agreements, signed with the General Directorate of State Hydraulic Works (SHW) on 25 December 2006 for Alkumru HPP and 7 November 2019 for Çetin HPP. Such payables are due to SHW in the first month of each following year.

The annual resource utilization administration share is calculated with the rates determined within the framework of the relevant legislation over the gross sales in accordance with the framework of the geothermal resource operation license obtained by Buharkent GPP on 23 October 2016. Such payables are due to the General Directorate of Mining and Petroleum Affairs in the sixth month of each following year.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 5 - INVESTMENTS IN JOINT VENTURES

#### *Amounts recognized in the statements of financial positions*

<b>Investments in joint ventures</b>	<b>2025</b>	<b>2024</b>
Darenhes Elektrik Üretimi A.Ş.	6,363,695	5,947,391
	<b>6,363,695</b>	<b>5,947,391</b>

The movements of joint ventures accounted for using the equity method are as follows:

	<b>2025</b>	<b>2024</b>
<b>Balance at the beginning of the year</b>	<b>5,947,391</b>	<b>5,084,995</b>
Additions (Note 18)	-	75,834
Share of profit of joint ventures	418,766	785,906
Share of other comprehensive income of joint ventures	(2,462)	656
<b>Balance at the end of the year</b>	<b>6,363,695</b>	<b>5,947,391</b>

#### *Amounts recognized in the statements of profit or loss*

<b>Share of profit of joint ventures</b>	<b>2025</b>	<b>2024</b>
Darenhes Elektrik Üretimi A.Ş.	418,766	785,906
	<b>418,766</b>	<b>785,906</b>

#### *Amounts recognized in the statements of other comprehensive income*

<b>Share of other comprehensive income of joint ventures</b>	<b>2025</b>	<b>2024</b>
Darenhes Elektrik Üretimi A.Ş.	(2,462)	656
	<b>(2,462)</b>	<b>656</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 5 - INVESTMENTS IN JOINT VENTURES (Continued)

#### *Summarized financial information for the joint venture*

	2025	2024
Current assets	125,183	137,819
Non-current assets	14,238,964	14,967,290
Current liabilities	368,492	206,867
Non-current liabilities	1,268,265	3,003,460
<b>Net assets</b>	<b>12,727,390</b>	<b>11,894,782</b>
Group's share	50.00%	50.00%
<b>Group's share of net assets</b>	<b>6,363,695</b>	<b>5,947,391</b>

	2025	2024
Revenue	2,037,597	3,582,991
Cost of sales	(949,141)	(1,083,192)
Operating income/(expenses)	9,569	8,772
Financial income/(expenses)	(615,889)	(1,143,851)
Gains on net monetary position	683,626	1,907,383
Taxation on income	(328,230)	(1,700,291)
<b>Profit for the year</b>	<b>837,532</b>	<b>1,571,812</b>
Group's share	50.00%	50.00%
<b>Group's share of profit</b>	<b>418,766</b>	<b>785,906</b>

#### *Additional information for the joint venture*

	2025	2024
Cash and cash equivalents	48,041	54,656
Short-term borrowings	262,497	113,232
Long-term borrowings	1,229,918	2,975,969
<b>2025</b>	<b>2024</b>	
Depreciation and amortization	463,187	464,250
Interest income	16,317	35,880
Interest expense	145,556	331,129

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 6 - PROPERTY, PLANT AND EQUIPMENT

	Land and land improvements	Buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Total
<b>1 January 2025</b>							
Cost	75,940	26,950,005	12,981,999	3,453	34,955	-	40,046,352
Accumulated depreciation	(57,831)	(5,570,576)	(1,779,998)	(1,806)	(28,074)	-	(7,438,285)
<b>Net book value</b>	<b>18,109</b>	<b>21,379,429</b>	<b>11,202,001</b>	<b>1,647</b>	<b>6,881</b>	<b>-</b>	<b>32,608,067</b>
<b>Opening net book value</b>	<b>18,109</b>	<b>21,379,429</b>	<b>11,202,001</b>	<b>1,647</b>	<b>6,881</b>	<b>-</b>	<b>32,608,067</b>
Additions	30,298	195,737	134,209	-	3,667	1,454,811	1,818,722
Depreciation	(1,236)	(663,331)	(471,626)	(214)	(2,000)	-	(1,138,407)
<b>Closing net book value</b>	<b>47,171</b>	<b>20,911,835</b>	<b>10,864,584</b>	<b>1,433</b>	<b>8,548</b>	<b>1,454,811</b>	<b>33,288,382</b>
<b>31 December 2025</b>							
Cost	106,238	27,145,742	13,116,208	3,453	38,622	1,454,811	41,865,074
Accumulated depreciation	(59,067)	(6,233,907)	(2,251,624)	(2,020)	(30,074)	-	(8,576,692)
<b>Net book value</b>	<b>47,171</b>	<b>20,911,835</b>	<b>10,864,584</b>	<b>1,433</b>	<b>8,548</b>	<b>1,454,811</b>	<b>33,288,382</b>

Right of use assets amounting to TRY1,392,685 thousand consisting of forest land use permits are recognized under buildings.

Construction in progress consist of İncir HPP capital expenditures.

Depreciation expenses related to property, plant and equipment are accounted for under cost of sales.

There is no mortgage on property, plant and equipment as of 31 December 2025.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	Land and land improvements	Buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Total
<b>1 January 2024</b>							
Cost	75,940	27,061,676	6,737,232	3,453	33,639	1,358,427	35,270,367
Accumulated depreciation	(56,912)	(4,909,875)	(1,455,709)	(1,593)	(26,001)	-	(6,450,090)
<b>Net book value</b>	<b>19,028</b>	<b>22,151,801</b>	<b>5,281,523</b>	<b>1,860</b>	<b>7,638</b>	<b>1,358,427</b>	<b>28,820,277</b>
<b>Opening net book value</b>	<b>19,028</b>	<b>22,151,801</b>	<b>5,281,523</b>	<b>1,860</b>	<b>7,638</b>	<b>1,358,427</b>	<b>28,820,277</b>
Additions	-	-	2,134	-	1,316	4,918,726	4,922,176
Disposals	-	(146,191)	-	-	-	-	(146,191)
Transfers	-	34,520	6,242,633	-	-	(6,277,153)	-
Depreciation	(919)	(660,701)	(324,289)	(213)	(2,073)	-	(988,195)
<b>Closing net book value</b>	<b>18,109</b>	<b>21,379,429</b>	<b>11,202,001</b>	<b>1,647</b>	<b>6,881</b>	<b>-</b>	<b>32,608,067</b>
<b>31 December 2024</b>							
Cost	75,940	26,950,005	12,981,999	3,453	34,955	-	40,046,352
Accumulated depreciation	(57,831)	(5,570,576)	(1,779,998)	(1,806)	(28,074)	-	(7,438,285)
<b>Net book value</b>	<b>18,109</b>	<b>21,379,429</b>	<b>11,202,001</b>	<b>1,647</b>	<b>6,881</b>	<b>-</b>	<b>32,608,067</b>

Right of use assets amounting to TRY1,245,868 thousand consisting of forest land use permits are recognized under buildings.

Construction in progress mainly consist of Erzin SPP capital expenditures.

Depreciation expenses related to property, plant and equipment are accounted for under cost of sales.

Total mortgages on property, plant and equipment as of 31 December 2024 amounts to USD1,586 million.

**LİMAK YENİLENEBİLİR ENERJİ A.Ş.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AT 31 DECEMBER 2025**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

**NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (Continued)***Right of use assets*

	2025	2024
<b>1 January</b>		
Cost	1,405,104	1,551,295
Accumulated depreciation	(159,236)	(116,354)
<b>Net book value</b>	<b>1,245,868</b>	<b>1,434,941</b>
<b>Opening net book value</b>	<b>1,245,868</b>	<b>1,434,941</b>
Additions	191,485	-
Disposals	-	(146,191)
Depreciation	(44,668)	(42,882)
<b>Closing net book value</b>	<b>1,392,685</b>	<b>1,245,868</b>
<b>31 December</b>		
Cost	1,596,589	1,405,104
Accumulated depreciation	(203,904)	(159,236)
<b>Net book value</b>	<b>1,392,685</b>	<b>1,245,868</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 7 - INTANGIBLE ASSETS

	Licenses	Other	Total
<b>1 January 2025</b>			
Cost	375,864	4,163	380,027
Accumulated amortization	(75,474)	(2,385)	(77,859)
<b>Net book value</b>	<b>300,390</b>	<b>1,778</b>	<b>302,168</b>
<b>Opening net book value</b>			
	<b>300,390</b>	<b>1,778</b>	<b>302,168</b>
Additions	-	2,680	2,680
Amortization	(12,627)	(200)	(12,827)
<b>Closing net book value</b>	<b>287,763</b>	<b>4,258</b>	<b>292,021</b>
<b>31 December 2025</b>			
Cost	375,864	6,843	382,707
Accumulated amortization	(88,101)	(2,585)	(90,686)
<b>Net book value</b>	<b>287,763</b>	<b>4,258</b>	<b>292,021</b>

Amortization expenses related to intangible assets are accounted for under cost of sales.

There is no mortgage on intangible assets as of 31 December 2025.

	Licenses	Other	Total
<b>1 January 2024</b>			
Cost	375,864	3,759	379,623
Accumulated amortization	(62,847)	(1,731)	(64,578)
<b>Net book value</b>	<b>313,017</b>	<b>2,028</b>	<b>315,045</b>
<b>Opening net book value</b>			
	<b>313,017</b>	<b>2,028</b>	<b>315,045</b>
Additions	-	404	404
Amortization	(12,627)	(654)	(13,281)
<b>Closing net book value</b>	<b>300,390</b>	<b>1,778</b>	<b>302,168</b>
<b>31 December 2024</b>			
Cost	375,864	4,163	380,027
Accumulated amortization	(75,474)	(2,385)	(77,859)
<b>Net book value</b>	<b>300,390</b>	<b>1,778</b>	<b>302,168</b>

Amortization expenses related to intangible assets are accounted for under cost of sales.

Mortgages on intangible assets as of 31 December 2024 amount to USD50 million and EUR30 million.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 8 - BORROWINGS

<b>Short-term borrowings</b>	<b>2025</b>	<b>2024</b>
Debt securities	2,089,591	-
Bank borrowings	374,518	2,829,454
Lease liabilities	91,253	46,528
	<b>2,555,362</b>	<b>2,875,982</b>
<b>Long-term borrowings</b>	<b>2025</b>	<b>2024</b>
Debt securities	20,844,653	-
Bank borrowings	1,561,066	10,807,464
Lease liabilities	313,370	303,626
	<b>22,719,089</b>	<b>11,111,090</b>

On 12 February 2025, Limak Yenilenebilir issued USD450 million Green Bond with an annual interest rate of 9.625% and a maturity of 5.5 years in the International Stock Exchange ("TISE"). Further issuance of USD75 million on 21 February 2025 was consolidated to form a single series of USD525 million with identical terms and conditions. The debt securities mature on 12 August 2030. Interest is payable semi-annually commencing from 12 August 2025. Transaction cost of USD10.3 million equivalent, as an integral part of the effective interest rate, included to the calculation of the amortized cost.

The redemption schedule of long-term debt securities and bank borrowings are as follows:

	<b>2025</b>	<b>2024</b>
2026	-	2,343,975
2027	2,192,527	2,284,655
2028	3,047,949	2,190,361
2029	3,635,474	1,765,085
2030	12,910,388	1,630,038
2031 and over	619,381	593,350
	<b>22,405,719</b>	<b>10,807,464</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 8 - BORROWINGS (Continued)

Movements of the debt securities and bank borrowings are as follows:

	2025	2024
<b>Balance at the beginning of the year</b>	<b>13,636,918</b>	<b>16,638,752</b>
Proceeds	23,064,325	2,836,005
Repayments	(10,521,515)	(2,327,751)
Change in interest accruals	555,513	1,336
Transaction costs paid	(445,204)	-
Foreign exchange adjustments	4,540,439	2,020,149
Monetary gains	(5,960,648)	(5,531,573)
<b>Balance at the end of the year</b>	<b>24,869,828</b>	<b>13,636,918</b>

The redemption schedule of long-term lease liabilities are as follows:

	2025	2024
2026	-	40,163
2027	43,521	36,498
2028	37,566	31,696
2029	32,541	27,360
2030	28,089	23,616
2031 and over	171,653	144,293
	<b>313,370</b>	<b>303,626</b>

Movements of the lease liabilities are as follows:

	2025	2024
<b>Balance at the beginning of the year</b>	<b>350,154</b>	<b>756,096</b>
Modifications	191,485	(146,191)
Repayments	(67,672)	(74,060)
Change in interest accruals	54,580	54,495
Monetary gains	(123,924)	(240,186)
<b>Balance at the end of the year</b>	<b>404,623</b>	<b>350,154</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

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### NOTE 9 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

<b>Guarantees given</b>	<b>2025</b>	<b>2024</b>
Letters of guarantees given	462,949	389,437
	<b>462,949</b>	<b>389,437</b>
<b>Guarantees received</b>	<b>2025</b>	<b>2024</b>
Letters of guarantees received	677,938	256,604
	<b>677,938</b>	<b>256,604</b>

The Group entered into share pledge, pledge over moveable asset and account pledge agreements in connection with project finance facilities.

There is no mortgage on property, plant and equipment and intangible assets (2024: USD1,636 million and EUR30 million).

### NOTE 10 - PROVISION FOR DEFINED BENEFIT OBLIGATION

	<b>2025</b>	<b>2024</b>
Provision for defined benefits obligation	38,408	31,224
	<b>38,408</b>	<b>31,224</b>

Under Turkish Labour Law, the Group is required to pay retirement benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies, or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men).

At 31 December 2025, the amount payable consists of one month's salary limited to a maximum of TRY53.92 thousand (31 December 2024: TRY41.83 thousand, as declared) for each year of service.

The liability is not funded as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of employees.

IAS 19 "Employee Benefits" requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	<b>2025</b>	<b>2024</b>
Discount rate (%)	3.63	3.63
Turnover rate to estimate the probability of retirement (%)	98.00	98.00

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

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### NOTE 10 - PROVISION FOR DEFINED BENEFIT OBLIGATION (Continued)

The principal assumption is that maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TRY64.95 thousand which is effective from 1 January 2026 (1 January 2025: TRY46.66 thousand, as declared), has been taken into consideration in calculating the Group's provision for defined benefits obligation.

Movements of the provision for defined benefits obligation are as follows:

	2025	2024
<b>Balance at the beginning of the year</b>	<b>31,224</b>	<b>23,714</b>
Service costs	6,149	5,665
Interest expenses	11,537	9,664
Payments	(2,509)	(1,090)
Actuarial losses	821	2,600
Monetary gains	(8,814)	(9,329)
<b>Balance at the end of the year</b>	<b>38,408</b>	<b>31,224</b>

### NOTE 11 - OTHER ASSETS AND LIABILITIES

	2025	2024
<b>Other current assets</b>	<b>2025</b>	<b>2024</b>
Value added tax receivables	209,474	246,374
Prepaid expenses <sup>(1)</sup>	49,585	55,132
Prepaid income taxes	410	74,243
Other	3,243	4,827
	<b>262,712</b>	<b>380,576</b>
<b>Other non-current assets</b>	<b>2025</b>	<b>2024</b>
Advances given <sup>(2)</sup>	1,920,144	32,247
Due from related parties (Note 18)	1,108,360	274,265
Value added tax receivables	257,846	-
Spare parts	16,218	16,353
Other	902	1,062
	<b>3,303,470</b>	<b>323,927</b>

(1) Mainly consists of insurance premium payments.

(2) Consists of advances given to subcontractors for the İncir HPP and Erzin SPP projects.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 11 - OTHER ASSETS AND LIABILITIES (Continued)

<b>Other current liabilities</b>	<b>2025</b>	<b>2024</b>
Taxes and funds payables	223,264	85,829
Provision for litigations	55,686	54,159
Accrued salaries and wages	14,849	13,421
Unused vacation accruals	8,682	7,297
Consideration payable (Note 18)	6,678	75,834
Contract liabilities (*)	-	23,390
Other	2,702	-
	<b>311,861</b>	<b>259,930</b>

(\*) Consists of advances received within the scope of electricity sales.

### NOTE 12 - TAX ASSETS AND LIABILITIES

	<b>2025</b>	<b>2024</b>
Current tax liabilities	8,976	728
	<b>8,976</b>	<b>728</b>
	<b>2025</b>	<b>2024</b>
Advance tax payments	6,921	81,845
Less: Utilisations	(6,511)	(7,602)
<b>Prepaid income taxes</b>	<b>410</b>	<b>74,243</b>

In Türkiye, corporate tax is payable at a rate of 25% on the total income of the Company after adjusting for certain disallowable expenses, exempt income and investment and other allowances.

Turkish tax legislation does not allow for the submission of tax returns over consolidated financial statements, which include its subsidiaries and joint ventures. Therefore, tax considerations reflected in consolidated financial statements have been calculated on a separate-entity basis.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to 5 years.

Taxation on income in the statement of profit or loss are as follows:

	<b>2025</b>	<b>2024</b>
Current tax expense	(16,828)	(9,477)
Deferred tax income/(expense)	176,456	(2,852,074)
	<b>159,628</b>	<b>(2,861,551)</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 12 - TAX ASSETS AND LIABILITIES (Continued)

The reconciliation of the tax expenses in the statement of profit or loss are as follows:

	2025	2024
Profit/(loss) before income tax	(378,734)	7,260,910
Tax calculated at enacted tax rate	94,684	(1,815,228)
Tax effect of:		
Share of profit or loss of joint ventures	104,692	196,476
Unrecognized tax losses	(135,334)	-
Disallowable expenses	(2,085)	(4,106)
Inflation adjustments (*)	97,671	(1,238,693)
<b>Tax income/(expense)</b>	<b>159,628</b>	<b>(2,861,551)</b>

(\*) Arising from differences between application of inflation adjustments in accordance with IFRS and Tax Procedural Law.

In accordance with Provisional Article 37, added to the Tax Procedure Law No. 213 ("TPL") by Law No. 7571, it has been provided that inflation adjustment shall not be applied during the 2025, 2026, and 2027 accounting periods, regardless of whether the necessary conditions for inflation adjustment have been met. Consequently, no inflation adjustment has been applied to the statutory financial statements prepared in accordance with tax legislation for the year 2025. Accordingly, depreciable economic assets have been revalued based on the provisions of Repeated Article 298/Ç of the TPL.

Deferred taxes	2025	2024
Deferred tax assets	1,795,613	1,905,263
Deferred tax liabilities	(103,482)	(113,726)
	<b>1,692,131</b>	<b>1,791,537</b>

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with IFRS and their statutory tax financial statements. Deferred taxes are calculated on temporary differences that are expected to be realized or settled based on the taxable income under the liability method using an enacted tax rate.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 12 - TAX ASSETS AND LIABILITIES (Continued)

The breakdown of cumulative temporary differences and the resulting deferred tax assets and liabilities, using enacted tax rates are as follows:

	Cumulative temporary differences		Deferred tax assets/(liabilities)	
	2025	2024	2025	2024
<b>Deferred tax assets:</b>				
Unused tax losses	4,453,977	659,781	1,113,494	164,945
Property, plant and equipment	2,419,018	5,225,048	604,754	1,306,262
Resource utilization accruals	586,014	1,587,017	146,504	396,754
Unused tax credits over finance costs	304,218	530,931	76,055	132,733
Defined benefits obligation	38,408	31,224	9,602	7,805
Other	64,366	61,454	16,092	15,364
			<b>1,966,501</b>	<b>2,023,863</b>
<b>Deferred tax liabilities:</b>				
Property, plant and equipment	(411,807)	(596,794)	(102,952)	(156,518)
Borrowings	(395,755)	-	(98,939)	-
Intangible assets	(288,271)	(300,137)	(72,068)	(75,034)
Other	(1,644)	(3,094)	(411)	(774)
			<b>(274,370)</b>	<b>(232,326)</b>
<b>Deferred tax assets, net</b>			<b>1,692,131</b>	<b>1,791,537</b>

#### Unused tax losses

Deferred tax assets are recognized for tax losses carried forward to extent that the realization of the related tax benefit through the future taxable profits is probable.

At 31 December 2025, the Group has recognized deferred tax assets amounting to TRY1,113,494 thousand (2024: TRY164,945 thousand) over the carryforward tax losses amounting to TRY4,453,977 thousand (2024: TRY659,781 thousand) in the consolidated financial statements.

The expiration years of such carryforward tax losses are as follows:

	2025	2024
2026	-	102,635
2027	26,122	26,122
2028	241,798	241,798
2029	-	133,509
2030	4,186,057	-
Statutory	4,453,977	504,064
Inflation	-	155,717
<b>Reported</b>	<b>4,453,977</b>	<b>659,781</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 12 - TAX ASSETS AND LIABILITIES (Continued)

Movements of deferred taxes are as follows:

	2025	2024
<b>Balance at the beginning of the year</b>	<b>1,791,537</b>	<b>4,514,992</b>
Recognized in profit or loss	176,456	(2,852,074)
Recognized in other comprehensive income	(275,862)	128,619
<b>Balance at the end of the year</b>	<b>1,692,131</b>	<b>1,791,537</b>

### NOTE 13 - EQUITY

#### Share capital

The Company's authorized and issued share capital consists of 1,408,565,000 shares with TRY1 of par value each (2024: 1,408,565,000 shares TRY1 of par value each).

The shareholding structure of the Company:

Shareholders	2025		2024	
	Share%	Amount	Share%	Amount
Limak Yatırım Enerji Üretim İşletme Hizmetleri ve İnşaat A.Ş.	100.00	1,408,565	100.00	1,408,565
<b>Paid-in capital</b>	<b>100.00</b>	<b>1,408,565</b>	<b>100.00</b>	<b>1,408,565</b>
Adjustment to share capital		14,883,851		14,883,851
<b>Total share capital</b>		<b>16,292,416</b>		<b>16,292,416</b>

There are no different types of shares.

#### Restricted reserves

Legal reserves consist of first and second reserves, appropriated in accordance with the TCC. The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital. As of 31 December 2025, legal reserves of the Company are TRY50,411 (2024: TRY50,411).

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 14 - REVENUE

	2025	2024
Sales at feed-in tariffs	2,434,086	5,913,418
Sales at spot market	2,107,254	2,530,451
Sales through bilateral agreements	-	1,428,236
	<b>4,541,340</b>	<b>9,872,105</b>

In accordance with the legislation numbered 5346 "Law on Utilization of Renewable Energy Resources for the Purpose of Generating Electrical Energy", the Renewable Energy Resources Support Mechanism ('YEKDEM') implements feed-in tariffs for the sale of electricity generated by power plants with Renewable Energy Resource Certificate.

### NOTE 15 - COST OF SALES

	2025	2024
Depreciation and amortization	1,151,234	1,001,476
Resource utilization cost	669,832	1,882,754
System utilization cost	367,114	621,109
Employee benefits	347,863	258,912
Electricity supply cost	162,359	324,739
Insurance expenses	78,378	86,286
Technical services	62,931	144,962
Other	136,285	129,698
	<b>2,975,996</b>	<b>4,449,936</b>

### NOTE 16 - OTHER OPERATING INCOME AND EXPENSES

Other operating income	2025	2024
Insurance claims	6,219	1,372
Other	2,606	1,239
	<b>8,825</b>	<b>2,611</b>
Other operating expenses	2025	2024
Provision expenses	(28,408)	(36,091)
Other	(3,763)	(1,212)
	<b>(32,171)</b>	<b>(37,303)</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 17 - FINANCIAL INCOME AND EXPENSES

<b>Financial income</b>	<b>2025</b>	<b>2024</b>
Interest income	614,558	63,465
Foreign exchange gains	2,310,734	224,660
	<b>2,925,292</b>	<b>288,125</b>
<b>Financial expenses</b>	<b>2025</b>	<b>2024</b>
Interest expense	(2,465,759)	(1,998,247)
Foreign exchange losses	(5,654,180)	(1,729,330)
Other	(290,130)	(199,116)
	<b>(8,410,069)</b>	<b>(3,926,693)</b>

### NOTE 18 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

#### Balances with related parties

<b>Trade receivables</b>	<b>2025</b>	<b>2024</b>
<i>Other related parties</i>		
Limak Enerji Ticareti A.Ş.	-	2,470,742
	-	<b>2,470,742</b>

The maturities of trade receivables are less than three months.

<b>Trade payables</b>	<b>2025</b>	<b>2024</b>
<i>Shareholders</i>		
Limak İnşaat Sanayi ve Ticaret A.Ş.	558	168
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	-	60,609
<i>Other related parties</i>		
Limak Enerji Ticareti A.Ş.	5,432	19,655
Limak Teknoloji Yazılım Savunma Sanayi ve Tic. A.Ş.	324	236
	<b>6,314</b>	<b>80,668</b>

The maturities of trade payables are less than three months.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 18 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

<b>Other receivables</b>	<b>2025</b>	<b>2024</b>
<i>Shareholders</i>		
Limak İnşaat Sanayi ve Ticaret A.Ş.	57,989	57,298
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	1,050,371	216,967
	<b>1,108,360</b>	<b>274,265</b>

Receivables consist of funds provided to shareholders. The weighted average interest rates are 43.00% for TRY and 9.63% for USD (2024: 52.00% for TRY and 7.50% for USD) and maturity dates are more than a year.

<b>Advances given</b>	<b>2025</b>	<b>2024</b>
<i>Shareholders</i>		
Limak İnşaat Sanayi ve Ticaret A.Ş.	1,604,123	-
	<b>1,604,123</b>	-

Advances given within the scope of İncir HPP capital expenditures.

### **Other liabilities**

On 2 April 2025, as further discussed in Note 2.5.1, in accordance with the aforementioned share purchase agreement, the Company recognized a payable amounting to TRY6,678 thousand for the unpaid portion of purchase price (not bearing interest but subject to adjustment for inflation).

On 2 December 2024, share purchase agreements was executed for the purpose of acquiring all the shares held by the family members in Darenhes Elektrik Üretimi A.Ş. and Seyrantepe Hes Elektrik Üretimi A.Ş., the joint ventures of the Group. In accordance with the share purchase agreements, the total purchase price was agreed based on the total equity amounts of the respective companies and was subject to an adjustment for the realized annual inflation. Consequently, as of 31 December 2024, the aggregate purchase price was determined as TRY75,834 thousand and the share transfers were recognized accordingly.

### **Transactions with related parties**

<b>Electricity sales</b>	<b>2025</b>	<b>2024</b>
<i>Other related parties</i>		
Limak Enerji Ticareti A.Ş.	57,993	3,747,023
	<b>57,993</b>	<b>3,747,023</b>
<b>Electricity purchases</b>		
<i>Other related parties</i>		
Limak Enerji Ticareti A.Ş.	133,166	178,650
	<b>133,166</b>	<b>178,650</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 18 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

<b>Management and technical service purchases</b>	<b>2025</b>	<b>2024</b>
<i>Shareholders</i>		
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	-	130,145
	-	<b>130,145</b>

<b>Capital expenditures</b>	<b>2025</b>	<b>2024</b>
<i>Shareholders</i>		
Limak İnşaat Sanayi ve Ticaret A.Ş.	1,278,503	468,722
	<b>1,278,503</b>	<b>468,722</b>

Capital expenditures consist of construction services received for İncir HPP and Erzin SPP.

<b>Interest income</b>	<b>2025</b>	<b>2024</b>
<i>Shareholders</i>		
Limak İnşaat Sanayi ve Ticaret A.Ş.	66,670	13,924
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	172,155	34,892
	<b>238,825</b>	<b>48,816</b>

<b>Interest expenses</b>	<b>2025</b>	<b>2024</b>
<i>Shareholders</i>		
Limak İnşaat Sanayi ve Ticaret A.Ş.	-	9,127
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	-	51,934
	-	<b>61,061</b>

*Shareholders represent the shareholder of the Company and its shareholders.*

*Other related parties represent the subsidiaries and joint ventures of the shareholders.*

### Key management compensation

The Group determined key management personnel as the chairman and members of the Board of Directors, general manager and deputy general managers.

	<b>2025</b>	<b>2024</b>
Short-term compensation	28,636	14,574
	<b>28,636</b>	<b>14,574</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 19 - FINANCIAL RISK MANAGEMENT

#### Financial risk management

The Group is exposed to variety of financial risks due to its operations. These risks include credit risk, market risk (foreign exchange risk and interest rate risk) and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

#### a) Credit risk

Credit risk is the risk that a counterparty cannot fulfil its obligations in the agreements that the Group is party to. The Group monitors the credit risk by ratings and limitations to the total risk of a single counterparty.

The credit risk is limited since the significant portion of trade receivables comprise energy exchange market transactions secured with counterparty guarantees provided by Energy Exchange Istanbul ("EXIST") which is legally incorporated under the Turkish Electricity Law and regulated by EMRA. Moreover, the Group deposits its cash in reputable lender banks, which keeps the credit risk at an acceptable level.

2025	Cash and cash equivalents	Trade receivables	Other receivables
<b>Maximum exposure to credit risk as of reporting date (A+B+C+D+E)</b>	<b>10,825,854</b>	<b>40,644</b>	<b>1,108,360</b>
A. Neither past due nor impaired	10,825,854	40,644	1,108,360
B. Restructured	-	-	-
C. Past due but not impaired	-	-	-
D. Impaired	-	-	-
- <i>Gross amount</i>	-	-	-
- <i>Impairment</i>	-	-	-
E. Collective provision for impairment (-)	-	-	-

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

2024	Cash and cash equivalents	Trade receivables	Other receivables
<b>Maximum exposure to credit risk as of reporting date (A+B+C+D+E)</b>	<b>1,282,331</b>	<b>2,524,561</b>	<b>274,265</b>
A. Neither past due nor impaired	1,282,331	2,524,561	274,265
B. Restructured	-	-	-
C. Past due but not impaired	-	-	-
D. Impaired	-	-	-
- <i>Gross amount</i>	-	-	-
- <i>Impairment</i>	-	-	-
E. Collective provision for impairment (-)	-	-	-

Credit quality details of neither past due nor impaired financial assets are as follows:

	2025	2024
Financial institutions	10,825,854	1,282,331
Related parties	1,108,360	2,745,007
Public institutions and corporations	34,455	47,923
Other customers with no payment defaults	6,189	5,896
	<b>11,974,858</b>	<b>4,081,157</b>

#### b) Market risk

##### Foreign exchange risk

The Group is exposed to foreign exchange risk through the impact of rate changes in the translation of foreign currency denominated assets and liabilities to local currency. These risks are monitored and limited by the analysis of the foreign currency position.

##### Non-derivative financial instruments:

The Group's power plants have right to participate in YEKDEM (Note 14) which enables the Group to manage its foreign exchange risk arising from foreign currency denominated revenues with foreign currency denominated borrowings. The Group's power plants have the flexibility to choose annually between selling electricity under the USD based feed in tariffs or in the spot market, optimizing revenue based on market conditions.

The Group applied non-derivative hedge accounting for its foreign currency risk effective from 1 January 2016. The foreign currency component of USD denominated borrowings was designated as the hedging instrument of the foreign currency exposure arising on highly probable USD based forecast revenues (within the scope of feed in tariff mechanism) in a cash flow hedge and the spot component of the retranslation of the borrowings was recognized in other comprehensive income and recycled to profit or loss when the hedged forecast revenues are realized. However, the Group ceased hedge accounting at the beginning of the current year.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

Assets and liabilities denominated in foreign currency held by the Group are as follows:

	2025	2024
Asset	11,270,350	1,312,883
Liabilities	(23,993,149)	(12,036,648)
<b>Balance sheet position</b>	<b>(12,722,799)</b>	<b>(10,723,765)</b>
<b>Off-balance sheet position</b>	<b>-</b>	<b>9,110,666</b>
<b>Foreign currency position</b>	<b>(12,722,799)</b>	<b>(1,613,099)</b>

Off-balance sheet position consists of non-derivative financial instruments as further discussed above.

	2025		
	USD	EUR	Total
<b>Assets:</b>			
Cash and cash equivalents	10,095,722	123,111	10,218,833
Other assets	1,050,656	861	1,051,517
<b>Total assets</b>	<b>11,146,378</b>	<b>123,972</b>	<b>11,270,350</b>
<b>Liabilities:</b>			
Borrowings	(22,929,374)	(999,713)	(23,929,087)
Trade payables	(62,425)	(1,637)	(64,062)
<b>Total liabilities</b>	<b>(22,991,799)</b>	<b>(1,001,350)</b>	<b>(23,993,149)</b>
<b>Balance sheet position</b>	<b>(11,845,421)</b>	<b>(877,378)</b>	<b>(12,722,799)</b>
<b>Non-derivative instruments (hedging)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Foreign currency position</b>	<b>(11,845,421)</b>	<b>(877,378)</b>	<b>(12,722,799)</b>

As of 31 December 2025, if EUR and USD had appreciated/depreciated by 10% against TRY, with all other variables held constant, net foreign currency position would have been TRY1,272.3 million higher/lower, mainly as a result of foreign exchange losses/gains on the translation of the foreign currency position.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

	2024		Total
	USD	EUR	
<b>Assets:</b>			
Cash and cash equivalents	1,070,687	6,534	1,077,221
Other assets	235,657	5	235,662
<b>Total assets</b>	<b>1,306,344</b>	<b>6,539</b>	<b>1,312,883</b>
<b>Liabilities:</b>			
Borrowings	(10,684,415)	(1,235,896)	(11,920,311)
Trade payables	(113,974)	(2,363)	(116,337)
<b>Total liabilities</b>	<b>(10,798,389)</b>	<b>(1,238,259)</b>	<b>(12,036,648)</b>
<b>Balance sheet position</b>	<b>(9,492,045)</b>	<b>(1,231,720)</b>	<b>(10,723,765)</b>
<b>Non-derivative instruments (hedging)</b>	<b>9,110,666</b>	<b>-</b>	<b>9,110,666</b>
<b>Foreign currency position</b>	<b>(381,379)</b>	<b>(1,231,720)</b>	<b>(1,613,099)</b>

As of 31 December 2024, if EUR and USD had appreciated/depreciated by 10% against TRY, with all other variables held constant, net foreign currency position would have been TRY161.3 million higher/lower, mainly as a result of foreign exchange losses/gains on the translation of the foreign currency position.

#### Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages the exposure of financial liabilities by matching of contractual repricing dates of financial assets and liabilities.

The weighted average effective interest rates (%) for the financial assets and liabilities of the Group are as follows:

	2025			2024		
	USD	EUR	TRY	USD	EUR	TRY
<b>Assets</b>						
Cash and cash equivalents	1.25	-	37.02	-	-	38.52
Other receivables	9.63	-	43.00	7.50	-	52.00
<b>Liabilities</b>						
<b>Borrowings</b>						
with fixed interest rates	9.63	-	18.70	7.00	-	17.29
with floating interest rates	-	2.90	-	10.44	5.10	-

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

Limak Yenilenebilir issued a Green Bond with a nominal amount of USD525 million and an annual interest rate of 9.625%.

The Group entered into project finance facilities and secured long-term project finance loans for its capital expenditures of power plants. Major project finance loans are as follows:

Project	Currency	Facility	Interest	2025	2024
Erzin SPP	TRY	1,000,000	18.70	927,835	1,000,000
Erzin SPP	EUR	21,599	EURIBOR+0.80	19,656	20,917
Erzin SPP	USD	25,000	SOFR+3.35	-	22,222
Çetin HPP	USD	226,977	SOFR+CAS+5.75	-	136,186
Çetin HPP	TRY	329,976	15.85	-	197,985
Alkumru HPP	USD	97,000	SOFR+CAS+5.75	-	44,717
Alkumru HPP	TRY	187,222	15.85	-	86,310
Buharkent GPP	USD	37,000	SOFR+CAS+5.20	-	16,706

Amounts shown above are expressed in thousands and presented in the currencies stated.

Contractual re-pricing dates of the Group's financial liabilities are within six months.

Interest rate positions are as follows:

Financial instruments with fixed interest rates	2025	2024
<b>Financial assets</b>		
Cash and cash equivalents	663,595	39,492
Other receivables	1,108,360	-
<b>Financial liabilities</b>		
Borrowings	23,855,338	2,192,567
Financial instruments with floating interest rates	2025	2024
<b>Financial assets</b>		
Other receivables	-	274,265
<b>Financial liabilities</b>		
Borrowings	991,730	11,350,610

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

#### c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

The ability to fund the existing and prospective debt requirements is managed by maintaining the availability of adequate committed funding lines from high quality lenders.

The undiscounted contractual cash flows of the financial liabilities of the Group is as follows:

<b>2025</b>	<b>On demand or up to 3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>5 years and over</b>	<b>Total</b>
Borrowings	1,286,641	1,413,723	12,090,699	21,085,985	35,877,048
Trade payables	734,896	3,095	-	-	737,991
Other liabilities	311,861	-	-	-	311,861
	<b>2,333,398</b>	<b>1,416,818</b>	<b>12,090,699</b>	<b>21,085,985</b>	<b>36,926,900</b>

<b>2024</b>	<b>On demand or up to 3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>5 years and over</b>	<b>Total</b>
Borrowings	1,298,081	2,379,629	11,554,447	4,408,033	19,640,190
Trade payables	1,787,179	3,221	-	-	1,790,400
Other liabilities	259,930	-	-	-	259,930
	<b>3,345,190</b>	<b>2,382,850</b>	<b>11,554,447</b>	<b>4,408,033</b>	<b>21,690,520</b>

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

### NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

#### d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the net financial debt/total capital ratio. Net financial debt is calculated as borrowings less cash and cash equivalents.

Net financial debt/total capital ratio is as follows:

	2025	2024
Borrowings	24,869,828	13,636,918
Cash and cash equivalents	(10,825,854)	(1,282,331)
<b>Net financial debt</b>	<b>14,043,974</b>	<b>12,354,587</b>
Total equity	29,697,222	29,091,204
<b>Total capital</b>	<b>43,741,196</b>	<b>41,445,791</b>
<b>Net financial debt/total capital ratio</b>	<b>32.11%</b>	<b>29.81%</b>

#### Fair value of financial instruments

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

The following methods and assumptions are used to estimate the fair value of the financial instruments:

##### Financial assets

The carrying values of cash and cash equivalents, trade receivables and due from related parties are assumed to approximate to their fair values due to their short-term nature.

##### Financial liabilities

The fair values of trade payables are assumed to approximate to their carrying values due to their short-term nature.

The estimated fair values of bank borrowings are assumed to approximate to their carrying values due to their recent transactions or their floating interest rate.

The fair value of debt securities is USD516 million based on market price as of 31 December 2025.

# LİMAK YENİLENEBİLİR ENERJİ A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 December 2025 unless otherwise stated.)

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### NOTE 20 - FINANCIAL INSTRUMENTS ADDITIONAL DISCLOSURES

#### Fair value estimation

The classification of the Group's financial assets and liabilities at fair value is as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3: Inputs for the asset or liability that is not based on observable market data (that is, unobservable inputs).

As of the reporting dates, the Group does not have any assets and liabilities measured at fair value.

### NOTE 21 - EARNINGS PER SHARE

	2025	2024
Profit/(loss) for the year	(219,106)	4,399,359
Weighted average number of shares with nominal value of TRY1 each	1,408,565,000	1,408,565,000
<b>Earnings/(losses) per share (TRY)</b>	<b>(0.16)</b>	<b>3.12</b>

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