AKSA ENERJİ ÜRETİM A.Ş.
AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021 TOGETHER WITH INDEPENDENT AUDITOR’S REVIEW REPORT

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(CONVENIENCE TRANSLATION OF THE REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION ORIGINALLY ISSUED IN TURKISH)

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

To the General Assembly of Aksa Enerji Üretim A.Ş.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Aksa Enerji Üretim A.Ş. ("the Company") and its subsidiaries (together will be referred as "the Group") as of 30 June 2021 and the related condensed consolidated statements of profit or loss, condensed consolidated other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statements of cash flows for the six-month period then ended. Group management is responsible for the preparation and fair presentation of this consolidated interim financial information in accordance with Turkish Accounting Standards 34 "Interim Financial Reporting" Standard. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Independent Auditing Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with TAS 34 "Interim Financial Reporting".

DRT BAGIMSIZ DENETIM VE SERBEST MUHASEBECI MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Ali Çiçekli
Partner

İstanbul, 17 August 2021

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AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

Reviewed Condensed Consolidated Statement of Financial Position
As At 30 June 2021

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

ASSETS	*Notes*	***Reviewed/ Current period*** **30 June 2021**	***Audited/ Prior period*** **31 December 2020**
Current assets			
Cash and cash equivalents		465,762,054	314,171,908
Financial investments	*5*	957,572,000	-
Trade receivables		3,126,782,485	2,705,620,407
- Trade receivables from related parties	*4*	*226,629,661*	*311,085,412*
- Trade receivables from third parties	*6*	*2,900,152,824*	*2,394,534,995*
Other receivables		82,322,754	76,414,447
- Other receivables from related parties	*4*	*44,433,803*	*42,317,908*
- Other receivables from third parties		*37,888,951*	*34,096,539*
Derivative financial instrument		-	2,148,922
Inventories		154,629,972	138,322,794
Prepaid expenses		337,932,172	116,007,264
Current tax assets		12,324,786	37,623,113
Other current assets		104,182,556	73,474,659
Total current assets		**5,241,508,779**	**3,463,783,514**
Non-current assets			
Financial investments		412,408	412,408
Other receivables		8,620,856	6,529,795
- Other receivables from third parties		*8,620,856*	*6,529,795*
Property, plant and equipment	*8*	6,430,486,926	5,655,050,521
Right-of-use assets	*9*	69,851,889	73,524,027
Intangible assets		164,388,949	115,884,555
- Other intangible assets		*164,388,949*	*115,884,555*
Prepaid expenses		950,322	2,289,464
Deferred tax asset	*15*	93,210,147	185,220,021
Total non-current assets		**6,767,921,497**	**6,038,910,791**
TOTAL ASSETS		**12,009,430,276**	**9,502,694,305**

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

Reviewed Condensed Consolidated Statement of Financial Position
As At 30 June 2021

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

LIABILITIES	Notes	*Reviewed/ Current period* 30 June 2021	*Audited/ Prior period* 31 December 2020
Current liabilities			
Short-term borrowings	7	1,329,069,165	728,277,260
Current portion of long-term borrowings		1,254,030,007	1,292,953,512
Short-term finance lease liabilities	7	4,787,845	830,908
- Finance lease liabilities from related parties		*2,949,962*	-
- Finance lease liabilities from third parties	7	*1,837,883*	*830,908*
Short-term portion of long-term finance lease liabilities	7	2,643,259	3,396,047
Other financial liabilities	7	-	11,181,406
Trade payables		952,477,934	779,913,222
- Trade payables to related parties	4	*15,767,884*	*35,657,639*
- Trade payables to third parties	6	*936,710,050*	*744,255,583*
Payables related to employee benefits		10,602,133	8,597,007
Other payables		230,809,622	197,359,546
- Other payables to third parties		*230,809,622*	*197,359,546*
Derivative financial instruments		59,837,847	60,716,151
Current tax liabilities		374,772,017	183,176,286
Short-term provisions		13,719,953	23,855,979
- Short-term provisions for employee benefits		*2,009,512*	*980,104*
- Other short-term provisions		*11,710,441*	*22,875,875*
Other current liabilities		8,508,981	7,406,200
Total current liabilities		**4,241,258,763**	**3,297,663,524**
Non-current liabilities			
Long-term borrowings	7	1,647,299,337	834,709,520
Long-term finance lease liabilities	7	71,124,198	74,975,209
Other payables		14,508,667	72,221,252
- Other payables to third parties		*14,508,667*	*72,221,252*
Long-term provisions		6,749,333	9,346,433
- Long-term provisions for employee benefits		*6,749,333*	*9,346,433*
Deferred tax liabilities	15	483,306,479	588,434,184
Total non-current liabilities		**2,222,988,014**	**1,579,686,598**
TOTAL LIABILITIES		**6,464,246,777**	**4,877,350,122**

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

Reviewed Condensed Consolidated Statement of Financial Position
As At 30 June 2021

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

EQUITY	*Notes*	***Reviewed/ Current period*** **30 June 2021**	***Audited/ Prior period*** **31 December 2020**
Equity Attributable to Holders' of the Company			
Share capital	*11*	613,169,118	613,169,118
Share premiums	*11*	247,403,635	247,403,635
Accumulated other comprehensive income not to be reclassified in profit or loss		2,146,984,047	2,196,268,403
- Gains on revaluation of property, plant and equipment		*2,146,838,908*	*2,196,123,264*
- Gain on remeasurements of the defined benefit plans		*145,139*	*145,139*
Accumulated other comprehensive income that will be reclassified in profit or loss		777,017,028	493,973,142
- Foreign currency translation differences		*935,828,494*	*520,339,505*
-Gain / (loss) of hedging reserve		*(158,811,466)*	*(26,366,363)*
Restricted reserves appropriated from profit	*11*	82,931,556	68,742,954
Retained Earnings		634,723,958	129,592,233
Net profit for the period		487,931,402	470,035,971
Total equity attributable to equity holders of the Company		**4,990,160,744**	**4,219,185,456**
Non-controlling interests	*11*	555,022,755	406,158,727
Total equity		**5,545,183,499**	**4,625,344,183**
TOTAL LIABILITIES AND EQUITY		**12,009,430,276**	**9,502,694,305**

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

Reviewed Condensed Consolidated Statement of Profit or Loss For the Six-Month Period Ended 30 June 2021

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

PROFIT OR LOSS:	*Notes*	***Reviewed*** **1 January- 30 June 2021**	***Reviewed*** **1 January- 30 June 2020**	***Not Reviewed*** **1 April- 30 June 2021**	***Not Reviewed*** **1 April- 30 June 2020**
Revenue	*12*	4,764,330,235	3,466,912,240	2,620,149,016	1,620,078,684
Cost of sales (-)	*12*	(3,859,348,047)	(2,889,139,639)	(2,111,561,482)	(1,340,851,751)
Gross profit		**904,982,188**	**577,772,601**	**508,587,534**	**279,226,933**
Administrative expenses (-)		(47,441,169)	(59,163,821)	(22,115,564)	(33,802,924)
Marketing expenses		(2,117,428)	(829,996)	(989,333)	(155,448)
Other income from operating activities		11,866,186	4,344,547	3,904,840	3,878,489
Other expenses from operating activities (-)		(16,431,897)	(16,710,371)	(9,229,970)	(11,390,358)
Operating profit		**850,857,880**	**505,412,960**	**480,157,507**	**237,756,692**
Expected credit losses accordance with TFRS 9 (-)		(10,610,638)	(18,329,207)	(267,945)	(13,072,579)
Gain from investing activities		-	75,837	-	3,289
Operating profit before finance expenses		**840,247,242**	**487,159,590**	**479,889,562**	**224,687,402**
Finance income	*13*	119,486,623	205,611,106	83,128,511	105,752,875
Finance expenses (-)	*14*	(279,832,220)	(377,980,825)	(145,429,818)	(105,001,055)
Finance expenses, net		**(160,345,597)**	**(172,369,719)**	**(62,301,307)**	**751,820**
Profit before tax from continuing activities		**679,901,645**	**314,789,871**	**417,588,255**	**225,439,222**
Tax expense from continuing activities		**(124,744,028)**	**(23,688,627)**	**(104,333,925)**	**(41,543,838)**
- Current tax expense		(156,218,552)	(38,837,372)	(118,020,695)	(32,745,272)
- Deferred tax income / (expense)	*15*	31,474,524	15,148,745	13,686,770	(8,798,566)
Profit for the period from continuing activities		**555,157,617**	**291,101,244**	**313,254,330**	**183,895,384**
Profit for the period attributable to:					
- Non-controlling interests		67,226,215	68,794,187	32,913,703	35,979,278
- Equity holders of the Company	*16*	487,931,402	222,307,057	280,340,627	147,916,106
Profit for the period		**555,157,617**	**291,101,244**	**313,254,330**	**183,895,384**
Earnings per share					
- Attributable to equity holders of the parent	*16*	0.796	0.363	0.457	0.241

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

AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

Reviewed Condensed Consolidated Statement of Other Comprehensive Income
For the Six-Month Period Ended 30 June 2021

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

OTHER COMPREHENSIVE INCOME	***Notes***	***Reviewed*** **1 January-30 June 2021**	***Reviewed*** **1 January-30 June 2020**	***Not Reviewed*** **1 April-30 June 2021**	***Not Reviewed*** **1 April-30 June 2020**
Profit for the period		**555,157,617**	**291,101,244**	**313,254,330**	**183,895,384**
Items that will not be reclassified to profit or loss:					
Loss on remeasurements of the defined benefit obligation		-	-	-	-
Taxes related to other comprehensive income not to be reclassified to profit or loss:					
- Deferred tax income		-	-	-	-
Items that will be reclassified subsequently to profit or loss:					
Foreign currency translation differences		497,126,802	194,517,858	149,432,284	138,784,973
Gains/(loss) on cash flow hedging		(137,963,648)	(14,426,784)	(39,065,448)	(2,868,817)
Tax related to other comprehensive income to be reclassified subsequently to profit or loss:					
- Deferred tax income/(expense)	15	5,518,545	649,205	1,562,618	(2,234,108)
Other comprehensive income		**364,681,699**	**180,740,279**	**111,929,454**	**133,682,048**
Total comprehensive income		**919,839,316**	**471,841,523**	**425,183,784**	**317,577,432**
Total comprehensive income attributable to					
Non-controlling interests	*11*	148,864,028	52,763,784	59,678,124	19,948,875
Equity holders of the parent		770,975,288	419,077,739	365,505,660	297,628,557
Total		**919,839,316**	**471,841,523**	**425,183,784**	**317,577,432**

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

Reviewed Condensed Consolidated Statement of Changes in Equity
For the Six-Month Period Ended 30 June 2021

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

			Other comprehensive income and expenses not to be reclassified in profit or loss		Other comprehensive income and expenses that will be reclassified in profit or loss		Retained earnings					
	Share capital	Share premium	Gain/(loss) on remeasurements of defined benefit plans	Gains on revaluation of property, plant and equipment	Gain / (loss) of hedging reserve	Foreign currency translation differences	Restricted reserves appropriated from profit	Retain Earnings	Net profit for the period	Attributable to equity holders of the parent	Non-controlling interests	Total equity
Balance as of 1 January 2020	**613,169,118**	**247,403,635**	**793,476**	**2,262,917,793**	**(13,622,807)**	**248,243,241**	**64,980,588**	**(262,622,830)**	**329,182,900**	**3,490,445,114**	**328,515,851**	**3,818,960,965**
- Total comprehensive income	-	-	-	-	(13,777,579)	210,548,261	-	-	222,307,057	**419,077,739**	52,763,784	**471,841,523**
-Transfers (*)	-	-	-	(33,225,888)	-	-	3,762,366	358,646,422	(329,182,900)	**-**	-	**-**
Balance as of 30 June 2020	**613,169,118**	**247,403,635**	**793,476**	**2,229,691,905**	**(27,400,386)**	**458,791,502**	**68,742,954**	**96,023,592**	**222,307,057**	**3,909,522,853**	**381,279,635**	**4,290,802,488**
Balance as of 1 January 2021	**613,169,118**	**247,403,635**	**145,139**	**2,196,123,264**	**(26,366,363)**	**520,339,505**	**68,742,954**	**129,592,233**	**470,035,971**	**4,219,185,456**	**406,158,727**	**4,625,344,183**
- Total comprehensive income	-	-	-	-	(132,445,103)	415,488,989	-	-	487,931,402	**770,975,288**	148,864,028	**919,839,316**
-Transfers (*)	-	-	-	(49,284,356)	-	-	14,188,602	505,131,725	(470,035,971)	-	-	-
Balance as of 30 June 2021	**613,169,118**	**247,403,635**	**145,139**	**2,146,838,908**	**(158,811,466)**	**935,828,494**	**82,931,556**	**634,723,958**	**487,931,402**	**4,990,160,744**	**555,022,755**	**5,545,183,499**

(*) The transfer amount in the balance amounting to TL 49,284,356 represents the current period depreciation difference incurred by the Group due to the increase in the value of plant, property and equipment caused from revualuation of property, plant and equipment (30 June 2020: TL 33,225,888).

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

Reviewed Condensed Consolidated Statement of Cash Flow
For the Six-Month Period Ended 30 June 2021

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

	Notes	***Reviewed*** **1 January-30 June 2021**	***Reviewed*** **1 January-30 June 2020**
A. Cash flows from operating activities		**(28,983,919)**	**833,271,302**
Profit for the period		555,157,617	291,101,244
Adjustments to reconcile net profit/loss to net cash:		**945,003,296**	**876,462,809**
Adjustments related to depreciation and amortization expenses		258,436,157	221,494,993
Adjustments related to provision for employee benefits		(1,825,823)	2,769,405
Adjustments related to interest expenses	14	212,928,487	209,678,524
Adjustments related to interest income	13	(105,615,945)	(53,950,416)
Adjustments related to expected credit losses		10,610,638	18,329,207
Adjustments related to impairment on inventories		338,066	2,029,424
Adjustments related to tax income/(expense)		124,744,028	23,688,627
Adjustments related to derivative transactions expense/(income)		4,015,364	(5,887,603)
Adjustments related to loss/(gain) on disposal of property, plant and equipment		-	(75,837)
Unrealized currency foreign exchange (gain/losses) net		441,372,324	458,386,485
Adjustments related to other increase / (decrease) in working capital		**(1,505,197,456)**	**(307,174,739)**
(Increase) / Decrease in inventories		(16,645,244)	85,484,650
Increase in trade receivables from third parties		(521,685,935)	(738,664,971)
Decrease in trade receivables from related parties		84,455,751	105,979,314
(Increase) / Decrease in other operating receivables from related parties		(2,115,895)	1,739,864
(Increase) / Decrease in other operating receivables from third parties		(5,883,473)	96,676,265
Increase in trade payables to third parties		192,454,467	116,794,369
Decrease/(increase) in other payables to third parties from operating activities		(24,262,509)	(10,553,963)
Decrease in trade payables to related parties		(19,889,755)	3,698,066
Decrease in other payables to related parties from operating activities		-	(272,784)
(Decrease) / Increase in other liabilities related to operating activities		(13,467,097)	41,432,307
Increase in prepaid expenses		(220,585,766)	(9,487,856)
Increase in financial investments		(957,572,000)	-
Cash generated from operating activities		**(23,947,376)**	**(27,118,012)**
Taxes paid		(23,850,680)	(26,782,709)
Payments related to provision for employee benefits		(96,696)	(335,303)
B. Cash flows used in investing activities		**(741,231,242)**	**(125,820,178)**
Proceeds from sale of property, plant and equipment and intangible assets	8	-	210,435
Purchases of property, plant and equipment		(708,520,338)	(125,997,359)
Purchases of intangible assets		(32,710,904)	(33,254)
C. Cash flows used in/ (generated from) financing activities		**921,818,010**	**(363,032,916)**
Cash inflows from borrowings	20	2,228,128,781	1,856,728,290
Cash outflows from borrowings	20	(1,188,654,162)	(2,049,090,115)
Cash outflows from finance liabilities	20	(6,025,643)	(4,440,906)
Interest paid		(217,246,911)	(220,180,601)
Interest received		105,615,945	53,950,416
Net increase/(decrease) in cash and cash equivalents before foreign currency translation differences (A+B+C)		**151,602,849**	**344,418,208**
D. Cash and cash equivalents at the beginning of the period		**316,771,798**	**122,584,660**
Cash and cash equivalents at the end of the period (A+B+C+D)		**468,374,647**	**467,002,868**

(*) The Group calculated expected credit loss amounting to TL 2,613,913 on Cash and Cash Equivalents within the scope of TFRS 9 (30 June 2020: TL 4,029,436).

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

1 Organization and operations of the Company

Aksa Enerji Üretim A.Ş. ("Aksa Enerji" or "the Company") was established on 12 March 1997 to engage in constructing, lending and operating of electricity power plant, production and sale of electricity or energy production capacity to the customers.

The Company has been registered in Capital Markets Board (CMB) and the shares of the Company have been traded in the Borsa İstanbul A.Ş. ("BIST") on 21 May 2010 under the name "AKSEN". As of 30 June 2021, the Company's share in actual circulation is 20.58% (31 December 2020: 20.58%).

The main shareholder of the Company is Kazancı Holding A.Ş. ("Kazancı Holding"). The Company's registered office address is Rüzgarlıbahçe Mahallesi, Özalp Çıkmazı, No:10, Kavacık-Beykoz, Istanbul / Turkey.

Aksa Enerji and its subsidiaries are collectively referred to as "the Group" in this report. As of 30 June 2021 and 31 December 2020, the details of the subsidiaries included in the consolidation are as follows:

			Voting power held (%)	
Name of subsidiary – Foreign Branch	**Principal activity**	**Place of operation**	**30 June 2021**	**31 December 2020**
Aksa Aksen Enerji Ticareti A.Ş. ("Aksa Aksen Enerji")	Electricity production	Turkey	100.00	100.00
Aksa Energy Company Ghana Limited ("Aksa Enerji Gana")	Electricity production	Ghana	75.00	75.00
Aksa Enerji Üretim A.Ş.-Y.Ş. ("Aksa Enerji – Y.Ş.")	Electricity production	TRNC	100.00	100.00
Aksa Ghana B.V.	Holding company	Netherlands	100.00	100.00
Aksa Uzbekistan Investment B.V.	Holding company	Netherlands	100.00	100.00
Aksa Uzbekistan Bukhara BV	Holding company	Netherlands	100.00	100.00
Aksa Global Investment B.V. ("Aksa Global B.V.")	Holding company	Netherlands	100.00	100.00
Aksa Göynük Enerji Üretim A.Ş. ("Aksa Göynük Enerji")	Electricity production	Turkey	99.99	99.99
Aksa Madagascar B.V.	Holding company	Netherlands	100.00	100.00
Aksa Madagascar SAU	Electricity production	Madagascar	100.00	100.00
Aksa Mali S.A.	Electricity production	Mali	100.00	100.00
Aksaf Power Ltd. ("Aksaf Power")	Electricity production	Mauritius	100.00	100.00
İdil İki Enerji Sanayi ve Ticaret A.Ş. ("İdil İki Enerji")	Electricity production	Turkey	99.99	99.99
Overseas Power Ltd. ("Overseas Power")	Good and supply trade	Mauritius	100.00	100.00
Rasa Enerji Üretim A.Ş. ("Rasa Enerji")	Electricity production	Turkey	99.99	99.99
Aksa Energy Company Congo ("Aksa Enerji Kongo) (*)	Electricity production	Congo	100.00	100.00
Aksa Energy Cameroon ("Aksa Enerji Kamerun")	Electricity production	Cameroon	75.00	75.00
Aksa Energy Tashkent FE LLC (*)	Electricity production	Uzbekistan	100.00	100.00
Aksa Energy Bukhara FE LLC (*)	Electricity production	Uzbekistan	100.00	-

(*) Related Company' are under construction and have not started their operations.

As of 30 June 2021, the number of employees of the Group is 933 (31 December 2020: 841).

Aksa Aksen Enerji:

Aksa Aksen Enerji was founded on 8 July 2015 by the Aksa Enerji with an ownership percent of 100.00% for the purpose of selling the electricity produced by the Group companies.

İdil İki Enerji:

In 2001, İdil İki Enerji was acquired by Koni İnşaat Sanayi A.Ş. ("Koni İnşaat"), a related party, from Bilkent Group. Idil İki Enerji has a fuel oil fired power plant located in Şırnak with a capacity of 24 MW. The power plant started its operations in 2001. On 5 March 2010, Aksa Enerji acquired 99.99% of all shares of İdil İki İnşaat from Koni İnşaat. Licence of power plant has been cancelled on 7 February 2017.

1 Organization and operations of the Company *(continued)*

Aksa Energy Ghana:

Aksa Energy Ghana was founded on 15 July 2015 by the Aksa Enerji in accordance with the electricity production and sale agreement signed with the Government of Ghana Republic. Unit of power plant with a capacity 192.5 MW started its operations on 10 April 2017. The installed power of the power plant has increased from 192.5 MW to 35 MW with a reserve capacity of total 280 MW as of 1 August 2017. As of 19 November 2018, the installed capacity of Ghana Fuel Oil Power Plant has increased from 280 MW to 370 MW and thus the guaranteed capacity has been increased from 223.5 MW to 332 MW. Aksa Energy Ghana, sells all of the electricity generated during the agreement to the Ghana Electricity Authority (ECG) on a tariff basis determined in terms of US Dollars ("USD").

Aksa Enerji - Y.Ş.:

On 10 June 2009, Aksa Enerji- Y.Ş. made an electricity sale agreement with Electricity Distribution Company of Turkish Northern Cyprus ("KIB-TEK") by providing service through lending the power plant constituting of diesel generator groups established in Kalecik-TRNC. The contract period is 15+3 years and extended until 2027 on 1 April 2009. Kıbrıs Türk Elektrik Kurumu commits to purchase all of the electricity produced during the contract period on a tariff basis determined in terms of US Dollars.

In accordance with the capacity increase investments of Kalecik Power Plant in TRNC, the installed capacity has been increased by 33 MW by the instalment of two units with the same engine specifications from the power plants whose licenses were cancelled. The installed capacity of our TRCN Kalecik Power Plant has increased to 153 MW, thus its percentage of availability has also grown by the increase in spare units capacity.

Aksa Energy Company Cameroon Plc.:

Aksa Energy Company Cameroon Plc was established in 2019 as the holding company of Aksa Energy Cameroon.

Aksa Uzbekistan Investment B.V.:

Aksa Indonesia B.V. has changed its trade name as Aksa Uzbekistan Investment B.V. Aksa Uzbekistan Investment B.V. is the partner of Aksa Energy Tashkent LLC Company.

Aksa Uzbekistan Bukhara B.V.:

In 2021, Aksa Uzbekistan Bukhara B.V. was established in Holland as a holding Company of Aksa Energy Bukhara FE LLC.

Aksa Ghana B.V.:

On 24 November 2016, Aksa Ghana B.V. was established in Holland as a holding Company of Aksa Energy Ghana.

Aksa Global B.V.:

On 24 November 2016, Aksa Global was established in Holland to coordinate the foreign investments as a holding Company. Aksa Ghana B.V., Aksa Madagascar B.V., Aksa Uzbekistan Investment B.V. and Aksa Energy Company Cameroon Plc are affiliated companies of Aksa Global B.V.

Aksa Göynük Enerji:

Aksa Göynük Enerji has a royalty agreement with General Directorate of Turkish Coal for the use of coal in Bolu-Göynük reservoir and Aksa Enerji has a licence for the utilisation of this coal in its power plant with 270 MW capacity.

On 28 October 2011, Aksa Enerji acquired 99,99% of all shares of Aksa Göynük Enerji from Kazancı Holding, the ultimate parent company. The main operations of Aksa Göynük Enerji are constructing, lending and operating of electricity power plant, production and sale of electricity and all kind of exploration and production of natural gas and petroleum resources and mining. First unit of the power plant with 135 MW has started its operations as of 15 July 2015 and second unit of the power plant with 135 MW has started its operations as of 29 January 2016.

1 Organization and operations of the Company *(continued)*

Aksa Madagascar B.V:

On 19 October 2016, Aksa Madagascar B.V. was established as a holding company of Aksaf Power.

Aksa Mali S.A.:

On 6 February 2017, Aksa Mali SA was established for operating and maintenance coordination of Mali plant. On 4 August 2017, 10 MW powered portion from the first phase has been put in use. On 28 September 2017, the remaining 30 MW portion of 40 MW installed powered plant in total has been put in use. As of 27 January 2021, in accordance with the agreement signed between EDM anad Aksa Enerji Üretim A.Ş, and its 100% subsidiary Aksa Mali SA, on top of existing power plant, Aksa Enerji Üretim A.Ş. will initiate a power plant with an installed capacity of 20 MW. Power generated by 20 MW installed capacity will also be purchased by EDM for 3 years based on a guaranteed EUR denominated price.

Aksaf Power:

Aksa Enerji established Aksaf Power with participation by Aksa Enerji and a local partner with an ownership interest of 58.35% and 41.65%, respectively, in Mauritius for the purpose of constructing a Heavy Fuel Oil ("HFO") power plant with a capacity of 120 MW in Republic of Madagascar and guarantee sale of the electricity produced for 20 years. Aksaf Power started the construction of power plant upon receipt of the advances and guarantees in accordance with the agreement with Jiro Sy Rano Malagasy ("Jirama"), a public company in Republic of Madagascar providing water and electricity services in this country. On 22 October 2019, Aksa Energy acquired the entire company by purchasing 41.65% of the shares belonging to the local partner.

The first engines of the power plant with an installed power of 25 MW, whose construction started in the last quarter of 2016, were put in use on 10 July 2017, earlier than the planned period and on 4 August 2017, installed power of power plant has increased to 50 MW and the remaining 16 MW powered portion from the first phase of 66 MW installed powered in total, has been put in use on 5 September 2017. Second phase of 54 MW installed power will be planned to put in use subsequent to the completion of transmission lines in the area. In the guaranteed electricity sales agreement, the tariff was determined in USD, and the field, fuel supply, all licenses and permissions related to the project were provided by Jirama.

Rasa Enerji:

Rasa Enerji was established on 2000 for production and distribution of electricity. Rasa Enerji's 99.99% shares have been acquired by Aksa Enerji on 5 June 2010 from Koni İnşaat, one of the related parties of the Group. Rase Enerji started to generate electricity in August 2011 with an installed capacity of 129 MW and the investment to transform the plant into a combined cycle engine driven technology was completed on 8 October 2012. As of 18 November 2015, the installed capacity of Şanlıurfa Natural Gas Power Plant is has been increased by 18 MW to147 MW.

Aksa Enerji Congo:

It was established in Republic of Congo in 2019 to develop projects.

Aksa Enerji Cameroon:

It was established in Cameroon in 2019 to develop projects.

Overseas Power:

Overseas Power was established on 18 November 2016 in Mauritius in order to carry out the procurement of raw materials and goods mainly related to the activities of Aksaf Power. Overseas Power is the partner of Aksa Enerji Kongo.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

1 Organization and operations of the Company *(continued)*

Aksa Energy Tashkent FE LLC:

Aksa Energy has established a company named Aksa Energy Tashkent LLC located in Uzbekistan which is 100% owned by Aksa Energy, in order to establish two natural gas combined cycle power plant with an installed capacity of 470 MW respectively 240 and 230 in Uzbekistan and and sale of the energy generated in plant based on a guaranteed capacity payment for a duration of 25 years. As of the reporting date, the Company has not started its operations yet and is at the investment stage.

Aksa Uzbekistan Bukhara FE LLC

Aksa Energy Bukhara FE LLC: Aksa Energy has established a company named Aksa Energy Bukhara FE LLC located in Uzbekistan which is 100% owned by Aksa Energy, in order to establish a natural gas combined cycle power plant with an installed capacity of 270 MW in Uzbekistan and sale of the energy generated in the plant based on a guaranteed capacity payment for a duration of 25 years. As of the reporting date, the Company has not started its operations yet and is at the investment stage.

As of 30 June 2021, electricity production licenses held by the Group are as follows:

Licence owner	Location	Type of facility	Date of licence	Licence Duration	The capacity of the plant (MWhe)
Aksa Enerji	TRNC	Fuel oil	1 April 2009	15+3	153
Aksa Enerji	Antalya	Natural gas	13 November 2007	30 years	900
Aksa Göynük Enerji	Bolu	Thermal	25 June 2008	30 years	270
Aksa Enerji Gana	Ghana	Fuel Oil	1 August 2017	6,5 years	370
Aksa Mali S.A	Mali	Fuel Oil	27 January 2021	3 years	40
Aksaf Power	Madagascar	Fuel Oil	5 September 2017	20 years	66
Rasa Enerji	Şanlıurfa	Natural gas	12 May 2011	49 years	147
Total					**1.946**

Licence owner	Location	Name of facility	Type of facility	Date of licence	Licence Duration	Type of licence	The capacity of the plant (MWe)
Societe Jiro Sy Rano Malagasy (Jirama)	Madagascar	CTA-2	Fuel oil	8 January 2019	5 years	Maintenance& operating	24

2 Basis of preparation of condensed consolidated financial statements

2.1 Basis of Preparation

a) Preparation of Financial Statements

<u>Statement of compliance to TFRS</u>

The accompanying condensed consolidated financial statements have been prepared in accordance with the provisions of the Capital Markets Board (CMB) "Communiqué on Principles Regarding Financial Reporting in the Capital Market" No:14.1 published in the Official Gazette No: 28676 of 13 June 2013. Pursuant to Article 5 of the Communiqué, the financial statements are based on Turkish Financial Reporting Standards ("TFRS") and exhibits and interpretations associated which were enacted by the Public Oversight Accounting and Auditing Standards Authority ("POA"). TFRS Standards include Standards and Interpretations published as Turkish Accounting Standards ("TAS"), Turkish Reporting Standards, TAS Interpretations and TFRS Interpretations.

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.1 Basis of Preparation *(continued)*

a) Preparation of Financial Statements *(cont'd)*

Statement of compliance to TFRS *(cont'd)*

The condensed consolidated financial statements are presented in accordance with the TFRS Taxonomy developed on the basis of the financial statement illustrations specified in the Illustrative Financial Statements and User Guide published by the POA in the Official Gazette dated 7 June 2019 and numbered 30794.

The Company and its subsidiaries operating in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira ("TL") in accordance with the accounting principles as promulgated by the Turkish Commercial Code ("TCC") and the Uniform Chart of Accounts published by the Ministry of Finance. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered.

The interim condensed consolidated financial statements have been prepared from the statutory financial statements of Group's subsidiaries' and joint ventures and presented in TL in accordance with CMB Accounting Standards with certain adjustments and reclassifications for the purpose of fair presentation. Such adjustments are primarily related to application of consolidation accounting, accounting for business combinations, accounting for deferred taxes on temporary differences, accounting for employee termination benefits on an actuarial basis and accruals for various expenses. Except for the financial assets carried from their fair values and assets and liabilities included in Business Combination application, condensed consolidated financial statements are prepared on a historical cost basis.

The accompanying interim condensed consolidated financial statements have been prepared in accordance with the provisions of the CMB's "Communiqué on Principles Regarding Financial Reporting in the Capital Market" No:14.1 published in the Official Gazette No: 28676 of 13 June 2013.

The companies reporting according to the CMB regulations apply Turkish Financial Reporting Standards and additional provisions and interpretations ("TFRS") issued by Public Oversight, Accounting and Auditing Board ("POA") in accordance with the Aricle 5 of the Communiqué.

The condensed consolidated financial statements of the Group as of 30 June 2021 were approved by the Board of Directors of the Company on 17 August 2021. The Company's General Assembly and the relevant regulatory bodies have the right to request the change of the consolidated financial statements after the publication.

The condensed consolidated financial statements of the Group have been prepared in accordance with to TAS 34 interim financial reporting standards. The interim condensed consolidated financial statements do not include all information regarding to year-end financial statements and should be read together with the year end financial statements as of the 31 December 2020.

b) Adjustment of Financial Statements in Hyperinflationary Periods

In accordance with the decision numbered 11/367 and dated 17 March 2005 issued by CMB, for companies that operate in Turkey and prepare their financial statements applying Turkish Financial Reporting Standards, it is decided not to apply inflation accounting from 1 January 2005. Accordingly, as of 1 January 2005, No:29 "Financial reporting in Hyperinflationary Economies" ("TAS 29") was not applied.

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.1 Basis of preparation *(continued)*

c) Basis of measurement

The condensed consolidated financial statements have been prepared on the historical cost basis and for the Group's Turkish entities as adjusted for the effects of inflation that lasted by 31 December 2004, except for the followings:

- Derivative financial instruments.
- Financial investments.
- Land and building and land improvements and machinery and equipment in property, plant and equipment are measured at fair value.

d) Functional and presentation currency

The Group and its subsidiaries operating in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira ("TL") in accordance with the accounting principles as promulgated by the Turkish Commercial Code ("TCC") and the Uniform Chart of Accounts published by the Ministry of Finance. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered.

The functional currency of the Group, except for its subsidiaries in foreign countries, is Turkish Lira ("TL"). The accompanying condensed consolidated financial statements expressed in TL.

Company	Functional currency
Aksa Enerji – Y.Ş.	USD
Aksa Göynük Enerji	TL
İdil İki	TL
Rasa Enerji	TL
Aksa Aksen Enerji	TL
Aksa Enerji Gana	USD
Aksa Energy Cameroon PLC	EUR
Aksa Mali S.A.	EUR
Aksa Madagascar SAU	USD
Aksaf Power	USD
Overseas Power	USD
Aksa Enerji Kongo	EUR
Aksa Enerji Tashkent	USD
Aksa Enerji Buhara	USD
Aksa Global B.V.	USD
Aksa Gana B.V.	USD
Aksa Madagascar B.V.	USD
Aksa Uzbekistan BV	USD
Aksa Bukhara BV	USD

Functional currencies are used to a significant extent in, or have a significant impact on the operations of the related Group entities and reflect the economic substance of the underlying events and circumstances relevant to these entities. All currencies other than the currencies selected for measuring items in the condensed consolidated financial statements are treated as foreign currencies. Accordingly, transactions and balances not already measured in the functional currencies have been re-measured to the related functional currencies.

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.1 Basis of preparation *(continued)*

e) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from involvement with the entity and has the ability to affect those returns through it power over the entity. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls a business when exposure, or rights, to variable returns due to its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns. The financial statements of subsidiaries are included in the condensed consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

The Group measures any non-controlling interests in the acquiree at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any NCI and other components of equity related to the subsidiary. Any resulting gain or loss arising on the loss of control is recognized in profit or loss. Any interest retained in the former subsidiary, then such interest is measured at fair value at the date when control is lost.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.1 Basis of preparation *(continued)*

e) Basis of consolidation *(cont'd)*

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the condensed consolidated interim financial statements.

Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. Carrying value of shares owned by the Group and dividends arising from these shares has been eliminated in equity and profit or loss accounts.

f) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognized in profit or loss, except for differences arising hedge instruments recognized in other comprehensive income.

The EUR/TL, USD/TL, GHS/USD and TL/USD as of the end of the reporting periods are as follows:

	30 June 2021	31 December 2020
EUR / TL	10.3249	9.0079
USD / TL	8.6803	7.3405
GHS / USD	0.1737	0.1745
TL / USD	0.1152	0.1362

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to TL at exchange rates at the reporting date. The income and expenses of foreign operations are translated to TL at average exchange rates at the dates of the transactions.

Foreign currency differences are recognized in other comprehensive income, and presented in the foreign currency translation difference in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportion of the translation difference is allocated to the non-controlling interests.

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.1 Basis of preparation *(continued)*

f) Foreign currency *(cont'd)*

Foreign operations (cont'd)

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operations is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognized in other comprehensive income, and presented within equity in the foreign currency translation difference.

2.2 Summary of the accounting policies

According to CMB, the entities have option to prepare interim financial statements prepared according to IAS 34 "Interim Financial Statements" as condensed or full set. Therefore, the Company decided to prepare its interim financial statements as of 30 June 2021 as condensed.

Some of the disclosures and notes that are required to be included in IFRS financial statements under the CMB are summarized in accordance with IAS 34 or not included in the financial statements. The accompanying condensed financial statements should be presented with the audited financial statements and accompanying notes prepared as of 31 December 2020. The results of interim financial statements cannot be solely considered as the results of the entire financial period.

Accounting policies and accounting estimates disclosed in the 31 December 2020 financial statements are applied in the current period.

2.3 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2021

Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 *Interest Rate Benchmark Reform - Phase 2*
The amendments in Interest Rate Benchmark Reform — Phase 2 (Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16) introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

The amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 are all effective for annual periods beginning on or after 1 January 2021. Early application is permitted.

The Group assessed that the adoption of this amendment does not have any material effect on the Group's consolidated financial statements.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.3 New and Amended Turkish Financial Reporting Standards (continued)

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

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

TFRS 17	*Insurance Contracts*
Amendments to TAS 1	*Classification of Liabilities as Current or Non-Current*
Amendments to TFRS 3	*Reference to the Conceptual Framework*
Amendments to TAS 16	*Property, Plant and Equipment – Proceeds before Intended Use*
Amendments to TAS 37	*Onerous Contracts – Cost of Fulfilling a Contract*
Annual Improvements to TFRS Standards 2018-2020	*Amendments to TFRS 1, TFRS 9 and TAS 41*
Amendments to TFRS 4	*Extension of the Temporary Exemption from Applying IFRS 9*
Amendments to TFRS 16	*COVID-19 Related Rent Concessions beyond 30 June 2021*

TFRS 17 *Insurance Contracts*

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 Insurance Contracts as of 1 January 2023.

Amendments to TAS 1 *Classification of Liabilities as Current or Non-Current*

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TFRS 3 *Reference to the Conceptual Framework*

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.3 New and Amended Turkish Financial Reporting Standards *(continued)*

b) New and revised TFRSs in issue but not yet effective *(cont'd)*

Amendments to TAS 16 *Proceeds before Intended Use*

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Amendments to TAS 37 *Onerous Contracts – Cost of Fulfilling a Contract*

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Annual Improvements to TFRS Standards 2018-2020 Cycle

Amendments to TFRS 1 *First time adoption of International Financial Reporting Standards*

The amendment permits a subsidiary that applies paragraph D16(a) of TFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to TFRSs.

Amendments to TFRS 9 *Financial Instruments*

The amendment clarifies which fees an entity includes in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

Amendments to TAS 41 *Agriculture*

The amendment removes the requirement in paragraph 22 of TAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in TFRS 13.

The amendments to TFRS 1, TFRS 9, and TAS 41 are all effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Amendments to TFRS 4 *Extension of the Temporary Exemption from Applying IFRS 9*

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 Insurance Contracts from applying TFRS 9 Financial Instruments, so that entities would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2023.

3 Basis of preparation of condensed consolidated financial statements *(continued)*

2.3 New and Amended Turkish Financial Reporting Standards *(continued)*

b) New and revised TFRSs in issue but not yet effective *(cont'd)*

Amendments to TFRS 16 *COVID-19 Related Rent Concessions beyond 30 June 2021*

Public Oversight Accounting and Auditing Standards Authority ("POA") has published *COVID-19 Related Rent Concessions beyond 30 June 2021 (Amendment to TFRS 16)* that extends, by one year, the June 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021. Since lessors continue to grant COVID-19 related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the POA decided to extend the time period over which the practical expedient is available for use.

The new amendment is effective for lessees for annual reporting periods beginning on or after 1 April 2021. Earlier application is permitted.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

2.4 Significant accounting judgements, estimates and assumptions

Other matters that significantly affect the financial statements or are required to be disclosed in order to make the financial statements clear, interpretable and understandable

Group has been implementing several contingency plans to mitigate the potential negative impacts of COVID 19 on the Group's operations and financial statements. It has been some partial hitches in sales process due to curfews and due to closure in countries that Group operates in parallel with the effects on global markets in terms of macro-economic uncertainty. Meanwhile Group has taken series of actions to minimize operational costs and has reviewed current cash flow strategies to maintain strong balance sheet and liquidity figures. Lifting of curfews and decreasing in restrictions regarding to pandemic has positive effect on both market demand and Group's operations.

While preparing its condensed consolidated financial statements dated 30 June 2021, the Group evaluated the possible effects of the COVID-19 pandemic on the financial statements and reviewed the estimates and assumptions used in the preparation of the condensed consolidated financial statements. While preparing the financial statements dated 30 June 2021, the Group evaluated the possible effects of the COVID-19 outbreak on the important estimates and assumptions used in the preparation of the financial statements and concluded that there is no material effect. The Group Management takes the necessary precautions to keep the possible negative effects under control and to minimize its exposure. This approach, which is preferred for the period of 30 June 2021, will be reviewed in the upcoming reporting periods, taking into account the impact of the epidemic and future expectations.

The nature of the Group's risks arising from financial instruments, risk management policies and risk level are presented in Note 18.

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.4 Significant accounting judgements, estimates and assumptions *(continued)*

Useful life of plant, property and equipment

Items of property, plant and equipment are depreciated from the date that they are available for use, or in respect of self-constructed assets, from the date that the asset is completed and ready for use. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

After initial recognition, the stripping activity asset is initially measured at its cost less depreciation and less impairment losses. Stripping activity asset is depreciated on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity.

The estimated useful lives for the current and comparative periods are as follows:

	Year
Buildings	10 - 50
Plant, machinery and equipment	3 - 43
Furnitures and fixtures	5 -15
Vehicles	5 - 8
Land improvements	5
Leasehold improvements	5

Power generation plants depreciated over shorter of license term and their useful lives. The Group depreciates its power generation plants in different useful lives in accordance to their different useful lives.

	Year
Fuel oil power plants	4-22
Natural gas power plants	33
Coal plants	43

Overhaul costs related to power generation plants have different useful lives, then they are accounted as separate items (major components) of power generation plants.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2 Basis of preparation of condensed consolidated financial statements *(continued)*

2.4 Significant accounting judgements, estimates and assumptions *(continued)*

Calculation of loss allowance

When measuring ECL the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

2.5 Comparative information and restatement of prior periods' consoldiated financial statements

The consolidated financial statements of the Group are prepared in comparison with the prior period in order to allow the determination of financial position and performance trends. The Group prepared comparatively its statement of condensed consolidated financial position prepared as of 30 June 2021 compared to its statement of consolidated financial statement prepared as of 31 December 2020, its condensed consolidated statement of profit or loss, condensed consolidated other comprehensive income, condensed consolidated statement of cash flows and condensed consolidated changes in equity for the period ended 1 January – 30 June 2021 compared to its condensed consolidated statement of profit or loss, condensed consolidated other comprehensive income, condensed consolidated statement of cash flows and condensed consolidated changes in equity for the period ended 1 January – 30 June 2020. According to condensed consolidated financial statements as of 30 June 2021, there is no adjustment for previous financial period.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

3 Operating Segments

The geographical information presented below analyzes the Group's revenue, profit before interest, tax, depreciation and amortization (EBITDA), assets and liabilities, taking into account the country where the Group is located and the African region. In the presentation of this information, segment revenue and EBITDA are presented according to the geographical location of the customers, and the segment assets and liabilities are presented according to the geographical location.

	1 January – 30 June 2021		
	Turkey (*)	**Africa**	**Total**
Total segment income	3,972,457,072	791,873,163	**4,764,330,235**
Profit before interest, tax, depreciation and amortization (EBITDA)	449,873,616	648,809,783	**1,098,683,399**

	1 January – 30 June 2020		
	Turkey (*)	**Africa**	**Total**
Total segment income	2,738,928,275	727,983,965	**3,466,912,240**
Profit before interest, tax, depreciation and amortization (EBITDA)	231,156,072	477,422,674	**708,578,746**

	1 January – 30 June 2021		
	Turkey (*)	**Africa**	**Total**
Reconciliation of EBITDA with profit			
before taxes:	449,873,616	648,809,783	**1,098,683,399**
Depreciation and amortization	(77,718,834)	(180,717,323)	**(258,436,157)**
Finance expenses, net	(123,799,195)	(36,546,402)	**(160,345,597)**
Profit before tax	**248,355,587**	**431,546,058**	**679,901,645**

	1 January – 30 June 2020		
	Turkey (*)	**Africa**	**Total**
Reconciliation of EBITDA with profit			
before taxes:	231,156,072	477,422,674	**708,578,746**
Depreciation and amortisation	(81,099,565)	(140,395,428)	**(221,494,993)**
Financing income/(expenses), net	(188,398,462)	16,028,743	**(172,369,719)**
Income from investing activities, net	-	75,837	**75,837**
Profit before tax	**(38,341,955)**	**353,131,826**	**314,789,871**

(*) TRNC and Uzbekistan are shown in Turkey.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

3 Operating Segments *(continued)*

	30 June 2021		
	Turkey (*)	Africa	Total
Segment assets	6,641,225,636	5,368,204,640	**12,009,430,276**
Segment liabilities	4,140,157,234	2,324,089,543	**6,464,246,777**
	31 December 2020		
	Turkey (*)	**Africa**	**Total**
Segment assets	5,959,878,216	3,542,816,089	**9,502,694,305**
Segment liabilities	3,835,636,531	1,041,713,591	**4,877,350,122**

(*) TRNC and Uzbekistan are shown in Turkey.

4 Related party disclosures

(a) Related party balances

Short-term receivables from related parties as of 30 June 2021 and 31 December 2020 are as follows:

	30 June 2021		31 December 2020	
Short-term receivables	**Trade**	**Other**	**Trade**	**Other**
Short-term receivables	226,629,661	44,433,803	311,085,412	42,317,908
Total	**226,629,661**	**44,433,803**	**311,085,412**	**42,317,908**

i) Receivables from related parties:

	30 June 2021		31 December 2020	
	Trade	**Other**	**Trade**	**Other**
Aksa Elektrik Satış A.Ş.	148,950,653	44,433,803	250,470,646	42,317,908
Aksa Doğalgaz Toptan Satış A.Ş.	39,748,889	-	4,986,827	-
Fırat Elektrik Perakende Satış A.Ş.	26,167,263	-	22,072,262	-
Koni İnşaat Sanayi A.Ş.	4,867,607	-	20,886,486	-
Çoruh Elektrik Perakende Satış A.Ş.	2,114,381	-	8,064,709	-
Aksa Power Generation FZE	-	-	1,282,697	-
Other	4,780,868	-	3,321,785	-
Total	**226,629,661**	**44,433,803**	**311,085,412**	**42,317,908**

Maturity difference is calculated by taking into account the legal interest rate for the receivables from related parties.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

4 Related party disclosures *(continued)*

(a) Related party balances *(cont'd)*

ii) Payables to related parties:

Short-term payables to related parties as of 30 June 2021 and 31 December 2020 are as follows:

Short-term payables	30 June 2021 Trade	30 June 2021 Non-Trade	31 December 2020 Trade	31 December 2020 Non-Trade
Short-term payables	15,767,884	-	35,657,639	-
Total payables	**15,767,884**	**-**	**35,657,639**	**-**

	30 June 2021 Trade	30 June 2021 Non-Trade	31 December 2020 Trade	31 December 2020 Non-Trade
Atk Sigorta Aracılık Hiz. A.Ş.	12,285,922	-	10,308,746	-
Aksa Power Generation FZE	2,307,883	-	-	-
Aksa Jeneratör Sanayi A.Ş.	868,010	-	6,603	-
Koni İnşaat Sanayi A.Ş.	223,254	-	30,722	-
Kazancı Holding A.Ş.	50,756	-	1,347,985	-
Aksa Elektrik Satış A.Ş.	630	-	208,971	-
Aksa Doğalgaz Toptan Satış A.Ş.	-	-	23,732,705	-
Other	31,429	-	21,907	-
Total	**15,767,884**	**-**	**35,657,639**	**-**

(Amounts expressed in Turkish Liras (“TL”), unless otherwise stated.)

4 Related party disclosures *(continued)*

(b) Related party transactions

i) Purchases and sales from/to related parties:

1 January - 30 June 2021

	Electricity Sales	Electricity Purchases	Natural Gas Purchases	Interest Income	Interest Expense	Rent Expenses	General Administrative Expenses	Reflection of Common Expenses	Material Purchases	Material Sales	Other (Expense) / Income, Net
Aksa Ankara Makine Sat. ve Servis A.Ş.	-	-	-	-	-	-	-	-	-	-	(5,036)
Aksa Doğal Gaz Toptan Satış A.Ş.	-	-	177,162,802	362,003	-	-	-	-	-	-	-
Aksa Elektrik Satış A.Ş	53,505,654	41,547,525	-	27,156,795	-	-	-	-	-	-	3,725
Aksa Generators Ghana LTD.	-	-	-	-	-	-	-	-	-	55,027	(14,665)
Aksa Jeneratör Sanayi A.Ş.	-	-	-	109,609	152,394	-	4,098	-	18,172,101	-	-
Aksa Power Generation (Dubai)	-	-	-	-	-	-	-	-	40,477,860	-	-
Aksa Satış ve Pazarlama A.Ş.	-	-	-	-	-	-	-	-	-	-	(27,542)
Aksa Servis ve Kiralama A.Ş.	-	-	-	-	9,788	-	-	-	865,418	-	(232,549)
ATK Sigorta Aracılık Hizmetleri A.Ş.	-	-	-	-	-	-	-	-	-	-	(123,837)
Çoruh Elektrik Dağitim A.Ş.	-	-	-	21,858	-	-	-	-	-	-	-
Çoruh Elektrik Perakende Satış A.Ş.	25,523,065	2,173,517	-	-	554,106	-	-	-	-	-	-
Eurl Aksa Generateurs Algerie	-	-	-	-	-	-	-	-	87,715	-	-
Fırat Elektrik Perakende Satış A.Ş.	22,167,911	5,521,020	-	1,751,395	92,253	-	-	-	-	-	(123,837)
Flamingo Bioyakıt Üretim Sanayi A.Ş.	-	-	-	186,087	-	-	-	-	-	-	-
Flamingo Enerji Üretim A.Ş.	-	-	-	107,290	-	-	-	-	-	-	-
Kazancı Holding A.Ş.	-	-	-	65,415,712	282,074	-	512,176	7,424,688	-	-	-
Koni İnşaat Sanayi A.Ş.	-	-	-	2,518,001	21,910	2,560,445	789,387	-	1,062,126	-	13,248
Rasa Endüstrıyel Radyatörler San.A.Ş.	-	-	-	-	-	-	-	-	-	-	(5,207)
	101,196,630	**49,242,062**	**177,162,802**	**97,628,750**	**1,112,525**	**2,560,445**	**1,305,661**	**7,424,688**	**60,665,220**	**55,027**	**(515,700)**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

4 Related party disclosures *(continued)*

(b) Related party transactions *(cont'd)*

i) Purchases and sales from/to related parties: *(cont'd)*

1 January - 30 June 2020

	Electricity Sales	Electricity Purchases	Natural Gas Purchases	Interest Income	Interest Expense	Rent Expenses	General Administrative Expenses	Reflection of Common Expenses	Material Purchases	Material Sales	Other (Expense) / Income, Net
Aksa Ankara Makine Sat. ve Servis A.Ş.	-	-	-	-	-	-	-	-	-	-	(11,070)
Aksa Doğal Gaz Toptan Satış A.Ş.	-	-	77,130,790	-	-	-	-	-	-	-	(289,778)
Aksa Elektrik Satış A.Ş	151,296,814	21,891,842	-	12,981,766	-	-	5,200	-	-	-	-
Aksa Generators Ghana LTD.	-	-	-	-	-	-	-	-	32,237	65,828	(574,997)
Aksa Jeneratör Sanayi A.Ş.	-	-	-	116,940	49,880	-	3,678	-	3,519	-	(548,487)
Aksa Power Generation (Dubai)	-	-	-	-	-	-	-	-	-	-	(166,456)
Aksa Satış ve Pazarlama A.Ş.	-	-	-	-	-	-	-	-	72,860	-	(21,046)
Aksa Şanlıurfa Doğal Gaz Dağıtım A.Ş.	-	-	11,934,126	-	92,534	-	-	-	-	-	-
ATK Sigorta Aracılık Hizmetleri A.Ş.	-	482	-	-	-	-	-	-	41	-	(642,721)
Çoruh Elektrik Dağitim A.Ş.	-	-	-	2,264	-	-	-	-	-	172,350	-
Çoruh Elektrik Perakende Satış A.Ş.	56,225,962	5,776,246	-	-	1,092,617	-	-	-	-	-	1,659
Elektrik Altyapi Hizmetleri	-	-	-	-	1,850	-	-	-	-	-	-
Fırat Elektrik Perakende Satış A.Ş.	68,990,317	3,527,553	-	-	1,014,282	-	-	-	-	-	2,656
Flamingo Bioyakıt Üretim Sanayi A.Ş.	-	-	-	81,070	-	-	-	-	-	-	-
Flamingo Enerji Üretim A.Ş.	-	-	-	57,504	-	-	-	-	-	-	-
Kazancı Holding A.Ş.	-	-	-	-	192,818	-	-	6,680,878	-	-	-
Koni İnşaat Sanayi A.Ş.	-	-	-	930,497	6,637	1,875,586	848,217	-	-	76,817	52,960
	276,513,093	**31,196,123**	**89,064,916**	**14,170,041**	**2,450,618**	**1,875,586**	**857,095**	**6,680,878**	**108,657**	**314,995**	**(2,197,280)**

Guarantees and other liabilities given by the related parties in favor of the Group:

The total amount of guarantees given by the shareholders and related parties in favor of the Group within the framework of the general loan agreements made against the loans used by the Group is TL 14,917,325,258 as of 30 June 2021 (31 December 2020: TL 13,952,026,500).

ii) Total salaries and benefits provided to key management personnel:

The total amount of benefits provided to key mangement for the six-month financial period ended on 30 June 2021 is TL 1,971,490 (30 June 2020: TL 1,140,855).

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

5 Financial investments

Short term financial investments	30 June 2021	31 December 2020
Blocked bank deposits (*)	957,572,000	-
Total	**957,572,000**	**-**

(*) The balance consist of bank loans in relation to Uzbekistan invesment.

Long term financial assets	Acquisition%	30 June 2021	31 December 2020
Enerji Piyasaları İşletme A.Ş. (*)	0.67	412,408	412,408
Total		**412,408**	**412,408**

(*) The Group invest to Enerji Piyasaları İşletme A.Ş. and obtained 412,408 number of Group C share on 20 November 2014.

According to IFRS 9, since cost is a reflection of the fair value estimation, financial investments are presented at their cost value.

6 Trade receivables and payables

(a) Short-term trade receivables

As of 30 June 2021 and 31 December 2020, trade receivables from third parties consist of the following items:

Current trade receivables	30 June 2021	31 December 2020
Trade receivables	2,950,309,799	2,428,623,864
Provision of expected credit losses (-)	(50,156,975)	(34,088,869)
Total trade receivables from third parties	**2,900,152,824**	**2,394,534,995**

Details on credit risk, currency risk and impairment of the Group's short-term trade receivables are explained in Note 18.

Movement of expected credit loss as of June 30 as follows:

	30 June 2021	30 June 2020
Balance as at 1 January	34,088,869	20,713,643
Provision made during the period	10,390,257	14,459,101
Currency translation adjustment	5,677,849	4,830,217
	50,156,975	**40,002,961**

(Amounts expressed in Turkish Liras (“TL”), unless otherwise stated.)

6 Trade receivables and payables *(continued)*

(b) Short-term trade payables

As of 30 June 2021 and 31 December 2020, trade payables to third parties consist of the following items:

Current trade payables	30 June 2021	31 December 2020
Trade payables	936,710,050	744,255,583
Total trade payables to third parties	**936,710,050**	**744,255,583**

The foreign currency and liquidity risk regarding the short-term trade payables of the Group is explained in Note 18.

7 Borrowings

Short-term	30 June 2021	31 December 2020
Short-term bank borrowings	1,329,069,165	728,277,260
Short-term portion of long-term bank borrowings	1,254,030,007	1,292,953,512
Total Current Borrowings	**2,583,099,172**	**2,021,230,772**
Long-term		
Long-term bank borrowings	1,647,299,337	834,709,520
Total Borrowings	**4,230,398,509**	**2,855,940,292**

The maturities and terms for the open borrowings as of 30 June 2021 and 31 December 2020 are as follows:

Currency	Interest rate	30 June 2021
TL	% 7.5 - %22.0	1,521,377,001
USD	Libor6M %6.54, %6.30	2,614,037,980
EUR	%1.20-%1.50	94,983,528
Total		**4,230,398,509**

Currency	Interest rate	31 December 2020
TL	7.50% - 20.50%	1,931,765,729
USD	Libor6M +6.35% , 6.75%-8.35%	911,057,249
EUR	Euribor6M+1.95%	13,117,314
Total		**2,855,940,292**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

7 Borrowings *(continued)*

30 June 2021			
Maturity	**Currency**	**Currency amount**	**TL Amount**
Less than 1 year	USD	117,846,460	1,025,877,005
	EUR	9,164,314	94,983,528
	TL	1,462,238,639	1,462,238,639
1-2 Years	USD	54,468,780	474,161,621
	TL	58,247,584	58,247,584
2-3 Years	USD	48,282,803	420,311,455
	TL	890,777	890,777
3-4 Years	USD	42,868,809	373,181,552
4-5 Years	USD	20,230,168	176,107,658
+5 Years	USD	16,587,636	144,398,690
Total			
			4,230,398,509

31 December 2020			
Maturity	**Currency**	**Currency amount**	**TL Amount**
Less than 1 year	USD	104,663,974	768,285,902
	EUR	1,456,201	13,117,314
	TL	1,239,827,556	1,239,827,556
1-2 Years	USD	27,980,708	205,392,390
	TL	214,024,170	214,024,170
2-3 Years	USD	24,453,680	179,502,235
	TL	9,592,701	9,592,701
3-4 Years	USD	21,264,144	156,089,449
4-5 Years	USD	9,550,926	70,108,575
Total			**2,855,940,292**

Other financial liabilities as of 30 June 2021 and 31 December 2020 are as follows:

Other short-term financial liabilities	**30 June 2021**	**31 December 2020**
Factoring liabilities	-	11,181,406
Total	**-**	**11,181,406**

Details of the liquidity and exchange rate risk regarding the borrowings of the Group are explained in Note 18.

The details of payables from leases are as follows:

The Group's lease obligations represent the present value of the future payables of the power plant land, vehicle and building leased from third parties during the useful life of the asset.

(Amounts expressed in Turkish Liras (“TL”), unless otherwise stated.)

7 Borrowings *(continued)*

As of 30 June 2021 and 31 December 2020, the TL equivalent values and the repayment schedule of financial lease payables as of the balance sheet date are as follows:

Currency	Interest Type	Agreement Date	Interest Rate	30 June 2021
TL	Fixed	1 March 2038	13.55%-29.40%	74,046,063
USD	Fixed	19 October 2039	3.24%-8.53%	3,323,197
EUR	Fixed	17 February 2022	3.81%-5.70%	1,186,042
Total				**78,555,302**

Currency	Interest Type	Agreement Date	Interest Rate	31 December 2020
TL	Fixed	1 March 2038	13.55%-29.40%	73,898,863
USD	Fixed	19 October 2039	3.24%-8.53%	4,685,964
EUR	Fixed	17 February 2022	3.81%-5.70%	617,337
Total				**79,202,164**

8 Property, plant and equipment

As of 30 June 2021 and 31 December 2020, property, plant and equipment consists of other tangible assets and mining assets.

	30 June 2021	31 December 2020
Property, plant and equipment	6,381,400,977	5,599,044,159
Mining assets	49,085,949	56,006,362
Total	**6,430,486,926**	**5,655,050,521**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

8 Property, plant and equipment *(continued)*

a) Other tangible assets

	Land	Land improvements	Buildings	Plant, machinery and equipment(*)	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
Cost									
Opening balance as of 1 January 2021	**93,035,084**	**13,789,949**	**138,052,423**	**7,642,506,570**	**9,081,109**	**19,925,150**	**26,815,088**	**289,852,050**	**8,233,057,423**
Additions	-	532,480	-	15,887,603	1,410,752	667,057	14,919	556,183,859	574,696,670
Transfers	-	-	-	191,090,577	-	(2,555,908)	-	(54,941,956)	133,592,713
Effect of movements in exchange rates	-	1,313,764	18,647,883	505,134,620	1,491,565	1,561,829	-	67,978,805	596,128,466
Closing balance as of 30 June 2021	**93,035,084**	**15,636,193**	**156,700,306**	**8,354,619,370**	**11,983,426**	**19,598,128**	**26,830,007**	**859,072,758**	**9,537,475,272**
Accumulated depreciation									
Opening balance as of 1 January 2021	**-**	**3,854,976**	**50,090,357**	**2,550,392,664**	**4,861,483**	**16,936,453**	**7,877,331**	**-**	**2,634,013,264**
Depreciation for the period	-	556,327	6,155,709	233,071,956	340,997	904,012	613,792	-	241,642,793
Transfers	-	-	-	-	-	(1,386,789)	-	-	(1,386,789)
Effect of movements in exchange rates	-	318,007	9,025,187	270,248,360	889,120	1,324,353	-	-	281,805,027
Closing balance as of 30 June 2021	**-**	**4,729,310**	**65,271,253**	**3,053,712,980**	**6,091,600**	**17,778,029**	**8,491,123**	**-**	**3,156,074,295**
Net book value	**93,035,084**	**10,906,883**	**91,429,053**	**5,300,906,390**	**5,891,826**	**1,820,099**	**18,338,884**	**859,072,758**	**6,381,400,977**

(*) Machines dismantled and transferred from Antalya, Manisa and Van power plants for Tashkent and Bukhara investments in Uzbekistan are included in plant, machinery and equipment.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

8 Property, plant and equipment *(continued)*

a) Other tangible assets *(cont'd)*

	Land	Land improvements	Buildings	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
Cost									
Opening balance as of 1 January 2020	**90,951,776**	**8,559,932**	**117,630,717**	**7,027,288,865**	**7,421,782**	**16,357,642**	**26,815,088**	**160,937,044**	**7,455,962,846**
Additions	860,030	88,555	-	9,502,133	345,156	460,479	-	99,743,667	111,000,020
Disposals	-	-	-	-	(184,367)	-	-	-	(184,367)
Transfers	-	-	-	14,626,770	-	-	-	-	14,626,770
Effect of movements in exchange rates	-	853,788	12,536,562	334,454,310	910,037	883,643	-	30,659,694	380,298,034
Closing balance as of 30 June 2020	**91,811,806**	**9,502,275**	**130,167,279**	**7,385,872,078**	**8,492,608**	**17,701,764**	**26,815,088**	**291,340,405**	**7,961,703,303**
Accumulated depreciation									
Opening balance as of 1 January 2020	**-**	**2,899,113**	**32,214,490**	**1,929,664,937**	**3,134,271**	**14,704,316**	**5,130,043**	**-**	**1,987,747,170**
Depreciation for the period	-	306,288	4,551,037	200,774,188	222,338	1,480,942	21,553	-	207,356,346
Disposals	-	-	-	-	(49,769)	-	-	-	(49,769)
Transfers	-	-	-	(16,588,567)	-	-	-	-	(16,588,567)
Effect of movements in exchange rates	-	143,386	5,024,840	137,367,870	541,076	746,021	-	-	143,823,193
Closing balance as of 30 June 2020	**-**	**3,348,787**	**41,790,367**	**2,251,218,428**	**3,847,916**	**16,931,279**	**5,151,596**	**-**	**2,322,288,373**
	91,811,806	**6,153,488**	**88,376,912**	**5,134,653,650**	**4,644,692**	**770,485**	**21,663,492**	**291,340,405**	**5,639,414,930**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

8 Property, plant and equipment *(continued)*

a) Other tangible assets *(cont'd)*

As of 30 June 2021 and 31 December 2020, the details of the expenditures classified under the construction in progress item of the projects under construction are as follows:

Project	30 June 2021	31 December 2020
Uzbekistan Investment	384,280,838	18,962,685
Ghana Investment	355,604,438	209,245,929
Other (*)	119,187,482	61,643,436
Total	**859,072,758**	**289,852,050**

(*) It consists of construction in progress in Africa.

b) Mining assets

As of 30 June 2021 and 31 December 2020, mining assets consist of mine site development and deferred mining costs.

Cost:	**30 June 2021**	**31 December 2020**
Stripping costs	94,959,154	94,728,199
Mining development assets	5,477,772	5,477,772
	100,436,926	**100,205,971**
Accumulated amortization:		
Stripping costs	51,118,644	43,967,276
Mining development assets	232,333	232,333
	51,350,977	**44,199,609**
Net book value	**49,085,949**	**56,006,362**

9 Right-of-use Assets

	Land of Power Plants	Buildings	Vehicles	Total
Balance as of 1 January 2021	**70,174,997**	**1,175,094**	**2,173,936**	**73,524,027**
Additions	-	8,418,875	1,024,162	9,443,037
Disposals	(4,064,256)	-	-	(4,064,256)
Amortization and depreciation for the period	(3,434,996)	(4,692,300)	(923,623)	(9,050,919)
Balance as of 30 June 2021	**62,675,745**	**4,901,669**	**2,274,475**	**69,851,889**

The Group, as a lessee, has included the right-of-use asset representing the right to use the underlying asset and the lease payables representing the lease payments for which the rent is required to be paid in the condensed consolidated financial statements.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

9 Right-of-use Assets *(continued)*

	Land of Power Plants	Buildings	Vehicles	Total
Balance as of 1 January 2020	**46,989,961**	**1,161,619**	**554,643**	**48,706,223**
Additions	33,740,848	4,531,560	4,358,704	42,631,112
Disposals	(319,685)	(250,532)	(713,276)	(1,283,493)
Amortization and depreciation for the period	(10,236,127)	(4,267,553)	(2,026,135)	(16,529,815)
Balance as of 30 June 2020	**70,174,997**	**1,175,094**	**2,173,936**	**73,524,027**

10 Commitments

(a) Guarantees, pledges and mortgages given

As of 30 June 2021 and 31 December 2020, the table regarding the Group's guarantee, pledge and mortgage (GPM) position is as follows:

GPM Given by the Group	30 June 2021	31 December 2020
A. GPM given for companies own legal personality	2,260,063,514	2,172,067,306
B. GPM given in behalf of fully consolidated companies	6,720,200,321	6,275,339,013
C. GPM given for continuation of its economic activities on behalf of third parties	-	-
D. Total amount of other GPM's	-	-
i. Total amount of GPM's given on behalf of majority shareholder	-	-
ii. Total amount of GPM's given on behalf of other Group companies which are not in scope of B and C	-	-
iii. Total amount of GPM's given on behalf of third parties which are not in scope of C	-	-
Total GPM	**8,980,263,835**	**8,447,406,319**

The details of the letters of guarantee given by the Group as of 30 June 2021 and 31 December 2020 are as follows:

30 June 2021	TL	USD	EUR	CHF	TL Equivalent
Electricity Distribution Companies	134,379,923	6,079,855	-	-	**187,306,277**
Republic of Turkey Energy Market Regulatory Authority	40,748,000	-	-	-	**40,748,000**
Turkey Electricity Transmission Company (TEIAS)	23,570,106	-	200,000	-	**23,981,052**
Turkish Coal Enterprises Institution(TKI)	9,382,744	-	-	-	**9,382,744**
Enforcement Offices	1,159,780	-	-	-	**1,159,780**
Botaş–Petroleum Pipeline Corporation	665,042	-	-	-	**665,042**
Saving Deposit Insurance Fund (TMSF)	86,000,000	- -	-	-	**86,000,000**
Other	64,350,466	6,330,000	1,133,000	800,000	**138,744,481**
Total	**360,256,061**	**12,409,855**	**1,333,000**	**800,000**	**487,987,376**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

10 Commitments *(continued)*

(a) Guarantees, pledges and mortgages given *(cont'd)*

30 December 2020	TL	USD	EUR	CHF	TL Equivalent
Electricity Distribution Companies	191,494,053	6,525,463	-	-	**239,394,214**
Republic of Turkey Energy Market Regulatory Authority	35,458,000	-	-	-	**35,458,000**
Turkey Electricity Transmission Company (TEIAS)	20,340,525	-	400,000	-	**23,943,685**
Turkish Coal Enterprises Institution(TKI)	7,497,253	-	-	-	**7,497,253**
Enforcement Offices	1,307,490	-	-	-	**1,307,490**
Botaş–Petroleum Pipeline Corporation	665,042	-	-	-	**665,042**
Other	8,770,056	3,000,000	1,896,000	800,000	**54,497,814**
Total	**265,532,419**	**9,525,463**	**2,296,000**	**800,000**	**362,763,498**

(b) Guarantees received

The details of the letters of guarantee received by the Group as of 30 June 2021 and 31 December 2020 are as follows:

Type of Guarantees	TL	USD	EUR	30 June 2021 TL Equivalent
Letter of guarantee	170,996,579	80,084,675	8,950,664	960,918,849
Notes taken for colleterals	26,268,905	3,116,174	1,184,169	65,669,143
Cheques taken for colleterals	8,400,000	28,000	3,456,000	44,463,458
Mortgage	700,000	-	-	700,000
Total	**206,365,484**	**83,228,849**	**13,590,833**	**1,071,751,450**

Type of Guarantees	TL	USD	EUR	31 December 2020 TL Equivalent
Letter of guarantee	152,658,902	75,900,224	-	709,804,496
Notes taken for colleterals	26,268,905	1,034,174	1,184,169	44,527,135
Cheques taken for colleterals	8,400,000	28,000	3,456,000	39,736,836
Mortgage	700,000	-	-	700,000
Total	**188,027,807**	**76,962,398**	**4,640,169**	**794,768,467**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

11 Share capital, reserves and other equity items

(a) Issued capital

The Company has switched to the registered capital system with the permission of the CMB dated 16 April 2010 and numbered 10/330, and the registered capital ceiling is TL 4,750,000,000 (31 December 2020:TL 4,750,000,000). The registered capital ceiling permission given by the Capital Markets Board is valid for the years 2021-2025 (5 years).

As of 30 June 2021, the issued capital of the Company is TL 613,169,118 (31 December 2020: TL 613,169,118). The issued capital consists of 613,169,118 shares each with a nominal value of 1 TL (31 December 2020: 613,169,118).

The capital structure of the Group as of 30 June 2021 and 31 December 2020 is as follows:

	30 June 2021		31 December 2020	
Shareholders	**Share rate (%)**	**Amount**	**Share rate (%)**	**Amount**
Kazancı Holding	78.607	481,991,868	78.607	481,991,868
Public share (*)	21.390	131,158,000	21.390	131,158,000
Other	0.003	19,250	0.003	19,250
Total	**100.00**	**613,169,118**	**100.00**	**613,169,118**

(*) The shares acquired by Kazancı Holding from the shares under the publicly traded item in 2012, 2013 and 2018 are presented in the publicly traded item shares in the table above. Together with the shares purchased by Kazancı Holding among the publicly traded shares, its shareholding portion in our partnership is 79.42% (31 December 2020: 79.42%). As of 30 June 2021, these shares are 4,958,962 (31 December 2020: 4,958,962).

The details of the shares on a group basis as of 30 June 2021 are as follows:

	30 June 2021		31 December 2020	
Group	**Share rate (%)**	**Amount**	**Share rate (%)**	**Amount**
A Group (Registered share)	47.93	293,896,220	47.93	293,896,220
B Group (Bearer share)	52.07	319,272,898	52.07	319,272,898
Paid in Capital	**100.00**	**613,169,118**	**100.00**	**613,169,118**

TL 131,158,000 of the bearer B group shares are traded on BIST.

11 Share capital, reserves and other equity items *(continued)*

(a) Issued capital *(cont'd)*

Due to a loan agreement ("the Old Loan") amounting to USD 500 million between the ultimate partner of the Company, Kazancı Holding and Goldman Sachs International, China Development Bank, Türkiye Garanti Bankası A.Ş.("Garanti Bankası") and Türkiye İş Bankası A.Ş. ("İş Bankası"), the Company has established a pledge as a collateral for loan agreement in favor of Türkiye Garanti Bankası A.Ş., which is the loan collateral representative, on the shares corresponding to 68.86% of the capital.

Under the leadership of Garanti Bank and İşbank, a new loan agreement with a total amount of USD 800 million ("the New Loan") was signed between the consortium consisting T.C. Ziraat Bankası A.Ş., Türkiye Halk Bankası A.Ş., Türkiye Vakıflar Bankası T.A.O., Odea Bank A.Ş. ve Türkiye Sınai Kalkınma Bankası A.Ş. and Kazancı Holding and Aksa Doğal Gaz Dağıtım A.Ş. on 2 August 2016. With this financing, the above-mentioned Old Loan was fully repaid and Aksa Energy shares owned by Kazancı Holding, which were pledged, has become free. In addition to these liberalized shares belonging to the Kazancı Holding, representing %61.98 capital shares of Aksa Energy which is owned by Kazancı Holding and is 9.74% shares of Kazancı Holding, was pledged to be a guarantee for the new loan, to the Guarantee Representative Türkiye İş Bankası A.Ş. by Kazancı Holding. In addition, Aksa Energy shares representing 16.62% of the capital that Kazancı Holding bought back from Goldman Sachs International has been pledged to İşbank by Kazancı Holding to provide additional security for the new loan.

(b) Share premium

The difference between the nominal value of each share and the selling price is recognized as the share premium in equity. As of 30 June 2021, 96,523,266 TL of the total issue amounting to TL 247,403,635 (31 December 2020: TL 247,403,635) have occurred as a result of first public offering in 2010 and TL 150,880,369 have occurred as a result of allocated capital increase in 2012.

(c) Loss on Remeasurement of Defined Benefit Plans:

It consists of actuarial gains and losses recognized as other comprehensive income as a result of the adoption of TAS 19 (2011) standard.

(d) Hedging reserve:

The hedging reserve consists of the effective portion of the accumulated net change in the fair value of the cash flow hedging instrument related to the transaction subject to hedging, which has not yet been realized.

(e) Foreign currency translation differences:

Foreign currency translation differences consist of all foreign currency exchange differences arising from the conversion of foreign currency based financial statements to TL, which is the Company's functional currency.

(f) Valuation increase of property, plant and equipment:

Valuation increases of property, plant and equipment consist of revaluation differences in land, buildings, land improvements and plant, machinery and equipment.

(g) Restricted reserves appropriated from profit:

i) Legal reserves:

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's historical paid-in share capital. The second legal reserve is appropriated at the rate of 1/10 of all cash dividend distributions exceeding 5% of the company's capital in cases where profit distribution is made according to CMB regulations, and in cases where dividends are distributed according to legal records, it is appropriated at the rate of 1/11 per annum of all cash distributions in excess of 5% of the historical paid-in share capital. The legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted. As of 30 June 2021, the Group's total legal reserves are TL 82,931,556 (31 December 2020: TL 68,742,954).

11 Share capital, reserves and other equity items *(continued)*

ii) Dividend:

It has been decided that the profit distribution will be realized within the framework of the principles in the "Dividend Communiqué" Serial: II-19.1 of the CMB, the provisions in the articles of association of the partnerships and the profit distribution policies disclosed to the public by the companies. In addition, in the aforementioned Communiqué, companies that are obliged to prepare condensed consolidated financial statements are required to calculate the net distributable profit amount, as long as it can be covered from the resources in their legal records, by taking into account the net profit for the period in their condensed consolidated financial statements that they will prepare and publicly disclose in accordance with the Communiqué Serial: II-14.1.

In publicly held partnerships, dividends are distributed equally to all of the existing shares as of the date of distribution, regardless of their issue and acquisition dates.

(h) Non-controlling interest:

The parts of the net assets of the subsidiaries, which correspond to the shares not in the direct and/or indirect control of the parent company, are classified under the "Non-controlling interests" item under equity in the consolidated statement of financial position. As of 30 June 2021 and 31 December 2020, the amounts classified under the line item "Non-controlling interests" in the consolidated statement of financial position are positive TL 555,022,755 and TL 406,158,727, respectively.

In addition, the parts of the net assets of the subsidiaries, which correspond to the shares not in the direct and/or indirect control of the parent company, are classified under the "Non-controlling interests" item in the consolidated statement of profit or loss and other comprehensive income. As of the period ended 30 June 2021 and 30 June 2020, the profit and loss of non-controlling interests out of the total comprehensive income is TL 148,864,028 and TL 52,763,784, respectively, within the item "Non-controlling interests".

(i) Prior years' profit/(loss):

Accumulated profits/losses other than net profit for the period are offset in this item. Extraordinary reserves that are in the nature of accumulated profit/loss are also considered as retained earnings and presented in this item. As of 30 June 2021, the Group's retained earnings is TL 634,723,958 (31 December 2020: retained earnings is TL 129,592,233).

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

12 Revenue

Revenue for the six-month accounting period ended on 30 June is as follows:

	1 January-30 June 2021	1 January-30 June 2020	1 April-30 June 2021	1 April-30 June 2020
Domestic sales	3,972,457,072	2,738,928,275	2,189,820,094	1,272,747,729
Foreign sales	791,873,163	727,983,965	430,328,922	347,330,955
Net sales	**4,764,330,235**	**3,466,912,240**	**2,620,149,016**	**1,620,078,684**
Cost of sales (-)	(3,859,348,047)	(2,889,139,639)	(2,111,561,482)	(1,340,851,751)
Gross profit	**904,982,188**	**577,772,601**	**508,587,534**	**279,226,933**

The details of the Group's sales revenues and gross profit are as follows:

	1 January-30 June 2021	1 January-30 June 2020	1 April-30 June 2021	1 April-30 June 2020
Revenue – Amount				
Electricity	4,763,514,002	3,464,280,140	2,619,481,608	1,618,871,338
Other	816,233	2,632,100	667,408	1,207,346
Total	**4,764,330,235**	**3,466,912,240**	**2,620,149,016**	**1,620,078,684**
Gross profit				
Electricity	904,827,145	577,333,953	508,460,004	279,018,842
Other	155,043	438,648	127,530	208,091
Total	**904,982,188**	**577,772,601**	**508,587,534**	**279,226,933**

13 Finance income

Finance income for the six-month accounting period ended on 30 June is as follows:

	1 January-30 June 2021	1 January-30 June 2020	1 April-30 June 2021	1 April-30 June 2020
Interest income	105,615,945	53,950,416	87,340,153	17,671,035
Income from derivative transactions(*)	11,351,594	111,194,622	(2,875,868)	82,217,080
Exchange difference income	2,519,084	40,466,068	(1,335,774)	5,864,760
Total	**119,486,623**	**205,611,106**	**83,128,511**	**105,752,875**

(*) Foreign exchange gains and expenses are presented by offseting on company basis in subsidiaries of the consolidation.

(Amounts expressed in Turkish Liras (“TL”), unless otherwise stated.)

14 Finance expenses

Financial expenses for the six-month accounting period ended on 30 June are as follows:

	1 January-30 June 2021	1 January-30 June 2020	1 April-30 June 2021	1 April-30 June 2020
Interest and late charge expenses	212,928,487	209,678,524	125,395,547	82,959,718
Translation income / (expense) – net (*)	45,361,915	117,270,984	8,924,205	8,987,770
Expense from derivative transactions	10,004,406	32,233,535	4,710,676	10,162,985
Other	11,537,412	18,797,782	6,399,390	2,890,582
Total	**279,832,220**	**377,980,825**	**145,429,818**	**105,001,055**

(*) Foreign exchange gains and expenses are presented by offseting on company basis in subsidiaries of the consolidation.

15 Taxation

Turkey

Corporate tax

In Turkey, the corporate tax rate is 20%, according to Article 32 of the Corporate Tax Law (KVK). This rate had returned to the legal rate of 20% at the beginning of 2021, after being applied as 22% for the corporate earnings of the institutions for 2018, 2019, and 2020 taxation periods under the temporary article 10 of the KVK. With the temporary article 13 added to the KVK with the 11th article of the Law on the Collection Procedure of Public Receivables and Other Laws No. 7316, the corporate tax rate has been increased for a period of 2 years once again. According to the aforementioned temporary article, the legal corporate tax rate of 20% will be applied as 25% for the corporate earnings of the corporations for the 2021 taxation period, and as 23% for the corporate earnings for the 2022 taxation period. Unless a new legal regulation will be made, Article 32 of the KVK will come into effect, and the corporate tax rate will be back to the legal rate of 20% from the beginning of 2023. Within the scope of the aforementioned law, deferred tax assets and liabilities in the condensed consolidated financial statements as of June 30, 2021, are calculated as 25% for the part of temporary differences that will have a tax effect in 2021, 23% for the amount that will have tax effect in 2022 and for the part that will have a tax effect in the following periods calculated with 20% rate. Corporate tax returns are required to be filed by the twenty-fifth day of the fourth month following the balance sheet date and taxes must be paid in full by the end of the related month. The tax legislation provides for a provisional tax of 25% (2020 - 22%) to be calculated and paid based on earnings generated for each quarter.

According to the Corporate Tax Law, if 75% of the revenues obtained from the sales of subsidiaries and property, plant and equipment owned for at least two years are recorded in equity accounts to be used in capital increase within five years from the date of sale, it becomes subject to tax exemption. The remaining 25% is subject to corporate tax. This rate has been revised as 50% for immovables, effective from 2018.

In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes shown in the condensed consolidated financial statements reflects the total amount of taxes calculated on each entity that are included in the consolidation.

Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within four months following the close of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings.

15 Taxation *(continued)*

Income tax withholding

There is a withholding tax obligation on dividend distributions, and this withholding obligation is accrued in the period when the dividend payment is made. A business or a corporate taxpayer who earns revenue through permanent representative in Turkey and dividend payments to non-resident institutions other than those made in Turkey are subject to withholding at the rate of 15%. In the application of the withholding rates regarding the dividend distributions made to non-resident companies and real persons, the withholding rates included in the related Double Taxation Agreements are also taken into consideration. Allocation of prior years' profits to the capital is not considered as profit distribution, therefore it is not subject to withholding tax.

Transfer pricing regulations

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a tax payer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

Tax applications for foreign subsidiaries of the Group

Turkish Republic Of Northern Cyprus (“TRNC”)

The applicable corporate tax rate in TRNC is 23.5% (31 December 2020: 23.5%).

Republic of Ghana

The applicable corporate tax rate in Republic of Ghana is 25% (31 December 2020: 25%).

Netherlands

Corporate income tax is levied at the rate of 20% (31 December 2020: 20%) on the worldwide income of resident companies, which is determined by modifying accounting income for certain exclusions and allowances for tax purposes for the year 2020. A unilateral decree for the avoidance of double taxation provides relief for resident companies from Dutch tax on income, such as foreign business profits derived through a permanent establishment abroad, if no tax treaty applies. There is an additional dividend tax of 5% computed only on the amounts of dividend distribution at the time of such payments.

Under the Dutch taxation system, tax losses can be carried forward to be offset against future taxable income for nine years. Tax losses can be carried back to offset profits up to one year. Entities must file their tax returns within six months following the close of the tax year to which they relate, unless the company applies for an extension (normally an additional nine months). Tax returns are open for five years from the date of final assessment of the tax return during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Republic of Mauritius

There is no corporate tax in Mauritius (31 December 2020: none)

Republic of Mali

The applicable corporate tax rate in Mali 25% (31 December 2020: 25%).

Madagascar

The applicable corporate tax rate in Madagascar 20% (31 December 2020: 20%).

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

15 Taxation *(continued)*

Deferred tax assets and liabilities

Deferred tax is calculated over the temporary differences between the carrying values of assets and liabilities in the financial statements and the values used in the tax base, except for the goodwill not subject to tax deduction and the differences in the first recorded assets and liabilities that are not subject to accounting and tax.

Deferred tax assets and liabilities recognized

As of 30 June 2021 and 31 December 2020, items of deferred tax assets and deferred tax liabilities consist of the following:

	30 June 2021	31 December 2020
	Asset / (Liability)	Asset / (Liability)
The difference between carrying values of property, plant and equipment and intangible assets and tax base	(421,618,514)	(425,484,289)
Unused carryforward tax losses	4,358,546	4,665,471
Adjustments according to TFRS 9	11,676,844	7,553,389
Provision for impairment on inventory	209,392	117,627
Provision for employment termination benefit	1,216,457	1,894,773
Provision for unused vacation	332,691	201,086
Provision for legal cases	842,006	1,515,708
Derivative transactions	10,899,818	4,020,007
Adjustment related to interest discount for bank loans	(1,686,735)	(1,091,519)
Other	3,673,163	3,393,584
Net deferred tax asset/(liabilities)	**(390,096,332)**	**(403,214,163)**
Deferred tax asset	93,210,147	185,220,021
Deferred tax liabilities	(483,306,479)	(588,434,184)
	(390,096,332)	**(403,214,163)**

The movement of deferred tax for the years 30 June 2021 and 2020 is as follows:

	1 January 2021	*Effects of exchange differences*	*Recognized in profit or loss*	*Recognized in other comprehensive income*	*30 June 2021*
Total deferred tax asset/(liabilities)	**(403,214,163)**	**(23,875,238)**	**31,474,524**	**5,518,545**	**(390,096,332)**

	1 January 2020	*Effects of exchange differences*	*Recognized in profit or loss*	*Recognized in other comprehensive income*	*30 June 2020*
Total deferred tax asset/(liabilities)	**(361,126,111)**	**(60,352,427)**	**15,148,745**	**649,205**	**(405,680,588)**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

16 Earning per share

Earnings per share calculations are made by dividing the net profit/(loss) for the period in the profit or loss statement given in this report by the weighted average number of shares issued.

	1 January- 30 June 2021	1 January- 30 June 2020	1 April- 30 June 2021	1 April- 30 June 2020
Profit for the period attributable to equity holders	487,931,402	222,307,057	280,340,627	147,916,106
Weighted average number of common shares issued	613,169,118	613,169,118	613,169,118	613,169,118
Profit per share	0.796	0.363	0.457	0.241

17 Financial instruments

Grup risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included in Note 14 and 15.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established an Early Detection of Risk Committee responsible for developing and monitoring the Group's risk management policies.

The risk management policies of the Group are determined in order to identify and analyze the risks to be encountered, to determine the appropriate risk limits and to establish their controls, and to observe the risks and the dependency of the risks to the limits. Risk management policies and systems are regularly reviewed to reflect changes in the Group's activities and market conditions. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities through training and management standards and procedures.

Aksa Energy Audit Committee audits the management in terms of compliance with the risk management policies and procedures of the Group and provides support during the fulfillment of the risk management framework depending on the risks exposed by the Group. The internal audit department makes regular and specific evaluations of risk management policies and procedures and reports the results to the Audit Committee.

17 Financial instruments *(continued)*

Credit risk

The Group closely monitors customer credit risks in order to eliminate possible risks that may arise in the collection of trade receivables. Certain credit control procedures, credit rating system and internal control policies are used in the management of credit risk. The Group management covers these risks by limiting the average risk for the counterparty in each agreement and by obtaining guarantees if necessary. Foreign customer credit risks are related to public institutions and organizations with low collection risk, and guarantees are received for these customer credit risks.

Credit risk is the risk of financial loss to the other party as a result of one of the parties in a mutual relationship not fulfilling its obligations regarding a financial instrument.

Holding financial instruments also bears the risk of failure of the counterparty to fulfill the requirements of the agreement. The collection risk of the Group mainly arises from its trade receivables. Trade receivables are evaluated by taking into account the Group's policies and procedures, and accordingly, they are presented as net in the consolidated statement of financial position after making provision for doubtful receivables.

A significant proportion of the Group's trade receivables are receivables from TEİAŞ, and similarly, it has receivables arising from agreements with the governments or ministries of the countries in its operations in foreign countries. The Group takes part in a sector with low collection risk.

The Group manages the liquidity risk by maintaining the continuation of sufficient funds by regularly monitoring the cash flows and matching the maturities of financial assets and liabilities.

Liquidity risk

Liquidity risk is the possibility of the Group not meeting its net funding liabilities. Occurrence of events that cause a decrease in fund resources such as deterioration in the markets or a decrease in credit score, cause liquidity risk. The Group management manages the liquidity risk by distributing the fund resources and keeping sufficient cash and similar resources to fulfill its current and possible liabilities.

The Group uses activity-based costing in costing its products and services, which helps to monitor cash flow needs and makes effective cash return on investments. The Group generally ensures that it has sufficient cash to cover financial and operational expenses, including the fulfillment of financial liabilities, excluding the potential impact of unreasonably foreseeable events such as natural disasters.

Market risk

Market risk is the changes that will occur in interest rates, exchange rates or the value of securities and other financial agreements and will affect the Group negatively. The main important risks for the Group are changes in currency and interest rates.

17 Financial instruments *(continued)*

Foreign currency risk

Foreign currency risk arises from the Group's liabilities in USD and EUR and the changes in the value of Turkish Lira against USD and EUR.

The Group also has a foreign currency risk arising from its transactions. These risks arise from the Group's purchase and sale of goods in a currency other than the functional currency and using bank loans in foreign currency.

The Group aims to balance the exchange rate risk against foreign currency through derivative financial contracts.

The basis of the sensitivity analysis made in order to measure the currency risk is to make the total currency statement throughout the Group. Total foreign currency position includes all short-term and long-term foreign currency-based purchase and sale contracts and all assets and liabilities.

The Group is exposed to foreign exchange risk due to various income and expense items in foreign currencies and foreign currency payables, receivables and financial borrowings arising from these.

Interest rate risk

Within the scope of fund management, sensitivity analysis is performed in measuring the interest risk of interest sensitive assets in the portfolio. By determining the average maturity and interest rate of interest-sensitive assets, the sensitivity to changes in market interest rates is calculated, and the interest risk arising from the securities portfolio created within the scope of fund management by monitoring the markets is managed within the framework of the decisions taken to move, increase or decrease the existing securities portfolio in accordance with market interest rates expectations.

Capital management

The main purpose of the capital management of the Company is to provide a strong capital ratio in order to continue the operations of the Company and to increase the value it provides to the Company partners.

The Company manages the capital structure and makes the necessary arrangements according to the market competition conditions, economic conjuncture and growth strategy. In order to strengthen and regulate the capital structure, shareholders can make direct cash payments according to their working capital needs.

During the period, there has been no change in the Group's perspective on capital management.

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

18 Nature and level of risks arising from financial instruments

Credit risk

Carrying value of financial assets shows the maximum credit risk of the Group. The table below shows the details of the values exposed to maximum credit risk as of 30 June 2021 and 31 December 2020:

30 June 2021	Receivables				Deposits at banks	Other(*)
	Trade receivables		Other receivables			
	Related Parties	Other	Related Parties	Other		
Maximum credit risk exposed as of the reporting date (A+B+C+D+E)	226,629,661	2,900,152,824	44,433,803	46,509,807	465,762,054	957,572,000
A. Carrying amount of financial assets not overdue or not impaired	226,629,661	2,725,599,128	44,433,803	11,050,394	465,762,054	957,572,000
B. Carrying amount of financial assets with rediscussed conditions that are considered overdue or impaired if not rediscussed	-		-	-	-	-
C. Carrying amount of financial assets overdue but not impaired	-	174,553,696	-	35,459,413	-	-
D. Carrying amount of assets impaired	-	-	-	-	-	-
- Overdue (gross book value)	-	50,156,975	-	-	2,613,913	-
- Impairment (-)	-	(50,156,975)	-	-	(2,613,913)	-
E. Off balance sheet items with credit risk	-	-	-	-	-	-

(*) Balance consists of blocked bank deposits.

31 December 2020	Receivables				Deposits at banks
	Trade receivables		Other receivables		
	Related Parties	Other	Related Parties	Other	
Maximum credit risk exposed as of the reporting date (A+B+C+D+E)	311,085,412	2,394,534,995	42,317,908	40,626,334	314,171,908
A. Carrying amount of financial assets not overdue or not impaired	311,085,412	2,262,308,256	42,317,908	10,725,835	314,171,908
B. Carrying amount of financial assets with rediscussed conditions that are considered overdue or impaired if not rediscussed	-	-	-	-	-
C. Carrying amount of financial assets overdue but not impaired	-	132,226,739	-	29,900,499	-
D. Carrying amount of assets impaired	-	-	-	-	-
- Overdue (gross book value)	-	29,945,027	-	-	2,601,210
- Impairment (-)	-	(29,945,027)	-	-	(2,601,210)
E. Off balance sheet items with credit risk	-	-	-	-	-

(*) Deposits and guarantees are not included in other receivables

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

18 Nature and level of risks arising from financial instruments *(continued)*

Liquidity risk

The maturities of the financial liabilities determined according to the payment schedule of the Group, including the estimated interest payments as of 30 June 2021 and 31 December 2020, are as follows:

30 June 2021	Carrying amount	Contractual cash flows (=I+II+III+IV+V)	3 months or less (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities	**4,308,953,811**	**4,783,728,614**	**999,970,999**	**1,623,632,352**	**1,827,720,771**	**332,404,492**
Financial liabilities	4,230,398,509	4,566,406,208	987,888,588	1,615,199,025	1,771,321,904	191,996,691
Leases	78,555,302	217,322,406	12,082,411	8,433,327	56,398,867	140,407,801
Derivative financial assets, net	**59,837,847**	**72,977,868**	**(7,359,230)**	**80,337,098**	**-**	**-**
Cash inflow	-	199,717,477	-	199,717,477	-	-
Cash outflow	-	(126,739,609)	(7,359,230)	(119,380,379)	-	-

Expected majurity	Carrying amount	Total expected cash flows (=I+II+III+IV+v)	3 months or less (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities	**1,197,796,223**	**1,197,796,223**	**1,161,524,556**	**21,763,000**	**14,508,667**	**-**
Trade payables to related parties	15,767,884	15,767,884	15,767,884	-	-	-
Trade payables to third parties	936,710,050	936,710,050	936,710,050	-	-	-
Other payables to third parties	245,318,289	245,318,289	209,046,622	21,763,000	14,508,667	-

31 December 2020	Carrying amount	Contractual cash flows (=I+II+III+IV+V)	3 months or less (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities	**2,946,323,862**	**3,344,840,719**	**906,937,468**	**1,256,145,219**	**1,013,490,890**	**168,267,142**
Financial liabilities	2,855,940,292	3,148,493,581	894,517,628	1,248,373,609	1,005,602,344	-
Other financial liabilities	11,181,406	11,507,886	11,507,886	-	-	-
Leases	79,202,164	184,839,252	911,954	7,771,610	7,888,546	168,267,142
Derivative financial assets, net	**58,567,229**	**(46,112,095)**	**(2,906,230)**	**(40,112,971)**	**(3,092,894)**	**-**
Cash inflow	-	404,640,345	62,780,700	323,849,645	18,010,000	-
Cash outflow	-	(450,752,440)	(65,686,930)	(363,962,616)	(21,102,894)	-

Expected majurity	Carrying amount	Total expected cash flows (=I+II+III+IV+v)	3 months or less (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities	**858,482,345**	**858,482,345**	**815,662,762**	**18,351,250**	**24,468,333**	**-**
Trade payables to related parties	35,657,639	35,657,639	35,657,639	-	-	-
Trade payables to third parties	767,165,582	767,165,582	767,165,582	-	-	-
Other payables to third parties	55,659,124	55,659,124	12,839,541	18,351,250	24,468,333	-

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

18 Nature and level of risks arising from financial instruments *(continued)*

Market risk

Foreign currency risk

As of 30 June 2021, the Group's foreign currency position arises from foreign currency-based assets and liabilities stated in the table below. The currency risk table shows the foreign currency position of companies whose functional currency is TL, since the reporting currency is TL. Companies whose functional currency is foreign currency stated in section 2 article 1.d. are not presented in the foreign currency risk table.

FOREIGN CURRENCY RISK					
	30 June 2021				
	TL Equivalent	USD	EUR	GBP	CHF
1. Trade receivables	186,979,087	6,237,449	12,801,471	-	-
2a. Monetary financial assets (including cash, bank accounts)	498,260,046	27,453,846	25,011,841	2,792	-
2b. Non-monetary financial assets	3,875,012	290,856	129,582	-	-
3. Other	35,459,413	4,073,360	-	-	-
4. Current assets (1+2+3)	**724,573,558**	**38,055,511**	**37,942,894**	**2,792**	**-**
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	**-**	**-**	**-**	**-**	**-**
9. Total assets (4+8)	**724,573,558**	**38,055,511**	**37,942,894**	**2,792**	**-**
10. Trade payables	163,172,301	12,302,772	4,546,874	70,114	859,068
11. Financial liabilities	478,531,824	44,059,676	9,164,314	-	-
12a. Other monetary liabilities	11,898,585	1,307,306	50,000	-	-
12b. Other non-monetary liabilities	-	-	-	-	-
13. Short-term liabilities (10+11+12)	**653,602,710**	**57,669,754**	**13,761,188**	**70,114**	**859,068**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	619,908,095	71,211,241	-	-	-
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
17. Long-term liabilities (14+15+16)	**619,908,095**	**71,211,241**	**-**	**-**	**-**
18. Total liabilities (13+17)	**1,273,510,805**	**128,880,995**	**13,761,188**	**70,114**	**859,068**
19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)	**889,784,881**	**102,213,031**	**-**	**-**	**-**
20. Net foreign currency asset/ (liability) position (9-18+19)	**340,847,634**	**11,387,547**	**24,181,706**	**(67,322)**	**(859,068)**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

18 Nature and level of risks arising from financial instruments *(continued)*

Market risk *(cont'd)*

Foreign currency risk *(cont'd)*

As of 31 December 2020 the Group's foreign currency position arises from foreign currency-based assets and liabilities presented in the table below. Transactions in which functional currencies are foreign currencies are not included.

FOREIGN CURRENCY RISK					
	31 December 2020				
	TL Equivalent	USD	EUR	GBP	CHF
1. Trade receivables	698,720,628	28,959,849	53,838,232	-	141,409
2a. Monetary financial assets (including cash, bank accounts)	449,141,840	45,750,892	12,575,529	2,847	-
2b. Non-monetary financial assets	6,984,002	535,484	338,956	-	-
3. Other	29,900,499	4,073,360	-	-	-
4. Current assets (1+2+3)	**1,184,746,969**	**79,319,585**	**66,752,717**	**2,847**	**141,409**
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	**-**	**-**	**-**	**-**	**-**
9. Total assets (4+8)	**1,184,746,969**	**79,319,585**	**66,752,717**	**2,847**	**141,409**
10. Trade payables	125,926,783	6,334,067	7,242,247	70,114	1,629,257
11. Financial liabilities	597,056,489	79,550,327	1,456,201	-	-
12a. Other monetary liabilities	10,046,675	1,307,306	50,000	-	-
12b. Other non-monetary liabilities	1,062,383	62,289	67,180	-	-
13. Short-term liabilities (10+11+12)	**734,092,330**	**87,253,989**	**8,815,628**	**70,114**	**1,629,257**
14. Trade payables	-	-	-	-	-
15. Financial liabilities	327,118,073	44,563,459	-	-	-
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	4,240,914	561,363	13,347	-	-
17. Long-term liabilities (14+15+16)	**331,358,987**	**45,124,822**	**13,347**	**-**	**-**
18. Total liabilities (13+17)	**1,065,451,317**	**132,378,811**	**8,828,975**	**70,114**	**1,629,257**
19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)	**417,249,472**	**56,842,105**	**-**	**-**	**-**
20. Net foreign currency asset/ (liability) position (9-18+19)	**536,545,124**	**3,782,879**	**57,923,742**	**(67,267)**	**(1,487,848)**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

18 Nature and level of risks arising from financial instruments *(continued)*

Market risk *(cont'd)*

Foreign currency risk *(cont'd)*

Sensitivity analysis

The Group's currency risk generally consists of changes in the value of TL against EUR and USD.
The basis of the sensitivity analysis made to measure the currency risk is to make the total currency statement throughout the entity. Total foreign currency position includes all short-term and long-term purchase contracts and all assets and liabilities based on foreign currency. The analysis does not include net foreign currency investments. The Group realizes its medium and long-term loans in the currency of the project revenues it generates. For short-term loans, borrowings are made in TL, EUR and USD balanced under the pool/portfolio model.

Sensitivity Analysis				
30 June 2021				
	Profit/Loss		**Equity**	
	The appreciation of foreign currency	The depreciation of foreign currency	The appreciation of foreign currency	The depreciation of foreign currency
10% appreciation / depreciation of TL against the USD				
1 - USD net asset / liability	(82,864,538)	82,864,538	(82,864,538)	82,864,538
2- Portion secured from USD risk (-)	88,978,488	(88,978,488)	88,978,488	(88,978,488)
3- USD net effect (1 +2)	**6,113,950**	**(6,113,950)**	**6,113,950**	**(6,113,950)**
10% appreciation / depreciation of TL against EUR				
4 - EUR net asset / liability	24,928,824	(24,928,824)	24,928,824	(24,928,824)
5 - Portion secured from EUR risk (-)	-	-	-	-
6 - EUR net effect (4+5)	**24,928,824**	**(24,928,824)**	**24,928,824**	**(24,928,824)**
10% appreciation / depreciation of TL against other currencies				
7- Other foreign currency net asset/liability	(891,453)	891,453	(891,453)	891,453
8- Portion secured from other currency risk (-)	-	-	-	-
9- Other currency net effect (7+8)	**(891,453)**	**891,453**	**(891,453)**	**891,453**
Total (3+6+9)	**30,151,321**	**(30,151,321)**	**30,151,321**	**(30,151,321)**

Sensitivity Analysis				
31 December 2020				
	Profit/Loss		**Equity**	
	The appreciation of foreign currency	The depreciation of foreign currency	The appreciation of foreign currency	The depreciation of foreign currency
ABD 10% appreciation / depreciation of TL against the USD				
1 - USD net asset / liability	(41,873,455)	41,873,455	(41,873,455)	41,873,455
2- Portion secured from USD risk (-)	41,724,947	(41,724,947)	41,724,947	(41,724,947)
3- USD net effect (1 +2)	**(148,508)**	**148,508**	**(148,508)**	**148,508**
10% appreciation / depreciation of TL against EUR				
4 - EUR net asset / liability	51,944,337	(51,944,337)	51,944,337	(51,944,337)
5 - Portion secured from EUR risk (-)	-	-	-	-
6 - EUR net effect (4+5)	**51,944,337**	**(51,944,337)**	**51,944,337**	**(51,944,337)**
10% appreciation / depreciation of TL against other currencies				
7- Other foreign currency net asset/liability	(1,299,437)	1,299,437	(1,299,437)	1,299,437
8- Portion secured from other currency risk (-)	-	-	-	-
9- Other currency net effect (7+8)	**(1,299,437)**	**1,299,437**	**(1,299,437)**	**1,299,437**
Total (3+6+9)	**50,496,392**	**(50,496,392)**	**50,496,392**	**(50,496,392)**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

18 Nature and level of risks arising from financial instruments *(continued)*

Market risk *(cont'd)*

Interest rate risk

<u>Profile</u>

The interest structure of the Group's financial items with an interest component at the reporting date is as follows:

Interest rate position		
	30 June 2021	**30 June 2020**
Fixed rate instruments		
Financial assets	138,276,344	91,628,426
Financial liabilities (Note 7)	3,040,467,752	2,466,971,471
Financial lease (Note 7)	78,555,302	60,071,759
Other financial liabilities	-	36,232,297
Variable rate instruments		
Financial liabilities (Note 7)	1,189,930,757	921,670,999

<u>Fair value risk of financial instruemetns with fixed interest:</u>

The Group does not have financial assets and liabilities with fixed interest fair value difference reflected on profit or loss and hedging derivatives (forward interest rate swaps) registered under the accounting model for hedging purposes of fair value risk. Therefore, as of the reporting period, changes in interest rates will not affect profit or loss.

<u>Cash flow sensitivity analysis for financial instruments with floating interest:</u>

As of 30 June 2021, how much a 100 basis point change in interest rates will increase (decrease) equity and profit or loss before tax is presented below. This analysis assumes that all other variables, especially foreign exchange rates, remain constant. This analysis was conducted in the same way as of 30 June 2020.

	Profit or loss		**Equity**	
	1% increase	**1% decrease**	**1% increase**	**1% decrease**
30 June 2021				
Variable rate instruments	(25,718,384)	24,977,317	(25,718,384)	24,977,317
Cash flow sensitivity (net)	**(741,067)**		**(741,067)**	
30 June 2020				
Variable rate instruments	(17,446,381)	16,806,087	(17,446,381)	16,806,087
Cash flow sensitivity (net)	**(640,294)**	**-**	**(640,294)**	**-**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

18 Nature and level of risks arising from financial instruments *(continued)*

Market risk *(cont'd)*

Interest rate risk

Capital risk management

While managing the capital, the Group's goals are to maintain the Group's continuity of activity in order to maintain the most appropriate capital structure in order to provide return to its partners, benefit to other shareholders and to reduce the cost of capital.

The Group monitors capital using the net financial debt/equity ratio. Net financial debt is calculated by deducting cash and cash equivalents from the total financial debt amount.

Net debt/invested capital ratios as of 30 June 2021 and 31 December 2020 are as follows:

	30 June 2021	31 December 2020
Total financial liabilities	4,308,953,811	2,946,323,862
Less: cash and cash equivalents	(1,423,332,734)	(314,170,588)
Net financial debt	**2,885,621,077**	**2,632,153,274**
Total equity	5,545,183,499	4,625,344,183
Gearing ratio (net financial debt / equity ratio)	**%52**	**57%**

19 Financial instruments (fair value disclosures and disclosures within the framework of hedge accounting)

Fair value

Fair value refers to the price of a financial instrument subject to purchase and sale between willing parties in a current transaction, except in cases such as a forced sale or liquidation. Quoted market price, if any, is the value that best reflects the fair value of a financial instrument.

Foreign currency based financial receivables and payables are evaluated at the exchange rates valid on the date of the financial statement.

The following methods and assumptions have been used in estimating the fair values of the Group's financial instruments:

Financial Assets - The fair values of some financial assets include their cost values, cash and cash equivalents in the financial statements, interest accruals on them and other short-term financial assets, and due to their short-term nature, their fair values are considered to approximate their carrying values. The values of trade receivables carried, after deducting the provision for doubtful receivables, is considered to approximate their fair values.

Financial Liabilities - Due to the short-term nature of trade payables and other monetary liabilities, it is considered that their fair values approximate their carrying values. Fixed interest bank loans are expressed with discounted cost and transaction costs are added to the initial carrying values of the loans. Since the interest rates on variable rate loans are updated taking into account the changing market conditions, it is considered that the fair values of the loans represent the value they carry. Due to the short-term nature of trade payables, it is predicted that their fair values approximate their carrying values.

The Group classifies fair value measurements according to the source of the inputs of each financial instrument class, using a three-level hierarchy as follows:

Level 1: Valuation techniques using market prices traded in the active market

Level 2: Other valuation techniques involving direct or indirect observable input

Level 3: Valuation techniques that do not contain observable market inputs

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

19 Financial instruments (fair value disclosures and disclosures within the framework of hedge accounting) *(continued)*

Financial instruments at fair value

The table below presents the financial instruments measured with their fair value according to their fair value levels and their values in the statement of financial position.

30 June 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value:				
Financial assets held for risk management and trade	-	-	-	-
	-	**-**	**-**	**-**
Financial liabilities measured at fair value:				
Derivative assets held for risk management and trade	-	(59,837,847)		(59,837,847)
	-	**(59,837,847)**	**-**	**(59,837,847)**

31 December 2020	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value:				
Derivative assets held for risk management and trade	-	2,148,922	-	2,148,922
	-	**2,148,922**	**-**	**2,148,922**
Financial liabilities measured at fair value:				
Derivative assets held for risk management and trade	-	(60,716,151)	-	(60,716,151)
	-	**(60,716,151)**	**-**	**(60,716,151)**

20 Notes to the Statement of Cash Flows

Changes in the Group's obligations resulting from financing activities between 1 January – 30 June 2021 and 1 January 2020 – 30 June 2020 are as follows:

	1 January 2021	**Cash inflows**	**Cash outflows**	**Other non-cash movements**	**30 June 2021**
Financial borrowings	2,946,323,862	2,228,128,781	(1,194,679,805)	329,180,973	**4,308,953,811**
Total financial liabilities	**2,946,323,862**	**2,228,128,781**	**(1,194,679,805)**	**329,180,973**	**4,308,953,811**

(Amounts expressed in Turkish Liras ("TL"), unless otherwise stated.)

20 Notes to the Statement of Cash Flows *(continued)*

	1 January 2020	Cash inflows	Cash outflows	Other non-cash movements	30 June 2020
Financial borrowings	3,263,455,979	1,856,728,290	(2,053,531,021)	418,293,278	3,484,946,526
Total financial liabilities	**3,263,455,979**	**1,856,728,290**	**(2,053,531,021)**	**418,293,278**	**3,484,946,526**

It represents the change in cash amounts related to the lines "Cash Inflows from Borrowing" and "Cash Outflows from Debt Payments" within the financing activities in the cash flow statement.

21 Events after the reporting period

As previously announced in our Company's Public Disclosure dated 28 January 2021, on top of our existing power plant in Mali with an installed capacity of 40 MW, 85% (17 MW) of new installed capacity (20 MW) has become operational. Remaning 3 MW installed capacity is expected to become operational within the third quarter of 2021.

Application to Turkish Electricity Transmission Company ("TEİAŞ") and Turkish Energy Market Regulation Authority ("EMRA") regarding electricity import from Georgia up to 150 MW capacity for one month (between 1 August and 31 August 2021) has been approved. Above mentioned import operations will start as of 1 August 2021.

According to our Company's Public Disclosure dated 19 August 2020, the application for 147 MW Şanlıurfa Natural Gas Combined Cycle Power Plant to "Temporarily Leave the Transmission System" had been accepted by TEİAŞ and the electricity generation operations were suspended at the Plant. Considering the positive trend in operating environment, it has been decided to restart commercial operations at the power plant as of 1 August 2021. Therefore, active domestic installed capacity of Aksa Energy will increase to 1,317 MW.