

# 2024 1H EARNINGS PRESENTATION 6 September 2024



## **SUSTAINED RECOVERY IN EBITDA MARGIN**

TL million

		1H24	1H23	y/y
1H24 vs 1H23	Net Sales	12,333	24,958	-51%
	EBITDA	3,144	5,375	-42%
	() Net Income	1,509	3,464	-56%
	⊘ Net Financial Debt	21,020	15,772 <sup>(*)</sup>	33%
		1H24	1H23	y/y
KPIs-1H24 vs 1H23	<b>Gross Margin</b>	20%	21%	-1pp
	EBITDA Margin	25%	22%	+3pp
	Ce Net Fin. Debt / EB	ITDA 3,34x	1,6x <sup>(*)</sup>	
	Net Fin. Debt / Equ	uity 53%	37% (*)	+16pp

### Key Highlights – 1H24



# **FOREIGN OPERATIONS' CONTRIBUTION TO EBITDA REACHING 82%**

TI million

		Domestic	Foreign	Share of Foreign
Cumulative- 1H24	Net Sales	8,298	4,035	33%
	<b>EBITDA</b>	564	2,581	82%
	() Profit Before Tax	(1,351)	4,173	
TL million		Domestic	Foreign	Share of Foreign
TL million Cumulative- 1H23	Net Sales	<b>Domestic</b> 20,038	Foreign 4,919	Share of Foreign
TL million Cumulative- 1H23	Net Sales	Domestic 20,038 2,497	Foreign 4,919 2,878	Share of Foreign 20% 80% 54%

Note: Foreign operations include Africa and Central Asia operations. Northern Cyprus operations are included in domestic operations

### **Regional Breakdown**

# FOREIGN OPERATIONS' CONTRIBUTION INCREASING AS EXPECTED



**Shares of Regions in EBITDA** 

- Foreign operations contribution increased to 82% of our EBITDA as expected •
- Contribution of domestic operations (including Turkey and Northern Cyprus) to EBITDA decreased to 18% due to • unfavorable market conditions in Türkiye during 1H24

### **Shares of Region in EBITDA**



# SPOT PRICE CEILING INCREASED TO 3,000 TL/MWh FROM 2,700 TL/MWh IN JUL'24



- Effective from 1 October 2023, Energy Market Regulatory Authority (EMRA) terminated maximum settlement price • mechanism, which was initiated as of 1 April 2022
- Effective from July 1, 2024, spot price ceiling was increased from 2,700 TL/MWh to 3,000 TL/MWh. As a result, there ٠ has been an increase in spot prices (July - August average: 2,582 TL/MWh)

### **Price Evolution in Turkish Market**



# **ACTIVE PRESENCE IN ANCILIARY SERVICES**

#### **Antalya Power Plant Location**



#### Key Highlights

- Part load power plant with high efficiency ratio of 59%
- 34% of electricity sold in day ahead market, 25% via anciliary services (secondary frequency control), 41% via bilateral agreements
- Capacity mechanism payments increased by 52% y/y and reached 136 MM TL (1H23: 89 MM TL)
- During 1H24, 100% of gas supplied from BOTAŞ

(\*) Adjusted with secondary frequency control capacity sold to TEIAŞ. Proxy for Commercial Capacity Utilization

### **Antalya PP - Key Highlights**

### **Technical Overview**

w	<ul> <li>Energy Source: Natural Gas (CCGT)</li> <li>Installed Capacity: 900 MW</li> <li>CoD: 2008</li> </ul>
	<ul> <li>2 Siemens SGT5 – 4000F gas turbine generator</li> <li>1 Siemens SST5 – 5000F steam turbine generator</li> <li>2 HRSG N/E</li> </ul>
	<ul> <li>Generation (Gross): 1.532 GWh (1H24)</li> <li>Capacity Payment: 136 MM TL (1H24)</li> <li>CUR: 45% (1H24)</li> <li>Adjusted CUR (*): 57% (1H24)</li> </ul>



# **ROUTINE MAINTENANCE HELD IN 2Q24**

**Bolu Göynük Power Plant Location** 



- 84% of electricity sold via bilateral agreements, 10% via day ahead market and 6% via anciliary services
- Capacity mechanism payments increased massively and reached 68MM TL in 1H24 (1H23: 27 MM TL) driven by change in capacity mechanism regulation in favor of local lignite power plants (1/3 of the coal royalty fees are reimbursed to power plants starting from 2024)
- 35 MW Solar Power Plant Project in Bolu Göynük site aimed at meeting internal energy needs, therefore lowering carbon emissions and increasing efficiency at Bolu Göynük PP is ongoing, COD is expected to be until YE24.

### **Bolu PP - Key Highlights**

#### **Technical Overview**

Energy Source: Lignite
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- Installed Capacity: 270 MW
- CoD: 2015
- 2 units of SES-TImace boilers
- 2 units of Skoda Steam Turbines MTD- 50 CRA
- 2 units of Siemens generators SGEN5 100A 2P
- 2 units of SPIG cooling system
- 2 units of fluidized bed boilers
- Additional DeSOx exhaust purification system
- Generation (Gross): 455 GWh (1H24)
- **CUR:** 39% (1H24)
- Capacity Payment: 68 MM TL (1H24)



# **USD BASED CAPACITY CHARGE SUPPORTIVE OF MARGINS**

#### **Nothern Cyprus Power Plant Location**



#### • Northern Cyprus PP benefits from USD based guaranteed capacity charge.

- In July 2023, a 15-year contract extension was made for the power plant. In addition to the contract extension, an agreement was reached for a capacity increase of 35 MW. As of May 2024, 35 MW of additional capacity is online.
- Furthermore, feasibility studies are conducted to initiate the interconnection line between Turkey and the TRNC in order to enhance the energy supply security of the TRNC.

### **Northern Cyprus - PP Key Highlights**

	Technical Overview
•w	<ul> <li>Energy Source: Liquid Fuel (Combined Cycle)</li> <li>Installed Capacity: 188 MW</li> <li>CoD: 2003</li> <li>Contract Expiry: 2038</li> <li>Cost-plus pricing mechanicsm</li> </ul>
1	<ul> <li>10 Wärtsilä 18V46 engine generators</li> <li>10 Aalborg boilers</li> <li>Dresser-Rand steam turbine</li> </ul>
	<ul> <li>Generation Gross: 451 GWh (1H24)</li> <li>CUR: 68% (1H24)</li> </ul>



# **USD BASED CAPACITY CHARGE WITH ADDITIONAL EBITDA EXPECTATION IN 2025**



#### **Key Highlights**

- 25 year power purchase agreement (PPA) including guaranteed capacity payment in USD terms signed with the Ministry of Energy of Uzbekistan on May'20 regarding 240 MW natural gas combined cycle (CCGT) power plant in Tashkent (A), 230 MW CCGT in Tashkent (B) and 270 MW CCGT in Bukhara
- All of the three power plants are officially fully operational as of end of Mar'22
- Natural gas provided by Uztransgaz, the natural gas supply company of Uzbekistan
- Modernization project with Warstila will increase Uzbekistan EBITDA by %10 in 2025 compared to 2024

### **Tashkent & Bukhara PP – Key Highlights**

Technical Overview			
<ul> <li>Energy Source: Natural Gas (</li> <li>Installed Capacity: 740 MW (</li> <li>CoD: March 2022</li> <li>Contract Expiry: 2045</li> </ul>	CCGT) A: 240 MW; B: 230 MW; Bukhara	a: 270 MW)	
<ul> <li>Fuel cost pass-through mechanism</li> <li>Fully under ToP mechanism</li> </ul>			
Tashkent A	Tashkent B	Bukhara	
<ul> <li>4 GE LM6000 gas turbines</li> <li>2 GE Thermodyne 11MC9 stream turbines</li> <li>4 Aalborg boilers</li> </ul>	<ul> <li>24 Wärtsilä 20V34SG gas engines</li> <li>2 Dresser Rand steam turbines</li> <li>24 Aalborg boilers</li> </ul>	<ul> <li>28 Wärtsilä 20V34SG gas engines</li> <li>2 Skoda-Jinma steam turbines</li> <li>28 OKA boilers</li> </ul>	
<ul> <li>Generation (Gross): 2,171 GV</li> <li>CUR 70% (1H24)</li> </ul>	Wh (1H24)		



# FUEL IS PASS THROUGH IN ALL OF OUR OVERSEAS OPERATIONS

#### **Africa Power Plants' Locations**



### **Africa Operations – Key Highlights**

	Technical Overview
	Energy Source: Natural Gas + Liquid Fuel
view	Installed Capacity: 370 MW
	Fuel cost pass-through mechanism Takes a Residue for the formula to the
	Take or Pay: 332 out of 370 MW installed capacity
	<ul> <li>13 Wärtsilä 18V46 engines (6 of them are under conversion)</li> </ul>
SY	<ul> <li>9 Wärtsilä 18V50 gas engines</li> </ul>
	In 2023, 9 units out of 22 have already been converted to natural gas
ights	<ul> <li>Target to convert six 18V46 engines in 2024</li> </ul>
	<ul> <li>Energy Source: Liquid Fuel</li> <li>Installed Capacity: 60 MW/</li> </ul>
iew	<ul> <li>Fuel cost pass-through mechanism</li> </ul>
	<ul> <li>Take or Pay: FUR based 50 out of 60 MW installed capacity</li> </ul>
ĮV	4 Wärtsilä 18V38 engine generators
<b>9</b> 7	30 Aksa Cummins KTA50 gen-sets
	Energy Source: Liquid Fuel
	<ul> <li>Installed Capacity: 66 MW</li> </ul>
iew	<ul> <li>Fuel cost pass-through mechanism</li> </ul>

- Take or Pay: 60 out of 66 MW installed capacity
- 11 Wärtsilä 18V32 engine generators



# **FUTURE STRATEGY AND PIPELINE**



### Pipeline



# **CONSOLIDATED SUMMARY INCOME STATEMENT**

	1H24	1H23	y/y
MMTL			
Net sales	12,333	24,957	-51%
Cost of sales	(9,842)	(19,750)	-50%
Gross Profit	2,491	5,208	-52%
General & administrative costs	(603)	(476)	27%
Marketing expenses	(43)	(10)	342%
Other operating income	319	228	40%
Other operating expenses	(48)	(87)	-44%
Operating Income	2,115	4,863	-57%
Expected revaluation losses	31	(484)	n.m.
Gain from investment activities	1.5	105	-99%
Net Financing income/ expense	1,126	945	19%
Monetary Loss	(452)	(612)	-26%
Earnings Before Income Tax	2,822	4,818	-41%
Тах	(685)	(1,101)	-38%
Net Income after minority interest	1,509	3,464	-56%

### Annex



## **CONSOLIDATED SUMMARY BALANCE SHEET**

	1H24	YE23	ytd
MMTL			
Cash and cash equivalents	1,247	991	26%
Trade receivables	9,455	16,876	-44%
Inventories	1,888	1,118	69%
Total Current Assets	14,770	21,317	-31%
PP&E	45,240	43,676	4%
Intangibles	1,276	1,380	-8%
Total Non-current Assets	53,779	48,290	11%
Total Assets	68,548	69,607	-2%
Total Current Liabilities	16,925	17,170	-1%
Total Non-current Liabilities	12,198	9,236	32%
Paid in capital	1,226	1,226	0%
Shareholder's equity	39,425	43,201	-9%
<b>Total Liabilities and Shareholder's Equity</b>	68,548	69,607	-2%

### Annex



## **2024 GUIDANCE**



Notes:

(1) Domestic indicates operations in Turkey and Northern Cyprus.

(2) 2024 capex guidance excludes any potential new investments.



# **INVESTOR RELATIONS**



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