

**MARGÜN ENERJİ ÜRETİM
SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

CONDENSED FINANCIAL STATEMENTS
AS FOR 31 MARCH 2026 AND
INDEPENDENT AUDITOR'S REPORT

(CONVENIENCE TRANSLATION OF THE
REPORT AND THE CONSOLIDATED
FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH)

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**MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS
SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026**

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

	Notes	Current Period 31 March 2026	Prior Period 31 December 2025
ASSETS			
Current Assets			
Cash and Cash Equivalents	28	200,599,019	459,811,038
Trade Receivables		765,408,387	726,915,508
Trade Receivables from Third Parties	5	765,408,387	726,915,508
Other Receivables		242,698,752	264,024,550
Other Receivables from Related Parties	4	239,274,371	263,299,646
Other Receivables from Third Parties	6	3,424,381	724,904
Derivative Instruments	24-a	39,149,051	46,962,110
Inventories	7	48,802,735	52,484,492
Prepaid Expenses	8	115,259,680	108,368,792
Assets Related to Current Period Tax	22	2,564,482	2,002,923
Other Current Assets	15	178,697,444	26,556,279
Non-Current Assets		26,849,825,810	21,375,370,094
Financial Investments	24-b	3,356,767,385	3,564,863,862
Other Receivables		9,833,200	13,188,928
Other Receivables from Third Parties	6	9,833,200	13,188,928
Derivative Instruments	24-a	34,275,206	52,857,426
Investment Properties	9	1,967,849,214	1,967,849,214
Property, Plant and Equipment	10	21,321,693,344	15,621,743,658
Intangible Assets	11	75,664,470	72,519,842
Right of Use Assets		83,742,991	82,347,164
TOTAL ASSETS		28,443,005,360	23,062,495,786

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

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SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026**

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

	Notes	Current Period 31 March 2026	Prior Period 31 December 2025
LIABILITIES			
Current Liabilities		5,051,291,642	3,871,871,353
Short-Term Borrowings	24-c	1,137,001,374	1,113,196,639
Short-Term Portions of Long-Term Borrowings	24-c	2,201,729,894	1,497,900,724
Short-Term Lease Liabilities		9,381,866	10,129,944
Trade Payables		579,423,066	548,098,934
Trade Payables to Third Parties	5	579,423,066	548,098,934
Payables Related to Employee Benefits	14	21,637,684	11,022,879
Other Payables		1,026,091,906	610,458,791
Other Payables to Related Parties	4	664,209,105	570,252,491
Other Payables to Third Parties	6	361,882,801	40,206,300
Derivative Instruments	24-a	6,588,294	822,285
Deferred Income	8	54,173,559	43,837,919
Short-Term Provisions		5,798,518	4,615,198
Short-Term Provisions Related to Employee Benefits	14	5,336,867	4,107,187
Other Short Term Provisions		461,651	508,011
Other Current Liabilities	15	9,465,481	31,788,040
Non-Current Liabilities		7,806,115,309	4,943,597,100
Long-Term Borrowings	24-c	4,600,378,436	2,202,474,580
Long-Term Lease Liabilities		62,935,356	67,953,605
Long-Term Provisions		4,457,073	3,616,907
Long-term Provisions for Employee Benefits	14	4,457,073	3,616,907
Deferred Tax Liability	22	3,138,344,444	2,669,552,008
EQUITY		15,585,598,409	14,247,027,333
Equity holders of the parent		15,218,561,138	14,222,175,798
Share Capital	16	2,950,000,000	2,950,000,000
Capital Adjustment Differences	16	4,208,492,770	4,208,492,770
Repurchased shares (-)		(3,410,419)	(3,410,419)
Share Premiums/Discounts	16	1,299,573,698	1,299,573,698
Accumulated Other Comprehensive Income (Expenses)			
to be Reclassified to Profit or Loss		(4,106,561,700)	(3,655,634,741)
- Gains/Losses on Cash Flow Hedges	16	(4,106,561,700)	(3,655,634,741)
Accumulated Other Comprehensive Income (Expenses)			
not to be Reclassified to Profit or Loss		11,527,175	9,932,083
- Gain / Loss on Remeasurement of Defined Benefit Plans	16	(2,941,162)	(4,216,210)
- Foreign currency translation differences		14,468,337	14,148,293
Restricted Reserves Appropriated from Profit	16	67,635,174	67,635,174
Retained earnings		9,345,587,233	11,123,695,177
Net Profit/Loss for the Period		1,445,717,207	(1,778,107,944)
Non-controlling interest		367,037,271	24,851,535
TOTAL LIABILITIES AND EQUITY		28,443,005,360	23,062,495,786

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

MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY – 31 MARCH 2026

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

	Notes	Current Period 1 January- 31 March 2026	Prior Period 1 January- 31 March 2025
PROFIT OR LOSS			
Revenue	17	384,601,070	301,282,661
Cost of Sales (-)	17	(318,750,869)	(294,290,851)
		65,850,201	6,991,810
GROSS PROFIT/LOSS			
General Administrative Expenses (-)	18	(67,708,611)	(92,642,775)
Other Income from Operating Activities	19	22,560,845	45,276,813
Other Expenses from Operating Activities (-)	19	(13,716,511)	(21,859,671)
		6,985,924	(62,233,823)
OPERATING PROFIT/LOSS			
Income from Investing Activities	20	1,794,238,085	865,052,388
Expenses from Investing Activities (-)	20	(209,677,136)	(104,200,330)
		1,591,546,873	698,618,235
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSES			
Monetary Gain / (Loss)	26	735,673,847	671,559,225
Finance Income (+)	21	18,591,817	8,847,837
Finance Expenses (-)	21	(490,117,268)	(353,433,226)
		1,855,695,269	1,025,592,071
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS			
Tax Expense/Income from Continuing Operations		(67,792,326)	(572,101,291)
Deferred Tax Expense/Income	22	(67,792,326)	(572,101,291)
		1,787,902,943	453,490,780
PROFIT/LOSS FOR THE PERIOD			
Distribution of Profit/Loss for the Period			
Non-controlling interest		342,185,736	-
Equity Holders of the Parent		1,445,717,207	453,490,780
		1,787,902,943	453,490,780
Earnings per share	23	0.49	0.16
PROFIT/LOSS FOR THE PERIOD		1,787,902,943	453,490,780
OTHER COMPREHENSIVE INCOME:			
Items not to be Reclassified To Profit or Loss		1,595,092	201,518
Remeasurement Gains/Losses of Defined Benefit Plans		1,700,064	268,691
Foreign currency translation differences		320,044	-
Taxes on Other Comprehensive Income that will not be Reclassified to Profit or Loss		(425,016)	(67,173)
Deferred Tax Expense/Income		(425,016)	(67,173)
Items to be Reclassified To Profit or Loss		(450,926,959)	(109,296,994)
Other Comprehensive Income (Expense) Related to Cash Flow Hedges		(50,351,865)	(145,729,325)
Taxes on Other Comprehensive Income that will be Reclassified to Profit or Loss		(400,575,094)	36,432,331
Deferred Tax Expense/Income		(400,575,094)	36,432,331
		(449,331,867)	(109,095,476)
OTHER COMPREHENSIVE INCOME			
		1,338,571,076	344,395,304
TOTAL COMPREHENSIVE INCOME			
Attributable to:		1,338,571,076	344,395,304
Non-controlling interest		342,185,736	-
Equity holders of the parent		996,385,340	344,395,304

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

MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY – 31 MARCH 2026

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

	Paid-in Capital	Capital Adjustment Differences	Treasury shares (-)	Share Premiums/ Discounts	Accumulated Other Comprehensive Income and Expenses not to be Reclassified to Profit or Loss	Accumulated Other Comprehensive Income and Expenses to be Reclassified to Profit or Loss	Cash Flow Hedge Gains (Losses)	Restricted Reserves Appropriated from Profit	Retained Earnings		Equity holders of the parent	Non-controlling interest	Total Equity
					Accumulated Remeasurement Gains/Losses of Defined Benefit	Foreign currency translation differences			Prior Years' Profit / Losses	Net Profit / Loss for the Period			
Balances as of 1 January 2025													
(Beginning of the Period)	1,180,000,000	5,978,492,771	(138,984)	1,299,573,698	(2,204,126)	-	(2,933,983,785)	64,363,743	11,532,971,150	(406,004,540)	16,713,069,927	-	16,713,069,927
Transfers	-	-	-	-	-	-	-	-	(406,004,540)	406,004,540	-	-	-
Total Comprehensive Income / (Expense)	-	-	-	-	201,518	-	(109,296,994)	-	-	453,490,780	344,395,304	-	344,395,304
Increase/Decrease due to Share Repurchase Transactions	-	-	(3,271,435)	-	-	-	-	-	-	-	(3,271,435)	-	(3,271,435)
Balances as of 31 March 2025	1,180,000,000	5,978,492,771	(3,410,419)	1,299,573,698	(2,002,608)	-	(3,043,280,779)	64,363,743	11,126,966,610	453,490,780	17,054,193,796	-	17,054,193,796
Balances as of 1 January 2026													
(Beginning of the Period)	2,950,000,000	4,208,492,770	(3,410,419)	1,299,573,698	(4,216,210)	14,148,293	(3,655,634,741)	67,635,174	11,123,695,177	(1,778,107,944)	14,222,175,798	24,851,535	14,247,027,333
Transfers	-	-	-	-	-	-	-	-	(1,778,107,944)	1,778,107,944	-	-	-
Total Comprehensive Income / (Expense)	-	-	-	-	1,275,048	320,044	(450,926,959)	-	-	1,445,717,207	996,385,340	342,185,736	1,338,571,076
Increase/Decrease due to Share Repurchase Transactions	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances as of 31 March 2026	2,950,000,000	4,208,492,770	(3,410,419)	1,299,573,698	(2,941,162)	14,468,337	(4,106,561,700)	67,635,174	9,345,587,233	1,445,717,207	15,218,561,138	367,037,271	15,585,598,409

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

MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD 1 JANUARY – 31 MARCH 2026

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

	Current Period	Prior Period
	1 January- 31 March 2026	1 January- 31 March 2025
Notes		
A. Cash Flows from Operating Activities		
Profit/Loss for the Period	1,445,717,207	453,490,780
Adjustments Related to Reconciliation of Net Profit/Loss for the Period		
- Adjustments Related to Depreciation and Amortization Expenses	105,692,992	210,482,191
- Adjustments Related to Provisions	1,183,320	(331,920)
- Adjustments Related to Interest Income and Expenses	313,497,208	115,208,044
- Adjustments Related to Fair Value Losses (Gains) on Derivative Financial Instruments	32,161,288	(26,751,201)
- Adjustments Related to Unrealised Foreign Currency Translation Differences	20,561,151	281,414,232
- Adjustments Related to Fair Value Losses/Gains	20 (1,793,154,975)	(848,887,789)
- Fair Value Losses (Gains) of Financial Assets	20 208,096,477	104,200,330
- Adjustments Related to Employment Termination Benefits	14 2,326,454	-
- Adjustments Related to Tax Expense / Income	22 67,792,326	572,101,291
- Monetary Loss/Gain	(160,981,338)	(765,889,161)
Changes in working capital	242,892,110	95,036,797
- Adjustments Related to Increase / Decrease in Inventories	3,681,757	6,277,142
- Adjustments Related to Increase / Decrease in Trade Receivables	(38,492,879)	(164,158,649)
- Adjustments Related to Increase / Decrease in Other Payables from Operations	321,676,501	23,531,966
- Adjustments Related to Increase / Decrease in Other Receivables from Operations	656,251	(2,879,746)
- Adjustments Related to Decrease (Increase) in Other Assets	(152,141,165)	(19,038,419)
- Adjustments Related to Increase/Decrease in Trade Payables	31,324,132	774,674,241
- Adjustments Related to Increase/Decrease in Prepaid Expenses	(6,890,888)	(187,879,501)
- Adjustments Related to Increase / Decrease in Employee Benefits	10,614,805	1,029,237
- Adjustments Related to Increase (Decrease) in Other Liabilities	(22,322,559)	1,283,323
- Increase (Decrease) in Deferred Income (Excluding Liabilities arising from Customer Contracts)	10,335,640	(1,455,304)
- Employment Termination Benefit Paid	14 -	(235,761)
- Tax Payments/Refunds	(561,559)	149,537
	400,772,146	526,334,863
B. Cash Flows Generated from Investing Activities		
Cash Outflows Arising from The Acquisition of a Subsidiary	(160,260,616)	(639,913,646)
Cash Inflows from Sales of Property, Plant and Equipment and Intangible Assets	6,593,449	37,462,053
Cash Outflows from Purchase of Property, Plant and Equipment and Intangible Assets	(11,954,159)	(11,381,833)
Interest received	5,466,798	7,621,326
Repurchased Shares	-	(3,271,435)
	(160,154,528)	(609,483,535)
C. Cash Flows from Financing Activities		
Cash Inflows/Outflows arising from Other Receivables and Other Payables from Related Parties	117,981,889	324,742,291
Cash Inflows from Borrowings	24 124,821,755	427,659,560
Cash Outflows Related to Debt Repayments	24 (336,609,520)	(318,906,584)
Interest Paid	21 (316,797,786)	(122,829,370)
	(410,603,662)	310,665,897
THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A+B+C)	(169,986,044)	227,517,225
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	459,811,038	165,937,753
E. INFLATION IMPACT ON CASH AND CASH EQUIVALENTS	(89,225,975)	(15,171,278)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	200,599,019	378,283,700

MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31,2026

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Margün Enerji Üretim Sanayi ve Ticaret Anonim Şirketi (“Company” or “Margün”):

Margün Enerji Üretim Sanayi ve Ticaret Anonim Şirketi was established in 2014 in Turkey and operates in the establishment and commissioning of power plants to generate electricity from renewable energy sources, primarily solar energy, electric power generation, establishment and contracting of power generation facilities.

The registered address and head office of the Company is Kızılırmak Mahallesi Ufuk Üniversitesi Caddesi No: 4/67, Çankaya/Ankara.

As of March 31, 2026, the average number of personnel is 203 (31 December 2025: 148).

The Company's subsidiaries, their main fields of activity and capital shares are as follows:

Subsidiaries	Proportion of ownership interest/controlling interest (%)	Main Activitiy	Country
Bosphorus Yenilenebilir Enerji A.Ş.	100%/100%	Energy production	Turkey
Agah Enerji Üretim Sanayi ve Ticaret A.Ş.	100%/100%	Energy production	Turkey
Angora Elektrik Üretim A.Ş.	100%/100%	Repair and maintenance services	Turkey
Anatolia Yenilenebilir Enerji A.Ş.	100%/100%	Energy production	Turkey
Troya Yenilenebilir Enerji Ticaret A.Ş.	100%/100%	Energy production	Turkey
Soleil Yenilenebilir Enerji Ticaret A.Ş.	100%/100%	Energy production	Turkey
Ensoft Teknoloji Geliştirme ve Arge A.Ş.	100%/100%	Software	Turkey
Margun Climatech B.V.	100%/100%	Holdings	Netherlands
Margun Italy Climatech S.R.L	100%/100%	Climate Tech	Italy
Margun Romania Climatech S.R.L	100%/100%	Climate Tech	Romania
Margun UK Climatech LTD	100%/100%	Climate Tech	United Kingdom
Margun Spain Climatech S.L	100%/100%	Climate Tech	Spain
Margun Greece Climatech A.E	100%/100%	Climate Tech	Greece
RSC Elektrik Üretim İnşaat Turizm A.Ş.	100%/100%	Energy production	Turkey
Hez Enerji İnşaat San. A.Ş.	77,5%/77,5%	Energy production	Turkey
Margün Jeotermal Enerji Üretim A.Ş. (*)	77,5%/77,5%	Energy production	Turkey

(*) Margün Jeotermal Enerji Üretim A.Ş. was incorporated on November 7, 2025 and published in Trade Registry Gazette No. 1121. The Company has been included in the scope of consolidation of the Group as of its incorporation date.

The Group's installed capacity (mWp) for energy generation is listed below;

Province	District	Faaliyet Konusu	Installed Power	Production Power(MWe)
Ankara	Akyurt/ Kahramankazan/ Kızılçhamam/ Polatlı	GES	25.84 (MWp)	22.58
Yozgat	Akdağmadeni /Sorgun	GES	6.68 (MWp)	5.69
Nevşehir	Merkez	GES	10.32 (MWp)	8.99
Afyon	Dazkırı/ Sinanpaşa	GES	15.49 (MWp)	13.78
Bilecik	Söğüt	GES	2.15 (MWp)	2.00
Konya	Selçuklu/ Tuzlukçu	GES	19.35 (MWp)	17.00
Antalya	Elmalı	GES	3.52 (MWp)	3.54
Eskişehir	Sivrihisar	GES	3.38 (MWp)	2.97
Adana	Çukurova	GES	11.13 (MWp)	9.93
Muğla	Milas	GES	20.17 (MWp)	14.00
Aydın	Germencik	JES	24.00 (MWp)	24.00
İzmir	Seferihisar	JES	12.00 (MWm)	12.00
			154.03	136.48

The installed capacity of the Geothermal Power Plant, of which the Group obtained control on January 1, 2026, is 24 MWp. Accordingly, the Group’s total installed capacity increased to 154.03 MWp.

MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31,2026

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of Compliance to TFRS

The accompanying financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets”, which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Financial Reporting Standards (“TFRS”) that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority (“POA”) under Article 5 of the Communiqué.

In addition, the consolidated financial statements have been prepared in accordance with the formats of “TFRS Taxonomy Announcement” published by POA and Financial Statement Examples and Guidelines for Use published by CMB, on July 3, 2024 .

The financial statements have been prepared on the historical cost basis except for revaluation of certain property, plant and equipment and financial instruments. In determining the historical cost, the fair value of the amount paid for the assets is generally taken as the basis.

Currency Used

The individual financial statements of each Group entity are presented in the currency (functional currency) of the primary economic environment in which the entity operates. The results and financial position of each entity are expressed in TL, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

Restatement of financial statements during periods of high inflation

Pursuant to the Capital Markets Board’s (CMB) decision No. 81/1820 dated December 28, 2023, it has been decided that issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards shall implement inflation accounting in accordance with TMS 29, starting from their annual financial reports for the fiscal periods ended December 31, 2023.

Pursuant to the announcement made by the Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, and the published “Implementation Guide on Financial Reporting in Hyperinflationary Economies,” the Group has prepared its consolidated financial statements as of December 31, 2025, and for the year then ended in accordance with TMS 29 “Financial Reporting in Hyperinflationary Economies.” Under this standard, financial statements prepared in the currency of a hyperinflationary economy are expressed in the purchasing power of that currency at the balance sheet date, and prior period financial statements are restated in the current measurement unit at the end of the reporting period for comparative purposes. Accordingly, the Group has also presented its consolidated financial statements as of December 31, 2025, based on purchasing power as of March 31, 2026.

MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2026

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.1 Basis of Presentation (cont’d)

Restatement of financial statements during periods of high inflation (cont’d)

TMS 29 applies to the financial statements of every entity, including consolidated financial statements, whose functional currency is the currency of a hyperinflationary economy. When high inflation exists in an economy, TMS 29 requires that the financial statements of an entity whose functional currency is that of the hyperinflationary economy be expressed in the measuring unit current at the end of the reporting period.

As of the reporting date, since the cumulative change in general purchasing power over the last three years, based on the Consumer Price Index (CPI), exceeds 100%, entities operating in Turkey are required to apply TMS 29 “Financial Reporting in Hyperinflationary Economies” for reporting periods ending on or after December 31, 2025.

The table below presents the inflation rates for the relevant years, calculated based on the Consumer Price Indices published by the Turkish Statistical Institute (TUIK):

Date	Index	Adjustment Factor	Three-Year Cumulative Inflation Rate
31 March 2026	3,866.74	1.00000	205%
31 December 2025	3,513.87	1.10042	211%
31 March 2025	2,954.69	1.30867	250%

The main outlines of TMS 29 indexing adjustments are as follows:

- All items, except those presented at current purchasing power as of the balance sheet date, have been indexed using the relevant price index coefficients. Amounts from prior years have been indexed in the same manner.
- Monetary assets and liabilities have not been indexed, as they are already expressed at the current purchasing power as of the balance sheet date. Monetary items include cash and items to be received or paid in cash.
- Fixed assets, investments, and similar assets have been indexed based on their acquisition cost, not exceeding market values. Depreciation has been adjusted in a similar manner. Amounts included in equity have been restated using the general price indices applicable at the time they were contributed to or generated within the company.
- All items in the income statement, except for the effects of non-monetary balance sheet items, have been indexed using coefficients calculated based on the periods when the respective income and expense accounts were initially recognized in the financial statements.
- Gains or losses resulting from general inflation on the net monetary position represent the difference between adjustments made to non-monetary assets, equity items, and income statement accounts. These gains or losses calculated on the net monetary position have been included in net profit.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.1 Basis of Presentation (cont’d)

Restatement of financial statements during periods of high inflation (cont’d)

The impact of applying the TMS 29 Inflation Accounting standard is summarized below:

Restatement of the Statement of Financial Position

Amounts in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognized in profit or loss and presented separately in the statement of comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Depreciation and amortization expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company. If the subsidiary is a foreign subsidiary, its restated financial statements are translated at the closing rate.

When consolidating financial statements with different reporting period ends, all monetary and nonmonetary items are restated in accordance with the measuring unit current at the date of the consolidated financial statements.

Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.1 Basis of Presentation (cont’d)

Restatement of financial statements during periods of high inflation (cont’d)

Comparative Information and Restatement of Prior Periods’ Consolidated Financial Statements

The consolidated financial statements of the Group are prepared in comparison with the prior period in order to allow the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when necessary and significant differences are disclosed. In the current period, the Group has not made any changes in its prior period financial statements.

Going Concern

The Group has prepared its consolidated financial statements on the going concern basis.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.1 Basis of Presentation (cont’d)

Basis of Consolidation (cont’d)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group’s ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable TFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TFRS 9 Financial Instruments, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Transactions Eliminated in Consolidation

Intragroup balances and transactions, and any unrealized income and expenses arising from intragroup transactions are eliminated in preparation of the consolidated financial statements.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.2 Changes in the Accounting Policies

The accounting policy changes arising from the first-time application of a new standard are applied retrospectively or prospectively in accordance with the transitional provisions, if any. The changes that take place of any transitional provision, significant changes made optional in accounting policies or determined accounting errors are applied retrospectively by restating prior period financial statements. If changes in accounting estimates are related to only one period, they are applied both in the current period when the amendment is made and for the future periods, both in the current period and in the future.

Changes in accounting estimates are applied prospectively in the current period if the change affects only that period; if the change affects both current and future periods, they are applied in both the period of change and future periods.

2.3 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2026

Amendments to TFRS 9 and TFRS 7	<i>Classification and Measurement of Financial Instruments</i>
Amendments to TFRS 9 and TFRS 7	<i>Power Purchase Arrangements</i>
Annual Improvements	<i>Annual Improvements to TFRSs – Volume 11</i>

Amendments to TFRS 9 and TFRS 7 *Classification and Measurement of Financial Instruments*

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of TFRS 9 *Financial Instruments*. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Amendments to TFRS 9 and TFRS 7 *Power Purchase Arrangements*

The amendments aim at enabling entities to include information in their financial statements that in the IASB’s view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Annual Improvements to TFRSs – Volume 11

The pronouncement comprises the following amendments:

- TFRS 1: Hedge accounting by a first-time adopter
- TFRS 7: Gain or loss on derecognition
- TFRS 7: Disclosure of deferred difference between fair value and transaction price
- TFRS 7: Introduction and credit risk disclosures
- TFRS 9: Lessee derecognition of lease liabilities
- TFRS 9: Transaction price
- TFRS 10: Determination of a ‘de facto agent’
- TAS 7: Cost method

Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.3 New and Amended Turkish Financial Reporting Standards (cont’d)

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information</i>
TFRS 18	<i>Presentation and Disclosures in Financial Statements</i>
TFRS 19	<i>Subsidiaries without Public Accountability:</i>
<i>Disclosures</i>	
Amendments to TFRS 19	<i>Subsidiaries without Public Accountability:</i>
<i>Disclosures</i>	

TFRS 17 *Insurance Contracts*

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2027.

Amendments to TFRS 17 *Insurance Contracts* and Initial Application of TFRS 17 and TFRS 9 – *Comparative Information*

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of TFRS 17.

TFRS 18 *Presentation and Disclosures in Financial Statements*

TFRS 18 includes requirements for all entities applying TFRS for the presentation and disclosure of information in financial statements. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

TFRS 19 *Subsidiaries without Public Accountability: Disclosures*

TFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.3 New and Amended Turkish Financial Reporting Standards (cont’d)

Amendments to TFRS 19 Subsidiaries without Public Accountability: Disclosures (cont’d)

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when TFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

2.4 Summary of Significant Accounting Policies

The condensed consolidated financial statements for the interim period ended March 31, 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting. The significant accounting policies applied in the preparation of these condensed consolidated financial statements are consistent with those disclosed in detail in the consolidated financial statements as of and for the year ended December 31, 2025. Accordingly, the interim condensed consolidated financial statements should be evaluated together with the financial statements for the year ended December 31, 2025.

3. SEGMENT REPORTING

The Group has adopted TFRS 8 since its inception and has determined its operating segments based on internal reports regularly reviewed by the authority responsible for making decisions about the Group's activities.

Province	31 March 2026		31 March 2025	
	Production amount (KWh)	Sales amount / TL	Production amount (KWh)	Sales amount / TL
Aydın (JES)	29,776,404	156,232,325	-	-
İzmir (JES)	7,813,508	37,459,127	-	-
Muğla	6,049,123	37,406,765	6,105,853	40,110,585
Konya	5,525,936	32,910,520	6,597,517	42,956,366
Ankara	5,336,502	30,331,003	7,632,700	49,788,924
Afyon	4,247,626	25,310,297	4,807,630	31,304,979
Adana	3,302,292	19,670,723	3,940,501	25,622,948
Nevşehir	2,481,643	14,793,023	2,997,795	19,504,731
Yozgat	1,471,089	8,771,015	1,860,447	12,107,901
Antalya	1,006,950	5,999,982	1,661,251	10,804,012
Bilecik	456,815	2,727,332	544,458	3,554,122
Eskişehir	453,996	1,056,811	1,115,543	7,266,710
Total	67,921,884	372,668,923	37,263,695	243,021,278

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3. SEGMENT REPORTING (cont’d)

	Electricity Production	Construction Contracting	31 March 2026
Domestic sales	372,668,923	11,932,147	384,601,070
Cost of sales (-)	(313,314,259)	(5,436,610)	(318,750,869)
Gross Profit (Loss)	59,354,664	6,495,537	65,850,201

	Electricity Production	Construction Contracting	31 March 2025
Domestic sales	243,021,278	58,261,383	301,282,661
Cost of sales (-)	(213,141,793)	(81,149,058)	(294,290,851)
Gross Profit (Loss)	29,879,485	(22,887,675)	6,991,810

4. RELATED PARTY DISCLOSURES

As of March 31, 2026 and December 31, 2025, the details of other receivables from related parties are as follows:

Short-term other receivables from related parties	31 March 2026	31 December 2025
Naturel Yenilenebilir Enerji Ticaret A.Ş. (*)	239,077,132	263,085,747
Naturel Holding A.Ş. (*)	197,239	213,899
	<u>239,274,371</u>	<u>263,299,646</u>

(*) The Group’s other receivables from related parties are of a financing nature and bear interest at market borrowing rates.

The details of other payables to related parties as of 31 March 2026 and 31 December 2025 are as follows:

Short-term other payables to related parties	31 March 2026	31 December 2025
Esenboğa Elektrik Üretim A.Ş.	664,209,105	570,252,491
	<u>664,209,105</u>	<u>570,252,491</u>

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5. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

As of March 31, 2026 and 31 December 2025, the details of the Group's trade receivables are as follows:

	31 March 2026	31 December 2025
<u>Short-term trade receivables</u>		
Income accruals (*)	636,526,736	656,205,359
Trade receivables	128,881,651	70,710,149
	<u>765,408,387</u>	<u>726,915,508</u>

(*) The Group's energy revenues at the end of the period consist of income accruals and the Group's construction contract assets in progress.

As of March 31, 2026, the Group has no uncollectible receivables (31 December 2025: None).

b) Trade Payables:

As of March 31, 2026 and 31 December 2025, the details of the Group's trade payables are as follows:

	31 March 2026	31 December 2025
<u>Short-term trade payables</u>		
Expense accruals	394,615,913	427,719,904
Trade payables	173,954,978	120,379,030
Notes payable	10,852,175	-
	<u>579,423,066</u>	<u>548,098,934</u>

(*) It consists of the Group's construction in progress contract liabilities.

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6. OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

	31 March 2026	31 December 2025
Short-Term Other Receivables		
Other receivables from related parties (Note 4)	239,274,371	263,299,646
Deposits and guarantees given	2,726,432	256,195
Receivables from the tax office	309,551	390,769
Other miscellaneous receivables	388,398	77,940
	242,698,752	264,024,550
Long-Term Other Receivables		
Deposits and guarantees given	9,833,200	13,188,928
	9,833,200	13,188,928

b) Other Payables

	31 March 2026	31 December 2025
Short-Term Other Payables		
Short-term trade payables to related parties (Note4)	664,209,105	570,252,491
Payables arising from the share transfer	160,260,616	-
Other miscellaneous receivables (*)	201,622,185	40,206,300
	1,026,091,906	610,458,791

(*) It consists of consulting services and insurance expenses.

7. INVENTORIES

	31 March 2026	31 December 2025
Trade goods (*)	43,037,296	46,846,637
Raw materials and supplies	4,462,603	4,219,701
Other inventories	1,302,836	1,418,154
	48,802,735	52,484,492

(*) It consists of materials such as solar panels and connectors purchased for EPC Projects.

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8. PREPAID EXPENSES AND DEFERRED INCOME

	31 March 2026	31 December 2025
Short-Term Prepaid Expenses		
Business advances	76,138,186	81,746,962
Prepaid expenses	39,121,494	26,621,830
	<u>115,259,680</u>	<u>108,368,792</u>
	31 March 2026	31 December 2025
Short-Term Deferred Income		
Order advances received	54,173,559	43,837,919
	<u>54,173,559</u>	<u>43,837,919</u>

9. INVESTMENT PROPERTIES

Cost Value	Land	Buildings	Total
Opening balance as of 1 January 2026	901,526,260	1,066,322,954	1,967,849,214
Closing balance as of 31 March 2026	<u>901,526,260</u>	<u>1,066,322,954</u>	<u>1,967,849,214</u>
Cost Value	Land	Buildings	Total
Opening balance as of 1 January 2025	1,674,116,718	1,133,718,135	2,807,834,853
Closing balance as of 31 March 2025	<u>1,674,116,718</u>	<u>1,133,718,135</u>	<u>2,807,834,853</u>

There are no mortgages on the investment properties owned by the Group.

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10. PROPERTY, PLANT AND EQUIPMENT

	Land	Land Improvements	Plant, Machinery and Equipment	Vehicles	Furniture and Fixtures	Construction in progress	Total
<u>Cost</u>							
Opening balance as of 1 January 2026	928,819,658	1,416,158	14,542,639,978	36,533,656	43,736,986	85,784,476	15,638,930,912
Additions	-	60,635	1,273,311	-	5,515,252	1,313,711	8,162,909
Disposals	-	-	-	(6,593,449)	-	-	(6,593,449)
Impact of subsidiary acquisition (*)	-	-	5,795,402,717	-	-	-	5,795,402,717
Closing balance as of 31 March 2026	928,819,658	1,476,793	20,339,316,006	29,940,207	49,252,238	87,098,187	21,435,903,089
<u>Accumulated Depreciation</u>							
Opening balance as of 1 January 2026	-	219,966	-	-	16,967,288	-	17,187,254
Charge for the period	-	209	93,062,861	3,784,817	1,526,603	-	98,374,490
Disposals	-	-	-	(1,351,999)	-	-	(1,351,999)
Closing balance as of 31 March 2026	-	220,175	93,062,861	2,432,818	18,493,891	-	114,209,745
Carrying value as of 31 March 2026	928,819,658	1,256,618	20,246,253,145	27,507,389	30,758,347	87,098,187	21,321,693,344

As of March 31, 2026, movable pledges amounting to TL 16,077,562,787 and mortgages amounting to TL 14,438,296,140 have been established over property, plant and equipment.

Depreciation expenses related to property, plant and equipment have been recognized under cost of sales and general administrative expenses.

(*) The geothermal power plants, for which control was obtained on January 1, 2026, have been provisionally reflected in the financial statements based on the fair values of the related assets determined in accordance with the valuation reports prepared by Net Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş. (Note 29).

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10. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Land	Land Improvements	Plant, Machinery and Equipment	Vehicles	Furniture and Fixtures	Construction in progress	Total
<u>Cost</u>							
Opening balance as of 1 January 2025	860,631,422	219,965	13,909,647,217	71,514,273	33,857,114	63,678,642	14,939,548,633
Additions	-	-	-	-	4,047,164	6,924,291	10,971,455
Transfers	-	-	-	(37,462,053)	-	-	(37,462,053)
Impact of subsidiary acquisition	-	-	2,079,996,247	1,362	431,929	-	2,080,429,538
Closing balance as of 31 March 2025	860,631,422	219,965	15,989,643,464	34,053,582	38,336,207	70,602,933	16,993,487,573
<u>Accumulated Depreciation</u>							
Opening balance as of 1 January 2025	-	219,965	-	-	11,401,960	-	11,621,925
Charge for the period	-	-	164,950,915	4,510,420	1,730,861	-	171,192,196
Disposals	-	-	-	(8,656,077)	-	-	(8,656,077)
Closing balance as of 31 March 2025	-	219,965	164,950,915	(4,145,657)	13,132,821	-	174,158,044
Carrying value as of 31 March 2025	860,631,422	-	15,824,692,549	38,199,239	25,203,386	70,602,933	16,819,329,529

As of March 31, 2025, movable pledges amounting to TL 14,667,503,825 and mortgages amounting to TL 11,228,623,380 have been established over property, plant and equipment.

Depreciation expenses related to property, plant and equipment have been recognized under cost of sales and general administrative expenses.

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10. PROPERTY, PLANT AND EQUIPMENT (cont’d)

Depreciation periods for property, plant and equipment are as follows:

	<u>Useful life</u>
Property, plant and equipment	45-50 years
Vehicles	5 years
Furniture and fittings	3-15 years
Leasehold improvements	5 years

11. INTANGIBLE ASSETS

<u>Cost Value</u>	<u>Rights</u>	<u>Other Intangible Assets</u>	<u>Total</u>
Opening balance as of 1 January 2026	71,311,023	4,839,534	76,150,557
Additions	3,791,250	-	3,791,250
Closing balance as of 31 March 2026	75,102,273	4,839,534	79,941,807
<u>Accumulated Amortisation</u>			
Opening balance as of 1 January 2026	117,013	3,513,702	3,630,715
Charge for the period	585,643	60,979	646,622
Closing balance as of 31 March 2026	702,656	3,574,681	4,277,337
Carrying value as of 31 March 2026	74,399,617	1,264,853	75,664,470

<u>Cost Value</u>	<u>Rights</u>	<u>Other Intangible Assets</u>	<u>Total</u>
Opening balance as of 1 January 2025	24,399	3,192,175	3,216,574
Additions	-	410,379	410,379
Impact of subsidiary acquisition	8,886	1,398,603	1,407,489
Closing balance as of 31 March 2025	33,285	5,001,157	5,034,442
<u>Accumulated Amortisation</u>			
Opening balance as of 1 January 2025	6,659	2,077,333	2,083,992
Charge for the period	-	581,435	581,435
Impact of subsidiary acquisition	8,886	1,398,603	1,407,489
Closing balance as of 31 March 2025	15,545	4,057,371	4,072,916
Carrying value as of 31 March 2025	17,740	943,786	961,526

The amortization periods used for intangible assets are as follows:

	<u>Useful Life</u>
Rights	3 years
Other intangible assets	3-15 years

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12. COMMITMENTS

Collaterals-Pledge-Mortgage (“CPM”)

The Company’s collaterals/pledge/mortgage position as of March 31, 2026 and December 31, 2025 is as follows:

31 March 2026		TL equivalent	TL	USD	EUR
A. Total Amount of CPM Given for Its Own					
Legal Entity					
	-Collateral	75,112,868	14,068,231	1,375,000	-
	-Pledge	4,217,629,500	-	95,000,000	-
	-Mortgage	6,746,298,000	1,281,415,000	60,000,000	55,000,000
B. Total Amount of CPM Given on Behalf of the Fully Consolidated Entities					
	-Collateral	115,900,027	71,503,927	1,000,000	-
	-Pledge	11,859,933,287	7,975,000,000	-	76,280,759
	-Mortgage	7,691,998,140	600,000,000	30,000,000	113,100,000
C. Total Amount of CPM Given on Behalf of Third Parties Debts for Continuation of Their Economic Activities					
		-	-	-	-
D. Total Other CPM Given					
i. Total CPM Given on Behalf of the Parent Company					
		-	-	-	-
ii. Total CPM Given on Behalf of Other Group Companies which are not included in the Scope of Items B and C					
		-	-	-	-
iii. Total CPM Given on Behalf of Third Parties which are not included in the Scope of Items C					
		-	-	-	-
Total		30,706,871,822	9,941,987,157	187,375,000	244,380,759

The ratio of other CPMs given by the Group to the equity of the Group is 197.02% as of March 31, 2026.

As of March 31, 2026, there are sureties given on behalf of Group companies amounting to TL 62,405,000,000, USD 24,500,000, EUR 313,000,000 and sureties given on their own behalf amounting to TL 7,701,600,000, USD 102,340,000 and EUR 3,274,000.

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12. COMMITMENTS (cont’d)

Collaterals-Pledge-Mortgage (“CPM”) (cont’d)

31 December 2025		TL equivalent	TL	USD	EUR
A. Total Amount of CPM Given for Its Own					
Legal Entity					
	-Collateral	69,472,753	4,643,781	1,513,080	-
	-Pledge	4,479,093,505	-	104,540,094	-
	-Mortgage	7,282,462,679	1,410,097,311	66,025,323	60,523,212
B. Total Amount of CPM Given on Behalf of the Fully Consolidated Entities					
	-Collateral	125,832,848	78,684,497	1,100,422	-
	-Pledge	12,996,915,973	8,775,865,783	-	83,941,029
	-Mortgage	8,333,172,910	660,253,225	33,012,661	124,457,733
C. Total Amount of CPM Given on Behalf of Third Parties Debts for Continuation of Their Economic Activities					
		-	-	-	-
D. Total Other CPM Given					
		-	-	-	-
i. Total CPM Given on Behalf of the Parent Company					
		-	-	-	-
ii. Total CPM Given on Behalf of Other Group Companies which are not included in the Scope of Items B and C					
		-	-	-	-
iii. Total CPM Given on Behalf of Third Parties which are not included in the Scope of Items C					
		-	-	-	-
Total		33,286,950,668	10,929,544,597	206,191,580	268,921,974

The ratio of other CPMs given by the Group to the equity of the Group is 233.64% as of 31 December 2025.

As of December 31, 2025, there are sureties given on behalf of Group companies amounting to TL 34,905,000,000, USD 24,500,000, EUR 313,000,000 and sureties given on their own behalf amounting to TL 5,201,600,000, USD 102,340,000 and EUR 3,274,000.

Received Collaterals

Currency	31 March 2026		31 December 2025		
	Original amount	TRY equivalent	Original amount	TRY equivalent	
Guarantee Letters	TRY	10,000,000	10,000,000	20,000,000	20,000,000
	USD	1,700,000	75,473,370	20,000,000	89,975,970
			85,473,370		109,975,970

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13. CASH FLOW HEDGE ACCOUNTING FOR HIGH-PROBABILITY FORECAST TRANSACTION CURRENCY RISK

The Group hedges the foreign currency risk on the balance sheet by borrowing in the same currency against the foreign currency risks arising from the foreign currency sales amounts that are highly probable to be realized in the future, considering the agreements made and the corporate budget.

Repayments of foreign currency borrowings, that are subject to hedge accounting and determined as hedging instrument, are made with foreign currency sales cash flows that will be realized on close dates and determined as hedged item.

Within the scope of the currency risk management strategy it has determined, the Group applies hedge accounting for the purpose of hedging the currency risk component of the highly probable estimated transaction cash flow risk, and the foreign exchange rate that has occurred on the hedging instrument, whose effectiveness has been mathematically proven in accordance with TFRS 9 and has not yet been realized. It pulls the fluctuations from the income statement and parks it in the comprehensive income statement and aims to present a healthier income statement.

As of March 31, 2026, the hedging ratio is 87% and hedge effectiveness is 87%.

USD	31 March 2026
Present value of the hedged item (current portion)	7,174,982
Present value of the hedged item (non-current portion)	8,546,197
Present value of the hedging instrument (current portion)	8,546,197
Present value of the hedging instrument (non-current portion)	6,068,255
EUR	31 March 2026
Present value of the hedged item (current portion)	5,137,580
Present value of the hedged item (non-current portion)	13,067,017
Present value of the hedging instrument (current portion)	6,176,420
Present value of the hedging instrument (non-current portion)	10,276,191
TRY	31 March 2026
Present value of the hedged item (current portion)	14,430,125
Present value of the hedged item (non-current portion)	21,658,648
Present value of the hedging instrument (current portion)	(15,470,187)
Present value of the hedging instrument (non-current portion)	(16,020,951)
Hedging effectiveness rate	87%
Inactive portion left in the income statement	6,940,466

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14. EMPLOYEE BENEFITS

Payables related to employee benefits

	31 March 2026	31 December 2025
Payables for employees	12,651,104	7,334,623
Social security premiums payable	8,986,580	3,688,256
	<u>21,637,684</u>	<u>11,022,879</u>

Short-term provisions for employee benefits

	31 March 2026	31 December 2025
Provision for unused vacation	5,336,867	4,107,187
	<u>5,336,867</u>	<u>4,107,187</u>

Long-term provisions for employee benefits

Provision for employment termination benefits:

	31 March 2026	31 December 2025
Provision for employment termination benefits	4,457,073	3,616,907
	<u>4,457,073</u>	<u>3,616,907</u>

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14. EMPLOYEE BENEFITS (cont’d)

Long-term provisions for employee benefits (cont’d)

Provision for employment termination benefits: (cont’d)

According to the articles of Turkish Labor Law in force, the Group have obligation to pay the legal employee termination benefits to each employee whose are 25 years of working life (58 for women and 60 for men) by completing at least one year of service, leaving for military services and deceased.

As of March 31, 2026, the amount payable consists of one month’s salary limited to a maximum of TL 64,948.77 (31 December 2025: TL 53,919.68).

Retirement pay liability is not subject to any kind of funding legally. The employee termination benefit has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of employees. TAS 19 Employee Benefits stipulates the development of company’s liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows.

The principal assumption is that the maximum liability amount for each year of service will increase in line with inflation. Accordingly, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Therefore, as of 31 March 2026, the provisions presented in the accompanying financial statements have been calculated by estimating the present value of the probable future obligation arising from employees’ retirement. The provisions as of the respective balance sheet dates have been calculated using a real discount rate of approximately 4.85%, derived based on the assumptions of an annual inflation rate of 24.02% and a discount rate of 30.04% (31 December 2025: 4.85%). In the calculation of the Group’s provision for employment termination benefits, the nominal ceiling amount of TL 64,948.77, effective as of 1 April 2026, has been taken into account (1 January 2026: nominal TL 64,948.77)

	1 January- 31 March 2026	1 January- 31 March 2025
Provision as of 1 January	3,616,907	2,224,865
Service cost	1,339,089	-
Interest cost	987,365	-
Employment termination benefits paid	-	(235,761)
Actuarial loss / gain	(1,156,217)	-
Inflation Effect	(330,071)	142,702
Provision as of 31 March	<u>4,457,073</u>	<u>2,131,806</u>

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15. OTHER ASSETS AND LIABILITIES

	31 March 2026	31 December 2025
<u>Other Current Assets</u>		
Deferred VAT	177,671,707	5,675,423
Recoverable VAT	943,343	20,795,673
Personnel advances	82,394	85,183
	<u>178,697,444</u>	<u>26,556,279</u>
	31 March 2026	31 December 2025
<u>Other Current Liabilities</u>		
Taxes and funds payables	8,758,977	31,700,344
Other payables	706,504	87,696
	<u>9,465,481</u>	<u>31,788,040</u>

16. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital / Treasury Shares Adjustment

The paid-in capital structure of the Company as of March 31, 2026 and 31 December 2025 is as follows:

Shareholders	%	31 March 2026		31 December 2025	
			%		%
Esenboğa Elektirk Üretim A.Ş.	75.61%	2,230,487,743	75.61%	2,230,487,743	
Publicly traded	24.39%	719,512,257	24.39%	719,512,257	
		<u>2,950,000,000</u>		<u>2,950,000,000</u>	
Nominal capital					
Inflation adjustment		4,208,492,770		4,208,492,770	
Restated capital		<u>7,158,492,770</u>		<u>7,158,492,770</u>	
Adjusted share capital		<u>7,158,492,770</u>		<u>7,158,492,770</u>	

The issued share capital of the Company amounts to TL 2,950,000,000. This capital is divided into 2,950,000,000 shares with a nominal value of TL 1.00 each. The entire capital has been fully paid and is free of any collusion. The previous capital of TL 1,180,000,000 had been fully paid. The capital increase of TL 1,770,000,000 has been subscribed by being covered from the positive differences arising from capital adjustment and has been fully paid. The bonus capital increase was registered on 3 October 2025 and announced in the Trade Registry Gazette dated 3 October 2025 and numbered 11429.

In accordance with the Tax Procedure Law and the related Communiqué published in the Official Gazette dated 30 December 2023 and numbered 32415 (2nd Repeated), the balance sheet prepared as of 31 December 2023 under the Tax Procedure Law has been adjusted within the scope of inflation accounting by using the Producer Price Indices (PPI) published by the Turkish Statistical Institute. The accompanying financial statements, on the other hand, have been subject to inflation adjustment in accordance with IAS 29 by using the Consumer Price Indices (CPI) published by the Turkish Statistical Institute, and accordingly, the amounts relating to the current and prior reporting periods have been expressed in terms of the purchasing power as of 31 March 2026.

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16. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (cont’d)

b) Restricted reserves appropriated from profit:

	31 March 2026	31 December 2025
Legal reserves	67,635,174	67,635,174
	<u>67,635,174</u>	<u>67,635,174</u>

c) Share premiums

	31 March 2026	31 December 2025
Share premiums	1,299,573,698	1,299,573,698
	<u>1,299,573,698</u>	<u>1,299,573,698</u>

d) Cash flow hedge gains/(losses):

	31 March 2026	31 December 2025
Cash flow hedging	(4,106,561,700)	(3,655,634,741)
	<u>(4,106,561,700)</u>	<u>(3,655,634,741)</u>

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17. REVENUE AND COST OF SALES

	1 January- 31 March 2026	1 January- 31 March 2025
Domestic Sales	384,601,070	301,282,661
Revenue	384,601,070	301,282,661
Cost of services sold (-)	(318,750,869)	(294,290,851)
Cost of Sales	(318,750,869)	(294,290,851)
Gross Profit	65,850,201	6,991,810

18. GENERAL ADMINISTRATIVE EXPENSES

	1 January- 31 March 2026	1 January- 31 March 2025
Personnel wage expenses	(27,235,687)	(18,550,156)
Consulting and service expenses	(9,028,638)	(7,507,895)
Rental and office expenses	(8,039,830)	(39,176,148)
Depreciation and amortisation expenses	(8,199,103)	(10,707,895)
Taxes, duties and charges	(4,612,433)	(621,711)
Office and maintenance & repair expenses	(4,243,286)	(319,513)
Travel expenses	(1,625,910)	(5,599,228)
Representation and hospitality expenses	(468,728)	(131,467)
Donation and aid expenses	(124,012)	(3,485,971)
Other expenses	(4,130,984)	(6,542,791)
	(67,708,611)	(92,642,775)

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19. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from core operations for the periods ending on March 31, 2026 and 2025, are as follows:

	1 January- 31 March 2026	1 January- 31 March 2025
Other Income from Operating Activities		
Foreign exchange gains arising from operating activities	20,967,783	35,032,540
Other income	1,593,062	10,244,273
	<u>22,560,845</u>	<u>45,276,813</u>

The details of other expenses from operating activities for the years ended March 31, 2026 and 2025, are as follows:

	1 January- 31 March 2026	1 January- 31 March 2025
Other Expenses from Operating Activities		
Foreign exchange losses from operating activities	(13,694,831)	(17,185,185)
Other expenses	(21,680)	(4,674,486)
	<u>(13,716,511)</u>	<u>(21,859,671)</u>

20. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

For the years ended March 31, 2026 and 2025, income from investing activities are as follows:

	1 January- 31 March 2026	1 January- 31 March 2025
Income from Investing Activities		
Gain from business combination (*)	1,793,154,975	848,887,789
Repo income	1,083,110	257,354
Gains on sale of property, plant and equipment	-	15,907,245
	<u>1,794,238,085</u>	<u>865,052,388</u>

(*) Following the acquisition of control over Hez Enerji İnşaat San. A.Ş. by Margün Jeotermal Enerji Üretim A.Ş. on January 1, 2026, a valuation report for the acquired assets was obtained from Net Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş.. Taking into consideration the fair values of the assets included in the valuation report, the total identifiable net assets were determined provisionally as TL 1,953,415,591. The difference between this amount and the provisional transfer consideration of TL 160,260,616, amounting to TL 1,793,154,975, was evaluated as negative goodwill (gain arising from a bargain purchase) within the scope of IFRS 3 Business Combinations and has been provisionally recognized as profit in the financial statements for the relevant period.

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20. INCOME AND EXPENSES FROM INVESTING ACTIVITIES (cont’d)

For the years ended March 31, 2026 and 2025, expenses from investing activities are as follows:

	1 January- 31 March 2026	1 January- 31 March 2025
Expenses from Investing Activities		
Impairment of financial investments measured at fair value (Note 24)	(208,096,477)	(104,200,330)
Loss on sale of property, plant and equipment	(1,580,659)	-
	<u>(209,677,136)</u>	<u>(104,200,330)</u>

21. FINANCE INCOME AND EXPENSES

The details of income from financing activities for the periods ending on March 31, 2026 and 2025, are as follows:

	1 January- 31 March 2026	1 January- 31 March 2025
Finance income		
Foreign exchange gains on bank borrowings	14,208,129	1,483,865
Interest income from currency time deposits	4,383,688	5,641,747
Interest income from derivative instruments	-	1,722,225
	<u>18,591,817</u>	<u>8,847,837</u>

The details of expenses from financing activities for the periods ending on March 31, 2026 and 2025, are as follows:

	1 January- 31 March 2026	1 January- 31 March 2025
Finance expenses		
Interest expenses on loans	(305,969,681)	(122,829,370)
Foreign exchange differences arising from bank borrowings	(160,802,349)	(217,508,066)
Bank commission expenses	(10,912,573)	(12,794,214)
Interest expense from derivative instruments	(10,828,105)	-
Letter of guarantee commission expenses	(594,860)	(301,576)
Other finance expenses	(1,009,700)	-
	<u>(490,117,268)</u>	<u>(353,433,226)</u>

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 March 2026	31 December 2025
Current corporate tax provision	-	-
Less: Prepaid taxes and funds	(2,564,482)	(2,002,923)
Tax provision in the balance sheet	(2,564,482)	(2,002,923)
<i>Tax expense in the statement of profit or loss:</i>		
	1 January- 31 March 2026	1 January- 31 March 2025
<i>Tax expense / (income) consists of the following:</i>		
Current tax expense / (income)	-	-
Deferred tax (income)/expense	(67,792,326)	(572,101,291)
	<u>(67,792,326)</u>	<u>(572,101,291)</u>

Corporate Tax

The Group is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group results for the years and periods. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting non-deductible income and other deductions (prior years' losses, if any, and investment incentives used, if preferred).

The effective tax rate in 2026 is 25% (2025: 25%).

The Law numbered 7061 on “Amendment of Certain Taxes and Laws and Other Acts” was published on the Official Gazette dated 5 December 2017 and numbered 30261. In accordance with (a) clause in the first paragraph of the Article, the exemption of 75% applied to gains from the sales of lands and buildings held by the entities for two full years has been reduced to rate of 50%. This regulation has been effective from 5 December 2017.

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont’d)

Corporate Tax (cont’d)

Deferred Tax:

The Group recognizes deferred tax assets and liabilities on the temporary timing differences between the legal books and the financial statements prepared in accordance with TFRS. Such differences generally arise from timing differences of some revenue and expense balances in legal books and financial statements prepared in accordance with TFRS and are explained below.

According to TAS 12 Income taxes Article 48; “Current and deferred tax assets and liabilities are generally measured using enacted tax rates (and tax laws). However, in some cases, government announcements regarding tax rates (and tax laws) may have a significant effect on the enactment of legislation and may be enacted several months after the announcement. In such cases, the tax asset and liability are calculated based on the tax rates (or laws) announced.” According to this paragraph, "Currency hedged deposits tax exemption" has been applied for the financial statements as of 31 December 2021. The public offering of the Group was realized as of 28 September 2021, and as announced in the official gazette dated 25 May 2021 and numbered 31491 with the said public offering transaction, the corporate tax rate of Margün Enerji Üretim Sanayi ve Ticaret AŞ, which is one of the institutions with a public offering of at least 20%, has been applied with a 2 percentage point discount on the corporate income to be obtained in the 2021 - 2025 accounting periods and as announced in the official gazette dated 22 January 2022 and numbered 31727, a discount of 2 points in the tax rate has been made due to the industrial registry certificate and actual production activities.

The tax rate used in the calculation of deferred tax assets and liabilities is 25%.

Pursuant to the temporary article added to the Tax Procedure Law by Law No. 7571 dated 24 December 2025, it has been stipulated that PPI-based inflation accounting will not be applied for the fiscal years 2025, 2026 and 2027. Accordingly, inflation accounting will not be applied in the Tax Procedure Law (“TPL”) financial statements that will form the basis for the corporate income tax returns for these periods

Within the scope of the conditions set forth in Provisional Article 32 and Repeated Article 298/ç of the Tax Procedure Law, revaluation increases of real estate and depreciable assets recognized in the statutory financial statements have been taken into account in the calculation of deferred tax in the TFRS financial statements

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22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont’d)

Deferred Tax: (cont’d)

	31 March 2026	31 December 2025
<u>Deferred tax assets/(liabilities):</u>		
Adjustments related to investment property, property, plant and equipment and intangible assets	(2,304,145,712)	(2,166,752,611)
Adjustments related to fair value	(1,205,477,604)	(904,703,935)
Provision for unused vacation	1,069,637	770,959
Provision for employment termination benefits	1,018,884	825,018
Accruals for expenses and income	(29,918,299)	(37,864,725)
Financial losses	399,295,885	439,393,993
Lease transactions	3,613,380	2,944,505
Other	(3,800,615)	(4,165,212)
	<u>(3,138,344,444)</u>	<u>(2,669,552,008)</u>

The movement of deferred tax assets / (liabilities) for the year ended March 31, 2026 and 2025 are given below:

	1 January- 31 March 2026	1 January- 31 March 2025
<u>Movements in deferred tax assets / (liabilities):</u>		
Opening balance as of 1 January	(2,669,552,008)	(2,016,978,890)
Recognised in the income statement	(67,792,326)	(572,101,291)
Recognised under equity	(401,000,110)	36,365,158
Closing balance as of 31 March	<u>(3,138,344,444)</u>	<u>(2,552,715,023)</u>

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23. EARNINGS PER SHARE

Earnings per share are calculated by dividing net profit by the weighted average number of shares that have been outstanding during the year. Companies can increase their capital by distributing shares (“Bonus Shares”) from accumulated profits and reassessment funds to current shareholders based on the number of shareholders’ shares. When calculating earnings per share, the issuance of bonus shares is considered to be the same as shares issued. Therefore, the weighted average number of shares, which is used when calculating the earning per share, is gained by retrospectively counting the issuance of bonus shares. Earnings per share are determined by dividing net profit attributable to shareholders by the weighted average number of issued ordinary shares. The nominal value of one share of the Group is TL 1.

	1 January- 31 March 2026	1 January- 31 March 2025
Earnings per share		
Net profit / (loss) for the period	1,445,717,207	453,490,780
Number of shares	2,943,467,242	2,917,170,755
Earnings per share (TL)	0.49	0.16

24. FINANCIAL INSTRUMENTS

a) Derivative Instruments

31 March 2026	<u>Contract Amount</u>	<u>Asset</u>	<u>Liability</u>
Derivative financial assets			
Presentation of hedging derivative instruments at fair value:			
<i>Derivative instrument</i>	1,201,639,123	73,424,257	-
<i>Cross currency swap transactions</i>	66,208,220	-	6,588,294
	<u>1,267,847,343</u>	<u>73,424,257</u>	<u>6,588,294</u>
Short-term	-	39,149,051	6,588,294
Long-term	-	34,275,206	-
	<u>-</u>	<u>73,424,257</u>	<u>6,588,294</u>
31 December 2025	<u>Contract Amount</u>	<u>Asset</u>	<u>Liability</u>
Derivative financial assets			
Presentation of hedging derivative instruments at fair value:			
<i>Derivative instrument</i>	1,201,639,123	99,819,536	-
<i>Cross currency swap transactions</i>	33,261,247	-	822,285
	<u>1,234,900,370</u>	<u>99,819,536</u>	<u>822,285</u>
Short-term	-	46,962,110	822,285
Long-term	-	52,857,426	-
	<u>-</u>	<u>99,819,536</u>	<u>822,285</u>

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24. FINANCIAL INSTRUMENTS (cont’d)

b) Financial Investments

<u>Long-Term Financial Investments</u>	<u>31 March 2026</u>	<u>31 December 2025</u>
Financial investments at fair value through profit or loss (*)	3,356,767,385	3,564,863,862
	<u>3,356,767,385</u>	<u>3,564,863,862</u>

(*)The Group acquired 30.39% of the shares of Enda Enerji Holding A.Ş. on January 20, 2023 for a nominal consideration amounting to TL 1,123,581,672. Following the initial public offering conducted in February 2025, Enda Enerji Holding A.Ş. started to be traded on Borsa İstanbul. As a result of the public offering transaction, the Group’s ownership interest in Enda Enerji Holding A.Ş. decreased from 30.39% to 24.02%. The Company classifies the investment as a long-term financial investment measured at fair value through profit or loss. A fair value loss amounting to TL 208,096,477 has been recognized under expenses from investing activities..

c) Financial Liabilities

The details of financial liabilities carried at amortized cost are as follows:

	<u>31 March 2026</u>	<u>31 December 2025</u>
<u>Short-Term Financial Borrowings</u>		
Short-term bank loans	1,137,001,374	1,113,196,639
Short-term portion of long-term bank borrowings	2,201,729,894	1,497,900,724
	<u>3,338,731,268</u>	<u>2,611,097,363</u>
<u>Long-Term Financial Borrowings</u>	<u>31 March 2026</u>	<u>31 December 2025</u>
Long-term bank loans	4,600,378,436	2,202,474,580
Total debt	<u>4,600,378,436</u>	<u>2,202,474,580</u>

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24. FINANCIAL INSTRUMENTS (cont’d)

c) Financial Liabilities (cont’d)

Bank loans:

Currency	Weighted average effective interest rate	31 March 2026		
		Short-term	Weighted average effective interest rate	Long-term
TRY	%33,84-%93,20	712,171,573	%58,02-%87,39	126,384,726
USD	%5,50-%15,95	1,029,376,717	%5,5-%14,10	3,745,566,038
EUR	%4,26-%10,51	1,403,449,471	%4,68-%7,18	728,427,672
CHF	1.17%	193,733,507	1.17%	-
		<u>3,338,731,268</u>		<u>4,600,378,436</u>

Currency	Weighted average effective interest rate	31 December 2025		
		Short-term	Weighted average effective interest rate	Long-term
TRY	%33,84-%93,20	712,442,870	%58,02-%87,39	198,400,607
USD	%5,50-%15,95	361,134,116	%5,5-%14,10	843,789,065
EUR	%4,26-%10,51	1,534,990,860	%4,68-%7,18	955,250,925
CHF	%1,69	2,529,517	%1,69	205,033,983
		<u>2,611,097,363</u>		<u>2,202,474,580</u>

The maturities of bank loans are as follows:

	31 March 2026	31 December 2025
Payable in 1 year	3,338,731,268	2,611,097,363
Payable in 1 - 2 years	1,565,232,677	1,238,929,615
Payable in 2 - 3 years	820,595,568	452,555,627
Payable in 3 - 4 years	665,614,648	318,554,630
Payable in 4 - 5 years	447,555,052	141,768,664
5 years and longer	1,101,380,491	50,666,044
	<u>7,939,109,704</u>	<u>4,813,571,943</u>

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24. FINANCIAL INSTRUMENTS (cont’d)

c) Financial Liabilities (cont’d)

	31 March 2026	31 December 2025
Financial Borrowings		
Beginning of the period - 1 January	4,813,571,943	4,928,371,154
Recent financial borrowings	124,821,755	427,659,560
Principal payments	(336,609,520)	(318,906,584)
Change in foreign exchange rate	70,913,016	390,711,226
TFRS 9 Effect	(4,276,048)	26,094,945
Impact of subsidiary acquisition	3,719,928,805	290,455,649
Inflation impact	(449,240,247)	(450,588,792)
Total debt	7,939,109,704	5,293,797,158

25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Capital risk management

The Group manages its capital to ensure that the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 16, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves, other funds and retained earnings. Risks associated with each capital class together with the capital cost of the Group are assessed by the board. Based on board evaluations, it is aimed to keep the capital structure balanced through dividend payments as much as it is with the acquisition of new debt or the repayment of existing debt.

As of 31 March 2026 and 31 December 2025, the Group's net debt/total capital ratio is as follows:

	31 March 2026	31 December 2025
Borrowings	8,011,426,926	4,891,655,492
Less: Cash and cash equivalents	(200,599,019)	(459,811,038)
Net Debt	7,810,827,907	4,431,844,454
Total Equity	15,585,598,409	14,247,027,333
Total Capital	23,396,426,316	18,678,871,787
Net Debt/Total Capital Ratio	0.33	0.24

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial risk factors

The Group is exposed to market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk, and price risk), credit risk, and liquidity risk due to its activities. The Group's risk management program focuses primarily on minimizing the potential adverse effects of uncertainty in financial markets on the company's financial performance.

Risk management is carried out by a centralized finance department in accordance with policies approved by the Board of Directors. Regarding risk policies, the Group's finance department identifies, evaluates, and mitigates financial risks using tools in collaboration with the Group's operational units.

b.1) Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Financial instruments of the Group that will result in concentration of credit risk mainly include cash and cash equivalents and trade receivables. The Group's maximum exposure to credit risk is the same as the amounts recognized in the financial statements.

The Group has cash and cash equivalents at several financial institutions. The Company manages this risk by continuously evaluating the reliability of these financial institutions.

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

b) Financial risk factors (cont'd)

b.1) Credit risk management (cont'd)

Credit risks by types of financial instruments

31 March 2026	Receivables						
	Trade Receivables		Other Receivables		Deposit at Banks	Derivative Instruments	Other
	Related Party	Other	Related Party	Other			
Maximum exposure to credit risk as of reporting date (A+B+C+D)	-	765,408,387	239,274,371	3,424,381	195,418,403	66,835,963	-
- The portion of the maximum risk secured by collateral, etc.	-	-	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	-	765,408,387	239,274,371	3,424,381	195,418,403	66,835,963	-
B. Net book value of overdue but not impaired assets	-	-	-	-	-	-	-
C. Net book values of impaired assets							
- Past due (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured portion of the net book value by collateral, etc.	-	-	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured portion of the net book value by collateral, etc.	-	-	-	-	-	-	-
D. Off-balance sheet items that include credit risk	-	-	-	-	-	-	-

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

b) Financial risk factors (cont’d)

b.1) Credit risk management (cont’d)

Credit risks by types of financial instruments

31 December 2025	Receivables				Deposit at Banks	Derivative Instruments	Other
	Trade Receivables		Other Receivables				
	Related Party	Other	Related Party	Other			
Maximum exposure to credit risk as of reporting date (A+B+C+D)	-	726,915,508	263,299,646	724,904	457,164,511	98,997,251	-
- The portion of the maximum risk secured by collateral, etc.	-	-	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	-	726,915,508	263,299,646	724,904	457,164,511	98,997,251	-
B. Net book value of overdue but not impaired assets	-	-	-	-	-	-	-
C. Net book values of impaired assets							
- Past due (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured portion of the net book value by collateral, etc.	-	-	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured portion of the net book value by collateral, etc.	-	-	-	-	-	-	-
D. Off-balance sheet items that include credit risk	-	-	-	-	-	-	-

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

b) Financial risk factors

b.2) Likidite risk yönetimi

The Group's operations are primarily exposed to financial risks related to changes in foreign exchange rates and interest rates, as detailed below.

There has been no change in the market risk that the Group is exposed to in the current year, or in the management and measurement methods of the risks it is exposed to, compared to the previous year.

As of 31 March 2026 and 31 December 2025, undiscounted cash flows and remaining maturities of liabilities are presented in the tables below:

31 March 2026

<u>Contractual maturities</u>	<u>Carrying value</u>	<u>Total Contracted Cash Outflows (I+II+III)</u>	<u>Less than 3 months (I)</u>	<u>Between 3-12 months (II)</u>	<u>Between 1-15 years (III)</u>
Non-derivative financial liabilities					
Financial liabilities	8,011,426,926	10,646,886,280	568,059,075	3,029,424,685	7,049,402,520
Liabilities arising from lease transactions	72,317,222	73,676,624	-	9,558,224	64,118,400
Trade payables	579,423,066	579,423,066	579,423,066	-	-
Other payables	1,026,091,906	1,026,091,906	1,026,091,906	-	-
Total liability	9,689,259,120	12,326,077,876	2,173,574,047	3,038,982,909	7,113,520,920

31 December 2025

<u>Contractual maturities</u>	<u>Carrying value</u>	<u>Total Contracted Cash Outflows (I+II+III+IV)</u>	<u>Less than 3 months (I)</u>	<u>Between 1-12 months (II)</u>	<u>Between 1-15 years (III)</u>
Non-derivative financial liabilities					
Financial liabilities	4,891,655,492	5,620,502,865	746,774,195	2,043,395,175	2,830,333,495
Liabilities arising from lease transactions	78,083,549	84,330,233	-	7,666,385	76,663,848
Trade payables	548,098,934	548,098,934	548,098,934	-	-
Other payables	610,458,791	610,458,791	610,458,791	-	-
Total liability	6,128,296,766	6,863,390,823	1,905,331,920	2,051,061,560	2,906,997,343

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial risk factors (cont'd)

b.3.1) Foreign exchange risk management

Transactions in foreign currency cause exchange rate risk.

The distribution of the Group's monetary assets and liabilities in foreign currency as of the balance sheet date is as follows:

	TRY Equivalent (Functional currency)	31 March 2026			
		USD	EUR	CHF	GBP
1. Trade Receivables	976,714	22,000	-	-	-
2a. Monetary Financial Assets	65,193,326	42,667	1,239,652	2,968	-
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	45,580,979	1,010,788	12,429	260	1,000
4. CURRENT ASSETS	111,751,019	1,075,455	1,252,081	3,228	1,000
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. NON-CURRENT ASSETS	-	-	-	-	-
9. TOTAL ASSETS	111,751,019	1,075,455	1,252,081	3,228	1,000
10. Trade Payables	29,119,941	498,715	132,847	-	2,736
11. Financial Liabilities	2,626,559,708	23,144,491	27,507,183	3,477,130	-
12a. Monetary Other Liabilities	24,765,190	-	485,390	-	-
12b. Non-Monetary Other Liabilities	-	-	-	-	-
13. CURRENT LIABILITIES	2,680,444,839	23,643,206	28,125,420	3,477,130	2,736
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	4,473,993,729	84,215,254	14,276,961	-	-
16a. Monetary Other Liabilities	-	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-	-
17. Long Term Liabilities	4,473,993,729	84,215,254	14,276,961	-	-
18. TOTAL LIABILITIES	7,154,438,568	107,858,460	42,402,381	3,477,130	2,736
19. Net asset / liability position of off-balance sheet derivative instruments	31,491,137	470,850	207,881	-	-
19a. Hedged portion of assets amount	31,491,137	470,850	207,881	-	-
19b. Hedged portion of liabilities amount	-	-	-	-	-
20. Net foreign currency asset / liability position (9–18+19)	(7,011,196,412)	(106,312,155)	(40,942,419)	(3,473,902)	(1,736)
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a–10–11–12a–14–15–16a)	(7,088,268,528)	(107,793,793)	(41,162,729)	(3,474,162)	(2,736)

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial risk factors (cont'd)

Foreign exchange risk management (cont'd)

	31 December 2025				
	TRY Equivalent (Functional currency)	USD	EUR	CHF	GBP
1. Trade Receivables	1,037,252	24,209	-	-	-
2a. Monetary Financial Assets	39,350,843	225,128	589,158	1,461	73,687
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	85,931,771	921,923	923,347	-	5,428
4. CURRENT ASSETS	126,319,866	1,171,260	1,512,505	1,461	79,115
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	8,337,859	194,602	-	-	-
8. NON-CURRENT ASSETS	8,337,859	194,602	-	-	-
9. TOTAL ASSETS	134,657,725	1,365,862	1,512,505	1,461	79,115
10. Trade Payables	21,516,694	415,323	73,245	-	(3,120)
11. Financial Liabilities	786,802,129	627,241	15,084,000	-	-
12a. Monetary Other Liabilities	15,576,798	7,345	302,284	618	6,462
12b. Non-Monetary Other Liabilities	-	-	-	-	-
13. CURRENT LIABILITIES	823,895,621	1,049,909	15,459,529	618	3,342
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	3,116,486,816	27,883,954	33,988,513	3,823,967	-
16a. Monetary Other Liabilities	-	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-	-
17. Long Term Liabilities	3,116,486,816	27,883,954	33,988,513	3,823,967	-
18. TOTAL LIABILITIES	3,940,382,437	28,933,863	49,448,042	3,824,585	3,342
19. Net asset / liability position of off-balance sheet derivative instruments	407,579,343	9,317,248	58,692	100,645	-
19a. Hedged portion of assets amount	407,579,343	9,317,248	58,692	100,645	-
19b. Hedged portion of liabilities amount	-	-	-	-	-
20. Net foreign currency asset / liability position (9–18+19)	(3,398,145,369)	(18,250,753)	(47,876,845)	(3,722,479)	75,773
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a–10–11–12a–14–15–16a)	(3,899,994,342)	(28,684,526)	(48,858,884)	(3,823,124)	70,345

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

b) Financial risk factors (cont’d)

Foreign exchange risk management (cont’d)

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro. The table below shows the Group's sensitivity to 20% increase or decrease in USD and Euro exchange rates. The 20% rate is the rate used when reporting the exchange rate risk within the Group to the senior managers, and this rate represents the possible change expected by the management in the exchange rates. The sensitivity analysis covers only outstanding foreign currency denominated monetary items at year-end and shows the effects of 20% change in foreign currency rates at the end of the year. This analysis includes foreign borrowings, as well as non-functional currency loans of borrowers and borrowers used for foreign operations within the Group. A positive value represents an increase in profit/loss and other equity items.

		31 March 2026	
		Profit / Loss	
		Appreciation of foreign currency	Depreciation foreign currency
In case of a 20% appreciation of US Dollar against TL			
1 - USD net asset/liability		(911,003,740)	911,003,740
2 - Portion hedged against USD risk (-)		-	-
3 - USD net effect (1 +2)		<u>(911,003,740)</u>	<u>911,003,740</u>
In case of a 20% appreciation of EUR against TL			
4 - EUR net asset/liability		(411,765,278)	411,765,278
5 - Portion hedged against EUR risk (-)		-	-
6 - EUR net effect (4+5)		<u>(411,765,278)</u>	<u>411,765,278</u>
In case of appreciation of other foreign exchange rates by 20% against TL			
7- Other foreign currency net assets / liabilities		(39,958,419)	39,958,419
8- Other foreign currency hedged portion (-)		-	-
9- Other Foreign Currency Assets net effect (7+8)		<u>(39,958,419)</u>	<u>39,958,419</u>
TOTAL (3 + 6 +9)		<u>(1,362,727,437)</u>	<u>1,362,727,437</u>

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

b) Financial risk factors (cont’d)

Foreign exchange risk management (cont’d)

Foreign currency sensitivity (cont’d)

	31 December 2025	
	<u>Profit / Loss</u>	
	<u>Appreciation of foreign currency</u>	<u>Depreciation foreign currency</u>
In case of a 20% appreciation of US Dollar against TL		
1 - USD net asset/liability	(128,778,408)	128,778,408
2 - Portion hedged against USD risk (-)	-	-
3 - USD net effect (1 +2)	<u>(128,778,408)</u>	<u>128,778,408</u>
In case of a 20% appreciation of EUR against TL		
4 - EUR net asset/liability	(351,762,671)	351,762,671
5 - Portion hedged against EUR risk (-)	-	-
6 - EUR net effect (4+5)	<u>(351,762,671)</u>	<u>351,762,671</u>
In case of appreciation of other foreign exchange rates by 20% against TL		
7- Other foreign currency net assets / liabilities	(28,994,091)	28,994,091
8- Other foreign currency hedged portion (-)	-	-
9- Other Foreign Currency Assets net effect (7+8)	<u>(28,994,091)</u>	<u>28,994,091</u>
TOTAL (3 + 6 +9)	<u>(509,535,170)</u>	<u>509,535,170</u>

MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2026

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

26 . NET MONETARY POSITION GAINS AND LOSSES

As of March 31, 2026 and December 31, 2025, the Group's monetary gains and losses are as follows:

<u>Non-Monetary Items</u>	<u>31 March 2026</u>	<u>31 March 2025</u>
Financial Position Statement Items	732,454,967	660,509,345
Inventories	17,019,574	8,271,528
Prepaid expenses	32,367,692	4,176,525
Financial investments	325,321,462	416,005,220
Right of use assets	15,187,682	-
Property, Plant, and Equipment	1,427,810,408	1,373,192,020
Investment Property	179,581,496	256,713,397
Deferred Income	(4,000,550)	(4,929,892)
Deferred Tax Liability	(483,415,234)	184,407,392
Treasury Shares	311,227	12,707
Capital Adjustment Differences	(653,267,958)	(654,483,292)
Non-controlling interest	3,100,974	-
Share Premiums and Discounts	(118,596,174)	(118,816,809)
Gains (Losses) from Cash Flow Hedging	734,411,620	270,786,686
Restricted Reserves from Profit	(6,172,235)	(5,884,618)
Retained Earnings or Losses from Previous Years	(737,205,017)	(1,068,941,519)
Income Statement Items	3,218,880	11,049,880
Revenue	(5,051,578)	7,001,096
Cost of Sales	2,803,162	(3,061,862)
General Administrative Expenses	1,069,845	(1,899,914)
Other Income from Operating Activities	(468,723)	1,421,772
Other Expenses from Operating Activities	244,318	(4,605,027)
Income from Investment Activities	11,006	20,201,163
Finance Income	(348,183)	205,603
Finance Costs	4,959,033	(8,212,951)
Gains (Losses) from Net Monetary Position	735,673,847	671,559,225

MARGÜN ENERJİ ÜRETİM SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2026

(Amounts expressed in Turkish Lira (“TL”) in terms of purchasing power of the TL at 31 March 2026 unless otherwise indicated.)

27. EVENTS AFTER THE REPORTING PERIOD

None.

28. DISCLOSURES RELATED TO THE STATEMENT OF CASH FLOWS

	31 March 2026	31 December 2025
Cash on hand	2,964,495	249,173
Cash at banks	195,418,403	457,164,511
Demand deposits	182,161,724	262,551,151
Time deposits	13,256,679	194,613,360
Other	2,216,121	2,397,354
	<u>396,017,422</u>	<u>916,975,549</u>

There are no blocked deposits (31 December 2025: None).

29. BUSINESS COMBINATIONS

The Group effectively obtained control over the management and operations of Hez Enerji İnşaat San. A.Ş., which owns the Moralı JES-1 power plant with an installed capacity of 24 MWm, as of January 1, 2026. Within the scope of the transaction, the process regarding the acquisition of all shares of the Company has been carried out, and the final agreement was signed on March 18, 2026.

Within the scope of the transaction, the provisional purchase consideration was determined as USD 3,609,790 (TL 160,260,616). The amount remaining after deducting the acquired company’s bank and market liabilities was considered as the consideration related to the share transfer. The purchase consideration may be subject to change in the final studies depending on the ongoing valuation and reconciliation processes.

Based on the date control was obtained, the carrying amounts of the identifiable assets and liabilities acquired and the provisional fair value studies performed within the scope of IFRS 3 “Business Combinations” are summarized below:

	<u>1 January 2026</u>
Cash and cash equivalents	59,175,834
Trade receivables	52,346,549
Property, plant and equipment	5,823,209,602
Other non-current assets	219,014,951
Trade payables	(258,459,548)
Other payables	(28,518,569)
Short-term and long-term borrowings	(3,583,986,382)
Deferred tax assets/(liabilities), net	(329,366,847)
Total identifiable net assets value (100%) (*)	1,953,415,591
Total purchase consideration	160,260,616
Negative goodwill	1,793,154,975