TRANSCRIPT OF ENERJİSA ENERJİ H1 2026 EARNINGS CALL

DATE:	11.08.2026
EVENT:	Enerjisa Enerji H1 2026 Earnings Call
SPEAKERS:	Dr. Philipp Ulbrich – CFO
	Cem Gökmen Gökkaya – Treasury, Risk and Tax Director
	Martin Jaeger – Investor Relations and Corporate Office Director

PRESENTATION SESSION

Martin Jaeger: Good afternoon and welcome to Enerjisa Enerji H1 2026 earnings call. Today, I'm very pleased to be joined by our new CEO, Oğuzhan Özsürekci, as usual, by our CFO, Philipp, and by Cem, our Treasury, Risk and Tax Director. Before we begin, I would like to welcome Oğuzhan, who assumed his new role as Enerjisa's CEO as of August 1st, after being the General Manager of our Distribution Business for many years. Oğuzhan, congratulations once again on your new role. The floor is yours.

Page 2: Highlights

Oğuzhan Özsürekci: Good afternoon, everyone. It is a pleasure to be with you today and have the opportunity to speak to you for the 1st time as CEO of Enerjisa Enerji.

Having spent more than 2 decades in the energy sector, particularly in electricity distribution within Enerjisa, I have had the privilege of contributing to our growth and transformation story while working closely with all our businesses.

This experience has given me the opportunity to establish a deep understanding of our operations, our people, and culture. It also gives me great confidence in the financial performance of Enerjisa Enerji.

As CEO, my priority will be to maintain the disciplined execution of our strategy. This means delivering our investment plans for the new regulatory periods, maintaining financial resilience through prudent capital allocation, and continuing to strengthen the quality and reliability of our networks.

Safety, customer satisfaction, and operational efficiency will remain central to how we run the company. At the same time, we will continue to make use of digitalization and new technologies to strengthen our core business and prepare Enerjisa for the evolving needs of Türkiye's energy system.

I see my appointment as ensuring continuity in our strategic direction while bringing a strong operational perspective to the execution of our priorities. We have an experienced management team, highly capable employees, and continuous support of our 2 strong shareholders.

You can expect us to remain focused, accountable, and transparent. I look forward to engaging with our investors and other stakeholders and to building an open and constructive dialogue with you.

I'm excited about what lies ahead. We have a clear strategy and strong fundamentals to create sustainable value for our shareholders and all our stakeholders.

With that, let me hand over to our CFO, Philipp, who will take you through our financial and operational performance for the 1st half of 2026.

Dr. Philipp Ulbrich: Thank you, Oğuzhan. It's a pleasure to have you with us in your new role, and I look forward to continuing our close collaboration. A warm welcome to everyone joining us today. Let me now take you through our financial and operational performance for the 1st half of 2026.

We delivered a strong start into the 5th implementation period, recording very solid results in H1 in line with our expectations. Operational earnings grew by 9% year on year and Underlying Net Income even around 52%. Our investments more than doubled as expected year on year and increased to 8.3 billion Turkish lira. We will provide you further insights throughout the presentation.

Before moving into the operational details of H1, let me briefly give you my key messages of today. As you all know, the 1st half of 2026 was marked by continued global uncertainty, market volatility, and a challenging macroeconomic backdrop. These developments also slowed the recovery process of inflation and interest rates in Türkiye. Despite these conditions, Enerjisa Enerji once again demonstrated the resilience of its business model with our Distribution Business continuing to deliver growth beyond inflation.

Based on this strength, we are increasing our 2026 Operational Earnings guidance from previously 75 to 80 billion Turkish lira to now 80 to 85 billion Turkish lira, primarily driven by higher financial income due to higher inflation and the indexation of our Regulated Asset Base. Also, we increased our Underlying Net Income guidance from 11 to 13 billion Turkish lira to now 13 to 15 billion Turkish lira. Which is besides the drop-through from Operational Earnings to a large extent based on the competitive financing achieved by Enerjisa.

At the same time, we remain fully committed to our 2026 investment program in Distribution, while deliberately backloading our investments to the 2nd half of the year to optimize the timing of our funding, minimizing financing costs, and to maintain a prudent approach during a period of heightened geopolitical uncertainty in the Middle East. Our investment guidance thus remains unchanged at 30 to 35 billion Turkish lira, so does the expectation for our Regulated Asset Base of 110 to 120 billion Turkish lira.

The new regulatory 5-year period that started with H1 further strengthens our investment case: The Distribution WACC increased from 12.3 to 13.5%. Inflation indexation remains intact, and investments continue to be recovered over 10 years.

Furthermore, the approximately 32% increase in the distribution tariff, effective from April, demonstrated the regulator's continued commitment to ensuring the financial sustainability by addressing funding requirements of the electricity distribution system.

However, this tariff increase still is not sufficient to compensate the prevailing tariff burden we are facing in Distribution. That's why we still expect the Regulator to take further action on the tariff this year in order to keep the gap between the revenues we are entitled to and the cash collected under control.

Let me also share with you the outstanding CAPEX outperformance of Enerjisa in 2025, which was announced recently. According to EMRA's latest assessment, we were able to procure on average 1.5% below the market unit-price benchmark in 2025, creating an additional value without incremental cash investment. As the regulator carries out an ex-post assessment, the 2026 unit-prices will be known next year. We certainly continue our efforts to continuously improve our supply chain performance.

Last but not least, the successful conclusion of the Collective Labor agreement at the end of July was an important milestone. The agreement provides greater visibility over the largest component of our distribution OPEX through February 2028, while striking a balanced outcome that addresses employee expectations and remains fully aligned with our commitment to operate within the regulatory OPEX ceiling.

Page 3: Operational Earnings Development

Dr. Philipp Ulbrich: On the next page, I will walk you through the year-on-year bridge of our Operational Earnings in the 1st 6 months of 2026. Group Operational Earnings increased by 9% in real terms year on year to 38.8 billion Turkish lira, showcasing our robust performance in the 1st half of the year.

In Distribution, Operational Earnings increased by around 4.7 billion Turkish lira compared to last year's H1.

The key drivers supporting earnings were a higher financial income and higher CAPEX reimbursement driven by our increased Regulated Asset Base. This is caused by the inflation declining at a slower pace than expected and increased inflation expectations resulting in a higher Financial Income, as well as the increased WACC in the new regulatory framework. Let me state clearly that we are continuing to apply a conservative approach to Financial Income accounting here, given the uncertain future outlook.

Similar to the 1st quarter, our operational expenses increased due to higher personnel and sourcing expenses, reflecting the inflationary pressure on our cost base in the 1st half of 2026. With the successful conclusion of the new two-year Collective Labor Agreement, we have established greater visibility over the largest component of our Distribution OPEX base. The agreement reflects our balanced approach, supporting our employees while maintaining our commitment to operate within the regulatory OPEX ceiling on a yearly basis, which proves our cost discipline.

Efficiency and Quality-related earnings stand below the prior year period. The activation of the CAPEX outperformance following EMRA's Board decision on unit prices, could not overcompensate the structural changes introduced under the new regulatory framework. The main negative drivers here are lower Theft and Loss performance due to the changes on EMRA target rates and the decrease of energy unit costs, and lower Theft and Loss accruals, primarily driven by the reduced share of revenues to be kept by the Distribution companies from formerly 55% to now 50%.

Moving to Retail. In the regulated business, the volumes have continued to shift towards the liberalized segment following the reduction in the last resort tariff limits as of 2026. At the same time, borrowing cost compensation under the new regulatory framework has remained broadly stable in nominal terms, resulting in a real margin contraction in the inflationary environment. As a result, gross profit declined year on year.

In addition, persistently high subsidy levels and lower EPİAŞ costs, which have prevented margins from growing in line with inflation for some time, also weighed on the year-on-year performance. Especially in the 2nd quarter, market costs are realized much lower compared to last year, driven by a higher share of hydro in the energy generation mix. After several years of high inflation, broadly unchanged nominal regulated margins underline the need for a meaningful improvement in the regulated returns by EMRA in order not to let this business continue to lose its value year over year. This is what we expect to happen as soon as possible.

In the liberalized business, gross profit increased, driven by the volume contribution of mass market sales, mainly due to the Last Resort Tariff decrease and a more favorable market environment, especially in the 2nd quarter of this year. Very encouraging is, above this, our active portfolio and margin management, giving priority to margin over volume that continue to support the resilience of our retail business in the overall challenging economic environment. In customer solutions, Operational Earnings were lower year on year. Here, solar and energy efficiency gross profit declined due to the absence of new projects in the pipeline. The business remains competitive, and we continue to be selective and pursue opportunities when we see the right value in customer solutions.

With that, let us now move to UNI.

Page 4: Underlying Net Income

Dr. Philipp Ulbrich: Underlying Net Income increased significantly by 52% to 6.4 billion Turkish lira compared to the same period last year. This improvement is mainly driven by stronger operational earnings, as just seen, and lower net financing costs.

Let me walk you through the bridge in a bit more detail.

Lower net loan and bond interest expenses supported by the Underlying Net Income development by around 1.9 billion Turkish lira year on year. This mainly results from the decrease in the effective interest rates compared to 2025. Furthermore, in H1 2026, we performed once again a shift of CAPEX to the 2nd half of the year, and by this, we are able to optimize our financing costs.

Even if interest rates in the 2nd half might not decline further, given the inflationary pressure, Enerjisa will deliver on its promises due to the strong position in financing markets and the inflation protection of our business model.

Other financial income was lower by 112 million Turkish lira, mainly due to lower tariff receivable interest as a result of the lower average tariff burden. This effect is offset since the lower tariff burden also translates into lower financing needs.

Compared to last year, Net Income also benefited from a lower monetary loss as inflation levels were slightly coming down in the 1st 6 months of 2026. So overall, key drivers were the inflation-protected regulated earnings and lower financing costs, resulting in a very strong Underlying Net Income growth in the 1st 6 months of the year.

With that, let us move on to the next page on operational developments. Over to you, Cem.

Page 5: Operations

Cem Gökmen Gökkaya: Thank you, Philipp. Let me now take you through the main operational developments across our business lines, starting with Distribution.

In Distribution, we ramped up our investments in the 2nd quarter and increased them to 7.9 billion Turkish lira, remaining committed to our long-term investment program. As in 2025, a larger share of investments will be executed in the 2nd half of the year to benefit from lower financing needs.

Let me spend more time on supporting elements of our investment case. The Ministry of Energy and Natural Resources foresees the need of approximately 50 billion US dollars of distribution and 35 billion US dollars of transmission investments over the next 10 years in its recently published reports.

This clearly documents that the focus in managing the energy transformation now also includes the power networks. Along with this long-term projection, the ambition is to increase the share of electricity in the final energy consumption from around 25% to 35%. Both reinforce the long-term growth perspective of our Regulated Asset Base.

In addition, our RAB was indexed by approximately 32.1% based on July to June inflation, strengthening the future earnings base and demonstrating the effectiveness of the regulatory inflation-protection mechanism.

Efficiency and Quality-related earnings came in 18% lower compared to the very strong base in the prior year- And mainly driven by the already addressed changes under the new Regulation, a usual update for a new regulatory period and setting the right incentives for all the distribution companies in Türkiye.

Moving to Retail and Customer Solutions, in the regulated retail segment, volumes declined by 8% year on year to 13.9 terawatt hours. The decline in sales volumes is mainly driven by the customer migration to the liberalized segment due to the decrease of the last resort tariff limits. However, Enerjisa increased its gross margin to 14.5% under the regulated earning structures. As nominal retail revenues remain largely stable, the slight increase in the margin is not sufficient to compensate for the continued inflationary pressure. That said, the regulated Retail segment remains a challenging business.

In the liberalized segment, volumes increased by 6% year on year to 8.5 terawatt hours, mainly supported by the ongoing customer shifts from regulated tariffs to market-based contracts. Lower wholesale electricity prices and the merit order shift towards renewables supported liberalized retail margins, and gross margin increased year on year to 10.2%. As market conditions normalize and procurement costs increase, we don't expect these exceptionally strong margins to persist in the 2nd half of the year. As Enerjisa continues to prioritize profitability and credit quality over low-margin volumes, the overall retail volumes slightly decreased despite overall growing electricity demand.

In Customer Solutions, gross profit decreased to 2.9 billion Turkish lira, although installed solar power capacity increased by 18% year on year. Due to the missing demand, there was no capacity contribution in the 2nd quarter, and the commissioned projects were financially mostly recognized in 2025 according to accounting standards.

As a new operational KPI for our e-mobility business, we are introducing “Electricity Sold”. This is the electricity that we sell via our EV charging network as this is the main driver of the Eşarj revenues. It much better reflects the growth of the business and our strategy to focus on availability and utilization. Supported by our ongoing operational efficiency initiatives and improving network utilization, electricity sales increased by 66% year on year, reaching 31.1 gigawatt hours in the 1st half. We remain committed to reaching a positive EBITDA in this business for the year.

Overall, Distribution remains the core anchor of resilience in the portfolio, while Retail requires continued close management in the current environment and actions by the regulator. In Customer Solutions, we continue to apply an opportunistic and value-focused approach.

Page 6: Free Cash Flow

Cem Gökmen Gökkaya: The next page shows our Free Cash Flow after interest and tax and highlights the key drivers behind its development beyond the interest payments that we already discussed. These include cash-effective investments and the cash impact of tariff delays in both Retail and Distribution.

In the 1st 6 months of 2026, Free Cash Flow after interest and tax came in at negative 7.5 billion Turkish lira, compared to negative, 3.5 billion Turkish lira in the half one last year, driven by the temporary financing requirement arising from the lighting receivables.

Before moving on, let me briefly touch on lighting receivables as an important cash flow item this year. As of half one, the impact of lighting receivables makes up 5 billion TL in distribution. Following the expiry of the previous legislative framework at the end of 2025, collections have been delayed, increasing both our financing requirements and Economic Net Debt. A renewed legislative framework was enacted 2 weeks ago and is expected to take effect shortly. As interest compensation is not part of the regulatory framework yet, we expect that the outstanding balances will be settled promptly, positively supporting Free Cash Flow in the coming periods.

In Retail, the tariff-related cash impact reached negative 3.2 billion TL in half one 2026, despite the tariff surplus at the end of 2025. This mainly reflects the significant increase of Feed-in Tariff costs, despite lower wholesale market prices, partially compensated with ongoing significant EUAS subsidy and limited increase in national tariff in April'2026.

For both businesses, Distribution and Retail, we are entitled to also collect the interest costs related to the Tariff burdens. Furthermore, the regulator has proven over the last years to always adapt regulation in order to keep Tariff burdens only temporary. Cash-effective investments increased materially to 17.8 billion Turkish lira in half one, including TL 4 billion, related to 2025 investments with cash payments carried over into 2026. Compared to 7.3 billion TL in the same period last year. Distribution investments represented the largest share of this amount.

As a result, the high investment-related cash outflow is fully consistent with our strategy of expanding the Regulated Asset Base under IP5. While cash outflows are incurred upfront, the related CAPEX reimbursements and WACC-based returns are recovered over time through the regulatory framework.

Page 7: Economic Net Debt

Cem Gökmen Gökkaya: Let me now turn to Economic Net Debt and development of our balance sheets.

In the 1st half of 2026, Economic Net Debt increased by more than 20 billion to 98.4 billion Turkish lira. This increase was mainly driven by a combination of tariff burden and financing needs arising from the lighting receivables that we have previously touched upon. Excluding these items, the increase in Net Debt would have been approximately 14.8 billion Turkish lira lower. The remaining part mainly reflects net interest payments and normal seasonal working capital fluctuations, including customer deposits. It is also worth noting that the increase in the Regulated Asset Base was largely driven by revaluation and therefore didn't require additional financing.

Also, the 2025 dividend paid on April 15th, amounting to 6 billion Turkish lira, weighed on the Economic Net Debt development. The "other" item, almost amounting to 4.6 billion Turkish lira, mainly includes interest accruals arising from bonds, especially the ones issued within 2026 together with EBRD and IFC loans.

Importantly, the increase in debt should be viewed against the strength of our balance sheet. Our leverage remains well within comfortable levels, and we continue to preserve both financial resilience and funding flexibility.

Once again, our Regulated Asset Base continues to grow significantly faster than Financial Net Debt. RAB changed materially compared to the 1st half of last year and reached 105.8 billion Turkish lira at the end of the 1st half. However, RAB showed a relatively limited increase compared to the 1st quarter due to higher reimbursements, largely offsetting new investments, which was expected due to our choice to postpone investments to the 2nd half of the year in order to optimize the financing costs.

Looking at the composition, Net Financial Debt increased to 81.4 billion Turkish lira compared to 67.4 billion Turkish lira in the 1st half of last year.

So, our key message is clear: we are growing assets faster than debt, despite a significant tariff burden and material overdue lighting receivables, and by this, keeping leverage under control and preserving the financial strength to deliver on our long-term investment strategy and the dividend commitment. We continue to navigate a more challenging financing environment with discipline.

Page 8: Financing Development

Cem Gökmen Gökkaya: Let me continue with the next page.

Enerjisa continues to pursue a disciplined and diversified financing strategy, even under the challenging financial market conditions and continued macro volatility in Türkiye. By this, we are able to achieve very competitive financing rates.

So far in 2026, we issued more than 21 billion Turkish lira worth of TLREF indexed bonds with low spreads without compromising our cautious approach. In the 2nd quarter of 2026, Enerjisa issued a one-year bond with a face value of 4 billion Turkish lira at a floating rate of TLREF +0.5% in April. We further strengthened our funding profile by issuing 2 new 3-year floating rate bonds of 2 billion Turkish lira each in May and June, priced at, TLREF +1.3% and TLREF +1.5% respectively.

Our debt portfolio remained well-balanced, with loans accounting for 55% and bonds for 45%. This diversified funding mix enables us to optimize our cost of funding by accessing the most competitive opportunities across bank financing, IFIs, and the capital markets.

In half one, the lower market rates and the utilization of rediscount loans provided a positive contribution on average interest rates, which materially declined to 38% compared to last year.

We are confident to continue our successful funding also in the 2nd half of the year, and by this cover the financing needs for our investment program without a negative impact on the performance. Stay tuned for some exciting news in the coming weeks regarding our funding.

With that, I hand back to Philipp for the closing remarks.

Page 9: 2026 Guidance

Dr. Philipp Ulbrich: Thank you, Cem. Dear all, let me close with our updated 2026 full year targets.

In the last 6 months, we have successfully continued to actively steer both our operational and financial priorities in a demanding external environment, delivering exceptional performance.

Inflation and interest rate expectations increased following the geopolitical escalations. Our inflation-protected business model and Distribution, our disciplined financing strategy, and active investment phasing are allowing us to now increase our year-end targets.

Today, we are fully confident to increase the guidance of Operational Earnings to a range of 80 to 85 billion Turkish lira, and Underlying Net Income to now 13 to 15 billion Turkish lira. At the same time, we confirm our investment target of 30 to 35 billion Turkish lira, and to reach a Regulated Asset Base of 110 to 120 billion Turkish lira at the end of this year.

We continue to successfully execute our operations in line with our disciplined cost control, operational efficiency, and dedicated investment program. So why are we increasing the targets now? We have higher Distribution Operational Earnings, benefiting from higher inflation expectations in 2026 and beyond. We also see improved Retail performance driven by lower doubtful receivables, higher collections, and sustained margins in the liberalized segment. And we realize favorable financing conditions with effective real interest rates remaining below initial expectations.

As a result, these factors delivered a significant improvement in our projections of the 2 main financial KPIs. Importantly, this performance reflects structural improvements in our business fundamentals rather than temporary or one-off effects. We thus remain committed to deliver real growth of our bottom line from the now revised guidance also in the future.

With this, we conclude our presentation, and I hand it back to Martin.

Q&A Session

Thank you, Philip. Thank you, Oğuzhan, and thank you, Cem. Operator, we can now start the Q&A session, please.

Closing

Q1: Cemal – Ata Invest

Thank you for the presentation. And, it's normally more difficult to understand, Enerjisa compared to other companies, but you are making it as simple as possible. But still, we have difficulty from time to time. My question is about inflation. What was the change in your inflation assumption? You mentioned that the guidance revision was partially related to that. What was your previous expectation, and what is the new one in terms of the inflation? And do you see some downside risk or upside risks, to your new guidance in the 2nd half of the year?

Dr. Philipp Ulbrich:

Uh, so thank you, Cemal. This is Philipp. Yeah. If you regularly follow our calls, you know that we are not sharing precise inflation expectation data because anyhow, this is very volatile and moving. What is important here is that, we certainly changed our assessment of inflation for 2026, but also for further years. So, we now see higher inflation expected. The important message with this is twofold. First of all, this translates into a higher financial income as we do financial asset accounting here, for our regulated asset base and related earnings. Message number one, this is impacting operational earnings positively. The 2nd message is we also see that, taking into account and also the interest expectations, that it still translates into a higher bottom line. So, it's not only now, a nominal view where you could then say, "Okay, higher inflation is, then, impacting the operational earnings positively, translating into probably the same, real values." No. We are also seeing this increase on the bottom line, including, the financing costs and debt already now short-term for this year. And last but not least, what we stated in the end, we still remain committed to deliver real growth also coming from the increased base. So, this is not like a one-time effect now driven by the change in assumptions. I hope it answers your question.

Q2: Gökhan – Neo Portföy

Could you please provide some color on your expectations for the 3rd quarter of this year?

Dr. Philipp Ulbrich: So, let me also take this one. As you see, with our updated guidance, both on operational earnings and on underlying net income, you could expect that, we are seeing that we are continuing to execute, on our operational excellence, cost discipline, financing discipline, meaning, reaching to competitive financing and carrying out our investment program, which also then translates into, higher earnings. So, from today's perspective, you should not expect any surprises. And I think we have rather good news, coming up in the next weeks when it comes to our core value levers.

Q3: Cemal – Ata Invest

I have another question, regarding your underlying net income. When we go from net income to underlying net income, we have an adjustment of impact of asset revaluation. And, as far as I see, compared to last year and the 3rd quarter, the number is much lower. Again, I might be missing from the percentage, but what might be the reason? Normally, I would expect lower compared to 3rd quarter but still, I would not expect that much decline in that item. How could we go with that number going forward? Or what are we missing, on our side? Thank you.

Dr. Philipp Ulbrich: So, let me take this one as well. You might know that, and we're also communicating, on this in our written material, there's only one difference, between net income and underlying net income, and these are then the effects that date back from asset revaluation that we did one time, 4 years ago. It's not to be, mixed with the asset revaluation that we are allowed to do in statutory reportings, since the end of last year, because this is an ongoing revaluation that we do, and therefore this is, not considered one-off. It's basically very mathematical, because, what we are now, taking out of net income is the depreciation related to the asset revaluation. And here, you see then certainly then also the effects of lower inflation playing out. We're happy to provide you, here with an exact bridge, because these are straightforward accounting numbers. This is not now driven by any kind of assumptions or so. It's, really what we do under the accounting standards in this depreciation calculation.

Martin Jäger:

Thank you for your participation, also for the incoming questions for now. Finally, a second change regarding the organizational setup in the team. From our 9-month results onwards, the new head of investor relations at Enerjisa, Yasin Ali, he will take over the moderation of the earnings call and also will be part of our team. Of course, I will continue to stay closely involved in our investor engagement, and I look forward to continuing the dialogue with you together with the entire IR team and also our management. That's all for today. Thank you very much for attending the call. We will be on the road for meeting investors in the coming days, and if you have any further questions on top of the results, please don't hesitate to reach out to the entire team. With that, goodbye and have a very nice day.

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