

**AKSA ENERJİ ÜRETİM A.Ş.**  
**AND ITS SUBSIDIARIES**

Condensed Consolidated Financial Statements  
as of and for the Three-Month Period Ended  
31 March 2022

## **AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES**

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# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Condensed Consolidated Statement of Financial Position As At 31 March 2022

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

ASSETS	Note	Not reviewed/ Current period	Audited/ Prior period
		31 March 2022	31 December 2021
<b>Current assets</b>			
Cash and cash equivalents		281,926,915	524,701,915
Financial investments	5	168,198,299	592,983,082
Trade receivables		6,490,513,965	5,327,703,619
- Trade receivables from related parties	4	1,460,736,919	766,149,151
- Trade receivables from third parties	6	5,029,777,046	4,561,554,468
Other receivables		93,779,613	100,822,731
- Other receivables from related parties	4	47,618,465	58,618,465
- Other receivables from third parties		46,161,148	42,204,266
Derivative instruments		1,735,185	3,859,495
Inventories		188,695,745	225,353,094
Prepaid expenses		197,994,566	145,128,853
Current tax assets		2,635,707	990,817
Other current assets		227,011,681	207,556,364
<b>Total current assets</b>		<b>7,652,491,676</b>	<b>7,129,099,970</b>
<b>Non-current assets</b>			
Financial investments		412,408	412,408
Other receivables		28,227,303	12,137,069
- Other receivables from third parties		28,227,303	12,137,069
Property, plant and equipment	8	14,463,122,203	13,037,533,258
Right-of-use assets	9	71,919,180	64,593,990
Intangible assets		237,097,424	222,087,752
- Other intangible assets		237,097,424	222,087,752
Prepaid expenses		146,069,404	153,147,175
Deferred tax asset	15	32,757,516	30,526,428
<b>Total non-current assets</b>		<b>14,979,605,438</b>	<b>13,520,438,080</b>
<b>TOTAL ASSETS</b>		<b>22,632,097,114</b>	<b>20,649,538,050</b>

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Condensed Consolidated Statement of Financial Position As At 31 March 2022

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

LIABILITIES	Note	Not reviewed/ Current period	Audited/ Prior period
		31 March 2022	31 December 2021
<b>Current liabilities</b>			
Short-term borrowings	7	2,308,186,592	1,923,308,435
Current portion of long-term borrowings		1,319,325,204	1,225,736,522
Short-term lease liabilities	7	8,694,573	7,580,536
- Lease liabilities from related parties	7	14,288	117,597
- Lease liabilities from third parties		8,680,285	7,462,939
Short-term portion of long-term lease liabilities	7	2,712,500	2,797,965
Trade payables		1,734,125,728	2,019,865,531
- Trade payables to related parties	4	219,240,242	89,599,642
- Trade payables to third parties	6	1,514,885,486	1,930,265,889
Payables related to employee benefits		26,910,715	18,189,037
Other payables		459,123,594	351,950,634
- Other payables to third parties		459,123,594	351,950,634
Derivative instruments		23,674,900	83,074,399
Current tax liabilities		495,472,154	626,692,702
Short-term provisions		13,514,048	11,369,329
- Short-term provisions for employee benefits		3,791,274	2,401,040
- Other short-term provisions		9,722,774	8,968,289
Other current liabilities		445,000	1,305,233
<b>Total current liabilities</b>		<b>6,392,185,008</b>	<b>6,271,870,323</b>
<b>Non-current liabilities</b>			
Long-term borrowings	7	2,812,723,059	2,435,863,452
Long-term lease liabilities	7	69,975,380	67,437,608
Other payables		575,309,394	417,527,881
- Other payables to third parties		575,309,394	417,527,881
Long-term provisions		12,099,198	9,588,781
- Long-term provisions for employee benefits		12,099,198	9,588,781
Deferred tax liabilities	15	794,633,498	863,041,791
<b>Total non-current liabilities</b>		<b>4,264,740,529</b>	<b>3,793,459,513</b>
<b>TOTAL LIABILITIES</b>		<b>10,656,925,537</b>	<b>10,065,329,836</b>

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Condensed Consolidated Statement of Financial Position As At 31 March 2022

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

EQUITY	Note	Not reviewed/ Current period	Audited/ Prior period
		31 March 2022	31 December 2021
<b>Equity attributable to owners of the Company</b>			
Paid-in capital	11	1,226,338,236	1,226,338,236
Share premiums	11	10,726,734	10,726,734
Accumulated other comprehensive income not to be reclassified in profit or loss		3,693,499,433	3,740,067,960
- Gains on revaluation of property, plant and equipment		3,693,495,822	3,740,064,349
- Gains on remeasurements of the defined benefit plans		3,611	3,611
Accumulated other comprehensive income that will be reclassified in profit or loss		2,089,847,110	1,979,389,432
- Foreign currency translation differences		2,630,799,658	2,514,679,438
-Gain / (loss) of hedging reserve		(540,952,548)	(535,290,006)
Restricted reserves appropriated from profit	11	156,307,615	82,931,556
Prior years' profit	11	2,585,556,538	932,614,285
Net profit for the period		1,175,761,255	1,679,749,785
<b>Total equity attributable to equity holders of the Company</b>		<b>10,938,036,921</b>	<b>9,651,817,988</b>
Non-controlling interests	11	1,037,134,656	932,390,226
<b>Total equity</b>		<b>11,975,171,577</b>	<b>10,584,208,214</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>22,632,097,114</b>	<b>20,649,538,050</b>

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Condensed Consolidated Statement of Profit or Loss for the Three-Month Period Ended 31 March 2022

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

		<i>Not reviewed</i>	<i>Not reviewed</i>
<b>PROFIT OR LOSS:</b>	<i>Note</i>	<b>1 January - 31 March 2022</b>	<b>1 January - 31 March 2021</b>
Revenue	12	5,892,108,791	2,144,181,219
Cost of sales (-)	12	(4,465,390,180)	(1,747,786,565)
<b>Gross profit</b>		<b>1,426,718,611</b>	<b>396,394,654</b>
General administrative expenses (-)		(52,198,913)	(25,325,605)
Sales expenses		(525,004)	(1,128,095)
Other operating income		15,735,520	7,961,346
Other operating expenses (-)		(70,542,354)	(7,201,927)
<b>Operating profit</b>		<b>1,319,187,860</b>	<b>370,700,373</b>
Expected credit losses in accordance with TFRS 9 (-)		(74,965,028)	(10,342,693)
Gain from investing activities		74,194	-
<b>Operating profit before finance expenses</b>		<b>1,244,297,026</b>	<b>360,357,680</b>
Financial income	13	516,735,512	36,358,112
Financial expenses (-)	14	(205,294,094)	(134,402,402)
<b>Financial expenses, net</b>		<b>311,441,418</b>	<b>(98,044,290)</b>
<b>Profit before tax from continuing activities</b>		<b>1,555,738,444</b>	<b>262,313,390</b>
<b>Tax expense from continuing activities</b>		<b>(285,492,473)</b>	<b>(20,410,103)</b>
- Current tax expense		(376,616,081)	(38,197,857)
- Deferred tax income	15	91,123,608	17,787,754
<b>Profit from continuing operations</b>		<b>1,270,245,971</b>	<b>241,903,287</b>
<b>Profit for the year attributable to</b>			
- Non-controlling interests	11	94,484,716	34,312,512
- Owners of the Company	16	1,175,761,255	207,590,775
<b>Profit for the period</b>		<b>1,270,245,971</b>	<b>241,903,287</b>
<b>Earnings per share</b>			
- Attributable to equity holders of the parent	16	0.959	0.339

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Condensed Consolidated Statement of Other Comprehensive Income for the Three-Month Period Ended 31 March 2022

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

	<i>Note</i>	<i>Not reviewed</i>	<i>Not reviewed</i>
		<b>1 January - 31 March 2022</b>	<b>1 January - 31 March 2021</b>
<b>Other comprehensive income:</b>			
<b>Profit for the period</b>		<b>1,270,245,971</b>	<b>241,903,287</b>
<b>Items that will not be reclassified to profit or loss</b>			
Revaluation increases on property, plant and equipment		-	-
Loss on remeasurements of the defined benefit obligation		-	-
<b>Tax related to other comprehensive income to be reclassified subsequently to profit or loss:</b>			
- Deferred tax income/(expense)		-	-
<b>Items that will be reclassified subsequently to profit or loss</b>			
Foreign currency translation differences		126,379,934	347,694,518
Loss on cash flow hedging		(5,824,080)	(98,898,200)
<b>Tax related to other comprehensive income to be reclassified subsequently to profit or loss:</b>			
- <i>Deferred tax income</i>	15	161,538	3,955,927
<b>Other comprehensive income</b>		<b>120,717,392</b>	<b>252,752,245</b>
<b>Total comprehensive income</b>		<b>1,390,963,363</b>	<b>494,655,532</b>
<b>Total comprehensive income attributable to</b>			
Non-controlling interests		104,744,430	89,185,904
Equity holders of the parent		1,286,218,933	405,469,628
<b>Total</b>		<b>1,390,963,363</b>	<b>494,655,532</b>

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Condensed Consolidated Statement of Changes in Equity

For the Three-Month Period Ended 31 March 2022

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

	Paid-in capital	Share issued premiums	Other comprehensive income and expenses not to be reclassified in profit or loss		Other comprehensive income and expenses to be reclassified in profit or loss		Retained earnings			Attributable to equity holders of the parent	Non-controlling interests	Total equity
			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	Prior years' profit/(loss)	Net profit for the period			
<b>Balance as of 1 January 2021</b>	<b>613,169,118</b>	<b>247,403,635</b>	<b>145,139</b>	<b>2,196,123,264</b>	<b>(26,366,363)</b>	<b>520,339,505</b>	<b>68,742,954</b>	<b>129,592,233</b>	<b>470,035,971</b>	<b>4,219,185,456</b>	<b>406,158,727</b>	<b>4,625,344,183</b>
- Total comprehensive income	-	-	-	-	(94,942,273)	292,821,126	-	-	207,590,775	<b>405,469,628</b>	89,185,904	<b>494,655,532</b>
-Transfers	-	-	-	(21,122,211)	-	-	14,539,601	476,618,581	(470,035,971)	-	-	-
<b>Balance as of 31 March 2021</b>	<b>613,169,118</b>	<b>247,403,635</b>	<b>145,139</b>	<b>2,175,001,053</b>	<b>(121,308,636)</b>	<b>813,160,631</b>	<b>83,282,555</b>	<b>606,210,814</b>	<b>207,590,775</b>	<b>4,624,655,084</b>	<b>495,344,631</b>	<b>5,119,999,715</b>
<b>Balance as of 1 January 2022</b>	<b>1,226,338,236</b>	<b>10,726,734</b>	<b>3,611</b>	<b>3,740,064,349</b>	<b>(535,290,006)</b>	<b>2,514,679,438</b>	<b>82,931,556</b>	<b>932,614,285</b>	<b>1,679,749,785</b>	<b>9,651,817,988</b>	<b>932,390,226</b>	<b>10,584,208,214</b>
- Total comprehensive income	-	-	-	-	(5,662,542)	116,120,220	-	-	1,175,761,255	<b>1,286,218,933</b>	104,744,430	<b>1,390,963,363</b>
-Transfers (*)	-	-	-	(46,568,527)	-	-	73,376,059	1,652,942,253	(1,679,749,785)	-	-	-
<b>Balance as of 31 March 2022</b>	<b>1,226,338,236</b>	<b>10,726,734</b>	<b>3,611</b>	<b>3,693,495,822</b>	<b>(540,952,548)</b>	<b>2,630,799,658</b>	<b>156,307,615</b>	<b>2,585,556,538</b>	<b>1,175,761,255</b>	<b>10,938,036,921</b>	<b>1,037,134,656</b>	<b>11,975,171,577</b>

(\*) The transfer amount of TL 46,568,527 represents the depreciation difference for the period in which the Group has incurred due to the value increase in property, plant and equipment.

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



# AKSA ENERJİ ÜRETİM A.Ş. ITS SUBSIDIARIES

## Unaudited Condensed Consolidated Statement of Cash Flow For the Three-Month Period Ended 31 March 2022

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

	Note	Unaudited 1 January - 31 March 2022	Unaudited 1 January - 31 March 2021
<b>A. Cash flows from operating activities</b>		<b>(298,841,714)</b>	<b>346,229,380</b>
Profit for the period		1,270,245,971	241,903,287
<b>Adjustments to reconcile net profit/loss to net cash:</b>		<b>256,588,159</b>	<b>430,508,453</b>
Adjustments related to depreciation and amortization expenses		262,850,016	122,515,065
Adjustments related to provision for employee benefits		3,641,520	(2,504,936)
Adjustments related to interest expenses	14	172,455,807	87,532,940
Adjustments related to interest income	13	(132,043,309)	(18,275,792)
Adjustments related to expected provision expenses on trade receivables		74,965,028	10,108,077
Adjustments related to provisions for legal cases		754,485	
Adjustments related to impairment on inventories		1,959,503	630,047
Adjustments related to tax expense		285,492,473	20,410,103
Adjustments related to derivative transactions (income)/expense		(39,139,137)	99,076,660
Unrealized currency (profit)/losses and translation differences		(374,348,227)	111,016,289
<b>Adjustments related to other increase/(decrease) in working capital</b>		<b>(1,374,594,483)</b>	<b>(326,149,688)</b>
Decrease/ (increase) in inventories		34,697,846	(34,501,647)
Increase in trade receivables from third parties		(550,862,423)	(242,365,753)
Increase/(decrease) in trade receivables from related parties		(694,587,768)	4,422,823
Decrease in other operating receivables from related parties		11,000,000	11,959,025
Decrease in other operating receivables from third parties		(20,047,116)	(6,567,940)
Decrease in trade payables to third parties		(415,380,403)	(96,824,523)
Increase in other operating payables to third parties		264,954,473	25,297,802
Increase in trade payables to related parties		129,640,600	36,771,359
(Decrease)/increase in other liabilities related to operations		(88,221,754)	16,341,995
Increase in prepaid expenses		(45,787,938)	(40,682,829)
<b>Cash flows generated from operations</b>		<b>(451,081,361)</b>	<b>(32,672)</b>
Taxes paid		(450,989,690)	-
Payments related to provision for employee benefits paid		(91,671)	(32,672)
<b>B. Cash flows from investing activities</b>		<b>(907,690,930)</b>	<b>(284,895,688)</b>
Cash outflows from purchases of property, plant and equipment	8	(906,557,323)	(284,249,795)
Cash outflows from purchases of intangible assets		(1,133,607)	(645,893)
<b>C. Cash flows from financing activities</b>		<b>964,122,999</b>	<b>(335,028,395)</b>
Cash inflows from borrowings	20	1,016,000,000	376,615,104
Cash outflows from borrowings	20	(429,281,440)	(608,325,922)
Cash outflows related to debt payments arising from Lease Contracts		(12,230,130)	(4,939,413)
Interest paid		(167,193,523)	(116,653,956)
Interest received		132,043,309	18,275,792
Other disposals		424,784,783	-
<b>Net increase/(decrease) in cash and cash equivalents before foreign currency translation differences (A+B+C)</b>		<b>(242,409,645)</b>	<b>(273,694,703)</b>
<b>D. Cash and cash equivalents at the beginning of the period</b>		<b>527,522,186</b>	<b>316,771,798</b>
<b>Cash and cash equivalents at the end of the period (A+B+C+D)</b>		<b>285,112,541</b>	<b>43,077,095</b>

As at 31 March 2022, the Group calculated expected credit loss amounting to TL 3,186,946 on cash and cash equivalents within the scope of TFRS 9 (31 March 2021: TL 290,184).

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 1 Organization and operations of the Group

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

The Company has been registered in Istanbul Trade Registry and the shares of the Company have been traded in the Borsa İstanbul A.Ş. ("BİST") on 21 May 2010 under the name "AKSEN". As of 31 March 2022, the Company's share in actual circulation is 20.58% (31 December 2021: 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 Çıkmaşı, No:10, Kavacık-Beykoz, İstanbul / Turkey.

Aksa Enerji and its subsidiaries are collectively referred to as "the Group" in this report. As of 31 March 2022 and 31 December 2021, the details of the subsidiaries are as follows:

Name of Subsidiary or Foreign Branch	Principal activity	Place of operation	Group's effective share ratio (%)	Group's effective share ratio (%)
			31 March 2022	31 December 2021
Aksa Aksen Enerji Ticareti A.Ş. ("Aksa Aksen Enerji")	Electricity trade	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 B.V.	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")	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 PLC ("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	100.00

(\*) Aksa Indonesia BV company changed its title in 2020 and continues its activities as Aksa Uzbekistan Investment BV.

(\*\*) Related companies are in the investment period; as of 31 March 2022, electricity generation activities have not started.

As of 31 March 2022, the number of employees of the Group is 1,169 (31 December 2020: 1,030).

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 1 Organization and operations of the Group (cont'd)

#### **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 trading the electricity.

#### **Aksa Enerji 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.

#### **Aksa Enerji – Cyprus ("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 5-year contract with Electricity Distribution Company of Turkish Northern Cyprus ("KIB-TEK") in 2003 has been extended on 1 April 2009 as 15+3 years until 2027. Aksa Enerji Y.Ş. sells the whole electricity generated during this period to Electricity Distribution Company of Turkish Northern Cyprus on tariff based on USD within the scope of the guaranteed sales contract.

The installed power of the Cyprus Kalecik Power Plant has increased to 153 MW with the transfer of two units from the power plants with diesel engines having the same characteristics as the fuel oil power plant in Famagusta, whose license has been revoked in Turkey, to the Cyprus Kalecik Power Plant.

#### **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 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.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 1 Organization and operations of the Group (cont'd)

#### **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. With the guaranteed purchase agreement, the first engines of the fuel oil power plant, which sells electricity to the country on a tariff in Euros, were commissioned on 4 August 2017, and the power plant started its commercial activities with an installed power of 10 MW. 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 and Aksa Enerji Üretim A. Ş, and its 100% subsidiary Aksa Mali SA, on top of existing power plant, the Power Plant with an installed capacity of 20 MW was initiated as of November 2021. Thus, the installed power of the Financial Power Plant increased from 40 MW to 60 MW. The guaranteed capacity cost increased from 30 MW to 50 MW. The generation corresponding to 50 MW of installed power will be purchased by EDM for 3 years in return for a guaranteed capacity fee in Euros.

#### **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. 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.

#### **İdil İki Enerji:**

In 2001, İdil İki Enerji was acquired by Koni İnşaat Sanayi A.Ş. ("Koni İnşaat"), a related party, from Bilkent Group. İdil İki Enerji has a fuel oil fired power plant located in Şırnak with a capacity of 24 MW. The power plant was established and started electricity production 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 by the company.

#### **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. Rasa 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 in 8 October 2012. As of 18 November 2015, the installed capacity of Şanlıurfa Natural Gas Power Plant has been increased by 18 MW to 147 MW.

#### **Aksa Enerji Congo:**

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

#### **Aksa Energy Company Cameroon Plc:**

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.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 1 Organization and operations of the Group (cont'd)

#### Aksa Energy Tashkent FE LLC:

Aksa Energy has established a company named Aksa Energy Tashkent 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 total capacity of 470 MW (Tashkent A: 240 MW, Tashkent B: 230 MW) in Tashkent and sell energy generated in these power plants based on a guaranteed capacity payment for a duration of 25 years. As of 14 January 2022, commercial operations started gradually at the Tashkent A power plant with an installed capacity of 240 MW. As of 30 March 2022, test production has started at the Tashkent B power plant with an installed capacity of 230 MW.

#### Aksa Energy Bukhara FE LLC:

Aksa Energy has established a company named Aksa Energy Bukhara FE LLC located in Bukhara, Uzbekistan which is 100% owned by Aksa Energy, in order to establish a natural gas combined cycle power plant in Uzbekistan and sell energy generated in the plant based on a guaranteed capacity payment for a duration of 25 years. As of 14 January 2022, commercial operations started gradually at the Bukhara power plant with an installed capacity of 270 MW.

As of 31 March 2022, electricity production licenses held by the Group are as follows:

License Owner	Location/country	Type of facility	Date of license	License 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 November 2017	6,5 years	370
Aksa Mali S.A	Mali	Fuel Oil	28 September 2017	3 years	60
Aksaf Power	Madagascar	Fuel Oil	5 September 2017	20 years	66
Rasa Enerji	Şanlıurfa	Natural gas	12 May 2011	49 years	147
Aksa Energy Bukhara	Buhara	Natural gas	20 January 2021	25 years	270
Aksa Energy Tashkent	Tashkent	Natural gas	24 October 2020	25 years	470
<b>Total</b>					<b>2.706</b>

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 2 Basis of presentation of the financial statements

#### 2.1 Basis of Presentation

##### a) Preparation of Financial Statements

###### Statement of compliance to TFRS

The accompanying 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").

In addition, the financial statements are presented in accordance with the formats determined in the "Announcement on TFRS Taxonomy" published by the POA on 15 April 2019 and the Financial Statement Examples and User Guide published by the CMB.

The financial statements have been prepared on the historical cost basis except for lands, building, machinery and derivative financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The consolidated financial statements of the Group as of 31 March 2022 were approved by the Company's Board of Directors on 9 May 2022. 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.

##### 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.

As per the announcement published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") on 20 January 2022, since the cumulative change in the general purchasing power of the last three years has been 74.41% according to the Consumer Price Index ("CPI") rates, it has been stated that entities applying the Turkish Financial Reporting Standards ("TFRS") are not required to make any restatements in their financial statements for 2022 within the scope of TAS 29 "Financial Reporting in High Inflation Economies". In the accompanying financial statements, no inflation adjustment has been made in accordance with TAS 29.

##### c) Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis adjusted for the effects of inflation that lasted by 31 December 2004, except for the following:

- derivative financial instruments,
- financial investments,
- land, land improvements, buildings and plant, machinery and equipment in property, plant and equipment are measured at fair value.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 2 Basis of presentation of the financial statements (cont'd)

#### 2.1 Basis of Presentation (cont'd)

##### d) Functional and presentation currency

The financial statements of each business of the Group are presented in the currency of the main economic environment in which they operate (the functional currency). The financial position and operating results of each business are expressed in TL, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

The functional currencies of the Group companies are summarized in the table below.

Company	Functional currency
Aksa Enerji – Y.Ş.	USD
Aksa Göynük Enerji	TL
İdil İki Enerji	TL
Rasa Enerji	TL
Aksa Aksen Enerji	TL
Aksa Enerji Gana	USD
Aksa Gana B.V.	USD
Aksa Global B.V.	USD
Aksa Uzbekistan Investment B.V.	USD
Aksa Uzbekistan Buhara B.V.	USD
Aksa Madagascar B.V.	USD
Aksa Mali S.A.	EUR
Aksaf Power	USD
Overseas Power	USD
Aksa Enerji Tashkent	USD
Aksa Buhara	USD
Aksa Enerji Kongo	USD
Aksa Madagaskar SAU	USD
Aksa Energy Kamerun	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 consolidated financial statements are treated as foreign currencies. Accordingly, the Group's transactions and balances not measured in the functional currency have been re-measured to the related functional currency of the Group.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 2 Basis of presentation of the financial statements (cont'd)

#### 2.1 Basis of Presentation (cont'd)

##### 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 its 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 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. If the Group retained any interest in the former subsidiary, then such interest is measured at fair value at the date when control is lost.



# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 2 Basis of presentation of the financial statements (cont'd)

#### 2.1 Basis of Presentation (cont'd)

##### 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 consolidated financial statements.

Unrealized losses arising from intra-group transactions 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:

	<u>31 March 2022</u>	<u>31 December 2021</u>
EUR / TL	16.2855	15.0867
USD / TL	14.6371	13.3290
GHS / USD	0.1407	5.9931
TL / USD	0.0683	0.0750

##### 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.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 2 Basis of presentation of the financial statements (cont'd)

#### 2.1. Basis of Presentation (cont'd)

##### 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 in the foreign currency translation difference account is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation 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 accounting policies

According to CMB, the entities have option to prepare interim financial statements prepared according to TAS 34 "Interim Financial Statements" as condensed or full set. Therefore, the Group decided to prepare its interim condensed consolidated financial statements as of 31 March 2022 as condensed.

Some of the disclosures and notes that are required to be included in TAS/IFRS financial statements under the CMB are summarized in accordance with TAS 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 2021. The results of interim financial statements cannot be solely considered as the results of the entire financial period.

The same presentation and methods of computation have been followed in these period as were applied in the preparation of the Group's consolidated financial statements as at and for the year ended 31 December 2021.

#### 2.3 Standards issued but not yet effective and not early adopted

##### a) Amendments that are mandatorily effective from 2022

Amendments to IFRS 3

Amendments to TAS 16

Amendments to TAS 37

Annual Improvements to IFRS Standards  
2018-2020

Amendments to IFRS 16

*Reference to the Conceptual Framework*

*Property, Plant and Equipment – Proceeds before Intended Use*

*Onerous Contracts – Cost of Fulfilling a Contract*

*Amendments to IFRS 1, IFRS 9 and TAS 41*

*COVID-19 Related Rent Concessions beyond 30 June 2021*

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 2 Basis of presentation of the financial statements (cont'd)

#### 2.3 Standards issued but not yet effective and not early adopted (cont'd)

##### a) Amendments that are mandatorily effective from 2022 (cont'd)

##### **Amendments to TFRS 3 *Reference to the Conceptual Framework***

The amendments update an outdated reference to the Conceptual Framework in TFRS 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.

##### **Amendments to TAS 16 *Property, Plant and Equipment - 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 Turkish 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.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 2 Basis of presentation of the financial statements (cont'd)

#### 2.3 Standards issued but not yet effective and not early adopted (cont'd)

##### a) Amendments that are mandatorily effective from 2022 (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 Amendments to TFRS 16 *COVID-19 Related Rent Concessions beyond 30 June 2021* 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 assessed that the adoption of these amendments that are effective from 2022 do not have any effect on the Group's consolidated financial statements.

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

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

TFRS 17	<i>Insurance Contracts</i>
Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 4	<i>Extension of the Temporary Exemption from Applying TFRS 9</i>
Amendments to TAS 1	<i>Disclosure of Accounting Policies</i>
Amendments to TAS 8	<i>Definition of Accounting Estimates</i>
Amendments to TAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information</i>

##### **TFRS 17 Insurance Contracts**

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 2 Basis of presentation of the financial statements (cont'd)

#### 2.3 Standards issued but not yet effective and not early adopted (cont'd)

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

##### **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 4 *Extension of the Temporary Exemption from Applying TFRS 9***

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 *Insurance Contracts* from applying TFRS 9, so that entities would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2023 with the deferral of the effective date of TFRS 17.

##### **Amendments to TAS 1 *Disclosure of Accounting Policies***

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

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

##### **Amendments to TAS 8 *Definition of Accounting Estimates***

With this amendment, the definition of "a change in accounting estimates" has been replaced with the definition of "an accounting estimate", sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

##### **Amendments to TAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction***

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 2 Basis of presentation of the financial statements (cont'd)

#### 2.3 Standards issued but not yet effective and not early adopted (cont'd)

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

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

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

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

Amendments are effective with the first application of TFRS 17.

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

#### 2.4 Critical accounting judgments, estimations and assumptions

##### Useful lives of property, plant 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:

	<u>Year</u>
Buildings	10 - 50
Plant, machinery and equipment	3 - 43
Furniture and fixtures	5 - 15
Vehicles	5 - 8
Land improvements	5
Leasehold improvements	5

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 2 Basis of presentation of the financial statements (cont'd)

#### 2.4 Critical accounting judgments, estimations and assumptions (cont'd)

##### Useful lives of property, plant and equipment (cont'd)

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:

	<u>Year</u>
Fuel oil power plants	4-22
Natural gas power plants	33 - 40
Coal plants	43

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

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

##### 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' consolidated financial statements

The financial statements of the Group are prepared in comparison with the prior period in order to allow the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when necessary and significant differences are disclosed. No classification has been made in the consolidated financial statements in the current period.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 3 Operating Segments

The Group's authority to take decisions is the Board of Directors.

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 – 31 March 2022			
	Turkey (*)	Africa	Asia(**)	Total
Total segment income	5,023,098,055	709,755,597	159,255,139	5,892,108,791
Profit before interest, tax, depreciation and amortization (EBITDA)	910,675,139	520,680,310	75,717,399	1,507,072,848
	1 January – 31 March 2021			
	Turkey (*)	Africa	Asia(**)	Total
Total segment income	1,782,636,978	361,544,241	-	2,144,181,219
Profit before interest, tax, depreciation and amortization (EBITDA)	187,053,315	295,819,430	-	482,872,745
	1 January – 31 March 2022			
	Turkey (*)	Africa	Asia(**)	Total
EBITDA of reportable segments	910,675,139	520,680,310	75,717,399	1,507,072,848
Depreciation and amortisation	(62,316,698)	(176,248,903)	(24,284,415)	(262,850,016)
Finance income/(expenses), net	84,882,843	223,485,930	3,072,645	311,441,418
Income/(expenses) from investing activities, net	74,194	-	-	74,194
<b>Profit before tax</b>	<b>933,315,478</b>	<b>567,917,337</b>	<b>54,505,629</b>	<b>1,555,738,444</b>
	1 January – 31 March 2021			
	Turkey (*)	Africa	Asia(**)	Total
EBITDA of reportable segments	187,053,315	295,819,430	-	482,872,745
Depreciation and amortisation	(38,855,231)	(83,659,834)	-	(122,515,065)
Finance income/(expenses), net	(81,855,195)	(16,189,095)	-	(98,044,290)
<b>Profit before tax</b>	<b>66,342,889</b>	<b>195,970,501</b>	<b>-</b>	<b>262,313,390</b>



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## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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### 3 Operating Segments (cont'd)

	31 March 2022			Total
	Turkey (*)	Africa	Asia(**)	
Segment assets	9,621,403,604	6,448,733,246	6,561,960,264	22,632,097,114
Segment liabilities	7,222,214,288	2,161,737,769	1,272,973,480	10,656,925,537
	31 December 2021			Total
	Turkey (*)	Africa	Asia(**)	
Segment assets	8,970,008,981	6,323,315,493	5,356,213,576	20,649,538,050
Segment liabilities	6,749,142,203	2,213,331,198	1,102,856,435	10,065,329,836

(\*) Including the TRNC.

(\*\*) It includes investments in Uzbekistan.

### 4 Related party disclosures

#### (a) Related party balances

Short-term receivables from related parties as of 31 March 2022 and 31 December 2021 are as follows:

	31 March 2022		31 December 2021	
	Trade	Non-trade	Trade	Non-trade
Short-term receivables				
Short-term receivables	1,460,736,919	47,618,465	766,149,151	58,618,465
<b>Total</b>	<b>1,460,736,919</b>	<b>47,618,465</b>	<b>766,149,151</b>	<b>58,618,465</b>

#### i) Receivables from related parties:

	31 March 2022		31 December 2021	
	Trade	Non-trade	Trade	Non-trade
Aksa Elektrik Satış A.Ş.	960,035,346	47,618,465	640,841,446	58,618,465
Fırat Elektrik Perakende Satış A.Ş.	314,605,964	-	19,561,673	-
Çoruh Elektrik Perakende Satış A.Ş.	136,581,198	-	16,844,095	-
Koni İnşaat Sanayi A.Ş.	19,741,205	-	75,890,670	-
Aksa Doğalgaz Toptan Satış A.Ş.	18,492,756	-	230,030	-
Aksa Power Generation FZE	-	-	4,482,079	-
Other	11,280,450	-	8,299,158	-
<b>Total</b>	<b>1,460,736,919</b>	<b>47,618,465</b>	<b>766,149,151</b>	<b>58,618,465</b>

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 4 Related party disclosures (cont'd)

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

##### ii) Payables to related parties:

Short-term payables to related parties as of 31 March 2022 and 31 December 2021 are as follows:

	31 March 2022		31 December 2021	
Short-term payables	Trade	Non-trade	Trade	Non-trade
Short-term payables	219,240,242	-	89,599,642	-
<b>Total payables</b>	<b>219,240,242</b>	<b>-</b>	<b>89,599,642</b>	<b>-</b>
	31 March 2022		31 December 2021	
	Trade	Non-trade	Trade	Non-trade
Aksa Şanlıurfa Doğalgaz Dağıtım A.Ş.	148,788,594	-	33,011,316	-
Atk Sigorta Aracılık Hiz.A.Ş.	28,272,956	-	10,562,372	-
Aksa Satış Pazarlama A.Ş.	11,203,701	-	-	-
Kazancı Holding A.Ş.	8,466,835	-	3,469,131	-
Aksa Power Generation FZE	7,469,358	-	-	-
Aksa Jeneratör Sanayi A.Ş.	3,759,427	-	1,634,130	-
Rasa Endüstriyel Radyatörler San. A.Ş.	3,079,064	-	9,643,737	-
Koni İnşaat Sanayi A.Ş.	724,364	-	180,629	-
Çoruh Elektrik Perakende Satış A.Ş.	-	-	11,454,578	-
Aksa Elektrik Satış A.Ş.	-	-	2,612,715	-
Other	7,475,943	-	17,031,034	-
<b>Total</b>	<b>219,240,242</b>	<b>-</b>	<b>89,599,642</b>	<b>-</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements

As At 31 March 2022

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

### 4 Related party disclosures (cont'd)

#### (b) Related party transactions

##### i) Purchases and sales from/to related parties:

1 January - 31 March 2022

	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 Elektrik Satış A.Ş.	731,674,642	165,405,475	-	33,115,651	331	-	-	-	-	--	-
ATK Sigorta Aracılık Hizmetleri A.Ş.	-	-	-	-	-	-	1,472,334	-	-	-	-
Aksa Doğal Gaz Toptan Satış A.Ş.	-	-	141,625,704	797,441	60,682	-	-	-	-	-	-
Kazancı Holding A.Ş.	-	-	-	-	359,795	-	-	7,210,398	-	-	-
Koni İnşaat Sanayi A.Ş.	-	-	-	515,705	190,560	2,270,693	251,335	-	113,410	-	-
Aksa Jeneratör Sanayi A.Ş.	-	-	-	-	-	-	-	-	-	-	(4,521)
Aksa Doğal Gaz Dağıtım A.Ş.	-	-	-	-	-	-	-	-	-	-	60,043
Flamingo Biyoküt Üretim Sanayi A.Ş.	-	-	-	214,558	-	-	-	-	-	-	-
Aksa Jeneratör Sanayi A.Ş. Servis	-	-	-	153,903	-	-	-	-	-	-	-
Aksa Power Generation (Dubai)	-	-	-	-	470,287	-	-	-	-	-	-
Aksa Ankara Makine Sat. ve Servis A.Ş.	-	-	-	-	-	-	-	-	-	-	(187,485)
Çoruh Elektrik Perakende Satış A.Ş.	228,720,036	5,981,650	-	1,296,739	381,508	-	-	-	-	-	-
Fırat Elektrik Perakende Satış A.Ş.	328,414,632	23,435,297	-	4,435,102	44	-	-	-	-	-	-
Aksa Generators Ghana LTD.	-	-	-	-	-	-	-	-	-	-	-
Aksa Satış ve Pazarlama A.Ş.	-	-	-	-	1,695	-	573,922	-	-	-	-
Aksa Generators Ghana Ltd.	-	-	-	-	-	-	-	-	-	-	-
Aksa Şanlıurfa Doğal Gaz Dağıtım A.Ş.	-	-	-	-	60,043	-	-	-	-	-	-
Çoruh Elektrik Dağıtım A.Ş.	-	-	-	-	-	-	-	-	-	-	-
Aksa Turizm İşletmeleri	-	-	-	-	-	-	-	-	-	-	(20,075)
Koni Teknik Mühendislik A.Ş.	-	-	-	-	-	-	-	-	-	-	-
Aksa Servis ve Kiralama A.Ş.	-	-	-	-	15,912	-	-	-	-	5,025	-
	<b>1,288,809,310</b>	<b>194,822,422</b>	<b>141,625,704</b>	<b>40,529,099</b>	<b>1,540,857</b>	<b>2,270,693</b>	<b>2,297,591</b>	<b>7,210,398</b>	<b>113,410</b>	<b>5,025</b>	<b>(152,038)</b>

## AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

### Unaudited Notes to the Condensed Consolidated Financial Statements

As At 31 March 2022

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

#### 4 Related party disclosures (cont'd)

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

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

1 January – 31 March 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 Elektrik Satış A.Ş.	32,211,604	37,693,333	-	12,837,893	-	-	-	-	-	-	4,385
ATK Sigorta Aracılık Hizmetleri A.Ş.	-	-	-	-	-	-	-	-	19	-	(36,433)
Aksa Doğal Gaz Toptan Satış A.Ş.	-	-	97,415,446	362,003	-	-	-	-	-	-	930,075
Kazancı Holding A.Ş.	-	-	-	-	261,469	-	270,734	3,414,644	86,002	-	-
Koni İnşaat Sanayi A.Ş.	-	776	-	1,685,207	2,151	1,201,249	341,195	102,447	-	117	146
Aksa Jeneratör Sanayi A.Ş.	-	-	-	-	142,606	-	5,174	-	17,807,076	-	(124,429)
Flamingo Enerji Üretim A.Ş.	-	-	-	53,310	-	-	-	-	-	-	-
Flamingo Biyoyakıt Üretim Sanayi A.Ş.	-	-	-	79,545	-	-	-	-	-	-	-
Aksa Jeneratör Sanayi A.Ş. Servis	-	-	-	-	-	-	-	-	318,087	-	(667)
Aksa Ankara Makine Sat. ve Servis A.Ş.	-	-	-	-	-	-	-	-	-	-	(4,006)
Çoruh Elektrik Perakende Satış A.Ş.	17,236,955	2,164,904	-	16,159	191,598	-	-	-	-	-	-
Fırat Elektrik Perakende Satış A.Ş.	11,571,043	3,842,273	-	870,860	73,685	-	-	-	-	-	-
Aksa Satış ve Pazarlama A.Ş.	-	-	-	-	-	-	-	-	7,700	-	(240)
Aksa Generators Ghana Ltd.	-	-	-	-	-	-	-	-	-	35,846	-
Aksa Turizm İşletmeleri	-	-	-	-	-	-	774	-	-	-	(500)
Koni Teknik Mühendislik A.Ş.	-	-	-	-	7,792	-	-	-	958,338	-	(593,242)
Rasa Endüstriyel Radyatörler San. A.Ş.	-	-	-	-	-	-	-	-	56,752	-	-
	<b>61,019,602</b>	<b>43,701,286</b>	<b>97,415,446</b>	<b>15,904,977</b>	<b>679,301</b>	<b>1,201,249</b>	<b>617,877</b>	<b>3,517,091</b>	<b>19,233,974</b>	<b>35,963</b>	<b>175,089</b>

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

The total amount of guarantees given by the partners 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 23,121,740,201 as of 31 March 2022 (31 December 2021: TL 26,832,754,001).

##### iii) Total salaries and benefits provided to key management personnel:

The Company's key management team consists of the members of the Board of Directors. Benefits provided to senior executives include benefits such as wages, premiums, health insurance and transportation. The total amount of benefits provided to senior managers during the period is TL 2,334,639 (31 March 2021: TL 622,962).

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

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### 5 Financial investments

Short-term financial investments	31 March 2022	31 December 2021
Restricted bank balances (*)	134,463,646	588,124,192
Demand deposits	33,734,653	-
<b>Total</b>	<b>168,198,299</b>	<b>588,124,192</b>

(\*) Credit balances used for investments in Uzbekistan.

Long-term financial investments	Acquisition %	31 March 2022	31 December 2021
Enerji Piyasaları İşletme A.Ş. (*)	0.67	412,408	412,408
<b>Total</b>		<b>412,408</b>	<b>412,408</b>

(\*) As of 20 November 2014, 412,408 Group C shares have been purchased by the Group in order to participate in the capital of Enerji Piyasaları İşletme A.Ş.

Financial assets are accounted for at cost, as they best reflect the fair value estimation of cost within the scope of TFRS 9.

### 6 Trade receivables and payables

#### (a) Short-term trade receivables

As of 31 March 2022 and 31 December 2021, trade receivables from third parties consist of the following items:

Short-term trade receivables	31 March 2022	31 December 2021
Trade receivables	5,186,336,151	4,635,473,728
Provision for expected credit losses (-)	(156,559,105)	(73,919,260)
<b>Total trade receivables from third parties</b>	<b>5,029,777,046</b>	<b>4,561,554,468</b>

Details on credit risk, foreign currency risk and impairment of the Group's short-term trade receivables are explained in Note 17.

Movements of provision for expected credit loss for the periods ended 31 March as follows:

	31 March 2022	31 March 2021
Balance as at 1 January	73,919,260	29,945,027
Provision made/(reversed) during the period	74,599,673	12,419,093
Foreign currency translation difference	8,040,172	4,182,348
<b>Balance as at 31 December</b>	<b>156,559,105</b>	<b>46,546,468</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 6 Trade receivables and payables (cont'd)

#### (b) Short-term trade payables

As of 31 March 2022 and 31 December 2021, trade payables to third parties consist of the following items:

<b>Short-term trade payables</b>	<b>31 March 2022</b>	<b>31 December 2021</b>
Trade payables	1,514,885,486	1,930,265,889
<b>Total trade payables to third parties</b>	<b>1,514,885,486</b>	<b>1,930,265,889</b>

The foreign currency and liquidity risk regarding the short-term trade payables of the Group is explained in Note 17.

### 7 Financial borrowings

<b>Short-term</b>	<b>31 March 2022</b>	<b>31 December 2021</b>
Short-term bank loans	2,308,186,592	1,923,308,435
Short-term portion of long-term bank loans	1,319,325,204	1,225,736,522
<b>Total Short-Term Borrowings</b>	<b>3,627,511,796</b>	<b>3,149,044,957</b>
<b>Long-term</b>		
Long-term bank loans	2,812,723,059	2,435,863,452
<b>Total Borrowings</b>	<b>6,440,234,855</b>	<b>5,584,908,409</b>

The maturities and terms for the open loans as of 31 March 2022 and 31 December 2021 are as follows:

<b>Currency</b>	<b>Interest rate</b>	<b>31 March 2022</b>
TL	7.50% - 28.50%	2,239,294,597
USD	3.6% - 7.00%	4,125,604,723
EUR		75,335,535
<b>Total</b>		<b>6,440,234,855</b>
<b>Currency</b>	<b>Interest rate</b>	<b>31 December 2021</b>
TL	7.50% - 20.50%	1,777,418,627
USD	Libor 6M+6.35% - 8%	3,807,489,785
<b>Total</b>		<b>5,584,908,409</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 7 Financial borrowings (cont'd)

31 March 2022			
Maturity	Currency	Currency amount	TL Equivalent
Less than 1 year	USD	89,925,059	1,317,024,436
	EUR	4,619,375	75,335,535
	TL	2,235,151,825	2,235,151,825
1-2 Years	USD	65,930,491	965,604,789
	TL	4,142,772	4,142,772
2-3 Years	USD	60,067,735	879,740,035
3-4 Years	USD	33,146,182	485,452,356
4-5 Years	USD	21,386,906	313,228,345
5 Years and More	USD	11,235,628	164,554,762
<b>Total</b>			<b>6,440,234,855</b>

31 December 2021			
Maturity	Currency	Currency amount	TL Equivalent
Less than 1 year	USD	103,745,604	1,382,825,149
	TL	1,766,219,808	1,766,219,808
1-2 Years	USD	59,184,520	788,870,461
	TL	11,198,818	11,198,818
2-3 Years	USD	52,839,345	704,295,632
3-4 Years	USD	35,702,229	475,875,009
4-5 Years	USD	21,154,032	281,962,086
5 Years and More	USD	13,028,843	173,661,446
<b>Total</b>			<b>5,584,908,409</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 7 Financial borrowings (cont'd)

Details of the liquidity and exchange rate risk regarding the borrowings of the Group are explained in Note 17.

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.

As of 31 March 2022 and 31 December 2021, 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	31 March 2022
TL	Fixed	25 March 2038	21.90%-22.80%	76,752,146
USD	Fixed	19 October 2039	1.77%-5.34%	4,207,809
EUR	Fixed	17 February 2023	3.43%-4.06%	422,498
<b>Total</b>				<b>81,382,453</b>

Currency	Interest Type	Agreement Date	Interest Rate	31 December 2021
TL	Fixed	25 March 2038	21.90%-22.80%	72,999,415
USD	Fixed	19 October 2039	1.77%-5.34%	4,098,987
EUR	Fixed	17 February 2022	3.43%-4.06%	717,707
<b>Total</b>				<b>77,816,109</b>

### 8 Property, plant and equipment

As of 31 March 2022 and 31 December 2021, property, plant and equipment consists of other tangible assets and mining assets.

	31 March 2022	31 December 2021
Other property, plant and equipment	14,401,109,710	12,974,483,954
Mining assets	62,012,493	63,049,304
<b>Total</b>	<b>14,463,122,203</b>	<b>13,037,533,258</b>



# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements

As At 31 March 2022

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

### 8 Property, plant and equipment (cont'd)

#### a) Other property, plant and equipment

	Land	Land improvements	Buildings	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
<b>Cost value</b>									
<b>Opening balance as of 1 January 2022</b>	134,304,805	23,052,219	238,863,205	16,784,735,395	20,039,316	29,027,897	26,843,084	258,843,680	17,515,709,601
Additions	-	179,348	-	814,940,214	887,801	2,380,903	-	88,169,057	906,557,323
Transfers	-	-	-	85,275,330	-	-	-	(85,275,330)	-
Effect of foreign currency translation	-	1,264,296	17,914,979	1,068,880,182	1,845,807	304,614	-	4,817,464	1,095,027,342
<b>Closing balance as of 31 March 2022</b>	134,304,805	24,495,863	256,778,184	18,753,831,121	22,772,924	31,713,414	26,843,084	266,554,871	19,517,294,266
<b>Accumulated depreciation</b>									
<b>Opening balance as of 1 January 2022</b>	-	6,675,076	107,090,065	4,383,308,737	9,853,762	25,205,844	9,092,163	-	4,541,225,647
Depreciation for the period	-	530,285	3,239,097	244,388,547	539,148	740,574	314,334	-	249,751,985
Effect of foreign currency translation	-	379,431	9,891,984	312,509,208	985,739	1,440,562	-	-	325,206,924
<b>Closing balance as of 31 March 2022</b>	-	7,584,792	120,221,146	4,940,206,492	11,378,649	27,386,980	9,406,497	-	5,116,184,556
<b>Net book value</b>	134,304,805	16,911,071	136,557,038	13,813,624,629	11,394,275	4,326,434	17,436,587	266,554,871	14,401,109,710

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements

As At 31 March 2022

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

8

### Property, plant and equipment (cont'd)

a)

### Other property, plant and equipment (cont'd)

	Land	Land improvements	Buildings	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
<b>Cost value</b>									
<b>Opening balance as of 1 January 2021</b>	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	-	530,205	-	5,746,899	606,764	271,843	13,949	280,621,186	287,790,846
Transfers	-	-	-	21,596,992	-	(275,147)	-	-	21,321,845
Effect of foreign currency translation	-	936,373	13,184,042	355,761,620	1,042,764	1,067,620	-	42,512,394	414,504,813
<b>Closing balance as of 31 March 2021</b>	93,035,084	15,256,527	151,236,465	8,025,612,081	10,730,637	20,989,466	26,829,037	612,985,630	8,956,674,927
<b>Accumulated depreciation</b>									
<b>Opening balance as of 1 January 2021</b>	-	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	-	267,992	2,908,283	107,046,587	133,061	496,324	306,876	-	111,159,123
Effect of foreign currency translation	-	219,401	6,168,215	189,156,154	625,021	937,534	-	-	197,106,325
<b>Closing balance as of 31 March 2021</b>	-	4,342,369	59,166,855	2,846,595,405	5,619,565	18,370,311	8,184,207	-	2,942,278,712
<b>Net book value</b>	93,035,084	10,914,158	92,069,610	5,179,016,676	5,111,072	2,619,155	18,644,830	612,985,630	6,014,396,215

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 8 Property, plant and equipment (cont'd)

#### a) Other property, plant and equipment (cont'd)

As of 31 March 2022 and 31 December 2021, the details of the expenditures classified under the construction in progress item of the projects under construction are as follows:

Proje	31 March 2022	31 March 2021
Ghana	-	304,935,310
Uzbekistan	-	180,410,884
Other (*)	266,554,871	127,639,436
<b>Total</b>	<b>266,554,871</b>	<b>612,985,630</b>

(\*) It consists of ongoing investments in Africa.

#### b) Mining assets

As of 31 March 2022 and 31 March 2021, mining assets consist of mine site development and deferred mining costs.

Cost:	31 March 2022	31 December 2021
Stripping costs	115,799,383	115,799,383
Mining development assets	5,477,772	5,477,772
	<b>121,277,155</b>	<b>121,277,155</b>
<b>Accumulated amortization:</b>		
Stripping costs	59,032,329	57,995,518
Mining development assets	232,333	232,333
	<b>59,264,662</b>	<b>58,227,851</b>
<b>Carrying amount</b>	<b>62,012,493</b>	<b>63,049,304</b>

### 9 Right-of-Use Assets

	Land of Power Plants	Buildings	Vehicles	Total
<b>Balance as of 1 January 2022</b>	<b>57,422,283</b>	<b>5,943,676</b>	<b>1,228,031</b>	<b>64,593,990</b>
Additions	3,959,909	1,094,114	-	5,054,023
Changes in leases	9,024,020	2,209,170	2,479,197	13,712,387
Disposals	(2,751,122)	(218,814)	-	(2,969,936)
Depreciation and amortization	(2,319,600)	(3,882,551)	(2,791,540)	(8,993,691)
Translation differences	-	434,060	88,347	522,407
<b>Balance as of 31 March 2022</b>	<b>65,335,490</b>	<b>5,579,655</b>	<b>1,004,035</b>	<b>71,919,180</b>

# Unaudited Notes to the Condensed Consolidated Financial Statements

## As At 31 March 2022

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

### 9 Right-of-use Assets (cont'd)

	Land of Power Plants	Buildings	Vehicles	Total
<b>Balance as of 1 January 2021</b>	<b>70,174,997</b>	<b>1,175,094</b>	<b>2,173,936</b>	<b>73,524,027</b>
Additions	-	7,828,602	578,618	8,407,220
Disposals	(4,468,996)	-	-	(4,468,996)
Depreciation and amortization	(2,089,656)	(2,329,378)	(601,317)	(5,020,351)
<b>Balance as of 31 March 2021</b>	<b>63,616,345</b>	<b>6,674,318</b>	<b>2,151,237</b>	<b>72,441,900</b>

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.

### 10 Commitments

#### (a) Guarantees, pledges and mortgages given

As of 31 March 2022 and 31 December 2021, the table regarding the Group's guarantee, pledge and mortgage (GPM) position is as follows:

<b>GPM Given by the Group</b>	<b>31 March 2022</b>	<b>31 December 2021</b>
A. GPM given for companies own legal personality	2,447,668,995	2,598,914,607
B. GPM given in behalf of fully consolidated companies	9,134,724,496	8,510,060,503
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	-	-
<b>Total CPM</b>	<b>11,582,393,491</b>	<b>11,108,975,110</b>

The details of the letters of guarantee given by the Group as of 31 March 2022 and 31 December 2021 are as follows:

	TL	USD	EUR	CHF	TL Equivalent
<b>31 March 2022</b>					
Republic of Turkey Energy Market Regulatory Authority	171,818,000	-	-	-	<b>171,818,000</b>
Electricity Distribution Companies	35,943,245	2,500,000	-	800,000	<b>83,854,305</b>
Turkey Electricity Transmission Company (TEIAS)	15,332,050	-	-	-	<b>15,332,050</b>
Turkish Coal Enterprises Institution (TKI)	8,868,793	-	-	-	<b>8,868,793</b>
Botaş-Petroleum Pipeline Corporation	665,042	-	-	-	<b>665,042</b>
Enforcement Offices	3,607,192	-	-	-	<b>3,607,192</b>
Savings Deposit Insurance Fund of Turkey	86,000,000	-	-	-	<b>86,000,000</b>
Other	26,048,429	-	1,133,000	-	<b>44,526,073</b>
<b>Total</b>	<b>348,282,751</b>	<b>2,500,000</b>	<b>1,133,000</b>	<b>800,000</b>	<b>414,671,455</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 10 Commitments (cont'd)

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

31 December 2021	TL	USD	EUR	CHF	TL Equivalent
Energy Market Regulatory Authority	86,548,000	-	-	-	86,548,000
Electricity Distribution Companies	154,635,676	11,484,824	-	-	303,679,985
Turkey Electricity Transmission Corporation (TEIAS)	15,892,458	-	400,000	-	21,765,378
Turkish Coal Enterprises Institution(TKI)	8,868,793	-	-	-	8,868,793
Botaş-Petroleum Pipeline Corporation	665,042	-	-	-	665,042
Enforcement Offices	3,669,192	-	-	-	3,669,192
Savings Deposit Insurance Fund of Turkey	86,000,000	-	-	-	86,000,000
Other	27,204,11	6,330,000	1,133,000	-	125,986,736
<b>Total</b>	<b>383,483,276</b>	<b>17,814,824</b>	<b>1,533,000</b>	<b>-</b>	<b>637,183,122</b>

#### (b) Guarantees received

The details of the letters of guarantee received by the Group as of 31 March 2022 and 31 December 2021 are as follows:

Type of Guarantees Received	TL	USD	EUR	31 March 2022 TL Equivalent
Letter of guarantee	223,892,228	12,756,954	4,260,625	480,212,851
Notes taken for collaterals	82,665,104	3,791,694	1,619,765	164,613,589
Cheques taken for collaterals	615,000	789,719	3,544,500	69,986,899
Mortgage	3,486,688	-	71,900	3,486,688
<b>Total</b>	<b>310,659,020</b>	<b>17,338,367</b>	<b>9,496,790</b>	<b>718,300,027</b>

Type of Guarantees Received	TL	USD	EUR	31 December 2021 TL Equivalent
Letter of guarantee	288,843,559	537,000	9,175,850	1,024,198,333
Notes taken for collaterals	20,690,375	10,360,106	903,471	47,627,343
Cheques taken for collaterals	25,633,508	1,034,174	1,112,269	44,291,068
Mortgage	635,397	-	71,900	700,000
<b>Total</b>	<b>335,802,839</b>	<b>11,931,280</b>	<b>11,263,490</b>	<b>1,116,816,744</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

(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 2021: 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 31 March 2022, the issued capital of the Company is TL 1,226,338,236 (31 December 2021: TL 1,226,338,236). The issued capital consists of 1,226,338,236 shares each with a nominal value of 1 TL (31 December 2021: 1,226,338,236).

The capital structure of the Group as of 31 March 2022 and 31 December 2021 is as follows:

Hissedar	31 March 2022		31 December 2021	
	Share rate (%)	Share Amount	Share rate (%)	Share Amount
Kazancı Holding	79.415	973,901,660	79.415	973,901,660
Public share (*)	20.582	252,398,076	20.582	252,398,076
Other	0.003	38,500	0.003	38,500
<b>Total</b>	<b>100.00</b>	<b>1,226,338,236</b>	<b>100.00</b>	<b>1,226,338,236</b>

(\*) The shares acquired by Kazancı Holding from publicly traded shares in 2012, 2013 and 2018 are presented in the publicly traded 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 79.415%. As of 31 March 2022 these shares are 9,917,924 (31 December 2021: 9,917,924).

The details of the shares on a group basis as of 31 March 2022 and 31 March 2021 are as follows:

Group	31 March 2022		31 December 2021	
	Share rate (%)	Share Amount	Share rate (%)	Share Amount
A Group (Registered Share)	47.93	587,792,440	47.93	587,792,440
B Group (Bearer Share)	52.07	638,545,796	52.07	638,545,796
<b>Paid-in Capital</b>	<b>100.00</b>	<b>1,226,338,236</b>	<b>100.00</b>	<b>1,226,338,236</b>

TL 262,316,000 of the bearer B group shares are traded on BIST.

## AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

### Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

#### **11 Share capital, reserves and other equity items (cont'd)**

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

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. and Türkiye Sınai Kalkınma Bankası A.Ş. and Kazancı Holding and Aksa Doğal Gaz Dağıtım A.Ş. on 2 August 2016. As a guarantee for this loan, Aksa Enerji shares, representing the total capital of 78.6% of Aksa Enerji shares owned by Kazancı Holding, were pledged to İşbank, the Collateral Representative, by Kazancı Holding.

##### **(b) Share premium**

The difference between the nominal value of each share and the selling price is recorded as share premium in equity. As of 31 March 2022, the Group's total shares are TL 10,726,734 (31 December 2021: TL 10,726,734).

##### **(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 31 March 2022, the Group's total legal reserves are TL 156,307,615 (31 December 2021: TL 82,931,556).

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 11 Share capital, reserves and other equity items (cont'd)

#### 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 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 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 interests:

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 31 March 2022 and 31 December 2021, the amounts classified under the line item "Non-controlling interests" in the consolidated statement of financial position are positive TL 1,037,134,656 and positive TL 932,390.22 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 31 March 2022 and 31 March 2021, the profit and loss of non-controlling interests out of the total comprehensive income is TL 107,744,430 and TL 89,185,904, 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 accumulated profit and presented in this item. As of 31 March 2022, the Group's prior years' profit is TL 2,585,556,538 (31 December 2021: prior years' profit is TL 932,614,285).



# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

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

### 12 Revenue

Revenue for the three-month accounting period 1 January - 31 March is as follows:

	1 January- 31 March 2022	1 January- 31 March 2021
Domestic sales	5,023,098,055	1,782,636,978
Foreign sales	869,010,736	361,544,241
<b>Net sales income</b>	<b>5,892,108,791</b>	<b>2,144,181,219</b>
Cost of sales (-)	(4,465,390,180)	(1,747,786,565)
<b>Total</b>	<b>1,426,718,611</b>	<b>396,394,654</b>

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

	1 January- 31 March 2022	1 January- 31 March 2021
<b>Revenue – Amount</b>		
Electricity	5,891,935,302	2,142,544,644
Other	173,489	1,636,575
<b>Total</b>	<b>5,892,108,791</b>	<b>2,144,181,219</b>
<b>Gross profit</b>		
Electricity	1,426,676,602	396,092,100
Other	42,009	302,554
<b>Total</b>	<b>1,426,718,611</b>	<b>396,394,654</b>

### 13 Finance income

Finance income for the three-month accounting period 1 January - 31 March is as follows:

	1 January- 31 March 2022	1 January- 31 March 2021
<b>Finance income</b>		
Foreign exchange income	335,830,645	3,854,858
Interest income	132,043,309	18,275,792
Income from derivative transactions	48,861,558	14,227,462
<b>Total</b>	<b>516,735,512</b>	<b>36,358,112</b>

(\*) Foreign exchange gains and expenses are offset on company basis in subsidiaries of the consolidation.

## AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

### Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

#### 14 Finance expenses

Financial expenses for the three accounting period 1 January - 31 March are as follows:

Finance expenses	1 January- 31 March 2022	1 January- 31 March 2021
Interest and interest expenses	172,455,807	87,532,940
Bank commission expenses	14,971,706	5,138,022
Expenses from derivative transactions	9,722,421	5,293,730
Foreign exchange losses	8,144,160	36,437,710
<b>Total</b>	<b>205,294,094</b>	<b>134,402,402</b>

(\*) Foreign exchange gains and expenses are offset on company basis in subsidiaries of the consolidation.

#### 15 Taxation

##### *Turkey*

##### *Corporate tax*

The Group is subject to taxation in accordance with the tax procedures and the legislation effective in the countries in which the Group companies operate.

The corporate tax rate for the fiscal year is 23% in Turkey (2021: 25%). Corporate tax returns are required to be filed until the twenty-fifth of the fourth month following the balance sheet date and paid in one installment until the end of the related month. The tax legislation provides for a provisional tax of 23% (2021: 25%) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the fiscal year.

According to the Turkish Tax Law, corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years. In Turkey, the tax legislation does not permit to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

##### *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' profit to the capital is not considered as profit distribution, therefore it is not subject to withholding tax.

Unaudited Notes to the Condensed Consolidated Financial Statements  
As At 31 March 2022

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

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**15 Taxation (cont'd)**

*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 taxpayer 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 2021: 23.5%).

*Republic of Ghana*

The applicable corporate tax rate in Republic of Ghana is 25% (31 December 2021: 25%).

*Netherlands*

Corporate income tax is levied at the rate of 20% (31 December 2021: 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 three 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 2021: none)

*Republic of Mali*

The applicable corporate tax rate in Mali 25% (31 December 2021: 25%).

*Madagascar*

The applicable corporate tax rate in Madagascar 20% (31 December 2021: 25%).

*Uzbekistan*

The applicable corporate tax rate in Uzbekistan 15% (31 December 2021: 15%). The corporate tax rate for 2021 is applied to the tax base to be calculated by adding the expenses that are not accepted as deductible in accordance with the tax laws to the trade income of the institutions and deducting the exemptions in the tax laws.

**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.

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 15 Taxation (cont'd)

#### Deferred tax assets and liabilities recognized

As of 31 March 2022 and 31 December 2021, items of deferred tax assets and deferred tax liabilities consist of the following:

	31 March 2022	31 December 2021
	Asset / (Liability)	Asset / (Liability)
The difference between carrying values of property, plant and equipment and intangible assets and tax base	(837,345,102)	(882,750,364)
Unused losses carried forward	3,427,762	3,119,572
Adjustments under TFRS 9	47,646,880	25,638,276
Provision for impairment of inventory	590,274	108,754
Provision for employment termination benefit	2,909,852	2,419,288
Provision for unused vacation	399,761	124,958
Provision for legal cases	1,040,119	1,164,767
Derivative transactions	16,451,293	24,300,080
Adjustment related to interest discount for bank loans	(90,497)	4,621,300
Other	3,093,676	(11,261,994)
<b>Net deferred tax asset/(liabilities)</b>	<b>(761,875,982)</b>	<b>(832,515,363)</b>
Deferred tax assets	32,757,516	30,526,428
Deferred tax liability	(794,633,498)	(863,041,791)
	<b>(761,875,982)</b>	<b>(832,515,363)</b>

The movement of deferred tax for the years 31 March 2022 and 2021 is as follows:

	1 January 2022	Effects of foreign currency translation	Recognized in profit or loss	Recognized in other comprehensive income	31 March 2022
<b>Total deferred tax asset/(liabilities)</b>	<b>(832,515,363)</b>	<b>(20,645,765)</b>	<b>91,123,608</b>	<b>161,538</b>	<b>(761,875,982)</b>
	1 January 2021	Effects of foreign currency translation	Recognized in profit or loss	Recognized in other comprehensive income	31 March 2021
<b>Total deferred tax asset/(liabilities)</b>	<b>(403,214,163)</b>	<b>(18,500,849)</b>	<b>17,787,754</b>	<b>3,955,927</b>	<b>(399,971,331)</b>

### 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- 31 March 2022	1 January- 31 March 2021
Profit attributable to parent company	1,175,761,255	207,590,775
Weighted average number of published shares	1,226,338,236	613,169,118
Earnings per share of nominal value of TL 1	0.959	0.339

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 17 Financial instruments

#### The Group's 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 17 and 18.

#### Risk management framework

The Board of Directors of the Company 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.

#### 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.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

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### 17 Financial instruments (cont'd)

#### 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 foreign currency and interest rates.

#### Foreign currency risk

Foreign currency risk arises from the Group's liabilities in US Dollars and Euro and the changes in the value of Turkish Lira against US Dollars and Euro.

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.

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

(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 31 March 2022 and 31 December 2021:

	Receivables				Deposits at banks	Other
31 March 2022	Trade receivables		Other receivables			
	Related Parties	Other	Related Parties	Other		
Maximum credit risk exposed as of the reporting date (A+B+C+D+E)	1,460,736,919	5,029,777,046	47,618,465	74,388,451	279,328,074	168,199,619
A. Carrying amount of financial assets not overdue or not impaired	1,460,736,919	3,915,259,307	47,618,465	30,540,548	279,328,074	168,199,619
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	-	1,114,517,739	-	43,847,903	-	-
D. Carrying amount of assets impaired	-	-	-	-	-	-
- Overdue (gross book value)	-	156,559,105	-	-	3,186,946	-
- Impairment (-)	-	(156,559,105)	-	-	(3,186,946)	-
E. Off balance sheet items with credit risk			-			

	Receivables				Deposits at banks	Other
31 December 2021	Trade receivables		Other receivables			
	Related Parties	Other	Related Parties	Other		
Maximum credit risk exposed as of the reporting date (A+B+C+D+E)	766,149,151	4,561,554,468	58,618,465	54,341,335	523,306,919	592,984,402
A. Carrying amount of financial assets not overdue or not impaired	766,149,151	4,421,069,793	58,618,465	14,457,548	523,306,919	592,984,402
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	-	140,484,675	-	39,883,787	-	-
D. Carrying amount of assets impaired	-	-	-	-	-	-
- Overdue (gross book value)	-	73,919,260	-	-	2,821,591	-
- Impairment (-)	-	(73,919,260)	-	-	(2,821,591)	-
E. Off balance sheet items with credit risk						-

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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 18 Nature and level of risks arising from financial instruments (cont'd)

#### Liquidity risk

The maturities of the financial liabilities determined according to the payment schedule of the Group, including the estimated interest payments as of 31 March 2022 and 31 December 2021, are as follows:

31 Marxh 2022	Carrying amount	Contractual cash flows (=I+II+III+IV+V)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
<b>Non-derivative financial liabilities</b>	<b>6,521,617,308</b>	<b>7,513,349,940</b>	<b>1,261,794,968</b>	<b>2,820,669,791</b>	<b>3,092,656,096</b>	<b>338,229,085</b>
Financial liabilities	6,440,234,855	7,307,611,129	1,258,228,211	2,803,731,425	3,035,997,187	209,654,306
Leases	81,382,453	205,738,811	3,566,757	16,938,366	56,658,909	128,574,779
<b>Derivative financial assets, net</b>	<b>21,939,715</b>	<b>(39,666,202)</b>	<b>(9,919,610)</b>	<b>(15,536,832)</b>	<b>(14,209,760)</b>	<b>-</b>
Cash inflow	-	1,987,944	514,289	769,699	703,956	-
Cash outflow	-	(41,654,146)	(10,433,899)	(16,306,531)	(14,913,716)	-

Expected maturity	Carrying amount	Total expected cash flows (=I+II+III+IV+V)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
<b>Non-derivative financial liabilities</b>	<b>2,768,558,716</b>	<b>2,768,558,716</b>	<b>2,744,149,049</b>	<b>24,409,667</b>	<b>-</b>	<b>-</b>
Trade payables to related parties	219,240,242	219,240,242	219,240,242	-	-	-
Trade payables to third parties	1,514,885,486	1,514,885,486	1,514,885,486	-	-	-
Other payables to third parties	1,034,432,988	1,034,432,988	1,010,023,321	24,409,667	-	-

31 December 2021	Carrying amount	Contractual cash flows (=I+II+III+IV+V)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
<b>Non-derivative financial liabilities</b>	<b>5,662,725,085</b>	<b>6,219,003,571</b>	<b>1,175,618,429</b>	<b>2,012,614,002</b>	<b>2,676,054,813</b>	<b>354,716,327</b>
Financial liabilities	5,584,908,976	6,010,547,968	1,171,657,694	1,993,298,042	2,619,461,800	226,130,432
Leases	77,816,109	208,455,603	3,960,735	19,315,960	56,593,013	128,585,895
<b>Derivative financial assets, net</b>	<b>79,214,904</b>	<b>(23,167,660)</b>	<b>(9,027,740)</b>	<b>(7,712,683)</b>	<b>(6,427,237)</b>	<b>-</b>
Cash inflow	-	1,168,545	468,050	382,089	318,406	-
Cash outflow	-	(24,336,205)	(9,495,790)	(8,094,772)	(6,745,643)	-

Expected maturity	Carrying amount	Total expected cash flows (=I+II+III+IV+V)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
<b>Non-derivative financial liabilities</b>	<b>2,789,344,046</b>	<b>2,789,344,046</b>	<b>2,744,914,046</b>	<b>33,322,500</b>	<b>11,107,500</b>	<b>-</b>
Trade payables to related parties	89,599,642	89,599,642	89,599,642	-	-	-
Trade payables to third parties	1,930,265,889	1,930,265,889	1,930,265,889	-	-	-
Other payables to third parties	769,478,515	769,478,515	725,048,515	33,322,500	11,107,500	-



# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

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

### 18 Nature and level of risks arising from financial instruments (cont'd)

#### Market risk

##### Foreign currency risk

As of 31 March 2022, the Group's foreign currency position arises from foreign currency-based assets and liabilities stated in the table below. Since the reporting currency is TL, the currency risk table shows **the foreign currency position of companies whose functional 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 POSITION					
	31 March 2022				
	TL Equivalent	USD	EUR	GBP	CHF
1. Trade receivables	4,679,652,550	272,508,745	42,215,952	1,937	1,502
2a. Monetary financial assets (including cash, bank accounts)	204,041,864	13,543,647	344,920	3,079	-
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	19,874,541	1,357,013	-	-	-
<b>4. Current assets (1+2+3)</b>	<b>4,903,568,955</b>	<b>287,409,405</b>	<b>42,560,872</b>	<b>5,016</b>	<b>1,502</b>
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
<b>8. Non-current assets (5+6+7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. Total assets (4+8)</b>	<b>4,903,568,955</b>	<b>287,409,405</b>	<b>42,560,872</b>	<b>5,016</b>	<b>1,502</b>
10. Trade payables	173,521,722	5,091,786	5,753,976	194,765	86,709
11. Financial liabilities	1,392,359,968	89,925,059	4,619,375	-	-
12a. Other monetary liabilities	-	-	-	-	-
12b. Other non-monetary liabilities	9,706,445	662,746	-	-	-
<b>13. Short-term liabilities (10+11+12)</b>	<b>1,575,588,135</b>	<b>95,679,591</b>	<b>10,373,351</b>	<b>194,765</b>	<b>86,709</b>
14. Trade payables	-	-	-	-	-
15. Financial liabilities	2,808,580,279	191,766,942	-	-	-
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
<b>17. Long-term liabilities (14+15+16)</b>	<b>2,808,580,279</b>	<b>191,766,942</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>18. Total liabilities (13+17)</b>	<b>4,384,168,414</b>	<b>287,446,533</b>	<b>10,373,351</b>	<b>194,765</b>	<b>86,709</b>
<b>19. Off statement of financial position derivatives net asset/(liability) position (19a-19b)</b>	<b>1,367,893,803</b>	<b>93,398,367</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>20. Net foreign currency asset/ (liability) position (9-18+19)</b>	<b>1,887,294,344</b>	<b>93,361,239</b>	<b>32,187,521</b>	<b>(189,749)</b>	<b>(85,207)</b>
<b>21. Net foreign currency asset / (liability) position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>509,232,445</b>	<b>(731,395)</b>	<b>32,187,521</b>	<b>(189,749)</b>	<b>(85,207)</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 18 Nature and level of risks arising from financial instruments (cont'd)

#### Market risk (cont'd)

#### Foreign currency risk (cont'd)

As of 31 December 2021, the Group's foreign currency position arises from foreign currency-based assets and liabilities presented in the table below. Since the reporting currency is TL, the currency risk table shows **the foreign currency position of companies whose functional 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 POSITION					
	31 December 2021				
	TL Equivalent	USD	EURO	GBP	CHF
1. Trade receivables	5,125,512,100	332,625,911	45,864,326	-	-
2a. Monetary financial assets (including cash, bank accounts)	250,912,993	3 15,725,752	2,734,008	3,081	132
2b. Non-monetary financial assets	11,190,900	553,199	253,025	-	-
3. Other	-	-	-	-	-
<b>4. Current assets (1+2+3)</b>	<b>5,387,615,993</b>	<b>348,904,862</b>	<b>48,851,360</b>	<b>3,081</b>	<b>132</b>
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
<b>8. Non-current assets (5+6+7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. Total assets (4+8)</b>	<b>5,387,615,993</b>	<b>348,904,862</b>	<b>48,851,360</b>	<b>3,081</b>	<b>132</b>
10. Trade payables	2,560,667,089	178,412,807	11,497,277	72,664	538,542
11. Financial liabilities	873,487,480	65,532,859	-	-	-
12a. Other monetary liabilities	23,741,036	1,192,869	-	-	538,542
12b. Other non-monetary liabilities	-	-	-	-	-
<b>13. Short-term liabilities (10+11+12)</b>	<b>3,457,895,605</b>	<b>245,138,535</b>	<b>11,497,277</b>	<b>72,664</b>	<b>1,077,085</b>
14. Trade payables	-	-	-	-	-
15. Financial liabilities	1,004,041,246	75,327,575	-	-	-
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
<b>17. Long-term liabilities (14+15+16)</b>	<b>1,004,041,246</b>	<b>75,327,575</b>			
<b>18. Total liabilities (13+17)</b>	<b>4,461,936,851</b>	<b>320,466,110</b>	<b>11,497,277</b>	<b>72,664</b>	<b>1,077,085</b>
<b>19. Off balance sheet derivative items' net asset/(liability) position (19a-19b)</b>	<b>1,189,682,416</b>	<b>89,255,189</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>20. Net foreign currency asset/ (liability) position (9-18+19)</b>	<b>2,115,361,558</b>	<b>117,693,941</b>	<b>37,354,083</b>	<b>(69,583)</b>	<b>(1,076,953)</b>
<b>21. Net foreign currency asset / (liability) position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>914,488,242</b>	<b>27,885,553</b>	<b>37,101,058</b>	<b>(69,583)</b>	<b>(1,076,953)</b>

## AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

Unaudited Notes to the Condensed Consolidated Financial Statements  
As At 31 March 2022

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

**18 Nature and level of risks arising from financial instruments (cont'd)****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 Euro 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, Euro and US Dollars balanced under the pool/portfolio model.

Statement of foreign currency sensitivity analysis				
31 March 2022				
	Profit/loss		Equity	
	The appreciation of foreign currency	The depreciation of foreign currency	The appreciation of foreign currency	The depreciation of foreign currency
20% appreciation / depreciation of TL against the USD				
1 - USD net asset / liability	38,345,963	(38,345,963)	38,345,963	(38,345,963)
2- Portion secured from USD risk (-)	18,679,673	(18,679,673)	18,679,673	(18,679,673)
<b>3- USD net effect (1 +2)</b>	<b>57,025,636</b>	<b>(57,025,636)</b>	<b>57,025,636</b>	<b>(57,025,636)</b>
20% appreciation / depreciation of TL against EUR				
4 - Euro net asset / liability	6,437,504	(6,437,504)	6,437,504	(6,437,504)
5 - Portion secured from Euro risk (-)	-	-	-	-
<b>6 - Euro net effect (4+5)</b>	<b>6,437,504</b>	<b>(6,437,504)</b>	<b>6,437,504</b>	<b>(6,437,504)</b>
20% appreciation / depreciation of TL against other currencies				
7- Other foreign currency net asset/liability	(54,991)	54,991	(54,991)	54,991
8- Portion secured from other currency risk (-)	-	-	-	-
<b>9- Other currency net effect (7+8)</b>	<b>(54,991)</b>	<b>54,991</b>	<b>(54,991)</b>	<b>54,991</b>
<b>Total (3+6+9)</b>	<b>63,408,149</b>	<b>(63,408,149)</b>	<b>63,408,149</b>	<b>(63,408,149)</b>
Statement of foreign currency sensitivity analysis				
31 December 2021				
	Profit/loss		Equity	
	The appreciation of foreign currency	The depreciation of foreign currency	The appreciation of foreign currency	The depreciation of foreign currency
20% appreciation / depreciation of TL against the USD				
1 - USD net asset / liability	74,337,307	(74,337,307)	74,337,307	(74,337,307)
2- Portion secured from USD risk (-)	237,936,483	(237,936,483)	237,936,483	(237,936,483)
<b>3- USD net effect (1 +2)</b>	<b>313,748,507</b>	<b>(313,748,507)</b>	<b>313,748,507</b>	<b>(313,748,507)</b>
20% appreciation / depreciation of TL against EUR				
4 - Euro net asset / liability	111,946,505	(111,946,505)	111,946,505	(111,946,505)
5 - Portion secured from Euro risk (-)	-	-	-	-
<b>6 - Euro net effect (4+5)</b>	<b>111,946,505</b>	<b>(111,946,505)</b>	<b>111,946,505</b>	<b>(111,946,505)</b>
<b>Total (3+6)</b>	<b>424,220,295</b>	<b>(424,220,295)</b>	<b>424,220,295</b>	<b>(424,220,295)</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements

As At 31 March 2022

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

### 18 Nature and level of risks arising from financial instruments (cont'd)

#### Market risk (cont'd)

##### Interest rate risk

##### Profile

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

Interest position table			
		31 March 2022	31 December 2021
<b>Fixed rate instruments</b>			
Financial assets		78,531,298	252,843,974
Financial liabilities		5,273,136,920	4,268,747,339
Financial lease		81,382,453	77,816,109
<b>Variable rate instruments</b>			
Financial liabilities		1,167,097,935	1,316,161,637

#### Fair value risk of financial instruments with fixed interest:

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.

#### Cash flow sensitivity analysis for financial instruments with floating interest:

As of 31 March 2022, 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 31 December 2021.

	Profit or loss		Equity	
	1% increase	1% decrease	1% increase	1% decrease
<b>31 March 2022</b>				
Variable rate instruments	(17,063,750)	13,949,566	(17,063,750)	13,949,566
<b>Cash flow sensitivity (net)</b>	<b>(3,114,184)</b>	<b>-</b>	<b>(3,114,184)</b>	<b>-</b>
<b>31 December 2021</b>				
Variable rate instruments	(17,808,594)	15,158,758	(17,808,594)	15,158,758
<b>Cash flow sensitivity (net)</b>	<b>(2,649,836)</b>	<b>-</b>	<b>(2,649,836)</b>	<b>-</b>

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

### 18 Nature and level of risks arising from financial instruments (cont'd)

#### 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 31 March 2022 and 31 December 2021 are as follows:

	31 March 2022	31 December 2021
Total financial liabilities	6,521,617,308	5,662,724,518
Cash and banks	(450,123,894)	(1,117,683,677)
<b>Net financial debt</b>	<b>6,071,493,414</b>	<b>4,545,040,841</b>
Total equity	11,975,171,577	10,584,208,214
<b>Gearing ratio (net financial debt/equity ratio)</b>	<b>51%</b>	<b>43%</b>

### 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

# AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

## Unaudited Notes to the Condensed Consolidated Financial Statements

As At 31 March 2022

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

### 19 Financial instruments (fair value disclosures and disclosures within the framework of hedge accounting) (cont'd)

#### 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.

<b>31 March 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Risk management and held for trading derivative assets	-	1,735,185	-	1,735,185
Revalued property, plant and equipment	-	134,304,805	12,549,576,941	12,683,881,746
	-	<b>136,039,990</b>	<b>12,549,576,941</b>	<b>12,685,616,931</b>
<b>Financial liabilities</b>				
Risk management and held for trading derivative assets	-	(23,674,900)	-	(23,674,900)
	-	<b>(23,674,900)</b>	-	<b>(23,674,900)</b>
<b>31 December 2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Risk management and held for trading derivative assets	-	3,859,495	-	3,859,495
Revalued property, plant and equipment	-	134,304,805	12,549,576,941	12,683,881,746
	-	<b>138,164,300</b>	<b>12,549,576,941</b>	<b>12,687,741,241</b>
<b>Financial liabilities</b>				
Risk management and held for trading derivative assets	-	(83,074,399)	-	(83,074,399)
	-	<b>(83,074,399)</b>	-	<b>(83,074,399)</b>

### 20 Notes to the statement of cash flows

Changes in the Group's obligations resulting from financing activities between 1 January – 31 March 2022 and 1 January 2021 – 31 March 2021 are as follows:

	<b>1 January 2022</b>	<b>Cash inflows</b>	<b>Cash outflows</b>	<b>Other non-cash movements</b>	<b>31 March 2022</b>
<b>Financial borrowings</b>	<b>5,662,724,518</b>	1,016,000,000	(441,511,570)	284,404,360	<b>6,521,617,308</b>
<b>Total financial liabilities</b>	<b>5,662,724,518</b>	1,016,000,000	(441,511,570)	284,404,360	<b>6,521,617,308</b>

## AKSA ENERJİ ÜRETİM A.Ş. AND ITS SUBSIDIARIES

### Unaudited Notes to the Condensed Consolidated Financial Statements As At 31 March 2022

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

#### 20 Notes to the Statement of Cash Flows (cont'd)

	1 January 2021	Cash inflows	Cash outflows	Other non-cash movements	31 March 2021
<b>Financial borrowings</b>	<b>2,946,323,862</b>	376,615,104	(613,265,335)	30,007,549	<b>2,739,681,180</b>
<b>Total financial liabilities</b>	<b>2,946,323,862</b>	376,615,104	(613,265,335)	30,007,549	<b>2,739,681,180</b>

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

According to Aksa Enerji Üretim A.Ş.'s Board Decision dated 18 April 2022, it has been resolved to revise Dividend Distribution Policy in line with the Company's global growth vision and investment plans. Revised Dividend Distribution Policy, as attached, will be submitted to the approval of shareholders in the upcoming Ordinary General Assembly in 2022.

As stated in our Public Disclosure dated 5 May 2022, Ministry Acceptance of Aksa Energy's 740 MW natural gas power plant investments consisting of three power plants (Tashkent A-240 MW, Tashkent B- 230 MW, Bukhara-270 MW) is obtained.

Natural gas to be consumed at above mentioned power plants will be supplied by Uzbekistan government without any cost. Energy sale price is USD based according to 25 year contract.