LİMAK YENİLENEBİLİR ENERJİ A.Ş.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 SEPTEMBER 2025

LİMAK YENİLENEBİLİR ENERJİ A.Ş.

CONTENTS TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 SEPTEMBER 2025

CONTENTS **PAGE**

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION		**1**
CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS		**2**
CONSOLIDATED INTERIM STATEMENTS OF OTHER COMPREHENSIVE INCOME		**3**
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY		**4**
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS		**5**
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS		**6-47**
NOTE 1	ORGANISATION AND NATURE OF OPERATIONS	6-8
NOTE 2	BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	9-20
NOTE 3	CASH AND CASH EQUIVALENTS	21
NOTE 4	TRADE RECEIVABLES AND PAYABLES	21
NOTE 5	INVESTMENTS IN JOINT VENTURES	22-23
NOTE 6	PROPERTY, PLANT AND EQUIPMENT	24-26
NOTE 7	INTANGIBLE ASSETS	27
NOTE 8	BORROWINGS	28-29
NOTE 9	PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	30
NOTE 10	PROVISION FOR DEFINED BENEFIT OBLIGATION	30-31
NOTE 11	OTHER ASSETS AND LIABILITIES	31-32
NOTE 12	TAX ASSETS AND LIABILITIES	32-35
NOTE 13	EQUITY	35
NOTE 14	REVENUE	36
NOTE 15	COST OF SALES	36
NOTE 16	OTHER OPERATING INCOME AND EXPENSES	36
NOTE 17	FINANCIAL INCOME AND EXPENSES	37
NOTE 18	TRANSACTIONS AND BALANCES WITH RELATED PARTIES	37-39
NOTE 19	FINANCIAL RISK MANAGEMENT	40-46
NOTE 20	FINANCIAL INSTRUMENTS ADDITIONAL DISCLOSURES	47
NOTE 21	EARNINGS PER SHARE	47

LİMAK YENİLENEBİLİR ENERJİ A.Ş.

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2025 AND 31 DECEMBER 2024

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

	Notes	30 September 2025	31 December 2024
ASSETS			
Current assets			
Cash and cash equivalents	3	11,710,177	1,228,814
Trade receivables	4	133,791	2,419,201
Other current assets	11	244,422	364,692
Total current assets		**12,088,390**	**4,012,707**
Non-current assets			
Investments in joint ventures	5	6,029,961	5,699,179
Property, plant and equipment	6	30,714,815	31,247,182
Intangible assets	7	282,635	289,557
Deferred tax assets	12	1,907,973	1,825,748
Other non-current assets	11	3,017,770	310,411
Total non-current assets		**41,953,154**	**39,372,077**
Total assets		**54,041,544**	**43,384,784**
LIABILITIES			
Current liabilities			
Borrowings	8	2,433,579	2,755,955
Trade payables	4	584,905	1,715,679
Current income tax liabilities	12	-	697
Other current liabilities	11	292,944	249,082
Total current liabilities		**3,311,428**	**4,721,413**
Non-current liabilities			
Borrowings	8	21,546,503	10,647,374
Provision for defined benefits obligation	10	32,408	29,921
Deferred tax liabilities	12	107,183	108,979
Total non-current liabilities		**21,686,094**	**10,786,274**
Total liabilities		**24,997,522**	**15,507,687**
EQUITY			
Share capital	13	1,408,565	1,408,565
Adjustment to share capital	13	14,203,893	14,203,893
Hedging reserves		(3,866,526)	(5,555,564)
Actuarial gains or losses		(14,015)	(13,543)
Restricted reserves	13	48,307	48,307
Retained earnings		17,263,798	17,785,439
Total equity		**29,044,022**	**27,877,097**
Total liabilities and equity		**54,041,544**	**43,384,784**

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

CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025 AND 2024

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

	Notes	1 January - 30 September 2025	1 January - 30 September 2024
Revenue	14	3,809,017	8,879,859
Cost of sales	15	(2,286,737)	(3,694,120)
Gross profit		**1,522,280**	**5,185,739**
Other operating income	16	20,921	1,779
Other operating expenses	16	(19,141)	(48,952)
Operating profit		**1,524,060**	**5,138,566**
Share of profit of joint ventures	5	330,782	737,709
Financial income	17	2,313,795	227,810
Financial expenses	17	(6,444,489)	(3,325,739)
Gains on net monetary position		2,540,649	3,794,666
Profit before income tax		**264,797**	**6,573,012**
Taxation on income			
Current tax expense	12	(647)	(85,659)
Deferred tax income/(expense)	12	288,709	(2,299,868)
Profit for the period		**552,859**	**4,187,485**
Earnings per share	21	0.39	2.97

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

CONSOLIDATED INTERIM STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025 AND 2024

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

	Notes	1 January - 30 September 2025	1 January - 30 September 2024
Profit for the period		**552,859**	**4,187,485**
Items that may be subsequently reclassified to profit or loss			
Cash flow hedges		-	(1,500,506)
Cash flow hedges, tax effect	12	-	375,126
		-	(1,125,380)
Items that have been reclassified to profit or loss			
Cash flow hedges		819,384	1,256,630
Cash flow hedges, tax effect	12	(204,846)	(314,158)
		614,538	942,472
		614,538	**(182,908)**
Items that may not be subsequently reclassified to profit or loss			
Actuarial gains or losses	10	(630)	(788)
Actuarial gains or losses, tax effect	12	158	198
		(472)	**(590)**
Other comprehensive income/(loss)		**614,066**	**(183,498)**
Total comprehensive income		**1,166,925**	**4,003,987**

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

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025 AND 2024

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

	Share capital	Adjustment to share capital	Hedging reserves	Actuarial gains or losses	Restricted reserves	Retained earnings	Total equity
Balances at 1 January 2024	**1,408,565**	**14,203,893**	**(7,554,115)**	**(12,304)**	**48,307**	**15,936,117**	**24,030,463**
Transfers	-	-	2,012,862	-	-	(2,012,862)	-
Total comprehensive income/(loss)	-	-	(182,908)	(590)	-	4,187,485	4,003,987
Balances at 30 September 2024	**1,408,565**	**14,203,893**	**(5,724,161)**	**(12,894)**	**48,307**	**18,110,740**	**28,034,450**
Balances at 1 January 2025	**1,408,565**	**14,203,893**	**(5,555,564)**	**(13,543)**	**48,307**	**17,785,439**	**27,877,097**
Transfers	-	-	1,074,500	-	-	(1,074,500)	-
Total comprehensive income/(loss)	-	-	614,538	(472)	-	552,859	1,166,925
Balances at 30 September 2025	**1,408,565**	**14,203,893**	**(3,866,526)**	**(14,015)**	**48,307**	**17,263,798**	**29,044,022**

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

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025 AND 2024

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

	Notes	1 January - 30 September 2025	1 January - 30 September 2024
Operating activities:			
Profit before income tax		264,797	6,573,012
Adjustments for:			
Depreciation and amortization	15	825,034	689,935
Share of profit joint ventures	5	(330,782)	(737,709)
Financial income	17	(2,313,795)	(227,810)
Financial expenses	17	6,444,489	3,325,739
Provision for litigations		12,409	35,860
Provision for defined benefits obligation	10	11,127	13,944
Gains on net monetary position		(2,540,649)	(3,794,666)
Cash flows from operating activities before changes in operating assets and liabilities		**2,372,630**	**5,878,305**
Changes in operating assets and liabilities:			
Trade receivables		2,202,182	(1,655,538)
Trade payables		(695,828)	911,570
Other assets		35,374	20,333
Other liabilities		(38,950)	60,981
Defined benefits obligation payments	10	(2,404)	(1,047)
Income tax payments		(5,337)	(7,586)
Cash flows from operating activities		**3,867,667**	**5,207,018**
Investing activities:			
Purchases of property, plant and equipment		(223,670)	(4,019,041)
Purchases of intangible assets		(2,311)	(387)
Advances given for property, plant and equipment		(1,922,006)	(215,599)
Taxes on capital expenditures		-	(166,330)
Other receivables		(854,035)	(11,423)
Interest received		329,094	9,980
Cash flows used in investing activities		**(2,672,928)**	**(4,402,800)**
Financing activities:			
Proceeds from borrowings	8	22,101,762	2,671,349
Payments of borrowings	8	(10,053,613)	(2,099,266)
Payments of lease liabilities	8	(5,135)	(4,820)
Interest and commission payments		(2,399,923)	(1,771,090)
Cash flows from financing activities		**9,643,091**	**(1,203,827)**
Net increase/(decrease) in cash and cash equivalents		10,837,830	(399,609)
Inflation effect on cash and cash equivalents		(2,057,874)	(574,693)
Foreign exchange gains on cash and cash equivalents		1,701,407	142,346
Cash and cash equivalents at the beginning of the year		1,228,814	2,177,282
Cash and cash equivalents at the end of the period		**11,710,177**	**1,345,326**

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

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 the largest branch of 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 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.

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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 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:

Power plants	**Installed capacity**	**Licensed for**	**Expires in**
Alkumru HPP	276 MWe	49 years	2056
Çetin HPP	420 MWe	49 years	2058
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
Konya Apa SPP	13 MWe	49 years	2068
Isparta Gönen SPP	5 MWe	-	-
Erzin SPP	100 MWe	30 years	2054

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)

Information on electricity generation of power plants during the periods in megawatt hours is as follows:

Power plants	30 September 2025	30 September 2024
Alkumru HPP	348,567	896,190
Çetin HPP	456,700	1,195,556
Tatar HPP	169,826	316,312
Pembelik HPP	163,230	285,664
Seyrantepe HPP	69,669	126,514
Buharkent GPP	53,121	49,069
Konya Apa SPP	21,092	20,438
Isparta Gönen SPP	7,458	7,091
Erzin SPP	199,818	16,457

HPP : Hydroelectric Power Plant
GPP : Geothermal Energy Power Plant
SPP : Solar Energy Power Plant

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of preparation

2.1.1 Financial reporting standards

The consolidated interim 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 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 interim financial statements have been authorized for issue by the Board of Directors on 29 December 2025.

2.1.3 Comparatives

The consolidated interim 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 30 September 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 period ended 30 September 2025 comparatively with the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the period ended 30 September 2024.

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

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

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 30 September 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 30 September 2025 are as follows:

Date	Index	Conversion factor	Cumulative three-year inflation rate
30 September 2025	3,367.22	1.00000	222%
31 December 2024	2,684.55	1.25430	291%
30 September 2024	2,526.16	1.33294	343%
31 December 2023	1,859.38	1.81094	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.

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 interim financial statements as at 30 September 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 30 September 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
- IFRS 18 "Presentation and Disclosure in Financial Statements": The new standard for presentation and disclosure in financial statements
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Contracts referencing nature-dependent electricity
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures": Eligible entities to elect to apply reduced disclosure requirements

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.

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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

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:

	30 September 2025	**31 December 2024**
Darenhes Elektrik Üretimi A.Ş.		
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:

	30 September 2025	**31 December 2024**
Seyrantepe Hes Elektrik Üretimi A.Ş.		
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.

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.

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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 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 revenue 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 30 September 2025, the excess transferred to retained earnings is TRY1,074,500 (30 September 2024: TRY2,012,862).

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 – 10 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.

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.

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.

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.

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 disclosed as of the reporting date, explanations of contingent liabilities and assets; and income and expense amounts reported 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 30 September 2025, the Group recognized a deferred tax asset over deductible temporary differences, over deductible tax losses carryforward and tax credits over finance costs 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, TRY819,384 million of foreign exchange gain is reclassified from other comprehensive income to profit or loss.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 3 - CASH AND CASH EQUIVALENTS

	30 September 2025	31 December 2024
Cash on hand	123	16
Cash at banks		
- demand deposits	754,438	1,190,955
- time deposits	804,171	37,843
Marketable securities (*)	10,151,445	-
	11,710,177	**1,228,814**

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

(*) Marketable securities classified as cash equivalents include short-term treasury bills.

NOTE 4 - TRADE RECEIVABLES AND PAYABLES

Trade receivables	30 September 2025	31 December 2024
Customers	133,791	51,575
Due from related parties (Note 18)	-	2,367,626
	133,791	**2,419,201**

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

Trade payables	30 September 2025	31 December 2024
Suppliers	65,733	117,593
Resource utilization accruals (*)	514,049	1,520,784
Due to related parties (Note 18)	5,123	77,302
	584,905	**1,715,679**

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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 5 - INVESTMENTS IN JOINT VENTURES

Amounts recognized in the statements of financial positions

Investments in joint ventures	**30 September 2025**	**31 December 2024**
Darenhes Elektrik Üretimi A.Ş.	6,029,961	5,699,179
	6,029,961	**5,699,179**

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

	1 January - 30 September 2025	**1 January - 30 September 2024**
Balance at the beginning of the year	**5,699,179**	**4,872,774**
Share of profit of joint ventures	330,782	737,709
Balance at the end of the period	**6,029,961**	**5,610,483**

Amounts recognized in the statements of profit or loss

Share of profit of joint ventures	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Darenhes Elektrik Üretimi A.Ş.	330,782	737,709
	330,782	**737,709**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 5 - INVESTMENTS IN JOINT VENTURES (Continued)

Summarized financial information for the joint venture

	30 September 2025	31 December 2024
Current assets	213,006	132,067
Non-current assets	13,850,630	14,342,636
Current liabilities	72,171	198,233
Non-current liabilities	1,931,543	2,878,113
Net assets	**12,059,922**	**11,398,357**
Group's share	50.00%	50.00%
Group's share of net assets	**6,029,961**	**5,699,179**

	1 January - 30 September 2025	1 January - 30 September 2024
Revenue	1,453,404	2,883,916
Cost of sales	(692,781)	(810,968)
Operating income/(expenses)	9,599	17,832
Financial income/(expenses)	(516,289)	(978,489)
Gains on net monetary position	582,644	1,622,164
Taxation on income	(175,013)	(1,236,734)
Non-controlling interests	-	(442)
Profit for the period	**661,564**	**1,497,279**
Group's share	50.00%	49.27%
Group's share of profit	**330,782**	**737,709**

Additional information for the joint venture

	30 September 2025	31 December 2024
Cash and cash equivalents	69,677	52,375
Short-term borrowings	-	108,507
Long-term borrowings	1,903,384	2,851,768

	1 January - 30 September 2025	1 January - 30 September 2024
Depreciation and amortization	334,153	332,668
Interest income	12,982	10,972
Interest expense	113,518	265,520

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 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
1 January 2025							
Cost	72,770	25,825,257	12,440,201	3,309	33,496	-	38,375,033
Accumulated depreciation	(55,417)	(5,338,090)	(1,705,711)	(1,731)	(26,902)	-	(7,127,851)
Net book value	**17,353**	**20,487,167**	**10,734,490**	**1,578**	**6,594**	**-**	**31,247,182**
Opening net book value	**17,353**	**20,487,167**	**10,734,490**	**1,578**	**6,594**	**-**	**31,247,182**
Additions	-	117,189	25,007	-	2,531	138,707	283,434
Depreciation	(662)	(475,088)	(338,480)	(153)	(1,418)	-	(815,801)
Closing net book value	**16,691**	**20,129,268**	**10,421,017**	**1,425**	**7,707**	**138,707**	**30,714,815**
30 September 2025							
Cost	72,770	25,942,446	12,465,208	3,309	36,027	138,707	38,658,467
Accumulated depreciation	(56,079)	(5,813,178)	(2,044,191)	(1,884)	(28,320)	-	(7,943,652)
Net book value	**16,691**	**20,129,268**	**10,421,017**	**1,425**	**7,707**	**138,707**	**30,714,815**

Right of use assets amounting to TRY1,270,548 thousand consisting of forest land use permits are recognized under buildings.

Construction in progress mainly 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 30 September 2025.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 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
1 January 2024							
Cost	72,771	25,932,269	6,456,053	3,308	32,234	1,301,734	33,798,369
Accumulated depreciation	(54,536)	(4,704,963)	(1,394,955)	(1,526)	(24,917)	-	(6,180,897)
Net book value	**18,235**	**21,227,306**	**5,061,098**	**1,782**	**7,317**	**1,301,734**	**27,617,472**
Opening net book value	**18,235**	**21,227,306**	**5,061,098**	**1,782**	**7,317**	**1,301,734**	**27,617,472**
Additions	-	35,944	2,077	-	985	3,832,994	3,872,000
Transfers	-	25,584	5,109,144	-	-	(5,134,728)	-
Depreciation	(660)	(475,554)	(202,458)	(154)	(1,488)	-	(680,314)
Closing net book value	**17,575**	**20,813,280**	**9,969,861**	**1,628**	**6,814**	**-**	**30,809,158**
30 September 2024							
Cost	72,771	25,993,797	11,567,274	3,308	33,219	-	37,670,369
Accumulated depreciation	(55,196)	(5,180,517)	(1,597,413)	(1,680)	(26,405)	-	(6,861,211)
Net book value	**17,575**	**20,813,280**	**9,969,861**	**1,628**	**6,814**	**-**	**30,809,158**

Right of use assets amounting to TRY1,379,317 thousand consisting of forest land use permits are recognized under buildings.

Construction in progress mainly consist of Erzin SPP and Buharkent hybrid 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 30 September 2024 amounts to USD1,586 million.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Right of use assets

	30 September 2025	30 September 2024
1 January		
Cost	1,341,305	1,486,553
Accumulated depreciation	(157,465)	(111,498)
Net book value	**1,183,840**	**1,375,055**
Opening net book value	**1,183,840**	**1,375,055**
Additions	117,189	35,944
Depreciation	(30,481)	(31,682)
Closing net book value	**1,270,548**	**1,379,317**
30 September		
Cost	1,458,494	1,522,497
Accumulated depreciation	(187,946)	(143,180)
Net book value	**1,270,548**	**1,379,317**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 7 - INTANGIBLE ASSETS

	Licenses	Other	Total
1 January 2025			
Cost	360,177	3,989	364,166
Accumulated amortization	(72,324)	(2,285)	(74,609)
Net book value	**287,853**	**1,704**	**289,557**
Opening net book value	**287,853**	**1,704**	**289,557**
Additions	-	2,311	2,311
Amortization	(9,073)	(160)	(9,233)
Closing net book value	**278,780**	**3,855**	**282,635**
30 September 2025			
Cost	360,177	6,300	366,477
Accumulated amortization	(81,397)	(2,445)	(83,842)
Net book value	**278,780**	**3,855**	**282,635**

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

There is no mortgage on intangible assets as of 30 September 2025.

	Licenses	Other	Total
1 January 2024			
Cost	360,178	3,601	363,779
Accumulated amortization	(60,225)	(1,658)	(61,883)
Net book value	**299,953**	**1,943**	**301,896**
Opening net book value	**299,953**	**1,943**	**301,896**
Additions	139	248	387
Amortization	(9,100)	(521)	(9,621)
Closing net book value	**290,992**	**1,670**	**292,662**
30 September 2024			
Cost	360,317	3,849	364,166
Accumulated amortization	(69,325)	(2,179)	(71,504)
Net book value	**290,992**	**1,670**	**292,662**

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

Mortgages on intangible assets as of 30 September 2024 amount to USD50 million and EUR30 million.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 8 - BORROWINGS

Short-term borrowings	**30 September 2025**	**31 December 2024**
Debt securities	1,973,307	-
Current portion of long-term bank borrowings	368,946	2,711,369
Lease liabilities	91,326	44,586
	2,433,579	**2,755,955**

Long-term borrowings	**30 September 2025**	**31 December 2024**
Debt securities	19,684,657	-
Bank borrowings	1,554,476	10,356,419
Lease liabilities	307,370	290,955
	21,546,503	**10,647,374**

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:

	30 September 2025	**31 December 2024**
2026	56,777	2,246,150
2027	2,073,732	2,189,306
2028	2,881,421	2,098,948
2029	3,436,113	1,691,419
2030 and over	12,791,090	2,130,596
	21,239,133	**10,356,419**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 8 - BORROWINGS (Continued)

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

	1 January - 30 September 2025	1 January - 30 September 2024
Balance at the beginning of the year	**13,067,788**	**15,944,334**
Proceeds	22,101,762	2,671,349
Repayments	(10,053,613)	(2,099,266)
Change in interest accruals	(42,457)	(243,150)
Transaction costs paid	(431,037)	-
Foreign exchange adjustments	3,631,743	1,682,926
Monetary gains	(4,692,800)	(4,359,766)
Balance at the end of the period	**23,581,386**	**13,596,427**

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

	30 September 2025	31 December 2024
2026	-	38,487
2027	42,678	34,975
2028	36,839	30,373
2029	31,910	26,219
2030 and over	195,943	160,901
	307,370	**290,955**

Movements of the lease liabilities are as follows:

	1 January - 30 September 2025	1 January - 30 September 2024
Balance at the beginning of the year	**335,541**	**724,540**
Modifications	117,189	35,944
Repayments	(5,135)	(4,820)
Change in interest accruals	41,134	64,516
Monetary gains	(90,033)	(205,572)
Balance at the end of the period	**398,696**	**614,608**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 9 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Guarantees given	**30 September 2025**	**31 December 2024**
Letters of guarantees given	383,397	373,184
	383,397	**373,184**

Guarantees received	**30 September 2025**	**31 December 2024**
Letters of guarantees received	683,273	245,895
	683,273	**245,895**

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 (31 December 2024: Mortgages on property, plant and equipment and intangible assets amount to USD1,636 million and EUR30 million).

NOTE 10 - PROVISION FOR DEFINED BENEFIT OBLIGATION

	30 September 2025	**31 December 2024**
Provision for defined benefits obligation	32,408	29,921
	32,408	**29,921**

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 30 September 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:

	30 September 2025	**31 December 2024**
Discount rate (%)	3.63	3.63
Turnover rate to estimate the probability of retirement (%)	98.00	98.00

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

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 TRY53.92 thousand which is effective from 1 July 2025 (1 January 2025: TRY46.66 thousand, as declared), has been taken into consideration in calculating the Group's provision for defined benefits obligation.

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

	1 January - 30 September 2025	1 January - 30 September 2024
Balance at the beginning of the year	**29,921**	**22,724**
Service costs	3,904	5,156
Interest expenses	7,223	8,788
Payments	(2,404)	(1,047)
Actuarial gains or losses	630	788
Monetary gains	(6,866)	(7,459)
Balance at the end of the period	**32,408**	**28,950**

NOTE 11 - OTHER ASSETS AND LIABILITIES

Other current assets	**30 September 2025**	**31 December 2024**
Value added tax receivables	204,477	236,092
Prepaid expenses (1)	8,232	52,832
Prepaid income taxes	4,301	71,144
Other	27,412	4,624
	244,422	**364,692**

Other non-current assets	**30 September 2025**	**31 December 2024**
Advances given (2)	1,952,907	30,901
Due from related parties (Note 18)	1,044,159	262,819
Spare parts	19,802	15,674
Other	902	1,017
	3,017,770	**310,411**

(1) Mainly consists of insurance premium payments.
(2) Consists of advances given to subcontractors for the İncir HPP and Erzin SPP projects.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 11 - OTHER ASSETS AND LIABILITIES (Continued)

Other current liabilities	30 September 2025	31 December 2024
Consideration payable (Note 18)	150,140	72,670
Taxes and funds payable	69,981	82,245
Provision for litigations	47,371	51,898
Accrued salaries and wages	14,686	12,862
Unused vacation accruals	8,131	6,993
Deposits and guarantees received	2,635	-
Contract liabilities (*)	-	22,414
	292,944	**249,082**

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

NOTE 12 - TAX ASSETS AND LIABILITIES

	30 September 2025	31 December 2024
Current income tax liabilities	-	697
	-	**697**

	30 September 2025	31 December 2024
Advance tax payments	4,640	78,429
Less: Utilisations	(339)	(7,285)
Prepaid income taxes	**4,301**	**71,144**

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:

	1 January - 30 September 2025	1 January - 30 September 2024
Current tax expense	(647)	(85,659)
Deferred tax income/(expense)	288,709	(2,299,868)
	288,062	**(2,385,527)**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 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:

	1 January - 30 September 2025	1 January - 30 September 2024
Profit before income tax	264,797	6,573,012
Tax calculated at enacted tax rate	(66,199)	(1,643,253)
Tax effect of:		
Share of profit or loss of joint ventures	82,695	184,427
Disallowable expenses	(6,998)	(4,108)
Inflation adjustments (*)	278,564	(922,593)
Tax income/(expense)	**288,062**	**(2,385,527)**

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

In accordance with the repeated article 298 and provisional article 33 of the Tax Procedure Law No: 213 and "General Communiqué on Tax Procedure Law No: 555" published in the Official Gazette on 30 December 2023, it is declared that the (tax base) financial statements of the entities operating in Türkiye should be subject to inflation adjustment as of 31 December 2023. The inflation adjusted (tax base) financial statements constituted an opening balance sheet base for tax returns to be prepared starting from 1 January 2024 and opening balance sheet inflation effects were not taken into consideration in the calculation of 2023 corporate income tax liability.

Deferred taxes	**30 September 2025**	**31 December 2024**
Deferred tax assets	1,907,973	1,825,748
Deferred tax liabilities	(107,183)	(108,979)
	1,800,790	**1,716,769**

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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 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)	
	30 September 2025	**31 December 2024**	**30 September 2025**	**31 December 2024**
Deferred tax assets:				
Property, plant and equipment	4,854,901	5,006,982	1,213,725	1,251,746
Carryforward tax losses	2,884,780	632,246	721,195	158,062
Resource utilization accruals	514,049	1,520,784	128,512	380,196
Tax credits over finance costs	329,570	508,773	82,392	127,193
Defined benefits obligation	32,408	29,921	8,102	7,479
Other	58,867	58,889	14,716	14,723
			2,168,642	**1,939,399**
Deferred tax liabilities:				
Property, plant and equipment	(774,445)	(571,887)	(193,611)	(149,986)
Intangible assets	(278,552)	(287,611)	(69,639)	(71,903)
Borrowings	(405,422)	-	(101,356)	-
Other	(12,985)	(2,965)	(3,246)	(741)
			(367,852)	**(222,630)**
Deferred tax assets, net			**1,800,790**	**1,716,769**

Carryforward 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 30 September 2025, the Group has recognized deferred tax assets amounting to TRY721,195 thousand (31 December 2024: TRY158,062 thousand) over the carryforward tax losses amounting to TRY2,884,780 thousand (31 December 2024: TRY632,246 thousand) in the consolidated financial statements.

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

	30 September 2025	**31 December 2024**
2026	102,635	102,635
2027	26,122	26,122
2028	241,798	241,798
2029	133,509	133,509
2030	2,380,716	-
Statutory	2,884,780	504,064
Inflation	-	128,182
Reported	**2,884,780**	**632,246**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 12 - TAX ASSETS AND LIABILITIES (Continued)

Movements in deferred taxes:

	1 January - 30 September 2025	1 January - 30 September 2024
Balance at the beginning of the year	**1,716,769**	**4,326,563**
Recognized in profit or loss	288,709	(2,299,868)
Recognized in other comprehensive income	(204,688)	61,166
Balance at the end of the period	**1,800,790**	**2,087,861**

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 (31 December 2024: 1,408,565,000 shares TRY1 of par value each).

The shareholding structure of the Company:

	30 September 2025		31 December 2024	
Shareholders	**Share%**	**Amount**	**Share%**	**Amount**
Limak Yatırım Enerji Üretim İşletme Hizmetleri ve İnşaat A.Ş.	100.00	1,408,565	100.00	1,408,565
Share capital	**100.00**	**1,408,565**	**100.00**	**1,408,565**
Adjustment to share capital		14,203,893		14,203,893
Total share capital		**15,612,458**		**15,612,458**

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 30 September 2025, legal reserves of the Company are TRY48,307 (31 December 2024: TRY48,307).

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 14 - REVENUE

	1 January - 30 September 2025	1 January - 30 September 2024
Sales at feed-in tariffs	2,061,513	5,339,941
Sales at spot market	1,747,504	2,172,103
Sales through bilateral agreements	-	1,367,815
	3,809,017	**8,879,859**

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

	1 January - 30 September 2025	1 January - 30 September 2024
Depreciation and amortization	825,034	689,935
Resource utilization cost	571,801	1,750,813
System utilization cost	286,996	508,371
Employee benefits	241,375	178,996
Electricity supply cost	128,410	278,771
Insurance expenses	62,781	71,380
Technical services	37,502	123,794
Other	132,838	92,060
	2,286,737	**3,694,120**

NOTE 16 - OTHER OPERATING INCOME AND EXPENSES

Other operating income	1 January - 30 September 2025	1 January - 30 September 2024
Insurance claims	7,199	1,314
Other	13,722	465
	20,921	**1,779**

Other operating expenses	1 January - 30 September 2025	1 January - 30 September 2024
Provision expenses	(18,574)	(35,860)
Other	(567)	(13,092)
	(19,141)	**(48,952)**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 17 - FINANCIAL INCOME AND EXPENSES

Financial income	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Interest income	468,173	47,933
Foreign exchange gains	1,845,622	179,877
	2,313,795	**227,810**

Financial expenses	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Interest expense	(1,750,763)	(1,527,278)
Foreign exchange losses	(4,459,298)	(1,632,354)
Other	(234,428)	(166,107)
	(6,444,489)	**(3,325,739)**

NOTE 18 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Balances with related parties

Trade receivables	**30 September 2025**	**31 December 2024**
Other related parties		
Limak Enerji Ticareti A.Ş.	-	2,367,626
	-	**2,367,626**

The maturities of trade receivables are less than three months.

Trade payables	**30 September 2025**	**31 December 2024**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	-	161
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	-	58,080
Other related parties		
Limak Enerji Ticareti A.Ş.	5,003	18,835
Limak Teknoloji Yazılım Savunma Sanayi ve Tic. A.Ş.	120	226
	5,123	**77,302**

The maturities of trade payables are less than three months.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

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

Other assets	**30 September 2025**	**31 December 2024**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	54,387	54,907
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	989,772	207,912
	1,044,159	**262,819**

Receivables consist of funds provided to shareholders. The weighted average interest rates are 45.00% for TRY and 9.63% for USD (31 December 2024: 52.00% for TRY and 7.50% for USD) and maturity dates are more than a year.

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 TRY150,140 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 TRY72,669 thousand and the share transfers were recognized accordingly.

<u>Transactions with related parties</u>

Electricity sales	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Other related parties		
Limak Enerji Ticareti A.Ş.	45,462	3,576,722
	45,462	**3,576,722**

Electricity purchases	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Other related parties		
Limak Enerji Ticareti A.Ş.	106,223	155,201
	106,223	**155,201**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

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

Management and technical service purchases	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Shareholders		
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	-	95,007
	-	**95,007**

Capital expenditures	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	1,553,079	449,159
	1,553,079	**449,159**

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

Interest income	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	59,689	11,327
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	142,508	26,603
	202,197	**37,930**

Interest expenses	**1 January - 30 September 2025**	**1 January - 30 September 2024**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	-	8,747
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	-	119,504
	-	**128,251**

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.

	1 January - 30 September 2025	**1 January - 30 September 2024**
Short-term compensation	17,678	8,370
	17,678	**8,370**

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 30 September 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.

30 September 2025	**Cash and cash equivalents**	**Trade receivables**	**Other receivables**
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	**11,710,177**	**133,791**	**1,044,159**
A. Neither past due nor impaired	11,710,177	133,791	1,044,159
B. Restructured	-	-	-
C. Past due but not impaired	-	-	-
D. Impaired	-	-	-
- Gross amount	-	-	-
- Impairment	-	-	-
E. Collective provision for impairment (-)	-	-	-

31 December 2024	**Cash and cash equivalents**	**Trade receivables**	**Other receivables**
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	**1,228,814**	**2,419,201**	**262,819**
A. Neither past due nor impaired	1,228,814	2,419,201	262,819
B. Restructured	-	-	-
C. Past due but not impaired	-	-	-
D. Impaired	-	-	-
- Gross amount	-	-	-
- Impairment	-	-	-
E. Collective provision for impairment (-)	-	-	-

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

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

	30 September 2025	31 December 2024
Financial institutions	11,710,177	1,228,814
Related parties	1,044,159	2,630,445
Public institutions and corporations	122,431	45,923
Other customers with no payment defaults	11,360	5,652
	12,888,127	**3,910,834**

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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

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

	30 September 2025	31 December 2024
Asset	13,956,076	1,258,091
Liabilities	(22,599,556)	(11,534,303)
Balance sheet position	**(8,643,480)**	**(10,276,212)**
Off-balance sheet position	**-**	**8,730,436**
Foreign currency position	**(8,643,480)**	**(1,545,776)**

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

	30 September 2025		
	USD	**EUR**	**Total**
Assets:			
Cash and cash equivalents	11,050,303	58,246	11,108,549
Other assets	2,581,498	266,029	2,847,527
Total assets	**13,631,801**	**324,275**	**13,956,076**
Liabilities:			
Borrowings	(21,634,838)	(956,860)	(22,591,698)
Trade payables	(5,685)	(2,173)	(7,858)
Total liabilities	**(21,640,523)**	**(959,033)**	**(22,599,556)**
Balance sheet position	**(8,008,722)**	**(634,758)**	**(8,643,480)**
Non-derivative instruments (hedging)	**-**	**-**	**-**
Foreign currency position	**(8,008,722)**	**(634,758)**	**(8,643,480)**

As of 30 September 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 TRY864.3 million higher/lower, mainly as a result of foreign exchange losses/gains on the translation of the foreign currency position.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

	31 December 2024		
	USD	**EUR**	**Total**
Assets:			
Cash and cash equivalents	1,026,003	6,261	1,032,264
Other assets	225,822	5	225,827
Total assets	**1,251,825**	**6,266**	**1,258,091**
Liabilities:			
Borrowings	(10,238,505)	(1,184,316)	(11,422,821)
Trade payables	(109,218)	(2,264)	(111,482)
Total liabilities	**(10,347,723)**	**(1,186,580)**	**(11,534,303)**
Balance sheet position	**(9,095,898)**	**(1,180,314)**	**(10,276,212)**
Non-derivative instruments (hedging)	**8,730,436**	**-**	**8,730,436**
Foreign currency position	**(365,462)**	**(1,180,314)**	**(1,545,776)**

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 TRY154.6 million higher/lower, mainly as a result of foreign exchange losses/gains on the translation of the foreign currency position.

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

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:

	30 September 2025			31 December 2024		
	USD	EUR	TRY	USD	EUR	TRY
Assets						
Cash and cash equivalents	3.88	1.25	39.04	-	-	38.52
Other receivables	9.63	-	45.00	7.50	-	52.00
Liabilities						
Borrowings						
with fixed interest rates	9.63	-	18.70	7.00	-	17.29
with floating interest rates	-	2.90	-	10.44	5.10	-

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	30 September 2025	31 December 2024
Erzin SPP	TRY	1,000,000	18.70	958,763	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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

Interest rate positions are as follows:

Financial instruments with fixed interest rates	**30 September 2025**	**31 December 2024**
Financial assets		
Cash and cash equivalents	10,955,616	37,843
Financial liabilities		
Borrowings	23,144,118	2,101,061

Financial instruments with floating interest rates	**30 September 2025**	**31 December 2024**
Financial assets		
Other receivables	1,044,159	262,819
Financial liabilities		
Borrowings	956,244	10,876,896

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:

30 September 2025	**On demand or up to 3 months**	**3-12 months**	**1-5 years**	**5 years and over**	**Total**
Borrowings	183,611	2,428,387	11,638,776	26,555,707	40,806,481
Trade payables	70,856	514,049	-	-	584,905
Other liabilities	292,944	-	-	-	292,944
	547,411	**2,942,436**	**11,638,776**	**26,555,707**	**41,684,330**

31 December 2024	**On demand or up to 3 months**	**3-12 months**	**1-5 years**	**5 years and over**	**Total**
Borrowings	1,243,907	2,280,190	11,072,228	4,224,065	18,820,390
Trade payables	1,715,679	-	-	-	1,715,679
Other liabilities	249,082	-	-	-	249,082
	3,208,668	**2,280,190**	**11,072,228**	**4,224,065**	**20,785,151**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 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:

	30 September 2025	31 December 2024
Borrowings	23,581,386	13,067,788
Cash and cash equivalents	(11,710,177)	(1,228,814)
Net financial debt	**11,871,209**	**11,838,974**
Total equity	29,044,022	27,877,097
Total capital	**40,915,231**	**39,716,071**
Net financial debt/total capital ratio	**29.01%**	**29.81%**

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 and trade receivables 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 estimated fair value of debt securities is USD524 million based on market price as of 30 September 2025.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 30 September 2025 unless otherwise stated.)

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

	1 January - 30 September 2025	**1 January - 30 September 2024**
Profit for the year	552,859	4,187,485
Weighted average number of shares with nominal value of TRY 1 each	1,408,565	1,408,565
Earnings per share (TRY)	**390**	**297**

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