LİMAK YENİLENEBİLİR ENERJİ A.Ş.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AT 31 MARCH 2026

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CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION AS OF 31 MARCH 2026 AND 31 DECEMBER 2025

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	Notes	31 March 2026	31 December 2025
ASSETS			
Current assets			
Cash and cash equivalents	3	8,755,176	11,912,788
Trade receivables	4	473,325	44,725
Other current assets	11	260,264	289,089
Total current assets		**9,488,765**	**12,246,602**
Non-current assets			
Investments in joint ventures	5	7,150,095	7,002,621
Property, plant and equipment	6	38,061,058	36,630,592
Intangible assets	7	318,154	321,340
Deferred tax assets	12	1,349,578	1,975,896
Other non-current assets	11	3,971,543	3,635,142
Total non-current assets		**50,850,428**	**49,565,591**
Total assets		**60,339,193**	**61,812,193**
LIABILITIES			
Current liabilities			
Borrowings	8	2,629,562	2,811,925
Trade payables	4	509,864	812,087
Current income tax liabilities	12	262	9,877
Other current liabilities	11	347,727	343,172
Total current liabilities		**3,487,415**	**3,977,061**
Non-current liabilities			
Borrowings	8	23,189,908	25,000,124
Provision for defined benefits obligation	10	41,271	42,264
Deferred tax liabilities	12	229,704	113,872
Total non-current liabilities		**23,460,883**	**25,156,260**
Total liabilities		**26,948,298**	**29,133,321**
EQUITY			
Share capital	13	1,408,565	1,408,565
Adjustment to share capital	13	16,519,637	16,519,637
Hedging reserves		(3,490,209)	(4,048,334)
Actuarial gains or losses		(17,928)	(18,937)
Restricted reserves	13	55,472	55,472
Retained earnings		18,915,358	18,762,469
Total equity		**33,390,895**	**32,678,872**
Total liabilities and equity		**60,339,193**	**61,812,193**

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 THREE MONTH PERIODS ENDED 31 MARCH AND 2026 AND 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	Notes	1 January - 31 March 2026	1 January - 31 March 2025
Revenue	14	2,004,127	1,533,819
Cost of sales	15	(1,036,208)	(879,280)
Gross profit		**967,919**	**654,539**
Other operating income	16	167	754
Other operating expenses	16	(1,953)	(3,489)
Operating profit		**966,133**	**651,804**
Share of profit of joint ventures	5	147,474	177,800
Financial income	17	487,884	899,466
Financial expenses	17	(1,732,667)	(2,700,223)
Gains on net monetary position		1,327,998	1,141,658
Profit before income tax		**1,196,822**	**170,505**
Taxation on income			
Current tax expense	12	(1,350)	-
Deferred tax income/(expense)	12	(677,474)	(173,784)
Profit/(loss) for the period		**517,998**	**(3,279)**
Earnings/(losses) per share	21	0.37	(0.00)

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 THREE MONTH PERIODS ENDED 31 MARCH 2026 AND 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	Notes	1 January - 31 March 2026	1 January - 31 March 2025
Profit/(loss) for the period		**517,998**	**(3,279)**
Items that have been reclassified to profit or loss			
Cash flow hedges		257,355	335,068
Cash flow hedges, tax effect	12	(64,339)	(83,767)
		193,016	251,301
		193,016	**251,301**
Items that may not be subsequently reclassified to profit or loss			
Actuarial losses	10	1,346	11,591
Actuarial losses, tax effect	12	(337)	(2,899)
		1,009	**8,692**
Other comprehensive income		**194,025**	**259,993**
Total comprehensive income		**712,023**	**256,714**

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 THREE MONTH PERIODS ENDED 31 MARCH 2026 AND 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 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 2025	**1,408,565**	**16,519,637**	**(6,379,602)**	**(15,551)**	**55,472**	**20,423,492**	**32,012,013**
Transfers	-	-	577,431	-	-	(577,431)	-
Total comprehensive income/(loss)	-	-	251,301	8,692	-	(3,279)	256,714
Balances at 31 March 2025	**1,408,565**	**16,519,637**	**(5,550,870)**	**(6,859)**	**55,472**	**19,842,782**	**32,268,727**
Balances at 1 January 2026	**1,408,565**	**16,519,637**	**(4,048,334)**	**(18,937)**	**55,472**	**18,762,469**	**32,678,872**
Transfers	-	-	365,109	-	-	(365,109)	-
Total comprehensive income/(loss)	-	-	193,016	1,009	-	517,998	712,023
Balances at 31 March 2026	**1,408,565**	**16,519,637**	**(3,490,209)**	**(17,928)**	**55,472**	**18,915,358**	**33,390,895**

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTH PERIODS ENDED 31 MARCH 2026 AND 2025

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

	Notes	1 January - 31 March 2026	1 January - 31 March 2025
Operating activities:			
Profit before income tax		1,196,822	170,505
Adjustments for:			
Depreciation and amortization	15	319,622	315,365
Share of profit joint ventures	5	(147,474)	(177,800)
Provision for litigations		1,705	2,850
Provision for defined benefits obligation	10	4,362	14,941
Financial income	17	(487,884)	(899,466)
Financial expenses	17	1,732,667	2,700,223
Gains on net monetary position		(1,327,998)	(1,141,658)
Cash flows from operating activities before changes in operating assets and liabilities		**1,291,822**	**984,960**
Changes in operating assets and liabilities:			
Trade receivables		(441,591)	2,412,054
Trade payables		(263,552)	(913,726)
Other assets		7,740	(111,247)
Other liabilities		31,636	56,095
Defined benefits obligation payments	10	(92)	(468)
Income tax payments		(14,399)	(7,967)
Cash flows from operating activities		**611,564**	**2,419,701**
Investing activities:			
Purchases of property, plant and equipment		(1,455,042)	(111,794)
Purchases of intangible assets		(333)	-
Taxes on capital expenditures		(335,255)	-
Other receivables		-	(861,254)
Interest received		99,119	14,605
Cash flows used in investing activities		**(1,691,511)**	**(958,443)**
Financing activities:			
Proceeds from borrowings	8	275,656	25,331,723
Payments of borrowings	8	(81,684)	(11,991,412)
Payments of lease liabilities	8	(1,818)	(1,903)
Interest and commission payments		(1,459,719)	(1,118,315)
Cash flows from/(used in) financing activities		**(1,267,565)**	**12,220,093**
Net increase/(decrease) in cash and cash equivalents		(2,347,512)	13,681,351
Inflation effect on cash and cash equivalents		(1,129,096)	(465,369)
Foreign exchange gains on cash and cash equivalents		318,996	732,442
Cash and cash equivalents at the beginning of the year	3	11,912,788	1,411,079
Cash and cash equivalents at the end of the period	**3**	**8,755,176**	**15,359,503**

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:

<u>Limak Yenilenebilir Enerji A.Ş., the Company</u>

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

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

<u>Limgaz Elektrik Üretim Madencilik Sanayi ve Ticaret A.Ş., a subsidiary of the Group</u>

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).

<u>LE Erzin GES Enerji A.Ş., a subsidiary of the Group</u>

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.

<u>LE Güneş Elektrik Üretim A.Ş., a subsidiary of the Group</u>

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.

<u>Limak Enerji Misis Elektrik Üretim A.Ş., a subsidiary of the Group</u>

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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 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
İncir HPP	120 MWe	49 years	2074
Tatar HPP	128 MWe	49 years	2054
Pembelik HPP	127 MWe	49 years	2054
Seyrantepe HPP	57 MWe	49 years	2052
Buharkent GPP	15 MWe	25 years	2041
Erzin SPP	100 MWe	30 years	2054
Konya Apa SPP	13 MWe	49 years	2068
Isparta Gönen SPP	5 MWe	-	-

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 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	**31 March 2026**	**31 March 2025**
Alkumru HPP	286,337	152,040
Çetin HPP	323,791	163,022
Tatar HPP	138,782	53,123
Pembelik HPP	113,425	49,305
Seyrantepe HPP	53,950	21,044
Buharkent GPP	21,499	21,838
Erzin SPP	36,868	49,595
Konya Apa SPP	4,459	5,003
Isparta Gönen SPP	1,519	1,905

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 June 2026.

2.1.3 Financial reporting in hyperinflationary economy

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

Under IAS 29, the consolidated financial statements are presented in terms of the measuring unit current as of 31 March 2026. 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.

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

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

Adjustment for inflation has been calculated considering the price indices published by the Turkish Statistical Institute (Turkstat). Such indices used to restate the financial statements at 31 March 2026 are as follows:

Date	Index	Conversion factor	Three-year cumulative inflation rate
31 March 2026	121.47	1.00000	205%
31 December 2025	110.39	1.10040	211%
31 March 2025	92.82	1.30865	250%
31 December 2024	84.33	1.44034	291%

Effective from January 2026, Turkstat changed the reference year of the Consumer Price Index (CPI) from 2003=100 to 2025=100. Accordingly, comparative CPI index values have been rebased to the new reference year to ensure consistency and comparability across reporting periods. The change has no impact on reported inflation rates.

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.

2.1.4 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 31 March 2026 comparatively with the consolidated statement of financial position at 31 December 2025.

The Group presented the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the period ended 31 March 2026 comparatively with the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the period ended 31 March 2025.

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

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 31 March 2026 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 2026. 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 2026:

- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Classification and measurement of financial instruments
- Annual improvements to IFRS Accounting Standards (Volume 11):
  - IFRS 1 "First-time Adoption of International Financial Reporting Standards": Hedge accounting by a first-time adopter
  - IFRS 7 "Financial Instruments: Disclosures": Gain or loss on derecognition
  - IFRS 9 "Financial Instruments": Lessee derecognition of lease liabilities and transaction price
  - IFRS 10 "Consolidated Financial Statements": Determination of a 'De facto agent'
  - IAS 7 "Statement of Cash Flows": Cost method
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures": Contracts referencing nature-dependent electricity

b) The standards, amendments and interpretations that are issued but not effective as at 31 March 2026:

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.

- 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
- IFRS 18 "Presentation and Disclosure in Financial Statements": The new standard for presentation and disclosure in financial statements
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures": Eligible entities to elect to apply reduced disclosure requirements
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates": Translation to a hyperinflationary presentation currency

2.3 Changes in accounting policies, estimates and errors

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

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

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 31 March 2026 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:

	31 March 2026	31 December 2025
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:

	31 March 2026	31 December 2025
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 31 March 2026 unless otherwise stated.)

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

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

Gains and losses reclassified to profit and loss are based on the amounts originally recorded (*historical*) under equity and then expressed in terms of the measuring unit current (*restated*) at the reporting date, in line with all other items in the statement of profit or loss and other comprehensive income. Consequently, for proper demonstration of gains or losses to be reclassified to profit or loss in subsequent periods, any excess of hedging reserve (*restated*) over cumulative gains or losses existing in hedging reserve (*historical*) is transferred to retained earnings each period. As of 31 March 2026, the excess transferred to retained earnings is TRY365,109 (31 March 2025: TRY577,431).

2.5.10 Property, plant and equipment

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

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

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

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

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

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

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

2.6.1 Useful lives of tangible and intangible assets

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

2.6.2 Taxation on income

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

As of 31 March 2026, the Group recognized a deferred tax asset over deductible temporary differences, the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available based on the forecasted income and expense projections (Note 2.5.14). Electricity prices, electricity generation, foreign exchange rates and inflation rates used for developing the taxable profit projections are based on certain assumptions and management estimates. The future cash flows have been calculated on the basis of these estimates, and differences that might arise between the aforementioned estimates and their realizations might affect the deferred tax assets. Should all other assumptions remain the same, electricity prices had considered 10% lower, the deferred tax assets recognized would not have been changed.

2.6.3 Non-derivative cash flow hedge

In accordance with the accounting policy stated in Note 2.5.9 the Group applied non derivative hedge accounting for its foreign currency risk arising from highly probable USD denominated revenues through utilizing related USD denominated loans, commencing from 1 January 2016. The Group discontinued the hedge accounting at the beginning of the year 2025. Considering the forecast sales are expected to occur, the cumulative gain or loss remain there until the forecast revenue impacts earnings. Accordingly, TRY257 million of foreign exchange loss 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 31 March 2026 unless otherwise stated.)

NOTE 3 - CASH AND CASH EQUIVALENTS

	31 March 2026	31 December 2025
Cash on hand	15	17
Cash at banks		
- demand deposits	462,654	11,182,550
- time deposits	2,095,702	730,221
Marketable securities (*)	6,196,805	-
	8,755,176	**11,912,788**

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	31 March 2026	31 December 2025
Customers	473,325	44,725
	473,325	**44,725**

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

Trade payables	31 March 2026	31 December 2025
Suppliers	163,620	160,287
Resource utilization accruals (*)	330,223	644,851
Due to related parties (Note 18)	16,021	6,949
	509,864	**812,087**

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 31 March 2026 unless otherwise stated.)

NOTE 5 - INVESTMENTS IN JOINT VENTURES

Amounts recognized in the statements of financial positions

Investments in joint ventures	**31 March 2026**	**31 December 2025**
Darenhes Elektrik Üretimi A.Ş.	7,150,095	7,002,621
	7,150,095	**7,002,621**

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

	1 January - 31 March 2026	**1 January - 31 March 2025**
Balance at the beginning of the year	**7,002,621**	**6,544,519**
Share of profit of joint ventures	147,474	177,800
Balance at the end of the period	**7,150,095**	**6,722,319**

Amounts recognized in the statements of profit or loss

Share of profit of joint ventures	**1 January - 31 March 2026**	**1 January - 31 March 2025**
Darenhes Elektrik Üretimi A.Ş.	147,474	177,800
	147,474	**177,800**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 5 - INVESTMENTS IN JOINT VENTURES (Continued)

Summarized financial information for the joint venture

	31 March 2026	31 December 2025
Current assets	632,648	137,752
Non-current assets	15,197,612	15,668,580
Current liabilities	520,264	405,489
Non-current liabilities	1,009,806	1,395,601
Net assets	**14,300,190**	**14,005,242**
Group's share	50.00%	50.00%
Group's share of net assets	**7,150,095**	**7,002,621**

	1 January - 31 March 2026	1 January - 31 March 2025
Revenue	861,696	387,024
Cost of sales	(283,071)	(195,153)
Operating income/(expenses)	(4,048)	(2,158)
Financial income/(expenses)	(56,757)	(252,529)
Gains on net monetary position	151,766	319,966
Taxation on income	(374,638)	98,449
Profit for the period	**294,948**	**355,599**
Group's share	50.00%	50.00%
Group's share of profit	**147,474**	**177,800**

Additional information for the joint venture

	31 March 2026	31 December 2025
Cash and cash equivalents	260,581	52,864
Short-term borrowings	243,403	288,852
Long-term borrowings	970,243	1,353,404

	1 January - 31 March 2026	1 January - 31 March 2025
Depreciation and amortization	125,688	83,934
Interest income	3,494	2,336
Interest expense	19,854	49,162

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 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 2026							
Cost	116,904	29,871,220	14,433,097	3,800	42,501	1,600,876	46,068,398
Accumulated depreciation	(64,997)	(6,859,802)	(2,477,691)	(2,223)	(33,093)	-	(9,437,806)
Net book value	**51,907**	**23,011,418**	**11,955,406**	**1,577**	**9,408**	**1,600,876**	**36,630,592**
Opening net book value	**51,907**	**23,011,418**	**11,955,406**	**1,577**	**9,408**	**1,600,876**	**36,630,592**
Additions	-	82,621	926	2,988	425	1,659,609	1,746,569
Depreciation	(1,295)	(183,105)	(130,970)	(158)	(575)	-	(316,103)
Closing net book value	**50,612**	**22,910,934**	**11,825,362**	**4,407**	**9,258**	**3,260,485**	**38,061,058**
31 March 2026							
Cost	116,904	29,953,841	14,434,023	6,788	42,926	3,260,485	47,814,967
Accumulated depreciation	(66,292)	(7,042,907)	(2,608,661)	(2,381)	(33,668)	-	(9,753,909)
Net book value	**50,612**	**22,910,934**	**11,825,362**	**4,407**	**9,258**	**3,260,485**	**38,061,058**

Right of use assets amounting to TRY1,600,656 thousand consisting of forest land use permits are recognized under buildings.

Construction in progress consist of İncir HPP capital expenditures.

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

There is no mortgage on property, plant and equipment as of 31 March 2026.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 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 2025							
Cost	83,564	29,655,831	14,285,414	3,799	38,464	-	44,067,072
Accumulated depreciation	(63,637)	(6,129,871)	(1,958,713)	(1,988)	(30,892)	-	(8,185,101)
Net book value	**19,927**	**23,525,960**	**12,326,701**	**1,811**	**7,572**	**-**	**35,881,971**
Opening net book value	**19,927**	**23,525,960**	**12,326,701**	**1,811**	**7,572**	**-**	**35,881,971**
Additions	-	136,612	4,897	-	243	-	141,752
Depreciation	(252)	(181,732)	(129,203)	(59)	(554)	-	(311,800)
Closing net book value	**19,675**	**23,480,840**	**12,202,395**	**1,752**	**7,261**	**-**	**35,711,923**
31 March 2025							
Cost	83,564	29,792,443	14,290,311	3,799	38,707	-	44,208,824
Accumulated depreciation	(63,889)	(6,311,603)	(2,087,916)	(2,047)	(31,446)	-	(8,496,901)
Net book value	**19,675**	**23,480,840**	**12,202,395**	**1,752**	**7,261**	**-**	**35,711,923**

Right of use assets amounting to TRY1,459,290 thousand consisting of forest land use permits are recognized under buildings.

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

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

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Right of use assets

	31 March 2026	**31 March 2025**
1 January		
Cost	1,756,889	1,515,741
Accumulated depreciation	(224,376)	(181,544)
Net book value	**1,532,513**	**1,334,197**
Opening net book value	**1,532,513**	**1,334,197**
Additions	80,675	136,611
Depreciation	(12,532)	(11,518)
Closing net book value	**1,600,656**	**1,459,290**
31 March		
Cost	1,837,564	1,652,352
Accumulated depreciation	(236,908)	(193,062)
Net book value	**1,600,656**	**1,459,290**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 7 - INTANGIBLE ASSETS

	Licenses	Other	Total
1 January 2026			
Cost	413,601	7,530	421,131
Accumulated amortization	(96,946)	(2,845)	(99,791)
Net book value	**316,655**	**4,685**	**321,340**
Opening net book value	**316,655**	**4,685**	**321,340**
Additions	-	333	333
Amortization	(3,473)	(46)	(3,519)
Closing net book value	**313,182**	**4,972**	**318,154**
31 March 2026			
Cost	413,601	7,863	421,464
Accumulated amortization	(100,419)	(2,891)	(103,310)
Net book value	**313,182**	**4,972**	**318,154**

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

There is no mortgage on intangible assets as of 31 March 2026.

	Licenses	Other	Total
1 January 2025			
Cost	413,602	4,580	418,182
Accumulated amortization	(83,051)	(2,625)	(85,676)
Net book value	**330,551**	**1,955**	**332,506**
Opening net book value	**330,551**	**1,955**	**332,506**
Additions	-	-	-
Amortization	(3,473)	(92)	(3,565)
Closing net book value	**327,078**	**1,863**	**328,941**
31 March 2025			
Cost	413,602	4,580	418,182
Accumulated amortization	(86,524)	(2,717)	(89,241)
Net book value	**327,078**	**1,863**	**328,941**

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

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

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 8 - BORROWINGS

Short-term borrowings	**31 March 2026**	**31 December 2025**
Debt securities	2,110,261	2,299,390
Bank borrowings	364,595	412,120
Lease liabilities	154,706	100,415
	2,629,562	**2,811,925**

Long-term borrowings	**31 March 2026**	**31 December 2025**
Debt securities	21,088,556	22,937,491
Bank borrowings	1,761,445	1,717,800
Lease liabilities	339,907	344,833
	23,189,908	**25,000,124**

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:

	31 March 2026	**31 December 2025**
2027	1,193,138	2,412,660
2028	3,249,630	3,353,968
2029	3,873,302	4,000,482
2030	13,714,768	14,206,613
2031 and over	819,163	681,568
	22,850,001	**24,655,291**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 8 - BORROWINGS (Continued)

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

	1 January - 31 March 2026	1 January - 31 March 2025
Balance at the beginning of the year	**27,366,801**	**15,006,088**
Proceeds	275,656	25,331,723
Repayments	(81,684)	(11,991,412)
Change in interest accruals	(537,598)	432,095
Transaction costs paid	-	(513,339)
Foreign exchange adjustments	832,265	1,604,125
Monetary gains	(2,530,583)	(1,720,071)
Balance at the end of the period	**25,324,857**	**28,149,209**

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

	31 March 2026	31 December 2025
2027	-	47,891
2028	47,469	41,338
2029	40,974	35,808
2030	35,369	30,909
2031 and over	216,095	188,887
	339,907	**344,833**

Movements of the lease liabilities are as follows:

	1 January - 31 March 2026	1 January - 31 March 2025
Balance at the beginning of the year	**445,248**	**385,314**
Modifications	80,675	136,611
Repayments	(1,818)	(1,903)
Change in interest accruals	15,392	16,900
Monetary gains	(44,884)	(41,833)
Balance at the end of the period	**494,613**	**495,089**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 9 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Guarantees given	**31 March 2026**	**31 December 2025**
Letters of guarantees given	467,661	509,430
	467,661	**509,430**

Guarantees received	**31 March 2026**	**31 December 2025**
Letters of guarantees received	715,847	746,004
	715,847	**746,004**

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.

NOTE 10 - PROVISION FOR DEFINED BENEFIT OBLIGATION

	31 March 2026	**31 December 2025**
Provision for defined benefits obligation	41,271	42,264
	41,271	**42,264**

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

At 31 March 2026, the amount payable consists of one month's salary limited to a maximum of TRY64.95 thousand (31 December 2025: TRY53.92 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:

	31 March 2026	**31 December 2025**
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 31 March 2026 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 TRY64.95 thousand which is effective from 1 January 2026 (1 January 2025: TRY46.66 thousand, as declared), has been taken into consideration in calculating the Group's provision for defined benefits obligation.

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

	1 January - 31 March 2026	1 January - 31 March 2025
Balance at the beginning of the year	**42,264**	**34,360**
Service costs	1,491	5,460
Interest expenses	2,871	9,481
Payments	(92)	(468)
Actuarial gains	(1,346)	(11,591)
Monetary gains	(3,917)	(3,210)
Balance at the end of the period	**41,271**	**34,032**

NOTE 11 - OTHER ASSETS AND LIABILITIES

Other current assets	**31 March 2026**	**31 December 2025**
Value added tax receivables	218,486	230,506
Prepaid expenses	35,825	54,563
Prepaid income taxes	3,433	451
Other	2,520	3,569
	260,264	**289,089**

Other non-current assets	**31 March 2026**	**31 December 2025**
Advances given (1)	1,912,112	2,112,930
Due from related parties (Note 18)	1,179,431	1,219,641
Value added tax receivables	584,184	283,734
Prepaid premiums and commissions (2)	275,622	-
Spare parts	19,310	17,846
Other	884	991
	3,971,543	**3,635,142**

(1) Consists of advances given to subcontractors for the İncir HPP project.

(2) Consists of costs incurred in accordance with the scope of Export Credit Facility.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 11 - OTHER ASSETS AND LIABILITIES (Continued)

Other current liabilities	31 March 2026	31 December 2025
Taxes and funds payables	245,200	245,680
Provision for litigations	57,254	61,277
Accrued salaries and wages	21,009	16,340
Unused vacation accruals	12,596	9,554
Consideration payable (Note 18)	7,348	7,348
Other	4,320	2,973
	347,727	**343,172**

NOTE 12 - TAX ASSETS AND LIABILITIES

	31 March 2026	31 December 2025
Current tax liabilities	262	9,877
	262	**9,877**

	31 March 2026	31 December 2025
Advance tax payments	4,522	7,616
Less: Utilisations	(1,089)	(7,165)
Prepaid income taxes	**3,433**	**451**

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 - 31 March 2026	1 January - 31 March 2025
Current tax expense	(1,350)	-
Deferred tax income/(expense)	(677,474)	(173,784)
	(678,824)	**(173,784)**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 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 - 31 March 2026	**1 January - 31 March 2025**
Profit before income tax	1,196,822	170,505
Tax calculated at enacted tax rate	(299,206)	(42,626)
Tax effect of:		
Share of profit or loss of joint ventures	36,869	44,450
Unrecognized tax losses	(38,115)	-
Disallowable expenses	(176)	(127)
Inflation adjustments (*)	(378,196)	(175,481)
Tax income/(expense)	**(678,824)**	**(173,784)**

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

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

Deferred taxes	**31 March 2026**	**31 December 2025**
Deferred tax assets	1,349,578	1,975,896
Deferred tax liabilities	(229,704)	(113,872)
	1,119,874	**1,862,024**

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 31 March 2026 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)	
	31 March 2026	31 December 2025	31 March 2026	31 December 2025
Deferred tax assets:				
Unused tax losses	4,576,393	4,901,164	1,144,098	1,225,291
Property, plant and equipment	865,959	2,661,891	216,490	665,472
Resource utilization accruals	330,223	644,851	82,556	161,213
Unused tax credits over finance costs	278,867	334,762	69,717	83,691
Defined benefits obligation	41,271	42,264	10,317	10,566
Other	70,543	70,828	17,638	17,708
			1,540,816	**2,163,941**
Deferred tax liabilities:				
Property, plant and equipment	(955,270)	(453,153)	(238,817)	(113,289)
Borrowings	(394,026)	(435,489)	(98,506)	(108,873)
Intangible assets	(314,325)	(317,214)	(78,581)	(79,304)
Other	(20,151)	(1,804)	(5,038)	(451)
			(420,942)	**(301,917)**
Deferred tax assets, net			**1,119,874**	**1,862,024**

Unused tax losses

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

At 31 March 2026, the Group has recognized deferred tax assets amounting to TRY1,144,098 thousand (31 December 2025: TRY1,225,291 thousand) over the carryforward tax losses amounting to TRY4,576,393 thousand (31 December 2025: TRY4,901,164 thousand) in the consolidated financial statements.

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

	31 March 2026	31 December 2025
2027	11,494	26,122
2028	241,798	241,798
2029	-	-
2030	4,186,056	4,186,056
2031	137,045	-
Statutory	4,576,393	4,453,976
Inflation	-	447,188
Reported	**4,576,393**	**4,901,164**

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 12 - TAX ASSETS AND LIABILITIES (Continued)

Movements in deferred taxes are as follows:

	1 January - 31 March 2026	1 January - 31 March 2025
Balance at the beginning of the year	**1,862,024**	**1,971,411**
Recognized in profit or loss	(677,474)	(173,784)
Recognized in other comprehensive income	(64,676)	(86,666)
Balance at the end of the period	**1,119,874**	**1,710,961**

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 2025: 1,408,565,000 shares TRY1 of par value each).

The shareholding structure of the Company:

	31 March 2026		31 December 2025	
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
Paid-in capital	**100.00**	**1,408,565**	**100.00**	**1,408,565**
Adjustment to share capital		16,519,637		16,519,637
Total share capital		**17,928,202**		**17,928,202**

There are no different types of shares.

Restricted reserves

Legal reserves consist of first and second reserves, appropriated in accordance with the TCC. The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the company’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital. As of 31 March 2026, legal reserves of the Company are TRY55,472 (31 December 2025: TRY55,472).

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 14 - REVENUE

	1 January - 31 March 2026	1 January - 31 March 2025
Sales at feed-in tariffs	1,279,775	786,015
Sales at spot market	724,352	747,804
	2,004,127	**1,533,819**

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 - 31 March 2026	1 January - 31 March 2025
Resource utilization cost	330,937	242,358
Depreciation and amortization	319,622	315,365
System utilization cost	172,844	103,946
Employee benefits	104,238	100,304
Electricity supply cost	52,514	39,655
Technical services	15,493	6,602
Insurance expenses	15,077	24,397
Other	25,483	46,653
	1,036,208	**879,280**

NOTE 16 - OTHER OPERATING INCOME AND EXPENSES

Other operating income	1 January - 31 March 2026	1 January - 31 March 2025
Insurance claims	-	499
Other	167	255
	167	**754**

Other operating expenses	1 January - 31 March 2026	1 January - 31 March 2025
Provision expenses	(1,934)	(3,011)
Other	(19)	(478)
	(1,953)	**(3,489)**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 17 - FINANCIAL INCOME AND EXPENSES

Financial income	**1 January - 31 March 2026**	**1 January - 31 March 2025**
Interest income	129,558	135,576
Foreign exchange gains	358,326	763,890
	487,884	**899,466**

Financial expenses	**1 January - 31 March 2026**	**1 January - 31 March 2025**
Interest expense	(635,346)	(561,867)
Foreign exchange losses	(1,092,773)	(1,927,371)
Other	(4,548)	(210,985)
	(1,732,667)	**(2,700,223)**

NOTE 18 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Balances with related parties

Trade payables	**31 March 2026**	**31 December 2025**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	3,955	615
Other related parties		
Limak Enerji Ticareti A.Ş.	11,587	5,977
Limak Teknoloji Yazılım Savunma Sanayi ve Tic. A.Ş.	479	357
	16,021	**6,949**

The maturities of trade payables are less than three months.

Other receivables	**31 March 2026**	**31 December 2025**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	60,976	63,811
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	1,118,455	1,155,830
	1,179,431	**1,219,641**

Receivables consist of funds provided to shareholders. The weighted average interest rates are 43.00% for TRY and 9.63% for USD (31 December 2025: 43.00% for TRY and 9.63% for USD) and maturity dates are more than a year.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

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

Advances given	**31 March 2026**	**31 December 2025**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	1,569,004	1,765,180
	1,569,004	**1,765,180**

Advances given within the scope of İncir HPP capital expenditures.

Other liabilities

On 2 April 2025, as further discussed in Note 2.5.1, in accordance with the aforementioned share purchase agreement, the Company recognized a payable amounting to TRY7,348 thousand (31 December 2025: TRY7,348 thousand) for the unpaid portion of purchase price (not bearing interest but subject to adjustment for inflation).

Transactions with related parties

Electricity sales	**1 January - 31 March 2026**	**1 January - 31 March 2025**
Other related parties		
Limak Enerji Ticareti A.Ş.	13,747	17,850
	13,747	**17,850**

Electricity purchases	**1 January - 31 March 2026**	**1 January - 31 March 2025**
Other related parties		
Limak Enerji Ticareti A.Ş.	42,432	30,717
	42,432	**30,717**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

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

Capital expenditures	**1 January - 31 March 2026**	**1 January - 31 March 2025**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	1,605,603	-
	1,605,603	**-**

Capital expenditures consist of construction services received for İncir HPP.

Interest income	**1 January - 31 March 2026**	**1 January - 31 March 2025**
Shareholders		
Limak İnşaat Sanayi ve Ticaret A.Ş.	4,051	6,169
Limak Yatırım Enerji Üretim İşletme Hizm. ve İnş. A.Ş.	25,738	92,001
	29,789	**98,170**

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 - 31 March 2026	**1 January - 31 March 2025**
Short-term compensation	9,173	6,644
	9,173	**6,644**

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.

(Amounts expressed in thousand Turkish Lira (“TRY”) in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

31 March 2026	**Cash and cash equivalents**	**Trade receivables**	**Other receivables**
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)			
A. Neither past due nor impaired	**8,755,176**	**473,325**	**1,179,431**
B. Restructured	8,755,176	473,325	1,179,431
C. Past due but not impaired	-	-	-
D. Impaired	-	-	-
- Gross amount	-	-	-
- Impairment	-	-	-
E. Collective provision for impairment (-)	-	-	-

31 December 2025	**Cash and cash equivalents**	**Trade receivables**	**Other receivables**
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)			
A. Neither past due nor impaired	**11,912,788**	**44,725**	**1,219,641**
B. Restructured	11,912,788	44,725	1,219,641
C. Past due but not impaired	-	-	-
D. Impaired	-	-	-
- Gross amount	-	-	-
- Impairment	-	-	-
E. Collective provision for impairment (-)	-	-	-

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

	31 March 2026	**31 December 2025**
Financial institutions	8,755,176	11,912,788
Related parties	1,179,431	1,219,641
Public institutions and corporations	466,108	37,914
Other customers with no payment defaults	7,217	6,811
	10,407,932	**13,177,154**

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.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

Non-derivative financial instruments:

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 year 2025.

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

	31 March 2026	31 December 2025
Asset	9,590,143	12,401,912
Liabilities	(24,415,525)	(26,402,102)
Foreign currency position	**(14,825,382)**	**(14,000,190)**

	31 March 2026		
	USD	EUR	Total
Assets:			
Cash and cash equivalents	8,389,562	81,932	8,471,494
Other assets	1,118,646	3	1,118,649
Total assets	**9,508,208**	**81,935**	**9,590,143**
Liabilities:			
Borrowings	(23,152,318)	(1,221,841)	(24,374,159)
Trade payables	(41,036)	(330)	(41,366)
Total liabilities	**(23,193,354)**	**(1,222,171)**	**(24,415,525)**
Balance sheet position	**(13,685,146)**	**(1,140,236)**	**(14,825,382)**
Foreign currency position	**(13,685,146)**	**(1,140,236)**	**(14,825,382)**

As of 31 March 2026, if EUR and USD had appreciated/depreciated by 10% against TRY, with all other variables held constant, net foreign currency position would have been TRY1,482.5 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 31 March 2026 unless otherwise stated.)

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

	31 December 2025		
	USD	**EUR**	**Total**
Assets:			
Cash and cash equivalents	11,109,349	135,472	11,244,821
Other assets	1,156,144	947	1,157,091
Total assets	**12,265,493**	**136,419**	**12,401,912**
Liabilities:			
Borrowings	(25,231,522)	(1,100,086)	(26,331,608)
Trade payables	(68,693)	(1,801)	(70,494)
Total liabilities	**(25,300,215)**	**(1,101,887)**	**(26,402,102)**
Balance sheet position	**(13,034,722)**	**(965,468)**	**(14,000,190)**
Foreign currency position	**(13,034,722)**	**(965,468)**	**(14,000,190)**

As of 31 December 2025, if EUR and USD had appreciated/depreciated by 10% against TRY, with all other variables held constant, net foreign currency position would have been TRY1,400.0 million higher/lower, mainly as a result of foreign exchange losses/gains on the translation of the foreign currency position.

Interest rate risk

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

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

	31 March 2026			31 December 2025		
	USD	**EUR**	**TRY**	**USD**	**EUR**	**TRY**
Assets						
Cash and cash equivalents	3.74	-	35.11	1.25	-	37.02
Other receivables	9.63	-	43.00	9.63	-	43.00
Liabilities						
Borrowings						
with fixed interest rates	9.63	-	18.70	9.63	-	18.70
with floating interest rates	-	3.09	-	-	2.90	-

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

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

The details of borrowings are as follows:

Borrowings	Currency	Facility	Interest	31 March 2026	31 December 2025
Green bond	USD	525,000	9.625	525,000	525,000
Erzin SPP loan	EUR	21,599	EURIBOR+0.80	18,674	21,629
Incir HPP loan	EUR	5,222	EURIBOR+0.85	5,222	-
Erzin SPP loan	TRY	1,000,000	18.70	896,907	927,835

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

Interest rate positions are as follows:

Financial instruments with fixed interest rates	31 March 2026	31 December 2025
Financial assets		
Cash and cash equivalents	8,292,507	730,221
Other receivables	1,179,431	1,219,641
Financial liabilities		
Borrowings	24,574,767	26,250,454

Financial instruments with floating interest rates	31 March 2026	31 December 2025
Financial liabilities		
Borrowings	1,221,181	1,091,301

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 unless otherwise stated.)

NOTE 19 - FINANCIAL RISK MANAGEMENT (Continued)

c) Liquidity risk

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

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

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

31 March 2026	On demand or up to 3 months	3-12 months	1-5 years	5 years and over	Total
Borrowings	132,358	2,696,634	13,625,222	19,804,164	36,258,378
Trade payables	508,872	992	-	-	509,864
Other liabilities	347,727	-	-	-	347,727
	988,957	**2,697,626**	**13,625,222**	**19,804,164**	**37,115,969**

31 December 2025	On demand or up to 3 months	3-12 months	1-5 years	5 years and over	Total
Borrowings	1,415,822	1,555,663	13,304,626	23,203,053	39,479,164
Trade payables	812,087	-	-	-	812,087
Other liabilities	343,172	-	-	-	343,172
	2,571,081	**1,555,663**	**13,304,626**	**23,203,053**	**40,634,423**

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 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:

	31 March 2026	31 December 2025
Borrowings	25,324,857	27,366,801
Cash and cash equivalents	(8,755,176)	(11,912,788)
Net financial debt	**16,569,681**	**15,454,013**
Total equity	33,390,895	32,678,872
Total capital	**49,960,576**	**48,132,885**
Net financial debt/total capital ratio	**33.17%**	**32.11%**

Fair value of financial instruments

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

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

Financial assets

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

Financial liabilities

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

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

The fair value of debt securities is USD509 million based on market price as of 31 March 2026.

(Amounts expressed in thousand Turkish Lira ("TRY") in terms of purchasing power of the TRY on 31 March 2026 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 - 31 March 2026	**1 January - 31 March 2025**
Profit/(loss) for the period	517,998	(3,279)
Weighted average number of shares with nominal value of TRY1 each	1,408,565,000	1,408,565,000
Earnings/(losses) per share (TRY)	**0.37**	**(0.00)**

NOTE 22 - EVENTS AFTER THE REPORTING PERIOD

On 4 June 2026, Law No. 7582 published in the Official Gazette, introduced a 12.5% corporate income tax rate for income derived from qualifying manufacturing and agricultural production activities, subject to the conditions set out in the legislation, applicable to fiscal years beginning on or after 1 January 2027.

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