EMEK ELEKTRİK
ENDÜSTRİSİ ANONİM
ŞİRKETİ
AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY- 31 MARCH 2026

(CONVENIENCE TRANSLATION INTO ENGLISH OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION ORIGINALLY ISSUED IN TURKISH)

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AS AT 31 MARCH 2026 AND 31 DECEMBER 2025
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

		Unreviewed current period	**Audited prior period**
ASSETS	***Notes***	**31.03.2026**	**31.12.2025**
Current Assets			
Cash and Cash Equivalents	3	9.075.544	77.514.213
Trade Receivables		494.644.164	476.388.487
-Related parties	*5-25*	*43.870.860*	*46.998.060*
-Third parties	*5*	*450.773.304*	*429.390.427*
Other Receivables		122.447.138	32.728.711
-Related parties	*7-25*	*108.503.791*	*3.370.848*
-Third parties	*7*	*13.943.347*	*29.357.863*
Inventories	8	681.097.584	689.875.283
Prepaid Expenses		173.162.478	215.365.391
-Third parties	*9*	*173.162.478*	*215.365.391*
Current Income Tax Assets	10	1.625.980	1.011.101
Other Current Assets	12	16.332.170	2.077.276
Total current assets		**1.498.385.058**	**1.494.960.462**
Non-Current Assets			
Other Receivables		17.884.953	12.096.510
Third parties	*7*	*17.884.953*	*12.096.510*
Property, Plant and Equipment	13	807.473.382	815.269.826
Right of Use Assets	14	4.975.268	899.821
Intangible Assets		138.251.782	139.960.679
-Other intangible assets	*15*	*138.251.782*	*139.960.679*
Total non-current assets		**968.585.385**	**968.226.836**
TOTAL ASSETS		**2.466.970.443**	**2.463.187.298**

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

EMEK ELEKTRİK ENDÜSTRİSİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2026 AND 31 DECEMBER 2025
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

		Unreviewed current period	**Audited prior period**
LIABILITIES	***Notes***	**31.03.2026**	**31.12.2025**
Current Liabilities			
Short-Term Borrowings	4	108.325.523	145.134.368
Short-Term Portion of Long-Term Borrowings		110.068.329	86.473.878
-Lease liabilities	*4*	*108.560.286*	*86.194.576*
-Bank borrowings	*4*	*1.508.043*	*279.302*
Trade Payables		366.018.773	309.373.546
-Related parties	*5-25*	*4.848.076*	*5.137.420*
-Third parties	*5*	*361.170.697*	*304.236.126*
Employee Benefits	6	10.831.123	19.583.529
Other Payables		2.942.408	38.668
-Third parties	*7*	2.942.408	*38.668*
Deferred Income		525.860.877	533.660.861
-Related parties	*9-25*	*41.088.778*	*97.426.281*
-Third parties	*9*	*484.772.099*	*436.234.580*
Short-Term Provisions		10.517.400	10.400.671
-Provisions for employee benefits	*11*	*5.044.089*	*5.550.616*
-Other short-term provisions	*11*	*5.473.311*	*4.850.055*
Other Current Liabilities	12	8.804.504	726.617
Total current liabilities		**1.143.368.937**	**1.105.392.138**
Non-Current Liabilities			
Long-Term Borrowings		182.082.707	218.850.385
-Lease liabilities	*4*	*180.791.989*	*216.084.303*
-Bank borrowings	*4*	1.290.718	2.766.082
Long-Term Provisions		12.229.838	13.347.579
-Provisions for employee benefits	*11*	*12.229.838*	*13.347.579*
Deferred Tax Liabilities	10	77.325.920	44.118.360
Other Non-Current Liabilities	12	1.016.878	3.248.101
Total non-current liabilities		**272.655.343**	**279.564.425**
EQUITY			
Paid-in share capital	16	150.000.000	150.000.000
Adjustment to share capital		1.150.189.763	1.150.189.763
Share premium		25.445.030	25.445.030
Other Comprehensive Income or Expenses not to be Reclassified to Profit or Loss		179.451.398	179.405.158
-Property, plant and equipment revaluation surplus		*192.830.443*	*192.830.443*
-Gains/(losses) on remeasurements of defined benefit plans		*(13.379.045)*	*(13.425.285)*
Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss		(8.053.817)	(8.862.581)
-Currency translation differences		(8.053.817)	(8.862.581)
Restricted Reserves		96.289.578	96.289.578
Retained Earnings		(514.236.213)	(451.877.730)
Profit for the Period		(28.139.576)	(62.358.483)
Equity holders of the parent		**1.050.946.163**	**1.078.230.735**
Non-controlling interests		**-**	**-**
TOTAL LIABILITIES AND EQUITY		**2.466.970.443**	**2.463.187.298**

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

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE INTERIM PERIODS ENDED 31 MARCH 2026 AND 2025
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

	Notes	**Unreviewed current period 01.01.2026 31.03.2026**	**Unreviewed prior period 01.01.2025 31.03.2025**
Revenue	17	278.176.778	178.706.278
Cost of Sales (-)	17	(183.355.580)	(143.675.053)
Gross Profit		**94.821.198**	**35.031.225**
Research and Development Expenses (-)	18	(12.215.271)	(8.179.400)
Marketing Expenses (-)	18	(11.584.031)	(22.988.847)
General Administrative Expenses (-)	18	(34.144.567)	(29.101.960)
Other Operating Income	19	43.187.775	13.675.533
Other Operating Expenses (-)	19	(60.661.990)	(58.272.217)
OPERATING PROFIT		**19.403.114**	**(69.835.666)**
Share of Profit/(Loss) of Investments Accounted for Using the Equity Method		-	-
Gains from Investment Activities	20	-	-
Losses from Investment Activities (-)	20	-	-
OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)		**19.403.114**	**(69.835.666)**
Financial Income	21	45.555.890	906.677
Financial Expenses (-)	22	(10.095.904)	(3.864.911)
Net monetary position gains/(losses)	23	(72.025.553)	(73.189.770)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**(17.162.453)**	**(145.983.670)**
Tax income/(expense)		(10.977.123)	10.312.059
Deferred income tax	*10*	(10.977.123)	*10.312.059*
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		**(28.139.576)**	**(135.671.611)**
PROFIT FOR THE PERIOD		**(28.139.576)**	**(135.671.611)**
Attributable to		**(28.139.576)**	**(135.671.611)**
Non-Controlling Interests		-	-
Equity Holders of the Parent		(28.139.576)	(135.671.611)
Earnings per share			
Earnings/(losses) per share from continuing operations	24	(0.1876)	(0.9045)
Earnings per share from continuing operations		(0.1876)	(0.9045)
OTHER COMPREHENSIVE INCOME			
PROFIT FOR THE PERIOD		**(28.139.576)**	**(135.671.611)**
Items to be reclassified to profit or loss		**808.764**	**(816.475)**
Gains/(losses) on currency translation differences		*808.764*	*(816.475)*
Items not to be reclassified to profit or loss		**46.240**	**(2.133.293)**
-Property, plant and equipment revaluation surplus			-
-Gains/(losses) on remeasurements of defined benefit plans		61.654	*(2.844.390)*
-Gains/(losses) on remeasurements of defined benefit plans, tax effect		(15.414)	*711.097*
OTHER COMPREHENSIVE INCOME		**855.004**	**(2.949.768)**
TOTAL COMPREHENSIVE INCOME		**(27.284.572)**	**(138.621.379)**

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE INTERIM PERIODS ENDED 31 MARCH 2026 AND 2025
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

				Items not to be reclassified to profit or loss		Items to be reclassified to profit or loss		Retained earnings				
Unreviewed prior period	**Paid-in share capital**	**Adjustment to share capital**	**Share premium**	**Gains/(losses) on remeasurements of defined benefit plans**	**Property, plant and equipment revaluation surplus**	**Currency translation differences**	**Restricted reserves**	**Prior years' income**	**Profit for the period**	**Equity holders of the parent**	**Non-controlling interests**	**Total equity**
Balances at 1 January 2025 (Beginning of the period)	**150.000.000**	**1.150.199.441**	**25.445.220**	**(17.465.158)**	**192.831.878**	**(9.382.020)**	**96.290.295**	**(435.612.143)**	**(16.268.950)**	**1.136.038.563**	**-**	**1.136.038.563**
Transfers	-	-	-	-	-	-	-	(16.268.950)	16.268.950	-	-	-
Total comprehensive income	**-**	**-**	**-**	**(2.133.292)**	**-**	**(816.475)**	**-**	**-**	**(135.671.609)**	**(138.621.376)**	**-**	**(138.621.376)**
- Profit for the period	-	-	-	-	-	-	-	-	*(135.671.609)*	*(135.671.609)*	-	***(135.671.609)***
- Other comprehensive income	-	-	-	*(2.133.292)*	-	*(816.475)*	-	-	-	*(2.949.767)*	-	***(2.949.767)***
Balances at 31 March 2025 (End of the period)	**150.000.000**	**1.150.199.441**	**25.445.220**	**(19.598.450)**	**192.831.878**	**(10.198.495)**	**96.290.295**	**(451.881.093)**	**(135.671.609)**	**997.417.187**	**-**	**997.417.187**
Unreviewed current period												
Balances at 1 January 2026 (Beginning of the period)	**150.000.000**	**1.150.189.763**	**25.445.030**	**(13.425.285)**	**192.830.443**	**(8.862.581)**	**96.289.578**	**(451.877.730)**	**(62.358.483)**	**1.078.230.735**	**--**	**1.078.230.735**
Transfers	--	--	--	--	--	--	--	(62.358.483)	62.358.483	--	--	--
Total comprehensive income	**--**	**--**	**--**	**46.240**	**--**	**808.764**	**--**	**--**	**(31.039.194)**	**(27.284.572)**	**--**	**(27.284.572)**
- Profit for the period	--	--	--	--	--	--	--	--	(31.039.194)	(28.139.576)	**--**	**(28.139.576)**
- Other comprehensive income	--	--	--	46.240	--	808.764	--	--	--	855.004	**--**	**855.004**
Balances at 31 March 2026 (End of the period)	**150.000.000**	**1.150.189.763**	**25.445.030**	**(13.379.045)**	**192.830.443**	**(8.053.817)**	**96.289.578**	**(514.236.213)**	**(28.139.576)**	**1.050.946.163**	**--**	**1.050.946.163**

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

	Notes	Unreviewed current period 01.01.2026 31.03.2026	Unreviewed prior period 01.01.2025 31.03.2025
A) CASH FLOWS FROM OPERATING ACTIVITIES		**6.568.954**	**(41.387.664)**
PROFIT FOR THE PERIOD		**(28.139.576)**	**(135.671.609)**
Profit for the period from continuing operations		**(28.139.576)**	**(135.671.609)**
Adjustments to reconcile profit for the period to cash generated from operating activities		**46.336.163**	**22.682.226**
Depreciation and amortisation	13,14,15	10.428.739	4.617.549
Adjustments for provisions	11	116.729	818.933
Adjustments for interest income/(expenses)	21,22	18.548.694	906.677
Adjustments for fair value losses/(gains)	20	-	-
Adjustments for tax income/(expenses)	10	10.977.123	(10.312.059)
Adjustments for undistributed profits of investments accounted for using the equity method		-	-
Other adjustments to reconcile profit for the period		-	-
Adjustments for monetary losses/(gains)		6.264.878	26.651.126
Changes in Working Capital		**(11.627.633)**	**71.601.719**
Adjustments for gains/(losses) on Trade Receivables		(18.255.677)	(378.316.459)
Adjustments for gains/(losses) on Other Receivables Related to Operations		(95.506.870)	(1.320.944)
Changes in Inventories		8.777.699	145.088.678
Changes in Prepaid Expenses		43.057.917	-
Adjustments for gains/(losses) on Trade Payables		56.645.227	106.057.242
Adjustments for gains/(losses) on payables due to employee benefits		(1.117.741)	11.263.005
Adjustments for gains/(losses) on Other Payables Related to Operations		5.846.664	44.920.325
Changes in Deferred Income		(7.799.984)	222.783.917
Adjustments for gains/(losses) on other changes in working capital		(3.274.868)	(78.874.045)
Cash Flows from Operating Activities		**6.568.954**	**(41.387.664)**
B) CASH FLOWS FROM INVESTING ACTIVITIES		**(211.979)**	**(2.830.794)**
Cash inflows from sale of property, plant and equipment and intangible assets	13,14,15	31.333	-
Cash outflows from purchase of property, plant and equipment and intangible assets	13,14,15	(243.312)	(2.830.794)
C) CASH FLOWS FROM FINANCING ACTIVITES		**(68.530.766)**	**57.914.454**
Cash inflows from other equity instruments			-
Cash inflows/outflows from borrowings, net		(68.530.766)	57.914.454
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		**(62.173.791)**	**13.695.996**
D) EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**808.764**	**-**
Net Increase/(Decrease) in Cash and Cash Equivalents		**(61.365.027)**	**13.695.996**
Inflation effect on cash and cash equivalents		**(7.073.642)**	**-**
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**3**	**77.514.213**	**12.073.596**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**9.075.544**	**25.769.592**

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

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Emek Elektrik Endüstrisi Anonim Şirketi ("Emek Elektrik" or the"Company") and its subsidiary Emek Elektrik USA Incorporation, Emek Elektrik- Emek Ar-Ge Joint Venture and Emek Satış Pazarlama ve Ticaret Anonim Şirketi are hereinafter together referred to as "the Group".

Emek Elektrik Endüstrisi Anonim Şirketi

Emek Elektrik Endüstrisi Anonim Şirketi was established in 1969 in Ankara, Türkiye.

The registered address of Emek Elektrik is as follows:

Saracalar Mahallesi Özal Bulvarı No:224 06750 Akyurt/ANKARA

Emek Elektrik ensures its operations in its factory. The factory has 10,836 m² of indoor space and 22,619 m² of outdoor space.

Emek Elektrik's business activities include ensuring research and development for the production, testing, marketing, and sale of transformers, capacitors, disconnectors, and electromechanical equipment, as well as the creation of new production areas.

Emek Elektrik has ISO 9001:2008, ISO 14001, and OHSAS 18001:2007 certificates issued by ABS Quality Evaluations Incorporation.

The products manufactured by Emek Elektrik are as follows:

Measurement transformers

- Oil-filled current transformers up to 525 kV
- Oil-filled inductive voltage transformers up to 420 kV,
- Oil-filled capacitive voltage transformers up to 525 kV,
- External and internal oil-filled and epoxy resin current and voltage transformers up to 36 kV,

Power capacitors

- High Voltage Capacitors
- Low Voltage Al+Zn MPP Power Capacitors

Seperators

- Motor-operated or manually operated disconnectors, with or without earth blades, rated up to 245 kV and 2,500 amperes.

Emek Elektrik has adopted the registered capital system and registered capital ceiling is amounting to TL 1.000.000.000.

As of 31 March 2026 and 31 December 2025, the principal shareholders and their respective shareholding rates in Emek Elektrik are as follows:

	31 March 2026		31 December 2025	
Shareholders	**Share (%)**	**Amount (TL)**	**Share (%)**	**Amount (TL)**
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.	19,41%	29.110.350	19.41%	29.110.350
Other (Listed shares)	80.59%	120.889.650	80.59%	120.889.650
Total paid-in share capital	**100%**	**150.000.000**	**100%**	**150.000.000**

The Group realised paid-in share capital increase through a 100% and increased its schare capital amounting to TL 150.000.00 each with a par value of TL 1 on 22 December 2023.

Total end-of the interim reporting period, personnel employed by Emek Elektrik is 142 (31 December 2025: 171).

Emek Elektrik USA, Incorporation

Emek Elektrik USA, Incorporation ("Emek Elektrik USA") was established in the United States on 16 April 2014, and ensures the manufacture, import, export, sale, and distribution of oil-filled and epoxy measuring transformers, disconnectors, and other electrical equipment. The share capital of Emek Elektrik USA is amounting to USD 100.000.

Emek Elektrik – Emek Araştırma Geliştirme Joint Venture

Emek-Emek Araştırma-Geliştirme, direct and indirect sales of goods produced by Emek Elektrik Endüstri, contract manufacturing, maintenance, repair, assembly, storage, and transportation of products manufactured by Emek Elektrik Endüstri, as well as conducting similar sales activities and operations in the business sectors of Emek-Emek Araştırma-Geliştirme shareholders, regardless of whether the products are manufactured at Emek Elektrik facilities or not, and, to establish a partnership to manage sales transactions with third-party companies through potential agreements. Emek-Emek Araştırma-Geliştirme Joint Venture was established on 16 November 2018 in Ankara and started its operations in 2019.

The share capital of Emek-Emek Araştırma-Geliştirme Joint Venture is amounting to TL 1.000.

As of 31 March 2026, the subsidiaries included in the scope of the consolidation of Emek Elektrik, its effective interests, direct and indirect ownership interests are as follows:

31 March 2026

Subsidiaries	Direct ownership interest held by Emek Elektrik (%)	Effective ownership interest (%)	Non-controlling interests (%)
Emek Elektrik Endüstrisi A.Ş.	95%	95%	5%
Emek Satış Pazarlama ve Ticaret A.Ş.	5%	5%	95%
Total	**100%**	**100%**	**100%**

Emek – Set Joint Venture

Emek - Set Joint Venture was established in Ankara on 23 December 2020, in accordance the Joint Venture Agreement signed between Emek Elektrik and Set Elektromekanik, as the contractors, for the procurement of 2,500 External Oil-Filled Measurement Transformers from the Turkish Electricity General Directorate (TEİAŞ).

Emek Satış Pazarlama ve Ticaret Anonim Şirketi

Emek Satış Pazarlama ve Ticaret Anonim Şirketi was established on 27 July 2023 in Ankara.

Emek Satış's business activities include ensuring the manufacture of transformers, capacitors, circuit breakers, disconnectors, insulators, and other low, medium, and high-voltage electrical equipment and materials, as well as their domestic and international trade, and the import and trade of raw and auxiliary materials required for their manufacture.

Total end-of the interim reporting period, personnel employed by Emek Satış is 3 (31 December 2025: 6).

The share capital of Emek Satış is amounting to TL 1.000.000.

As of 31 March 2026, the subsidiary included in the scope of the consolidation of Emek Satış, its effective interest, direct and indirect ownership interest is as follows:

31.03.2026 Subsidiary	Direct ownership interest held by Emek Satış (%)	Effective ownership interest (%)	Non-controlling interests (%)
Emek Elektrik Endüstrisi A.Ş.	100%	100%	-

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

A. Basis of presentation

Financial reporting standards

The condensed consolidated financial statements of the Group have been prepared in accordance with Turkish Financial Reporting Standards ("TFRS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") that are set out in the 5th article of the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") on 13 June 2013 and published in Official Gazette numbered 28676. The accompanying condensed consolidated financial statements as at and for the interim period ended 31 March 2026 have been prepared following Turkish Financial Reporting Standards ("TFRS/TAS") with additions and interpretations as issued by POA.

In addition, the accompanying condensed consolidated financial statements and notes to them are presented in accordance with the formats specified in the Financial Statement Examples and User Guide published by POA, taking into account the "TFRS Taxonomy" and the "Announcement on the Publication of Amendments to the TFRS Taxonomy" published by POA on 3 July 2024.

The accompanying condensed consolidated financial statements are prepared on a historical cost basis, except for financial investments at fair value. In determining historical cost, the fair value of the amount paid for assets is considered.

The Group has prepared its condensed consolidated financial statements as at and for the interim period ended 11 May 2026, in accordance with the provisions of the Capital Markets Board of Türkiye (the "CMB)" communiqué numbered II-14.1 regulation and the relevant announcements issued by the CMB. The condensed consolidated financial statements and notes have been presented in accordance with the formats recommended by the CMB and include all required information. The Group recognises its statutory records in accordance with the Uniform Chart of Accounts, the Turkish Commercial Code, and the Turkish Tax Laws, and prepares its condensed consolidated financial statements accordingly in Turkish Lira ("TL").

Approval of the consolidated financial statements

These condensed consolidated financial statements as at and for the interim period ended 31 March 2026 have been approved for issue by the Board of Directors ("BOD") on 17 February 2026. These condensed consolidated financial statements will be finalised following their approval in the General Assembly and relevant laws and legislations.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

Functional and reporting currency

The condensed consolidated financial statements are presented in TL, which is Emek Elektrik's functional and presentation currency.

Offsetting

Financial assets and liabilities are offset, and the net amount is recognised in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Adjustments of financial statements in hyperinflationary periods

In accordance with the announcement realised by the Public Oversight Accounting and Auditing Standards Authority (the "POA") on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies for the annual reporting period beginning on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of entities whose functional currency is the currency of a hyperinflationary economy.

In accordance with the standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date. For comparative purposes, comparative information in the prior period financial statements is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Group has also presented its condensed consolidated financial statements as at and for the interim period ended 31 March 2026 and as at and for the year ended 31 December 2025 in terms of the purchasing power on 31 March 2026.

In accordance with the CMB's resolution No: 81/1820 on 28 December 2023, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 beginning with the annual financial statements for the accounting periods ending on 31 December 2023.

The restatement in accordance with TAS 29 has been made by using the adjustment factor derived from the Consumer Price Index ("CPI") in Türkiye published by the Turkish Statistical Institute ("TURKSTAT"). As of 31 March 2026, the indices and adjustment factors used in the restatement of the financial statements are as follows:

Date	Index	Adjustment coefficient	Three-year cumulative inflation rates
31.03.2026	121,47	1	205%
31.12.2025	110,39	1.10040	212%
31.03.2025	92,82	1.30865	250%

The main components of the Group's restatement for financial reporting purposes in hyperinflationary economies are as follows:

- The consolidated financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power of TL at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the balance sheet date. Where the inflation-adjusted carrying amounts of non-monetary items exceed their recoverable amounts or net realisable values, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the statement of financial position date are restated by using the relevant adjustment factors.
- All items in the statement of comprehensive income, except for the non-monetary items in the statement of financial position that have an effect on the statement of comprehensive income, are restated by applying the coefficients calculated over the periods in which the income and expense accounts were initially recognised in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recognised in the gains/(losses) on net monetary position in the consolidated statement of profit or loss.

Comparatives and adjustment of prior period's financial statements

The current period condensed consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period condensed consolidated financial statements.

Going concern

As of 31 March 2026, the Group has prepared its condensed consolidated financial statements with the assumption of the Group's ability to continue its operations in the foreseeable future as a going concern basis of accounting.

The financial statements of subsidiaries operating in foreign countries

The financial statements of subsidiaries, associates, and joint ventures operating in foreign countries are prepared in accordance with the laws and regulations applied in the countries in which they operate and are adjusted and classified as necessary to conform to the accounting policies. If the functional currency of the subsidiary differs from the reporting currency, it is translated into the reporting currency as follows:

• The assets and liabilities in the statement of financial position are translated using the exchange prevailing the balance sheet date.

• Revenue and expense items in the statement of comprehensive income are translated using the exchange rate on the transaction date, and the currency translation differences are recognized in equity and in the statement of comprehensive income as a separate item (currency translation differences).

New and Revised Turkish Financial Reporting Standards

The accounting policies adopted in preparation of the condensed consolidated financial statements as at and for the interim period ended 31 March 2026 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards ("TFRS/TAS") and interpretations effective as of 1 January 2026 and thereafter. The effects of these standards and interpretations on the Group's condensed financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations and interpretations to the existing previous standards which are effective as of 1 January 2026 are as follows:

Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments

On 10 August 2025, the POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance ("ESG")-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The amendment will be effective for annual periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. The Group is in the process of assessing the material influence of the amendments on the condensed consolidated financial position or performance of the Group.

Contracts Referencing Nature-dependent Electricity—Amendments to TFRS 9 and TFRS 7

On 10 August 2025, the POA issued the amendment "Contracts for Electricity Generated from Natural Resources" (related to TFRS 9 and TFRS 7). The amendment clarifies the application of the "own use" exception and permits hedge accounting when such contracts are used as hedging instruments. The amendment also introduces new disclosure requirements to help investors understand the impact of these contracts on an entity's financial performance and cash flows. The amendment is not applicable for the Group and has no material influence on the condensed consolidated financial position or performance of the Group.

Annual Improvements to TAS/TFRS Accounting Standards - Amendment 11

On 27 September 2025, the POA issued "Annual Improvements to TAS/TFRS Accounting Standards /Amendment 11" published in the Official Gazette with the following amendments:

- TFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge accounting by a first-time adopter: The amendment is intended to eliminate potential confusion caused by the inconsistency between the wording in TFRS 1 and the hedge accounting requirements in TFRS 9.
-TFRS 7 Financial Instruments: Disclosures - Gains or losses on derecognition: TFRS 7 amends the wording of unobservable inputs and adds a reference to TFRS 13.
- TFRS 9 Financial Instruments - Transaction price when the lease liability is derecognized by the lessee: TFRS 9 has been amended to clarify that when the lease liability is extinguished for the lessee, the lessee is required to apply the derecognition provisions in TFRS 9 and the resulting gain or loss is recognized in profit or loss. TFRS 9 has also been amended to remove the reference to "transaction price".

- TFRS 10 Consolidated Financial Statements - Identifying the "de facto agent": Amendments to TFRS 10 to remove inconsistencies in paragraphs.

- TAS 7 Statement of Cash Flows - Cost method: The wording in the Standard has been deleted following the removal of "cost method" in previous amendments.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026, and early application permitted.

The Group is in the process of assessing the material influence of the amendments on the condensed consolidated financial position or performance of the Group.

ii) Standards issued but not yet effective and not early adopted

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

Amendments to TFRS 10/TAS 28 — Sales or contributions of assets between an investor and its associate/joint venture

In December 2017, the POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group will assess the effects of the amendments after the new standards have been finalized.

TFRS 17 - The new Standard for insurance contracts

The POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after 1 January 2027 with the announcement made by the POA.

The Group is in the process of assessing the material influence of the amendments on the condensed consolidated financial position or performance of the Group.

TFRS 18 Presentation and Disclosure in Financial Statements

The standard is effective from annual periods beginning on or after 1 January 2027 and published in the Official Gazette on 8 May 2025. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in TFRS 18 relate to:
• the structure of the statement of profit or loss;
• required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
• enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Group is in the process of assessing the material influence of the standard on the condensed consolidated financial position or performance of the Group.

TFRS 19 – Subsidiaries without Public Accountability: Disclosures

TFRS 19 – Subsidiaries without Public Accountability: Disclosures ("TFRS 19") was published in the Official Gazette on 10 August 2025. It is effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted. The standard aims to reduce the disclosure requirements in TAS/TFRS for subsidiaries covered by its scope. Under TFRS 19, businesses that are not subject to public accountability and are themselves subsidiaries are expected to apply the simplified disclosure provisions set out in TFRS 19 instead of the disclosure provisions in other TAS/TFRS. This aims to reduce the reporting obligations of these businesses in terms of disclosure provisions. The application of TFRS 19 is not mandatory and is left to the discretion of the entity.

A subsidiary meets the relevant conditions in the following circumstances:

- It is a non-public subsidiary or a subsidiary whose capital market instruments are not traded on a stock exchange, or
- It has a parent or intermediate parent that produces financial statements in accordance with TAS/TFRS that are available to the public.

The standard has no material influence on the condensed financial position or performance of the Group.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

iii) Amendments published by the International Accounting Standards Board ("'IASB") but not published by the POA

As of the date of approval and authorisation of the condensed consolidated financial statements, the amendments published by the International Accounting Standards Board ("IASB") but not yet published by the POA and which do not form part of the TAS/TFRS are as follows. Unless otherwise indicated, the Group will make the necessary changes that will have material influence on the consolidated financial statements and their notes to the condensed consolidated financial statements following the entry into force of the relevant TAS/TFRS regarding the amendment.

Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency

With the amendment published by the IASB in November 2025, IAS 21 "The Effects of Changes in Foreign Exchange Rates" ("IAS 21") mandates the use of the closing rate for translation from a non-hyperinflationary functional currency to a hyperinflationary presentation currency. In this context, an entity whose functional currency is that of a non-hyperinflationary economy but whose presentation currency is that of a hyperinflationary economy shall use the closing rate at the end of the current period for all amounts, including comparative amounts, in the translation of its financial statements. An entity whose functional currency and presentation currency are both that of a hyperinflationary economy shall express the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy in the current measurement unit by applying a general price index in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies". These amendments also introduce additional disclosure requirements.

The Group is in the process of assessing the material influence of the standard on the condensed consolidated financial position or performance of the Group.

Group accounting and basis of consolidation

Subsidiaries

Non-controlling shares in the net assets, other comprehensive income and expense items, consolidated statement of other comprehensive income and changes in equity and operating results of the subsidiaries are separately classified in the condensed consolidated financial statements as "non-controlling interests".

If the Group loses control of a subsidiary, it recognizes any investment retained in the former subsidiary at its fair value when control is lost and any difference between the fair value and net book value of investment is accounted for as gain or loss. That fair value shall be regarded as the fair value on initial recognition of a financial asset, when appropriate, the cost on initial recognition of an investment in an associate or joint venture. Furthermore, assets and liabilities that were previously recognized as other comprehensive income attributable to that subsidiary are accounted for as if those were disposed the Group. This may result in the fact that these amounts previously recognized as other comprehensive income may be classified to profit or loss. The fair value is the initial acquisition amount for the purpose of subsequent accounting of the interests in associates, joint ventures and financial assets.

As of 31 March 2026, the subsidiaries included in the scope of the consolidation of Emek Elektrik, their effective interests, direct and indirect ownership interests are as follows:

31.03.2026 Subsidiaries	**Direct ownership interest held by Emek Elektrik (%)**	**Effective ownership interest (%)**	**Non-controlling interests (%)**
Emek Elektrik USA Incorporation	100	100	-
Emek Satış Pazarlama ve Ticaret A.Ş.	100	100	-
Emek – Emek Arge Joint Venture	100	100	-

The financial statements of Emek Elektrik USA have been prepared in accordance with the laws and regulations applied in the United States and have been adjusted to reflect the necessary adjustments to ensure presentation in accordance with Turkish Financial Reporting Standards.

The assets and liabilities of Emek Elektrik USA have been translated into Turkish Lira using the exchange rate as of the balance sheet date, while revenue and expense items have been translated using the average exchange rate. The currency translation differences arising from the closing and average rates are presented under currency translation differences in the condensed consolidated statement of other comprehensive income.

Emek-Emek Araştırma-Geliştirme, direct and indirect sales of goods produced by Emek Elektrik Endüstri, contract manufacturing, maintenance, repair, assembly, storage, and transportation of products manufactured by Emek Elektrik Endüstri, as well as conducting similar sales activities and operations in the business sectors of Emek-Emek Araştırma-Geliştirme shareholders, regardless of whether the products are manufactured at Emek Elektrik facilities or not, and, to establish a partnership to manage sales transactions with third-party companies through potential agreements.

Emek - Set Joint Venture was established in Ankara on 23 December 2020, in accordance the Joint Venture Agreement signed between Emek Elektrik and Set Elektromekanik, as the contractors, for the procurement of 2,500 External Oil-Filled Measurement Transformers from the Turkish Electricity General Directorate ("TEİAŞ").

Associates

Associates are companies in which the Group has voting power between 20% and 50% or the Group has the power to participate in the financial and operating policy decisions but not control them. Unrealised gains or losses arising from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

Unrealized gains and losses arising from transactions between the Group and its associates have been adjusted in proportion to the Group's share in the associate. Unless the Group has incurred a liability or made a commitment in this regard, the equity method has not been discontinued even if the carrying amount of the investment in the associate is zero or the Group's significant influence has ceased. The carrying amount of the investment as of the date when significant influence ceases is carried at fair value if the fair value can be reliably measured thereafter.

Going concern

As of 31 March 2026, the Group has prepared its condensed consolidated financial statements with the assumption of the Group's ability to continue its operations in the foreseeable future as a going concern basis of accounting.

B. Changes in accounting policies, estimates and errors

Any change in accounting policies resulting from the first-time adoption of a new TFRS is made either retrospectively or prospectively in accordance with the transition requirements of TFRS. Changes without any transition requirement, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period condensed consolidated financial statements. If changes in accounting estimates are related to only one period, they are recognised in the period when the changes are applied; if changes in estimates are related to future periods, they are recognised both in the period where the change is applied and in future periods prospectively.

C. Summary of significant accounting policies

Business combinations

Business combinations are accounted for using the purchase method of accounting. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the acquirer, liabilities assumed by the acquirer to the former owners of the acquiree and equity interests issued by the acquirer. Acquisition costs are generally recognised as an expense as incurred.

The identifiable assets acquired and liabilities assumed are recognised at fair value at the acquisition date. The following are not recognised in this way:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with TAS 12 "Income Tax" and TAS 19, "Employee Benefits" are calculated and recognised in accordance with the standards,

- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are recognised at the acquisition date in accordance with TFRS 2, 'Share-based Payment Arrangements',

- Assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5, "Non-current Assets Held for Sale and Discontinued Operations" are accounted for in accordance with the rules set out in TFRS 5.

Goodwill is calculated as the excess of the aggregate of the consideration transferred for the acquisition, the fair value of any non-controlling interests, if any, in the acquiree and, in a business combination achieved in stages, the fair value of any equity interest in the acquiree previously held by the acquirer over the net amount of the acquiree's identifiable assets acquired and liabilities assumed at the acquisition date. If, after remeasurement, the net amount of the acquiree's identifiable assets acquired and liabilities assumed at the acquisition date exceeds the aggregate of the fair value of the consideration transferred, any non-controlling interests in the acquiree and, if any, any interests in the acquiree held prior to the acquisition, this amount is recognised directly as a gain on bargain purchase in profit/(loss).

When the consideration transferred by the Group in a business combination includes contingent consideration, the contingent consideration is measured at fair value at the acquisition date and is included in the consideration transferred in the business combination. If, as a result of additional information that becomes available during the measurement period, an adjustment to the fair value of the contingent consideration is required, it is adjusted retrospectively against goodwill.

The measurement period is the period after the acquisition date during which the acquirer can adjust the provisional amounts recognised in a business combination. The relevant period cannot be more than 1 year from the acquisition date.

Where the purchase accounting for a business combination is not complete at the end of the reporting period in which the business combination occurs, the Group reports provisional amounts for items for which recognition is incomplete.

These provisional amounts are adjusted during the measurement period or additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed at the acquisition date that may affect the amounts recognised at the acquisition date.

Inventories

Inventories are evaluated at either the lower of acquisition cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Those costs also include systematically distributed costs from fixed and variable general production expenses incurred in covering direct raw material to the goods. The cost of inventories is determined by the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. When the net realizable value of the inventory below its cost, the inventories are reduced to their net realizable value and the expense is reflected in the statement of profit or loss in the year in which the impairment incurred.

The distribution of fixed general production costs into transformation costs is based on the assumption that production activities will be carried out at normal capacity. "Normal capacity" is the expected average level of production for one or more periods or seasons under normal conditions, also taking into account low-capacity utilisation that may arise due to planned repair-maintenance activities. If the real production level is close to the normal capacity this capacity may be accepted as normal capacity. The net realisable value is the amount which is found by subtracting the sum of estimated completion costs and estimated sales costs necessary for the completion of the sale from the estimated sale price within the normal course of business. The renewal cost of starting material and supplies can be the best measure to reflect the net realisable value.

Inventory acquisition costs are reduced to their net realisable values on the basis of each inventory item. Such reduction is carried out by allocating provisions for low inventory value. In other words, if the cost value of inventories exceeds the net realisable value, the cost value is reduced to the net realisable value by allocating provisions for the low inventory value. Otherwise, no transaction is performed. In the event that the inventories were acquired with a deferred payment option, or in the event that the difference between the advance purchase price and the paid amount include sources of finance, such sources are accounted for as interest costs in the period when they were provided.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Bank deposits include time and demand deposits and accrued interest arising from the deposits. Deposits denominated in TL are carried at cost, and foreign currency denominated deposits are carried at their values translated to Turkish Lira using the Central Bank's (the "CBRT") foreign exchange buying rate on the balance sheet date. Time deposits also include accrued interest as of the balance sheet date.

Foreign currency denominated cash equivalents are translated into Turkish Lira at the exchange rates prevailing on the balance sheet date, and therefore their fair values are considered to be equivalent to their carrying amounts.

Bank deposits are estimated to be equal to their fair values since they can be disposed of in the short-term and are not subject to impairment risk.

Fair value is the amount that would be received for the sale of an asset or paid for the settlement of a liability in an orderly transaction between willing parties.

Receivables and payables

Trade receivables and notes and post-dated checks providing goods or services by the Group directly to a debtor classified within trade receivables which are recognized at original invoice amount are measured at amortized cost using the effective interest rate method. Short term trade receivables without specified interest rate, are measured at invoice amount when the interest accrual effect is immaterial.

Notes and post-dated checks classified within trade receivables are carried at their discounted cost by discounting with the effective interest method on the balance sheet date. Provision for doubtful receivables is recognised as an expense in the period which they incurred. Provision is the amount estimated by the Group management and to cover the possible losses that may arise from economic benefit or the risk in the account and the losses estimated to realise in the subsequent periods.

If the matter realized that indicates that the Group will not be able to collect the amounts due, a provision for trade receivables is established. The amount of the provision is the difference between the book value of the receivable and the collectible amount. Collectible amount is the discounted cost of cash flows, including amounts from guarantees, based on the original effective interest rate of the trade receivable. Among the cheques received, those whose maturity exceeds the balance sheet date are presented in trade receivables and are subject to discount using Libor rates.

Uncollectible amounts are written-off from the statutory records in the period which they determined. The provision for doubtful receivables is recognized as an expense in the period in which they incurred.

Following the provision for the doubtful receivable, if all or significant portion of the amount is collected, the collected amount is deducted from the doubtful receivable provision and recognised as income in the statement of comprehensive income. A simplified approach is applied within the scope of impairment of trade receivables that are carried at amortized cost in the condensed consolidated financial statements and do not contain a significant financing component (with a maturity of less than 1 year). With this approach, in cases where trade receivables are not impaired for certain reasons (except for realized impairment losses), provisions for trade receivables are measured at an amount equal to lifetime expected credit losses.

The Group uses a provision matrix for the calculation of the expected credit losses on trade receivables which is based on past experience and future expectations. The provision matrix calculates fixed provision rates depending on the number of days that a trade receivable is past due and those provision rates are reviewed and, revised, if necessary, in every reporting period.

Provision for doubtful receivables

The Group allocates a provision for doubtful receivable for operating receivables when there is objective evidence that collection is no longer possible. The amount of the provision is the amount remaining less collateral and guarantees from the recognised amount of the receivable. Following the recognition of a provision for doubtful receivables, if the entire amount or a portion of the doubtful receivable is collected, the amount collected is deducted from the provision for doubtful receivables and recognised as other income in the accompanying condensed consolidated financial statements.

Property, plant and equipment and intangible assets

The cost of a property, plant and equipment and intangible asset item is included in the financial statements, if the following conditions are met:

a) It is likely that future economic benefits related to these items will be transferred to the entity; and
b) The cost of the related item may be reliably measured.

An item of property, plant or equipment that is recognised as a tangible or intangible asset shall be measured initially at its cost, and subsequently by applying the "Cost Model" or "Revaluation Model".

The initial cost of the non-current assets includes the purchase price, including import duties and non-refundable purchase taxes, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating.

Cost Model: After initial recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Revaluation Model: After initial recognition as an asset, an item of property, plant and equipment, whose fair value can be measured reliably, shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. The appreciations occurring as a result of the valuation are associated with the growth fund in the equity. If there are previously occurred appreciations, the impairments are deducted from these appreciations. Otherwise, they are expensed by being recognised under losses from investing activities. The Group goes to revaluation in the event that signs of significant changes are observed for the properties for which it uses the revaluation method. The Group uses the cost method for intangible assets and property, plant and equipment other than its properties, since there is no active market for them. The Group indicated that there has been an appreciation in the current period as a result of the studies conducted on whether there has been impairment or appreciation in relation to its properties.

When an asset is revalued, the accumulated depreciation as of the date of the revaluation is adjusted in proportion with the change in the gross book value of the asset, and therefore the book value of the asset after the revaluation is equal with the revalued amount.

The provisions of the standards TAS 2 "Inventories" and TAS 16 "Property, Plant and Equipment" are applied in the transfers of the Group from its inventories to property, plant and equipment to be used in operational activities. Accordingly, the fair value as of the date of the transfer is taken into consideration.

Depreciation is provided by the straight-line basis based on a pro-rata basis according to the useful lives and methods indicated as follows:

	Economic useful lives (year)
Land improvements	8
Buildings	50
Plant, machinery and equipment	4-15
Motor vehicles	4-5
Furniture and fixtures	2-50
Leasehold improvements	5
Rights	3-15
Other intangible assets	1-5

The useful life and amortisation method is reviewed regularly whether the method and the period of amortisation are in compliance with the economic benefit to be derived from the respective asset.

Property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In the event that such indications are found, or the carrying amount exceeds the realisable value, such assets are discounted to their realisable values. The realisable value is the higher of the asset's net selling price or its value in use. During the calculation of the asset value in use, estimated cash flows in the future are discounted to their current value at the discount rate before tax, which reflects the risks particular to the asset in question. The realisable value of assets which do not solely and independently require a substantial volume of cash inflow is calculated for the portion of such assets leading to cash inflow. Related property, plant and equipment are depreciated over their remaining useful economic lives. Depreciation amounts and impairment losses of intangible assets are recognised under operating expenses under consolidated statement of profit or loss.

As impairment tests carried out by the Group for assets; "second-hand market values" of some assets, and "depreciated renovation costs" of the assets which do not have a second-hand market are taken into consideration when their net selling prices are determined. It hasn't been considered necessary to calculate the values of use of these assets, and no provision of impairment has been allocated for them since their net selling prices are equal to or greater than their net book values. However, for some other assets (i.e., goodwill), the impairment test is carried out by taking their values of use as a basis in the event that it's impossible to determine their net selling prices.

Intangible assets are amortised on a straight-line basis considering expected useful lives from the date of purchase, provided that such periods do not exceed their useful economic lives. The depreciation provided for intangible assets is recognised under operating expenses under consolidated statement of profit or loss. Gains or losses on disposals of property, plant and equipment and intangible assets are determined by comparing proceeds with their net carrying amounts and are classified under "gains/(losses) from investing activities" in the current period.

Impairment of assets

Assets that are subject to amortisation are subjected to impairment test whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less the cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that are impaired are reviewed for possible reversal of the impairment at each reporting date.

Borrowing costs

Bank borrowings obtained in exchange for interest are recognised based on the net amount received less the acquisition cost. Income or expenses arising during the depreciation or when liabilities are recognised are related to the statement of profit or loss. Borrowing costs are accounted for on an accrual basis in the period in which they incurred, even if they are not due, and are classified as borrowings.

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of that asset until it is ready for its intended use or sale and all other borrowing costs are recognized as an expense in the statement of profit or loss in the period in which they are incurred.

Taxation and deferred tax

The Group's tax expense/income is the sum of its current tax costs/income and deferred tax expense/income.

The current year tax liability shall be calculated over the part of profit period subject to taxation. Profit subject to taxation differs from the profit disclosed in the statement of profit or loss as it excludes taxable or deductible income and expense items in previous years as well as the non-taxable or non-deductible items. The Group's current tax liability was calculated at the substantive tax rate, or the rate that shall, with certainty, be valid as of the balance sheet date.

Current tax payables are settled with taxes paid in advance in the event that they were paid or will be paid to the same tax authority. Deferred tax assets and liabilities are settled in the same manner.

Deferred tax is calculated by means of the unit credit method based on temporary differences between the recognised values of deferred tax assets and liabilities recognised in the condensed consolidated financial statements and their tax values (Balance Sheet method / Balance Sheet liability method). Such differences may be classified into two groups, reducible and taxable. They are recognised as deferred tax assets for all temporary differences in the form of taxable expenses, provided that there is sufficient taxable income to deduct these expenses in future periods. Deferred tax is recognised if the related transaction is not a part of a business combination or the debt does not originate from its initial accounting.

All temporary differences subject to taxation are accounted for as a deferred tax debt. However, no deferred tax debt is accounted for on temporary differences appearing in the initial accounting of goodwill, or appearing in the initial accounting of any asset or debt, or originating from transactions other than business combinations.

According to tax legislation, the previous year's financial losses and tax advantages which were not yet used are accounted for as deferred tax if it is likely to generate taxable income of an amount sufficient to be recognised in subsequent periods. As per tax legislation, the tax rates in effect as of the balance sheet date will be used in the calculation of deferred tax. While the deferred tax liability is calculated for all temporary differences, deferred tax assets arising from deductible temporary differences are calculated, provided that the Group is highly likely to benefit from such differences by generating profit subject to taxation in the future (Note 36).

Deferred tax assets and liabilities are mutually set off, provided that they are both subject to the tax legislation of the same country, in the event that there is a legally applicable right with respect to the setting off of current tax assets from current tax liabilities.

Finance leases

Leases

Group - as a lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset (contract includes a definition of a specified asset explicitly or implicitly),
- A capacity portion of an asset is physically distinct or represents substantially all the capacity of an asset (if the supplier has a substantive right to substitute the asset and obtain economic benefits from use of the asset, then the asset is not an identified asset),
- The Group has the right to obtain substantially all the economic benefits from use of the identified asset,

- The Group has the right to direct the use of an identified asset. The Group has the right to direct the use of the asset throughout the period of use only if either:

a) The Group has the right to direct how and for what purpose the asset is used throughout the period of use or
b) Relevant decisions about how and for what purpose the asset is used are predetermined:

i. The Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions; or
ii. The Group designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

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

Right-of-use asset

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

a) The amount of the initial measurement of the lease liability,
b) Any lease payments made at or before the commencement date, less any lease incentives received
c) Any initial direct costs incurred by the Group, and
d) An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

When applying the cost model, the Group measures the right-of-use asset at cost:

a) Less any accumulated depreciation and any accumulated impairment losses; and

b) Adjusted for any remeasurement of the lease liability.

Lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease, if that rate can be readily determined, or by using the Group's incremental borrowing rate. The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

a) Fixed payments, less any lease incentives receivable,

b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
c) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, Group measures the lease liability by:

a) Increasing the carrying amount to reflect interest on the lease liability,
b) Reducing the carrying amount to reflect the lease payments made, and
c) Remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Options to extend and terminate

The Group assesses the contractual options to extend or to terminate the lease when determining the lease liability. The majority of the options to extend and terminate are exercisable both by the Group and the respective lessor. Group determines the lease term of a lease considering the periods covered by options to extend and terminate the lease if the options are exercisable by the Group and the Group is reasonably certain to exercise those options. If a significant change in circumstances takes place, related lease term assessment is revisited by the Group.

Variable lease payments

Some lease contracts of the Group contain variable payment terms. Variable lease payments are not in the scope of TFRS 16 and recognised in the statement of profit or loss in the related period.

Practical expedients

The short-term lease agreements with a lease term of 12 months or less and agreements which are determined by the Group as low value, have been evaluated within the scope of practical expedients introduced by the TFRS 16" Leases" standard and related lease payments are recognised as an expense in the period in which they are incurred.

Group - as a lessor

All the leases that Group is the lessor are operating leases. Assets leased out under operating leases are classified under investment properties, property, plant and equipment or other current assets in the consolidated statement of financial position. Rent income is recognised in the condensed consolidated statement of profit or loss on a straight-line basis over the lease term.

Provisions for employee benefits

Under Turkish Labour Law, Emek Elektrik and its subsidiaries are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). The provision has been calculated by estimating the present value of the future probable obligation of Emek Elektrik and its subsidiaries registered in Türkiye arising from the retirement of employees.

TAS 19 "Employee Benefits" requires actuarial assumptions (net discount rate) to estimate the entity's obligation for employment termination benefits.

The rate to be used to discount defined benefit obligations (provisions for employee benefits) after leaving the office is determined by looking at the market returns for high quality corporate bonds at the balance sheet date. Because of the lack of a deep market for such securities, the real interest rate has been used, taking into account the market returns (compound interest rates) of government bonds (on the balance sheet date). In other words, inflation-adjusted interest rate (real interest rate) is used (Note 22).

In this context, financial institutions subject to labour law have accounted for the provision for employment termination benefits at the actuarial method in the financial statements for the retirement of retirement benefits for all personnel or for the termination of the business relationship by calling for military service or for the future probable liability amounts in case of death in accordance with TAS 19.

Defined contribution plans

The Group has to pay contributions to the Social Security Institution on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. These contributions are recognised as an employee benefit expense when they are accrued.

Earnings per share

Earnings per share disclosed in the statement of profit or loss are determined by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding during the period concerned.

In Türkiye, companies can increase their share capital through a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and inflation adjustment to equity.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported.

Events after the reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Under TAS 10, the two types of events are those that provide evidence of conditions that existed at the end of the reporting period (adjusting events); and those that are indicative of conditions that arose after the reporting period (non-adjusting events). The Group adjusts the amounts recognised in its consolidated financial statements to reflect adjusting events, but it does not adjust those amounts to reflect non-adjusting events.

Assets and liabilities denominated in foreign currencies

Foreign currency transactions are recognised at the exchange rates prevailing on the transaction date. Foreign currency denominated assets and liabilities are evaluated at the exchange rates prevailing at the end of the period. Currency translation differences arising from the revaluation are recognized as foreign exchange gains or losses in the condensed consolidated statement of profit or loss.

As of 31 March 2026 and 31 December 2025, spot exchange buying and selling rates of USD, EUR and GBP published by the Central Bank of Türkiye (the "CBRT") are as follows:

	31.03.2026		31.12.2025	
Currency	**Foreign exchange rate - buying (TL/Foreign currency)**	**Foreign exchange rate - selling (TL/Foreign currency)**	**Foreign exchange rate - buying (TL/Foreign currency)**	**Foreign exchange rate - selling (TL/Foreign currency)**
USD	44.3841	44.4641	42.8623	42.9395
EUR	51.0236	51.1156	50.4532	50.5441
GBP	58.6665	58.9723	57.8159	58.1174

Significant accounting judgements, estimates and assumptions and the basis of uncertainties

Preparation of the condensed consolidated financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed continuously considering the past experiences, other factors and the reasonable expectations about the future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, reflected to the profit or loss and they may differ from the actual results.

The significant accounting estimates and assumptions used by the Group in the preparation the condensed consolidated financial statements are as follows:

Note 2/D	Fair value
Note 36/B	Deferred tax assets and liabilities
Note 22	Provision for employment termination benefits
Note 2/D,17,18,19	Economic useful lives of investment properties, property, plant and equipment and intangible assets
Note 10 and 39/E	Provision for impairment on trade receivables
Note 13	Provision for impairment on inventories
Note 7	Financial investments revaluation surplus/provision for impairment

The estimates and assumptions that may cause significant adjustments in the book value of assets and liabilities in the subsequent financial reporting period and the nature of the uncertainties are as follows:

a) Deferred tax is recognised if it is determined that taxable income is likely to incur in subsequent periods. In cases where it is probable that taxable income will incur, deferred tax assets are calculated on the carried and unused accumulated losses and any deductible temporary differences.
b) Estimates and assumptions were used by the Group management during the determination of the economic useful lives, determination of the provision for doubtful trade receivables and calculation of the provision for employment termination benefits.

Statement of cash flows

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition.

Equity investments are excluded from cash equivalents unless they are, in substance, cash equivalents, for example in the case of preferred shares acquired within a short period of their maturity and with a specified redemption date.

When used in conjunction with the rest of the financial statements, the statement of cash flows provides information that enables users to evaluate the changes in net assets of an entity, its financial structure (including its liquidity and solvency) and its ability to affect the amounts and timing of cash flows in order to adapt to changing circumstances and opportunities.

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements. Cash flows from operating activities represent the cash flows generated from the Group's activities. Cash flows from investing activities represent the cash flows that are used in or provided from the investing activities of the Group (property, plant and equipment, intangible assets and financial assets). Cash flows from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the "reporting entity").

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Considering the abovementioned disclosures, the following entities are considered as "related parties" in the accompanying condensed consolidated financial statements:

- Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.

Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognized when there is a possible obligation arising from past events (legal or constructive), it is probable that an outflow of resources will be required to settle the obligation in the future, and the amount of the obligation can be reliably estimated. These provisions are reviewed at each balance sheet date and revised to current estimates.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

If some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement should be recognised as a separate asset, and not as a reduction of the required provision, when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The amount recognised should not exceed the amount of the provision.

One of three methods is used to allocate provisions in the accompanying condensed consolidated financial statements. The first method is applied when the time value of money is material. When the depreciation of money over time becomes significant, provisions are recognised with the discounted amount of possible future expenditures at the balance sheet date. When the discount used, any increase in provisions due to time value, it is recognized as interest expense.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

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

The expected value method is the second method which estimates variable consideration based on the range of possible outcomes and the probabilities of each outcome. The estimate is the probability-weighted amount based on those ranges. The expected value method might be most appropriate where a reporting entity has a large number of contracts that have similar characteristics. This is because a reporting entity will likely have better information about the probabilities of various outcomes where there are a large number of similar transactions.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the condensed consolidated financial statements and treated as contingent assets or liabilities and disclosed in the notes to the condensed consolidated financial statements.

Provision for warranty

Provisions for warranty are recognized on the date of sale of the related products based on the most appropriate estimated expenses determined by management to satisfy the Group's obligations.

NOTE 3 – CASH AND CASH EQUIVALENTS

	31.03.2026	31.12.2025
Cash on hand	47.420	31.666
Banks	9.028.124	77.482.547
-Demand deposits	*9.028.124*	*10.142.432*
-Time deposits	-	*67.340.115*
Cash and cash equivalents, net	**9.075.544**	**77.514.213**

As of 31 March 2026, the Group has no time deposits denominated in TL (31 December 2025: The annual effective interest rates are between 30%-51% for time deposits denominated in TL).

NOTE 4 – BORROWINGS

a) Short-term borrowings

As of 31 March 2026 and 31 December 2025, the breakdown of short-term borrowings is as follows:

Short-term borrowings	31.03.2026	31.12.2025
Bank borrowings	108.325.523	144.976.996
Other	-	157.372
Short-term borrowings, net	**108.325.523**	**145.134.368**

As of 31 March 2026 and 31 December 2025, the breakdown of short-term portion of long-term borrowings is as follows:

Short-term portion of long-term borrowings	31.03.2026	31.12.2025
Short-term lease liabilities	108.560.286	86.194.576
Bank borrowings	1.508.043	279.302
Short-term portion of long-term borrowings, net	**110.068.329**	**86.473.878**

b) Long-term borrowings

As of 31 March 2026 and 31 December 2025, the breakdown of long-term borrowings is as follows:

Long-term borrowings	31.03.2026	31.12.2025
Finance lease liabilities	180.791.989	216.084.303
Bank borrowings	1.290.718	2.766.082
Long-term borrowings, net	**182.082.707**	**218.850.385**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

The breakdown and detailed analysis of bank borrowings are as follows:

31.03.2026	**Currency**	**Weighted average interest rate (%)**		**Maturity**	**TL equivalent**
		Minimum (%)	**Maximum (%)**		
				Revolving credits	99.563.860
Short-term borrowings	TL	48.00	65.50	Up to 3 months	4.607.521
	EUR	6.00	13.00	Up to 3 months	1.426.235
	EUR	6.00	13.00	3-12 months	2.727.907
					108.325.523
Short-term portion of long-term borrowings					
	EUR	6.00	13.00	Up to 3 months	1.508.043
					1.508.043
Long-term borrowings					
	EUR	6.00	13.00	1-10 years	1.290.718
					1.290.718

31.12.2025	**Currency**	**Weighted average interest rate (%)**		**Maturity**	**TL equivalent**
		Minimum (%)	**Maximum (%)**		
				Revolving credits	108.213.564
Short-term borrowings	TL	21.00	63.00	Up to 3 months	8.755.394
	TL	21.00	63.00	3-12 months	4.480.417
	EUR	6.00	13.00	Up to 3 months	15.621.749
	EUR	6.00	13.00	3-12 months	5.958.175
	USD	6.00	13.00	Up to 3 months	1.947.697
					144.976.996
Short-term portion of long-term borrowings					
	EUR	6.00	13.00	Up to 3 months	279.302
					279.302
Long-term borrowings					
	EUR	6.00	13.00	1-10 years	2.766.082
					2.766.082

The breakdown and detailed analysis of finance lease liabilities are as follows:

31.03.2026	**Currency**	**Maturity**	**TL equivalent**
Short-term portion of long-term finance lease liabilities			
	EUR	Up to 3 months	26.870.789
	EUR	3-12 months	76.482.733
	USD	Up to 3 months	721.375
	USD	3-12 months	1.893.591
			105.968.489
Long-term finance lease liabilities			
	EUR	1-5 years	176.051.662
	USD	1-5 years	2.394.050
			178.445.712

31.12.2025	**Currency**	**Maturity**	**TL equivalent**
Short-term portion of long-term finance lease liabilities			
	EUR	Up to 3 months	83.414.217
	USD	3-12 months	2.780.359
			86.194.576
Long-term finance lease liabilities			
	EUR	1-5 years	213.132.691
	USD	1-5 years	2.951.613
			216.084.304

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

NOTE 5 – TRADE RECEIVABLES AND PAYABLES

a) Short-term receivables

As of 31 March 2026 and 31 December 2025, the breakdown of short-term trade receivables due from related parties is as follows:

Trade receivables due from related parties (*)	31 March 2026	31 December 2025
Customers	43.870.860	46.998.060
Total	**43.870.860**	**46.998.060**

(*) The details are disclosed in Note 25.

As of 31 March 2026 and 31 December 2025, the breakdown of short-term trade receivables due from third parties is as follows:

Trade receivables due from third parties	31 March 2026	31 December 2025
Customers	374.585.066	372.657.859
Post-dated cheques and notes receivables	76.188.238	56.732.568
Doubtful trade receivables	61.449.048	67.619.761
Provision for doubtful trade receivables	(61.449.048)	(67.619.761)
Total	**450.773.304**	**429.390.427**

b) Long-term receivables

None.

c) Short-term trade payables

As of 31 March 2026 and 31 December 2025, the breakdown of short-term trade payables due to related parties is as follows:

Trade payables due to related parties (*)	31 March 2026	31 December 2025
Suppliers	4.848.076	5.137.420
Total	**4.848.076**	**5.137.420**

(*) The details are disclosed in Note 25.

As of 31 March 2026 and 31 December 2025, the breakdown of short-term trade payables due to third parties is as follows:

Trade payables due to third parties	31 March 2026	31 December 2025
Suppliers	254.072.256	208.879.331
Post-dated cheques and notes payable	111.426.325	100.746.885
Discount on notes payable (-)	(6.178.650)	(5.390.090)
Other trade payables	1.850.766	-
Total	**361.170.697**	**304.236.126**

d) Long-term trade payables

None.

NOTE 6 – EMPLOYEE BENEFITS

As of 31 March 2026 and 31 December 2025, the detailed analysis of employee benefits is as follows:

	31 March 2026	31 December 2025
Due to employees	10.515.500	14.663.925
Social security premiums payable	216.129	4.919.604
Taxes payable	99.494	
Total	**10.831.123**	**19.583.529**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

NOTE 7 – OTHER RECEIVABLES AND PAYABLES

a) Short-term other receivables

As of 31 March 2026 and 31 December 2025, the breakdown of short-term other receivables due from related parties is as follows:

Other receivables due from related parties (*)	31 March 2026	31 December 2025
Due from associates	12.728.728	-
Due from subsidiaries	95.775.063	3.370.848
Total	**108.503.791**	**3.370.848**

(*) The details are disclosed in Note 25.

As of 31 March 2026 and 31 December 2025, the breakdown of short-term other receivables due from third parties is as follows:

Other receivables due from third parties	31 March 2026	31 December 2025
Doubtful other receivables	61.449.048	67.619.761
Provision for doubtful other receivables (-)	(61.449.048)	(67.619.761)
Deposits and guarantees given	460.746	-
Due from tax office	1.614.535	-
Other	11.868.066	29.357.863
Total	**13.943.347**	**29.357.863**

b) Long-term other receivables

As of 31 March 2026 and 31 December 2025, the breakdown of long-term other receivables due from third parties is as follows:

Other receivables due from third parties	31 March 2026	31 December 2025
Deposits and guarantees given	17.884.953	12.096.510
Total	**17.884.953**	**12.096.510**

c) Short-term other payables

As of 31 March 2026 and 31 December 2025, the breakdown of short-term other payables due to third parties is as follows:

Other payables due to third parties	31 March 2026	31 December 2025
Due to shareholders	2.926.669	-
Other	15.739	38.668
Total	**2.942.408**	**38.668**

d) Long-term other payables

None.

NOTE 8 – INVENTORIES

As of 31 March 2026 and 31 December 2025, the details of inventories are as follows:

Inventories	31 March 2026	31 December 2025
Raw materials and supplies	360.539.033	362.705.600
Semi-finished goods	190.539.721	116.775.643
Finished goods	94.178.633	102.544.727
Merchandise	36.839.639	107.849.313
Less: Provision for inventory impairment (-)	(999.442)	-
Total	**681.097.584**	**689.875.283**

The movement of provision for impairment on inventories is as follows:

	31 March 2026	31 December 2025
Beginning of the period – 1 January	**-**	**(1.099.806)**
Additions/Reversals (Net)	(999.442)	1.099.806
End of the period	**(999.442)**	**-**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

NOTE 9 – PREPAID EXPENSES AND DEFERRED INCOME

As of 31 March 2026 and 31 December 2025, the breakdown of prepaid expenses due to third parties is as follows:

Prepaid expenses due to third parties	31 March 2026	31 December 2025
Advances given	164.446.268	205.318.918
Long-term prepaid expenses	8.716.210	10.046.474
Total	**173.162.478**	**215.365.392**

Deferred income due from related parties	31 March 2026	31 December 2025
Advances received (*)	41.088.778	97.426.281
Total	**41.088.778**	**97.426.281**

(*) The details are disclosed in Note 25.

Deferred income due from third parties	31 March 2026	31 December 2025
Advances received	419.268.448	414.458.436
Short-term deferred income	65.503.651	21.776.145
Total	**484.772.099**	**436.234.581**

NOTE 10 – INCOME TAXES

Current income tax assets and liabilities

As of 31 March 2026, the corporate tax rate effective in Türkiye is 25%.

25% of the profits arising from the sale of shares of associates, real estates, pre-emption rights, founder share and usufruct shares in the assets of the institutions for at least two full years are exempt from corporate tax. To benefit exclusion, the earning must be recognised in liabilities in a fund account and not withdrawn for 5 years from the entity. The sales price must be collected until the end of the second calendar year following the year in which the sale is realised.

According to "Turkish Corporate Tax Law", losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset prior years' profits. Tax authorities and tax office may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

As of 31 March 2026 and 31 December 2025, the breakdown of current income tax assets and liabilities is as follows:

	31 March 2026	31 December 2025
Prepaid taxes (-)	1.625.980	1.011.101
Total	**1.625.980**	**1.011.101**

Deferred tax assets and liabilities

Emek Elektrik and its subsidiaries, recognise deferred tax assets and liabilities based upon temporary differences arising between their condensed financial statements prepared under TFRS and the Turkish tax legislation. These differences usually result in the recognition of revenue and expenses in different reporting periods for tax purposes and the purposes of the Turkish Financial Reporting Standards and are disclosed below.

As of 31 March 2026, the corporate tax rate effective in Türkiye is 25%.

The law numbered 7456 has entered into force as of 15 July 2023, by being promulgated in the Official Gazette. In the Official Gazette dated 15/7/2023 and numbered 32249, Law No.7456, "Law on the Amendment of Additional Motor Vehicles Tax for Compensation of Economic Losses Caused by Earthquakes Occurring on 6/2/2023 and Amendments to Some Laws and Decree-Law No. 375" was published. However, by article numbered 21 of the relevant law, the corporate tax rate is increased from 20% to 25% effective from 1 October 2023. Accordingly, deferred tax assets and liabilities are calculated considering the 25% tax rate as of the end of the reporting period.

The accounting policies used by the Group in calculating deferred tax are consistent with those used in the unreviewed condensed consolidated financial statements prepared as at and for the period ended 31 March 2026 and audited consolidated financial statements prepared as at and for the year ended 31 December 2025.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

As of 31 March 2026 and 31 December 2025, the breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

	31.03.2026	31.12.2025
Deferred tax assets and liabilities in the condensed consolidated statement of profit or loss	**Deferred tax assets /(liabilities)**	**Deferred tax assets /(liabilities)**
Provision for doubtful trade receivables	-	17.909.438
Provision for doubtful other receivables	-	1.717.405
Adjustments for currency translation differences	-	3.424.668
Adjustments for provision for lawsuits	-	1.563.833
Capitalised development costs	-	11.499.010
Adjustments for financial investments	-	978.677
Other adjustments for non-current assets	(106.723.172)	(81.757.143)
Property, plant and equipment revaluation surplus	-	-
Unpaid SSI premiums	-	7.963.464
Adjustments for interest accruals	(13.634.064)	522.504
Adjustments for provision for impairment on inventories	-	-
Adjustments for right of use assets	(16.569.985)	(185.612)
Adjustments for provision for warranty	-	1.387.654
Provision for unused vacation	1.261.022	1.212.514
Provision for employment termination benefits	3.057.460	3.336.895
Adjustments for discount on notes payables	-	(554.769)
Adjustments for inventories	(109.256)	(27.858.400)
Adjustments for subsidiaries	7.492.486	366.511
Adjustments for advances	53.849.563	13.575.283
Other adjustments	(5.949.974)	779.708
Deferred tax assets/(liabilities), net	**(77.325.920)**	**(44.118.360)**

As of 31 March 2026 and 2025, the movements in deferred tax assets/(liabilities) are as follows:

	31.03.2026	31.12.2025
Beginning of the period – 1 January	**(44.118.360)**	**(66.305.937)**
Deferred income tax during the period	(10.977.123)	23.511.326
Charge to equity	(15.414)	(1.323.749)
Monetary gains/(losses)	(22.215.023)	-
End of the period	**(77.325.920)**	**(44.118.360)**

As of 31 March 2026 and 2025, the reconciliation of the effective tax charge with the condensed consolidated statement of profit or loss is as follows:

	1 January - 31 March 2026	1 January - 31 March 2025
Deferred income tax	(10.977.123)	10.312.059
Total tax income/(expense)	**(10.977.123)**	**10.312.059**

NOTE 11 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Commitments, collaterals, pledges and mortgages given by the Group

As of 31 March 2026 and 31 December 2025, the Group's collaterals/pledge/mortgage ("C&P&M") position is as follows:

Collaterals, pledges and mortgages given by the Group	31 March 2026	31 December 2025
A. Total amount of CPM's given in the name of its own legal personality	43.131.668	142.783.780
B. i. Total amount of CPM's given on behalf of the fully consolidated subsidiaries	--	--
B. ii. Total amount of CPM's given on behalf of the fully consolidated subsidiaries in favor of each other	--	--
B. iii. Total amount of CPM's given on behalf of the fully consolidated subsidiaries in favor of parent company	--	--
C. Total amount of CPM's given on behalf of third parties for ordinary course of business	--	--
D. Total amount of other CPM's given	--	--
i. Total amount of CPM's given on behalf of the majority shareholder	--	--
ii. Total amount of CPM's given to on behalf of other group companies which are not in scope of B and C	--	--
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	--	--
Total	**43.131.668**	**142.783.780**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

As of 31 March 2026 and 31 December 2025, the details of contingent liabilities, contingent assets and commitments' ("CPM") risk presented in the abovementioned statements are as follows:

Type	**31 March 2026**	**31 December 2025**
Letter of guarantee given	43.131.668	5.244.143
Guarantee notes given	-	45.104.357
Pledges and mortgages given	-	92.435.280
Total TL equivalent	**43.131.668**	**142.783.780**

Short-term provisions

Short-term provisions for employee benefits	**31 March 2026**	**31 December 2025**
Provision for unused vacation	5.473.311	4.850.055
Total	**5.473.311**	**4.850.055**

Other short-term provisions	**31 March 2026**	**31 December 2025**
Provision for expense accruals	5.044.089	5.550.616
Total	**5.044.089**	**5.550.616**

Contingent events (Lawsuits and execution proceedings in favor/against the Group)

As of 31 March 2026, the Group has allocated provision for lawsuits amounting to TL 12.229.838 in the accompanying condensed consolidated financial statements for the lawsuits and execution proceedings filed against the Group for the possible cash outflows (31 December 2025: TL 13.347.579).

Long-term provisions	**31 March 2026**	**31 December 2025**
Provision for employment termination benefits	12.229.838	13.347.579
Total	**12.229.838**	**13.347.579**

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

As of 31 March 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) for each year of service.

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

The provision has been calculated by estimating the present value of the future probable obligation of Kontrolmatik and its subsidiaries registered in Türkiye arising from the retirement of employees.

TAS 19 "Employee Benefits" requires actuarial valuation methods to be developed to estimate the entity's obligation under defined benefit plans. Accordingly, the following actuarial assumptions have been used in the calculation of the total liability.

Related rates have been presented by considering the weighted average of actuarial assumptions of the subsidiaries within the scope of consolidation.

	31 March 2026	**31 December 2025**
Net discount rate	5.01	0.82
Interest rate	30.74%	23%

NOTE 12 – OTHER ASSETS AND LIABILITIES

Other current assets	**31 March 2026**	**31 December 2025**
Deferred VAT	1.965.230	1.896.370
Other VAT	14.140.791	-
Cash advances	99.103	180.906
Advances given to employees	127.046	-
Other current assets, net	**16.332.170**	**2.077.276**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

Other current liabilities	**31 March 2026**	**31 December 2025**
Taxes payable	4.232.706	165.275
Deferred liabilities	-	-
Expense accruals	-	54.864
Other VAT	3.745.323	-
Other liabilities	826.475	506.478
Other current liabilities, net	**8.804.504**	**726.617**

Other non-current liabilities	**31 March 2026**	**31 December 2025**
Deferred liabilities	1.016.878	3.248.101
Other non-current liabilities, net	**1.016.878**	**3.248.101**

NOTE 13 – PROPERTY, PLANT AND EQUIPMENT

	Opening balance – 1 January 2026	**Additions**	**Disposals**	**Closing balance – 31 March 2026**
Cost				
Land	155.758.237	-	-	155.758.237
Land improvements	26.218.211	-	-	26.218.211
Buildings	437.567.383	-	-	437.567.383
Plant, machinery and equipment	612.988.153	211.447	-	613.199.600
Motor vehicles	4.141.745	-	-	4.141.745
Furniture and fixtures	70.571.634	31.865	(31.865)	70.571.634
Constructions in progress	6.059.991	-	-	6.059.991
Total	**1.313.305.354**	**243.312**	**(31.865)**	**1.313.516.801**
Less: Accumulated depreciation				
Plant, machinery and equipment	(443.329.517)	(6.324.166)	-	(449.653.683)
Motor vehicles	(3.197.374)	(169.627)	-	(3.367.001)
Furniture and fixtures	(51.839.639)	(1.183.628)	531	(53.022.735)
Total	**(498.366.530)**	**(7.677.421)**	**531**	**(506.043.419)**
Net book value	**814.938.824**	**-**	**-**	**807.473.382**

	Opening balance – 1 January 2025	**Additions**	**Disposals**	**Closing balance – 31 March 2025**
Cost				
Land	439.697.072	-	-	439.697.072
Land improvements	43.373.842	-	-	43.373.842
Buildings	122.896.664		-	122.896.664
Plant, machinery and equipment	602.307.638	155.212	-	602.462.850
Motor vehicles	4.141.763	-	-	4.141.763
Furniture and fixtures	69.634.017	762.598	-	70.396.615
Constructions in progress	6.060.001	-	-	6.060.001
Total	**1.288.110.997**	**917.810**	**-**	**1.289.028.807**
Less: Accumulated depreciation				
Plant, machinery and equipment	(412.877.864)	(6.078.909)	-	(418.956.773)
Motor vehicles	(2.277.318)	(36.104)	-	(2.313.422)
Furniture and fixtures	(45.885.074)	(1.599.624)	-	(47.484.699)
Total	**(461.040.256)**	**(7.714.637)**	**-**	**(468.754.893)**
Net book value	**827.070.742**			**820.273.914**

NOTE 14 – RIGHT OF USE ASSETS AND LEASE LIABILITIES

	31 March 2026	**31 December 2025**
Beginning of the period – 1 January	**899.821**	**511.594**
Additions/Disposals, net	4.786.866	663.958
Current period depreciation	(711.419)	(275.731)
End of the period	**4.975.268**	**899.821**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

NOTE 15 – INTANGIBLE ASSETS

Other intangible assets

	Opening balance – 1 January 2026	Additions	Disposals	Closing balance – 31 March 2026
Cost				
Rights	151.367.004	-	-	151.367.004
Development costs	11.872.255	-	-	11.872.255
Total	**163.239.259**	**-**	**-**	**163.239.259**
Less: Accumulated depreciation				
Rights	(23.278.580)	(1.708.897)	-	(24.987.477)
Total	**(23.278.580)**	**(1.708.897)**	**-**	**(24.987.477)**
Net book value	**139.960.679**			**138.251.782**

	Opening balance – 1 January 2025	Additions	Disposals	Closing balance – 31 March 2025
Cost				
Rights	87.925.039	809.102	-	88.734.140
Development costs	11.872.342	-	-	11.872.342
Total	**99.797.381**	**809.102**	**-**	**100.606.483**
Less: Accumulated depreciation				
Rights	(16.972.541)	(1.701.394)	-	(18.673.934)
Total	**(16.972.541)**	**(1.701.394)**	**-**	**(18.673.934)**
Net book value	**82.824.840**	**(892.292)**	**-**	**81.932.548**

NOTE 16 – EQUITY

As of 31 March 2026 and 31 December 2025, the principal shareholders and their respective shareholding rates in Emek Elektrik are as follows:

	31 March 2026		31 December 2025	
Shareholders	**Share (%)**	**Amount (TL)**	**Share (%)**	**Amount (TL)**
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.	19.41	29.110.350	19.41	29.110.350
Sami Aslanhan	-	-	6.40	9.594.476
Other (Listed shares)	80.59	120.889.650	74.19	111.295.174
Total paid-in share capital	**100**	**150.000.000**	**100**	**150.000.000**
Adjustment to share capital		**1.150.189.763**		**1.150.189.763**
Total		**1.150.189.763**		**1.150.189.763**

Emek Elektrik's share capital consists of 150,000,000 outstanding shares each with a par value of TL 1 (31 December 2025: 150,000,000 shares).

The issued shares have been paid in cash.

Adjustment to share capital	**31 March 2026**	**31 December 2025**
Beginning of the period – 1 January	**1.031.539.560**	**752.682.792**
Monetary gains/losses	118.650.203	278.856.768
End of the period	**1.150.189.763**	**1.031.539.560**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

Other comprehensive income or expenses not to be reclassified to profit or loss

Other comprehensive income or expenses not to be reclassified to profit or loss comprise of property, plant and equipment revaluation surplus and gains/(losses) on remeasurements of defined benefit plans and the movement for other comprehensive income or expenses not to be reclassified to profit or loss is as follows:

C. Other comprehensive income or expenses not to be reclassified to profit or loss	31 March 2026	31 December 2025
Beginning of the period - 1 January		
Gains/(losses) on remeasurements of defined benefit plans during the period	192.830.443	192.830.443
Gains/(losses) on remeasurements of defined benefit plans during the period, deferred tax	(13.379.045)	(13.425.285)
End of the period	**179.451.398**	**179.405.158**

The Group has estimated that the Group will benefit from the 25% exemption specified in the "Corporate Tax Law" in calculating the deferred tax effect of the revaluation surplus arising from the revaluation of land and buildings, based on the change in estimates realised in the prior period.

Other comprehensive income or expenses to be reclassified to profit or loss

Other comprehensive income or expenses to be reclassified to profit or loss comprise of currency translation differences and the movement for other comprehensive income or expenses to be reclassified to profit or loss is as follows:

Currency translation differences	31 March 2026	31 December 2025
Beginning of the period - 1 January	**(8.862.581)**	**(9.381.950)**
Other comprehensive income	808.764	519.369
End of the period	**(8.053.817)**	**(8.862.581)**

Restricted reserves

The legal reserves consist of the first and second reserves, appropriated under the Turkish Commercial Code ("TCC"). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital.

The first dividend amount of the Group cannot be less than 20% of the remaining distributable profit after deducting previous years' losses, if any, and legal reserves, taxes, funds and financial payments that are necessary to be allocated from net period profit in accordance per related legislation. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

	31 March 2026	31 December 2025
Beginning of the period - 1 January	**96.289.578**	**96.289.758**
Additions	-	-
Total	**96.289.578**	**96.289.578**

Retained earnings

In accordance with the Communiqué No: XI-29 and related announcements of CMB, effective from 1 January 2008, "Paid-in Share Capital", "Restricted Reserves" and "Share Premium" shall be carried at their statutory amount. The valuation differences shall be classified as follows:

- The difference arising from the "Paid-in Share Capital" and not been transferred to capital yet, shall be classified under the "Adjustment to Share Capital",
- The difference due to the adjustment of "Restricted reserves" and "Share premium" and the amount that has not been utilized in dividend distribution or capital increase yet, shall be classified under "Retained earnings".

As of 31 March 2026 and 31 December 2025, retained earnings include the following items:

	31 March 2026	31 December 2025
Extraordinary reserves	56.326.931	106.660.316
Transfer from retained earnings	(570.563.144)	(558.538.046)
End of the period	**(514.236.213)**	**(451.877.730)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

NOTE 17 – REVENUE AND COST OF SALES

	1 January - 31 March 2026	1 January - 31 March 2025
Domestic sales	196.387.073	122.718.284
Foreign sales	81.670.626	69.448.749
Other	1.679.674	-
Gross revenue, net	**279.737.373**	**192.167.033**
Sales returns (-)	(448.034)	(13.460.755)
Sales discounts (-)	(1.112.561)	-
Net revenue	**278.176.778**	**178.706.278**
Cost of sales (-)	(153.260.620)	(143.675.053)
Cost of merchandise sold (-)	(30.094.960)	-
Gross profit	**94.821.198**	**35.031.225**

NOTE 18 – EXPENSES BY NATURE

As of 31 March 2026 and 2025, the breakdown of expenses by nature is as follows:

Research and development expenses	1 January - 31 March 2026	1 January - 31 March 2025
Personnel expenses	(7.956.478)	(5.616.204)
Depreciation and amortisation charges	(3.359.282)	(2.096.359)
Travel and accommodation expenses	(135.873)	(138.511)
Rent expenses	(129.000)	(268.438)
Export costs, fees and charges	-	-
Other	(634.638)	(59.888)
Research and development expenses, net	**(12.215.271)**	**(8.179.400)**

Marketing expenses	1 January - 31 March 2026	1 January - 31 March 2025
Personnel expenses	(3.882.450)	(5.503.341)
Travel and accommodation expenses	(93.502)	(512.211)
Market development costs	(1.781.337)	(4.088.581)
Outsourcing expenses	(1.031.054)	(2.465.062)
Consultancy expenses	(1.915.528)	(20.830)
Fair and exhibition costs	--	(4.171.694)
Motor vehicle expenditures	--	(631.820)
Export costs, fees and charges	(1.224.422)	(1.930.109)
Depreciation and amortisation charges	(199.240)	(137.404)
Foreign commission expenses	(105.755)	(400.558)
Conditional penalty expenses (*)	--	(233.225)
Expenses under warranty (*)	--	(319.909)
Transportation costs, fees and charges	(771.541)	(964.793)
Other	(579.202)	(1.609.310)
Marketing expenses, net	**(11.584.031)**	**(22.988.847)**

General administrative expenses	1 January - 31 March 2026	1 January - 31 March 2025
Personnel expenses	(17.256.135)	(21.501.430)
Depreciation and amortisation charges	(4.746.050)	(2.419.802)
Audit and consultancy expenses	(1.203.606)	(1.268.941)
IT expenses	--	(367.085)
Bank commissions, fees and charges	--	(370.749)
Representation and hospitality expenses	(176.843)	(21.414)
Outsourcing expenses	(3.718.356)	--
Rent expenses and subscription costs	(168.540)	(470.965)
Taxes, duties and charges	(836.610)	(593.298)
Insurance expenses	(528.330)	(487.732)
Maintenance and repair expenses	(743.513)	--
Other	(4.766.584)	(1.600.544)
General administrative expenses, net	**(34.144.567)**	**(29.101.960)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

The details of the depreciation and amortisation charges recognised in the condensed consolidated statement of profit or loss are as follows:

Depreciation and amortisation charges	1 January - 31 March 2026	1 January - 31 March 2025
Research and development expenses	(3.732.355)	(2.096.359)
Marketing expenses	(221.367)	(137.404)
General administrative expenses	(5.273.134)	(2.419.802)
Cost of sales	(1.201.882)	(3.061.072)
Depreciation and amortisation charges, net	**(10.428.738)**	**(7.714.637)**

NOTE 19 – OTHER OPERATING INCOME/(EXPENSES)

Other operating income	1 January - 31 March 2026	1 January - 31 March 2025
Foreign exchange gains	25.725.535	-
Discount income	1.312.082	6.989.245
Provisions no longer required (Other)	258.791	-
Income from price revisions	1.408.475	-
Income from government grants and incentives	134.455	1.766.490
Other	14.348.437	4.919.797
Other operating income, net	**43.187.775**	**13.675.532**

Other operating expenses	1 January - 31 March 2026	1 January - 31 March 2025
Foreign exchange losses	(53.287.827)	(56.257.480)
Expenses from delay interest fees and charges	--	(330.588)
Discount expenses	(5.887.441)	(155.315)
Other	(1.486.722)	(1.528.834)
Other operating expenses, net	**(60.661.990)**	**(58.272.217)**

NOTE 20 – GAINS/(LOSSES) FROM INVESTMENT ACTIVITIES

None.

NOTE 21 – FINANCIAL INCOME

As of 31 March 2026 and 2025, the breakdown and details of financial income are as follows:

Financial income	1 January - 31 March 2026	1 January - 31 March 2025
Interest income	43.995.130	895.449
Foreign exchange gains	1.560.760	11.228
Financial income, net	**45.555.890**	**906.677**

NOTE 22 – FINANCIAL EXPENSES

As of 31 March 2026 and 2025, the breakdown and details of financial expenses are as follows:

Financial expenses	1 January - 31 March 2026	1 January - 31 March 2025
Interest expenses	(6.871.679)	(671.971)
Foreign exchange losses	-	(524.519)
Bank commissions, fees and charges	(1.381.399)	-
Interest expenses under TFRS 16	(641.578)	-
Other operating expenses	(1.201.248)	-
Other	-	-
Expenses from derivative transactions	-	(2.668.421)
Financial expenses, net	**(10.095.904)**	**(3.864.911)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

NOTE 23 - NET MONETARY POSITION GAINS/(LOSSES)

Non-monetary items	**31 March 2026**
Property, plant and equipment and intangible assets (net)	48.523.484
Inventories	(19.726.097)
Other adjustments for inflation	6.303.811
Paid-in share capital	(118.761.482)
Adjustments for inflation – other equity items	19.391.589
Adjustments for inflation – deferred tax	(4.026.068)
Adjustments for inflation – statement of profit or loss	(3.730.790)
Net monetary position gains/(losses)	**(72.025.553)**

NOTE 24 – EARNINGS PER SHARE

As of 31 March 2026 and 31 December 2025, the calculation of basic earnings per share is based on the weighted average number of ordinary shares outstanding during the period and the relevant calculation of EPS of Emek Elektrik is as follows:

Earnings per share from continuing operations	**1 January - 31 March 2026**	**1 January - 31 December 2025**
Share of profit or loss from continuing operations	(28.139.576)	(135.671.611)
Weighted average number of shares with nominal value of TL 1	150.000.000	150.000.000
Earnings per share from continuing operations, net (TL)	**(0.1876)**	**(0,9045)**

NOTE 25 – RELATED PARTY DISCLOSURES

The current account balances (net book values) of the Group as of the end of the period with its shareholders, having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors are as follows:

Trade receivables due from related parties	**31 March 2026**	**31 December 2025**
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.	42.863.288	46.998.060
Total	**42.863.288**	**46.998.060**

Other receivables due from related parties	**31 March 2026**	**31 December 2025**
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.	-	3.370.848
Total	**-**	**3.370.848**

Trade payables due to related parties	**31 March 2026**	**31 December 2025**
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.	4.848.076	5.137.420
Total	**4.848.076**	**5.137.420**

Advances received from related parties	**31 March 2026**	**31 December 2025**
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.	88.535.542	97.426.281
Total	**88.535.542**	**97.426.281**

As of 31 March 2026 and 31 December 2025, the Group's sales and purchases (including delay interest and charges) with its shareholders and related parties with which it has indirect shares, management and business relations are as follows:

Sales of goods and services	**1 January - 31 March 2026**	**1 January - 31 December 2025**
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.	154.086	57.198.688
Total	**154.086**	**57.198.688**

Purchases of goods and services	**1 January - 31 March 2026**	**1 January - 31 December 2025**
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş.	179.478	52.194.792
Total	**179.478**	**52.194.792**

As of 31 March 2026, total key management compensation including short-term benefits incurred by Emek Elektrik amounted to TL 2.297.624 (31 December 2025: TL 6.448.118).

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

NOTE 26 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Credit risk management

As of 31 March 2026 and 31 December 2025, the exposure of consolidated financial assets to credit risk is as follows:

31 March 2026	Receivables				Bank deposits (*)	Cash and cash equivalents and other
	Trade Receivables		Other Receivables			
	Related party	Other	Related party	Other		
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	**43.870.860**	**450.773.304**	**108.503.791**	**31.828.300**	**8.996.822**	**78.722**
- Maximum risk, secured with guarantees and collaterals	-	-	-	-	-	-
A. Net book value of neither past due nor impaired financial assets (2)	43.870.860	450.773.304	108.503.791	31.828.300	8.996.822	78.722
B. Net book value of past due but not impaired financial assets (5)	-	-	-	-	-	-
C. Net book value of impaired assets (3)	-	-	-	-	-	-
- Past due (gross book value)	-	61.449.048	-	4.770.689	-	-
- Impairment (-)	-	(61.449.048)	-	(4.770.689)	-	-
- Secured with guarantees and collaterals	-	-	-	-	-	-
- Not past due (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured with guarantees and collaterals	-	-	-	-	-	-
D. Off-balance sheet expected credit losses (4)	-	-	-	-	-	-

(*) Foreign currency/gold/currency-protected TL time deposit accounts in banks and mutual funds are included in the aforementioned table under bank deposits.

The Group's credit and collection risk arises from trade receivables. Trade receivables of the Group is trying to be managed as the credit risk by limiting the transactions with certain parties and continuously evaluating the reliability of the related parties in accordance with the Group's policies and procedures. Total credit risk and trade receivables of the Group is presented in the condensed consolidated statement of financial position less provision for doubtful receivables. The credit risk is diversified as a result of large number of entities comprising the customer bases and the penetration to different business segments.

Credit risks incurred by type of financial instruments

Holding financial instruments also carries the risk that the counterparty will not be able to satisfy to discharge obligations. The Group's collection risk arises mainly from trade receivables. Trade receivables are evaluated in accordance with the Group's policies and procedures and are presented net in the condensed consolidated statement of financial position less doubtful receivables.

The Group has established an effective control system over its customers.

The credit risk arising from these transactions is monitored by management, and these risks are limited for each debtor. The Group does not have significant trade receivable risk due to the fact that it has receivables from a large number of customers rather than a small number of customers with significant amounts. Various indicators exist for classifying a receivable as doubtful, including: a) data on uncollectible receivables from previous years, b) the debtor's ability to pay, c) extraordinary conditions arising in the industry and current economic environment, and d) the receivable being subject to litigation due to difficulties in collection.

(1) The Group has no collateral or non-recourse credit commitments from companies that have credit risk.

(2) The Group has no financial assets that are past due but not impaired.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

31 December 2025	Receivables				Bank deposits (*)	Cash and cash equivalents and other
	Trade Receivables		Other Receivables			
	Related party	Other	Related party	Other		
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	**44.569.188**	**407.199.415**	**3.196.642**	**39.312.000**	**73.478.229**	**30.029**
- Maximum risk, secured with guarantees and collaterals						
A. Net book value of neither past due nor impaired financial assets (2)	44.569.188	407.199.415	3.196.642	39.312.000	73.478.229	30.029
B. Net book value of past due but not impaired financial assets (5)						
C. Net book value of impaired assets (3)						
- Past due (gross book value)		64.125.154		4.978.453		
- Impairment (-)		(64.125.154)		(4.978.453)		
- Secured with guarantees and collaterals						
- Not past due (gross book value)						
- Impairment (-)						
- Secured with guarantees and collaterals						
D. Off-balance sheet expected credit losses (4)						

(*) Foreign currency/gold/currency-protected TL time deposit accounts in banks and mutual funds are included in the aforementioned table under bank deposits.

The Group's credit and collection risk arises from trade receivables. Trade receivables of the Group is trying to be managed as the credit risk by limiting the transactions with certain parties and continuously evaluating the reliability of the related parties in accordance with the Group's policies and procedures. Total credit risk and trade receivables of the Group is presented in the condensed consolidated statement of financial position less provision for doubtful receivables. The credit risk is diversified as a result of large number of entities comprising the customer bases and the penetration to different business segments.

Liquidity risk management

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The prudent liquidity risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions. The Group provides funding by balancing cash inflows and outflows through the provision of credit lines in the business environment. The table below summarizes the maturity profile of the Group's financial liabilities based on undiscounted payments.

31.03.2026

Contractual maturities	Carrying value	Total contractual cash outflows	Demand or up to 3 months	3-12 months	1-5 years
Non-derivative financial liabilities	**769.437.740**	**769.437.739**	**247.984.963**	**339.370.069**	**182.082.707**
Bank borrowings	111.124.284	111.124.284	107.105.659	2.727.907	1.290.718
Finance lease liabilities	4.938.074	4.938.074	539.100	2.052.697	2.346.277
Trade payables	284.414.201	284.414.200	27.592.164	78.376.324	178.445.712
Other payables	366.018.773	366.018.773	109.805.632	256.213.141	-

31.12.2025

Contractual maturities	Carrying value	Total contractual cash outflows	Demand or up to 3 months	3-12 months	1-5 years
Non-derivative financial liabilities	**720.451.277**	**720.451.277**	**250.058.732**	**262.852.407**	**207.540.139**
Bank borrowings	140.372.544	140.372.544	137.484.546	264.868	2.623.130
Finance lease liabilities	286.657.026	286.657.026	24.522.005	57.218.012	204.917.009
Trade payables	293.385.038	293.385.038	88.015.512	205.369.527	-
Other payables	36.669	36.669	36.669	-	-

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

Foreign exchange risk management

Foreign exchange position

	31.03.2026				
	TL equivalent	**USD**	**EUR**	**GBP**	**Other**
1. Trade Receivables	251.903.013	439.794	4.562.745	-	-
2a. Monetary Financial Assets	22.285.287	234.275	212.080	18.500	-
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	17.633.021	397.175	-	-	-
4. Total Current Assets (1+2+3)	**291.821.321**	**1.071.243**	**4.774.826**	**18.500**	**-**
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Total Non-Current Assets (5+6+7)	**-**	**-**	**-**	**-**	**-**
9. Total Assets (4+8)	**291.821.321**	**1.071.243**	**4.774.826**	**18.500**	**-**
10. Trade Payables	158.112.445	996.194	2.230.366	164	-
11. Financial Liabilities	-			-	-
12a. Other Monetary Liabilities	-		-	-	-
12b. Other Non- Monetary Liabilities	225.221.769	2.298.567	2.410.576	-	-
13. Total Current Liabilities (10+11+12)	**383.334.214**	**3.294.762**	**4.640.942**	**164**	**-**
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	-	-	-	-	-
16a. Other Monetary Liabilities	-	-	-	-	-
16b. Other Non- Monetary Liabilities.	-	-	-	-	-
17. Total Non-Current Liabilities (14+15+16)	**-**	**-**	**-**	**-**	**-**
18. Total Liabilities (13+17)	**383.334.214**	**3.294.762**	**4.640.942**	**164**	**-**
19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b)	**-**	**-**	**-**	**-**	**-**
19a. Hedged assets	-	-	-	-	-
19b. Hedged liabilities	-	-	-	-	-
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	**(91.512.894)**	**(2.223.518)**	**133.884**	**18.336**	**-**
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a)	**133.708.876**	**75.049**	**2.544.460**	**18.336**	**-**

Foreign exchange position

	31.12.2025			
	TL equivalent	**USD**	**EUR**	**GBP**
1. Trade Receivables	237.374.790	1.076.094	3.790.660	-
2a. Monetary Financial Assets	25.516.746	261.492	248.271	30.832
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Total Current Assets (1+2+3)	**262.891.536**	**1.337.586**	**4.038.931**	**30.832**
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Total Non-Current Assets (5+6+7)	**-**	**-**	**-**	**-**
9. Total Assets (4+8)	**262.891.536**	**1.337.586**	**4.038.931**	**30.832**
10. Trade Payables	178.364.883	1.091.837	2.607.690	-
11. Financial Liabilities	244.175.468	109.346	4.746.748	-
12a. Other Monetary Liabilities	199.827.006	2.715.004	1.654.120	-
12b. Other Non- Monetary Liabilities	-	-	-	-
13. Total Current Liabilities (10+11+12)	**565.571.512**	**3.558.804**	**8.186.457**	**-**
14. Trade Payables	-	-	-	-
15. Financial Liabilities	342.433.119	106.011	6.697.083	-
16a. Other Monetary Liabilities	-	-	-	-
16b. Other Non- Monetary Liabilities.	-	-	-	-
17. Total Non-Current Liabilities (14+15+16)	**342.433.119**	**106.011**	**6.697.083**	**-**
18. Total Liabilities (13+17)	**964.800.477**	**4.022.198**	**15.705.640**	**-**
19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b)	**-**	**-**	**-**	**-**
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	**(701.908.941)**	**(2.684.612)**	**(11.666.710)**	**30.832**
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a)	**(701.908.941)**	**(2.684.612)**	**(11.666.710)**	**30.832**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2026, unless otherwise indicated.)

Exchange rate sensitivity analysis

Exchange rate sensitivity analysis statement

31.03.2026

	Profit/(Loss)	
	Appreciation of foreign currency	**Depreciation of foreign currency**
Change in USD against TL by 10%		
1- USD Net Asset/Liability	(9.897.912)	9.897.912
2- Hedged portion of USD Risk (-)	-	-
3- USD Net Effect (1+2)	**(9.897.912)**	**9.897.912**
Change in EUR against TL by 10%		
4- EUR Net Asset/Liability	639.260	(639.260)
5- Hedged portion of EUR Risk (-)	-	-
6- EUR Net Effect (4+5)	**639.260**	**(639.260)**
Change in GBP against TL by 10%		
7- GBP Net Asset/Liability	107.363	(107.363)
8- Hedged portion of GBP Risk (-)	-	-
9- GBP Net Effect (7+8)	**107.363**	**(107.363)**
Change in Other currencies against TL by 10%		
10- Other currencies Net Asset/Liability	-	-
11- Hedged portion of Other currencies Risk (-)	-	-
12- Other currencies Net Effect (10+11)	**-**	**-**
Total (3+6+9)	**(9.151.289)**	**9.151.289**

Exchange rate sensitivity analysis statement

31.12.2025

	Profit/(Loss)	
	Appreciation of foreign currency	**Depreciation of foreign currency**
Change in USD against TL by 10%		
1- USD Net Asset/Liability	(11.506.863)	11.506.863
2- Hedged portion of USD Risk (-)		
3- USD Net Effect (1+2)	**(11.506.863)**	**11.506.863**
Change in EUR against TL by 10%		
4- EUR Net Asset/Liability	(58.862.285)	58.862.285
5- Hedged portion of EUR Risk (-)	-	-
6- EUR Net Effect (4+5)	**(58.862.285)**	**58.862.285**
Change in GBP against TL by 10%		
7- GBP Net Asset/Liability	178.254	(178.254)
8- Hedged portion of GBP Risk (-)	-	-
9- GBP Net Effect (7+8)	**178.254**	**(178.254)**
Total (3+6+9)	**(70.190.894)**	**70.190.894**

NOTE 27 – EVENTS AFTER THE REPORTING PERIOD

None.