

# Investor Presentation

August 2022



**aksa** ENERGY



## **Key Investment Highlights**

**Deep Expertise in Energy Sector**

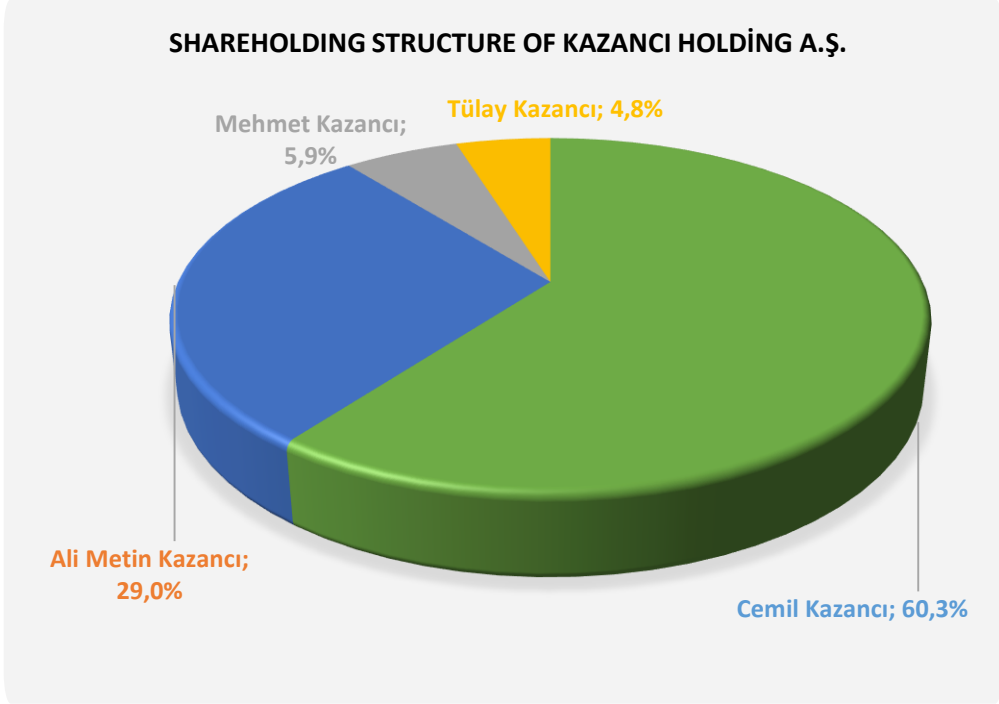
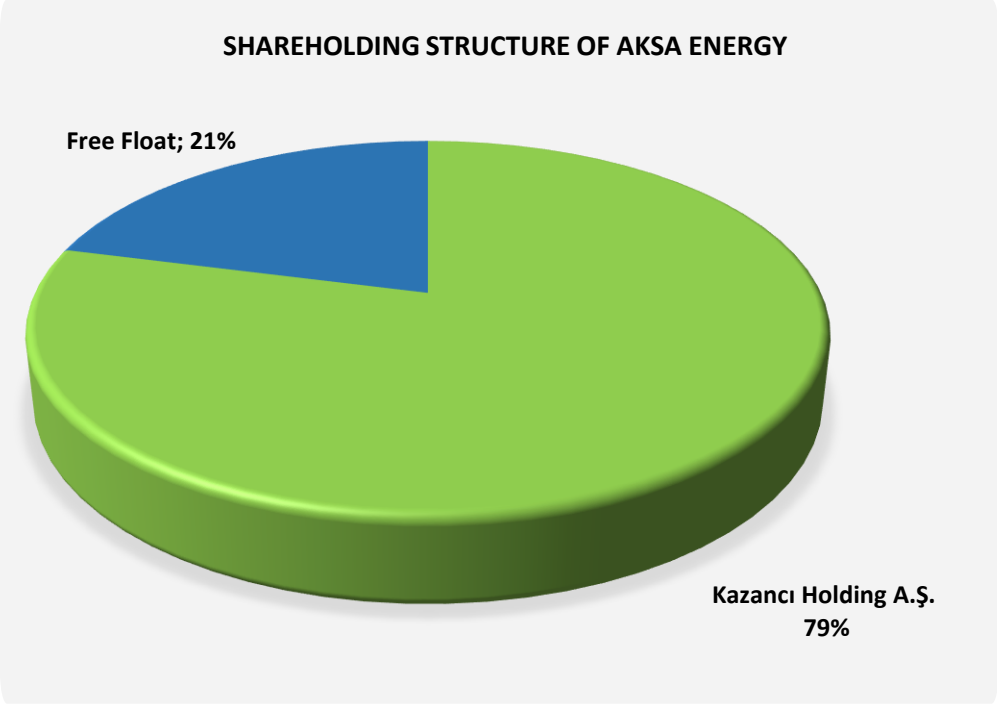
**Geographically Diversified Portfolio**

**Low Leverage**

**Sustainable Growth**

**Resilient Business Model**

Shareholder Structure



BIST Ticker	AKSEN
Bloomberg Ticker	AKSEN:TI
Reuters Ticker	AKSEN.IS
IPO Date	4.05.2010
Listed Exchanges	BIST 50, BIST Star, BIST Electricity,BIST Corporate Governance, BIST Sustainability, BIST Participation, MSCI Turkey Small Cap Index, FTSE Emerging Europe Large Cap Index



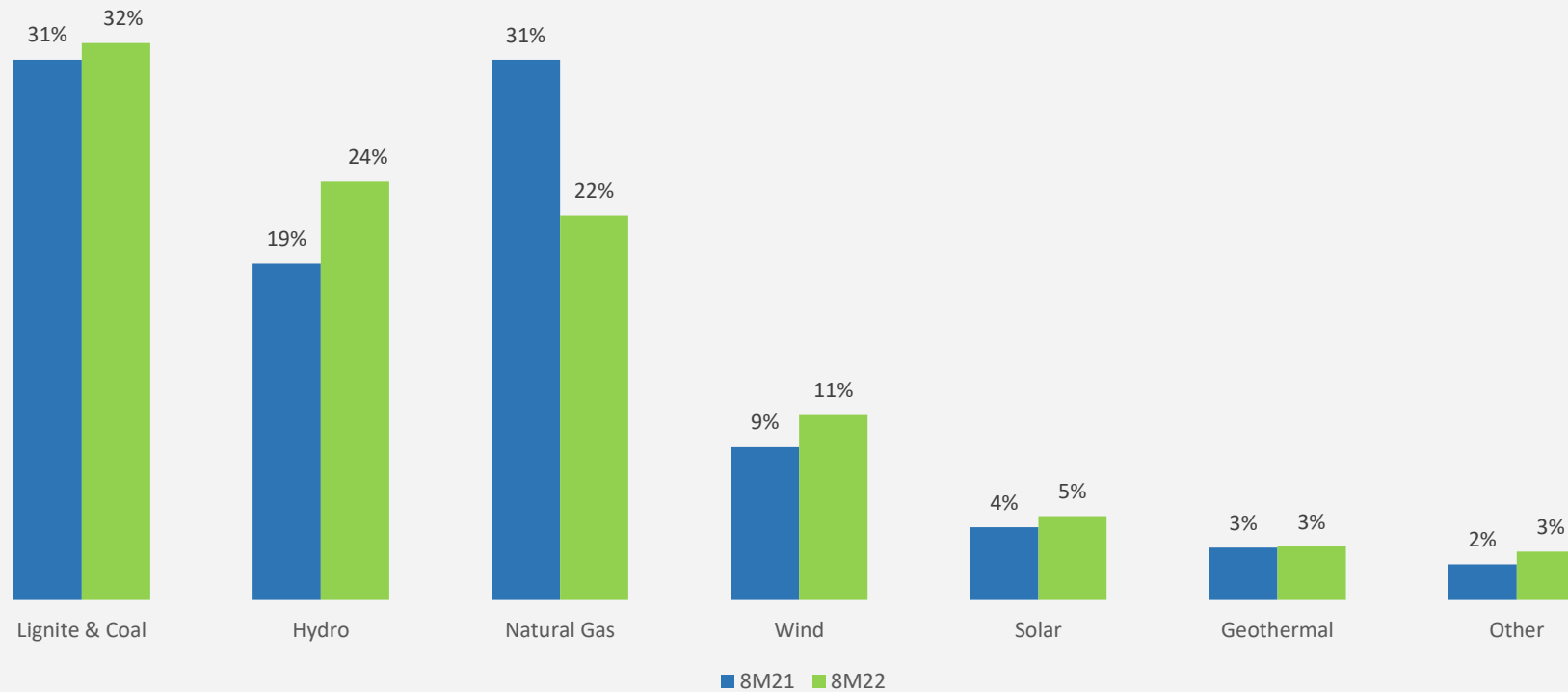




**SECTOR HIGHLIGHTS**

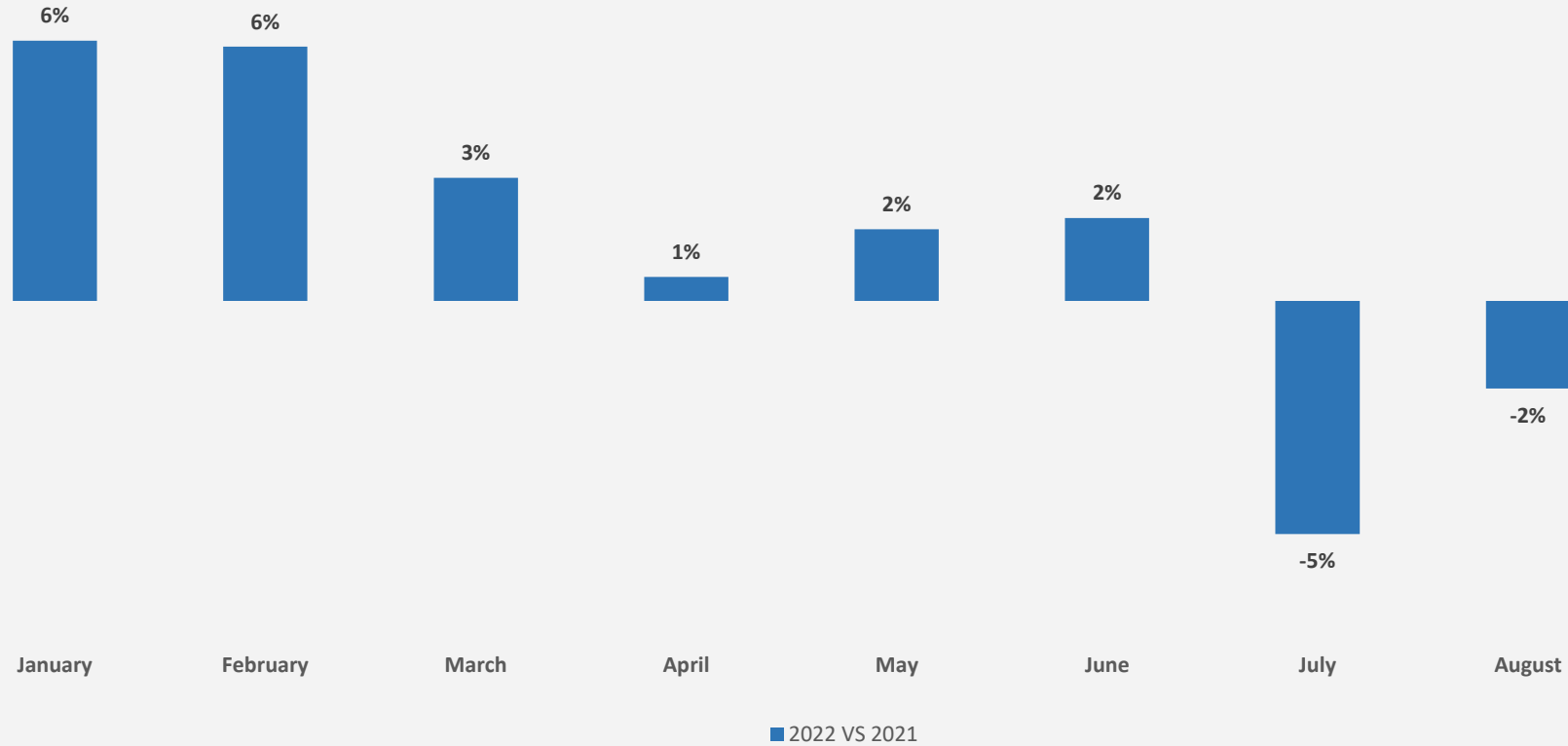


## Power Generation by Fuel Type



Source: TEİAŞ

## Monthly Change in Power Consumption



Source: TEİAŞ









**FINANCIAL & OPERATIONAL  
HIGHLIGHTS  
1H2022**






# Key Highlights – 1H22

TL million





## Quarterly- 2Q22 vs 2Q21

		2Q22	2Q21	q/q
	Net Sales	12,676	2,620	384%
	EBITDA	1,813	616	194%
	Net Income	1,283	280	358%
	Net Financial Debt	6,896	4,545 <sup>(*)</sup>	52%

## Cumulative-1H22

		1H22	1H21	y/y
	Net Sales	18,568	4,764	290%
	EBITDA	3,320	1,099	202%
	Net Income	2,458	488	404%

## KPIs-1H22

		1H22	1H21	y/y
	Gross Margin	15%	19%	-3.63 pp
	EBITDA Margin	18%	23%	-5.18 pp
	Net Fin. Debt / EBITDA	1.43x	1.74x <sup>(*)</sup>	
	Net Fin. Debt / Equity	48%	52% <sup>(*)</sup>	-3.78 pp

(\*) As of YE21









## FOREIGN OPERATIONS' CONTRIBUTION TO EBITDA AT 48%

### Regional Breakdown







TL million

Quarterly- 2Q22

		Domestic	Foreign	Share of Foreign
	Net Sales	11,553	1,123	9% 
	EBITDA	829	984	54% 
	Profit Before Tax	899	735	45% 

TL million

Cumulative-1H22





		Domestic	Foreign	Share of Foreign
	Net Sales	16,576	1,992	11% 
	EBITDA	1,740	1,580	48% 
	Profit Before Tax	1,832	1,357	43% 

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



# HIGHER SPOT PRICES IN TURKEY ACCOMPANIED BY FX BASED TARIFFS IN FOREIGN OPERATIONS

## Regional Breakdown

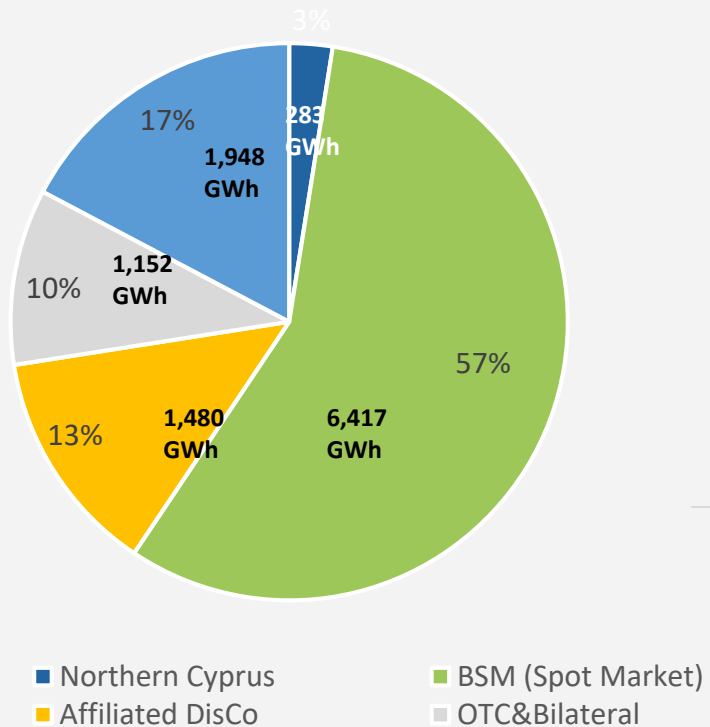
		Domestic	Foreign	Total	
Quarterly- 2Q22		Sales Volume (GWh)	4,732	1,271	6,003
		Sales Price (TL/MWh)	1,918	920	1,707
		Domestic	Foreign	Total	
Cumulative- 1H22		Sales Volume (GWh)	9,984	1,948	11,932
		Sales Price (TL/MWh)	1,672	1,089	1,577

Note: Company internal data. Excludes intercompany eliminations applied in CMB consolidated financials.  
Foreign operations include Africa and Uzbekistan operations. Northern Cyprus is included in domestic operations

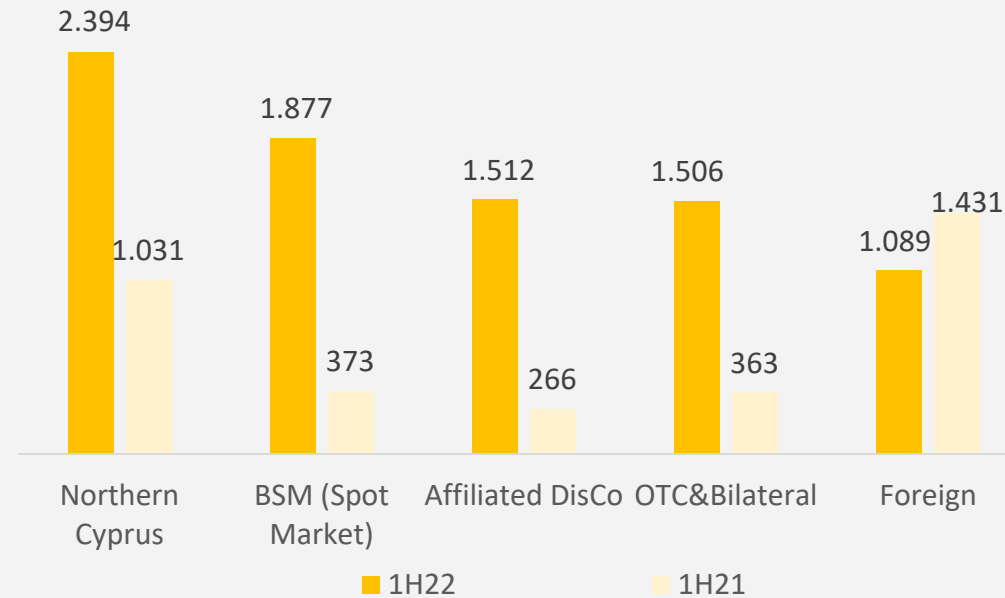


## Sales Channel Breakdown

### Sales Volume by Channel (1H22)



### Sales Price by Channel (TL/MWh)



Note: Company internal data. Foreign includes Africa and Uzbekistan. Excludes intercompany eliminations applied in CMB consolidated financials.





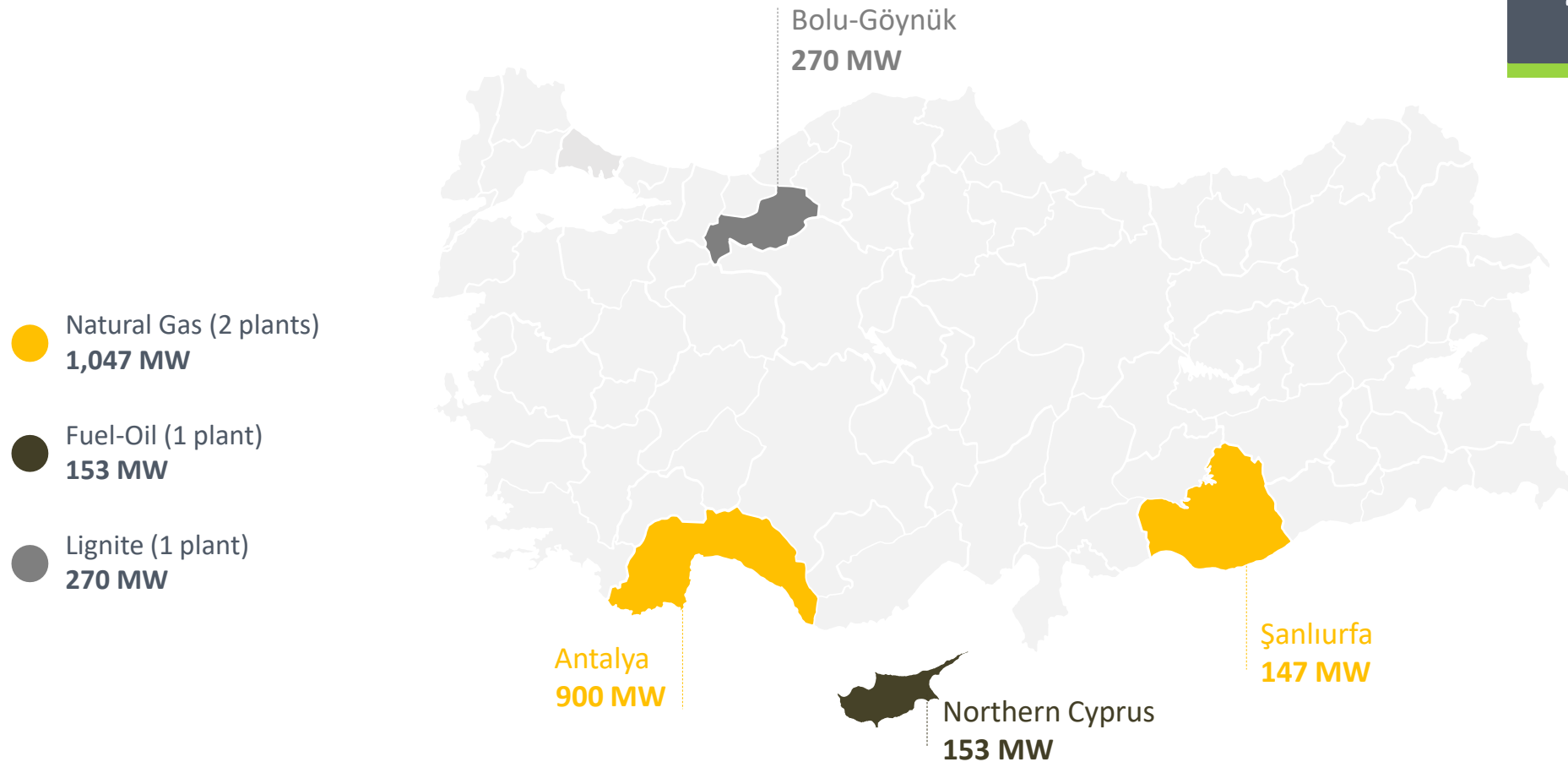
**DOMESTIC OPERATIONS**



MAJORITY OF DOMESTIC INSTALLED CAPACITY BASED ON NATURAL GAS

## Domestic Operations at a Glance

DOMESTIC  
INSTALLED  
CAPACITY  
**1,470 MW**





# Bolu PP Key Highlights

**Energy Source:** Lignite Coal

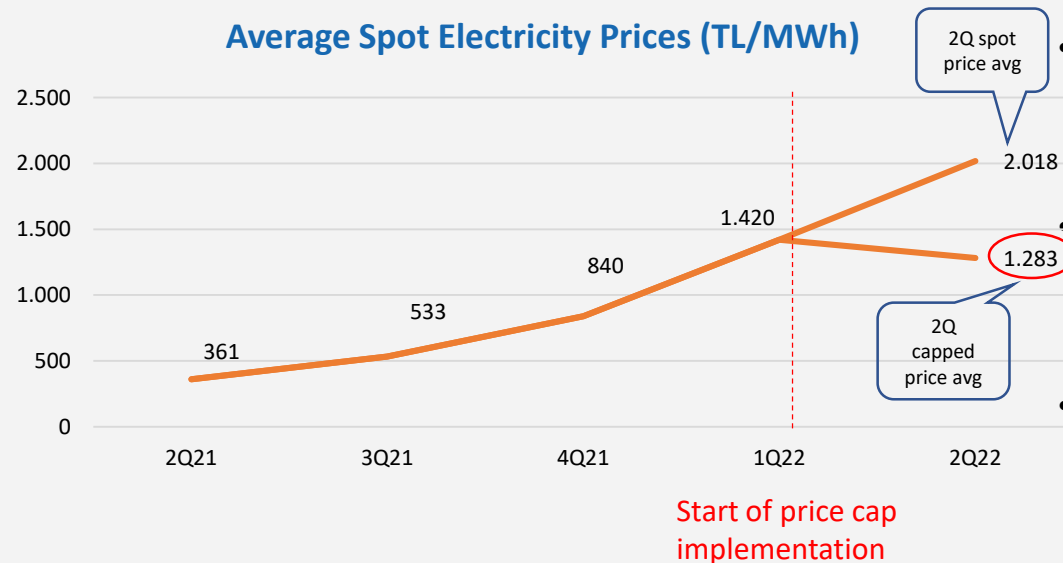
**Installed Capacity:** 270 MW

**Generation (Gross):** 1,069 GWh (1H22)

**CUR:** 91% (1H22)

**Capacity Payment:** 20 MM TL (1H22)

**Sales Composition:** 99% Day Ahead Market, 1% Bilateral Agreements



- In 1H22, Bolu PP sold 99% of its generation at the day ahead market (spot market) with 91% capacity utilization rate
- Price cap introduced in Apr'22 to be effective for 6 months. 2Q price cap average realized at 1,283 TL (36% lower compared to 2Q22 spot price average)
- Capacity payment lower compared to 1H21 (36 MM TL in 1H21) due to revision in the mechanism with lower budget allocation for power plants consuming local resources

## Antalya PP Key Highlights

**Energy Source:** Natural Gas

**Installed Capacity:** 900 MW

**Generation (Gross):** 1,798 GWh (1H22)

**Capacity Payment:** 78 MM TL (1H22)

**CUR:** 50% (1H22)

**Adjusted CUR (\*):** 66% (1H22)

- **Base load power plant with high efficiency ratio of 59%**
- 57% of electricity generated sold in day ahead market, 23% via ancillary services and remaining 20% via bilateral contracts
- **Capacity payment higher compared to 1H21 (46 MM TL in 1H21) due to revision in the mechanism with higher budget allocation for gas power plants**
- During 1H22, 100% of gas supplied from BOTAŞ

Ali Metin Kazancı Antalya  
Natural Gas Combined Cycle  
Power Plant



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



## Şanlıurfa PP Key Highlights

**Energy Source:** Natural Gas

**Installed Capacity:** 147 MW

**Generation (Gross):** 137 GWh (1H22)

**CUR:** 25% (1H22)

**Adjusted CUR (\*):** 42% (1H22)



- Şanlıurfa Power Plant resumed its operations from Aug'21 onwards driven by favorable market conditions. Zero Waste certificate received in Dec'21
- 19% of electricity generated sold in day ahead market, 26% via ancillary services, 52% via bilateral contracts and remaining 3% intraday market
- During 1H22, 100% of gas was supplied from BOTAŞ
- **High level of flexibility which enables the most effective utilization of secondary frequency capacity reserve market**

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

## Northern Cyprus PP Key Highlights

**Energy Source:** Fuel Oil

**Installed Capacity:** 153 MW

**Generation (Gross):** 287 GWh (1H22)

**CUR:** 43% (1H22)

**PPA Price:** 2,359 TL/MWh (1H22)

**Contract Expiry:** 2024 (+3 year extension option)

- Northern Cyprus PP benefits from USD based guaranteed capacity charge for 120 MW out of 153 MW installed capacity

Northern Cyprus Kalecik  
Heavy Fuel Oil Power Plant







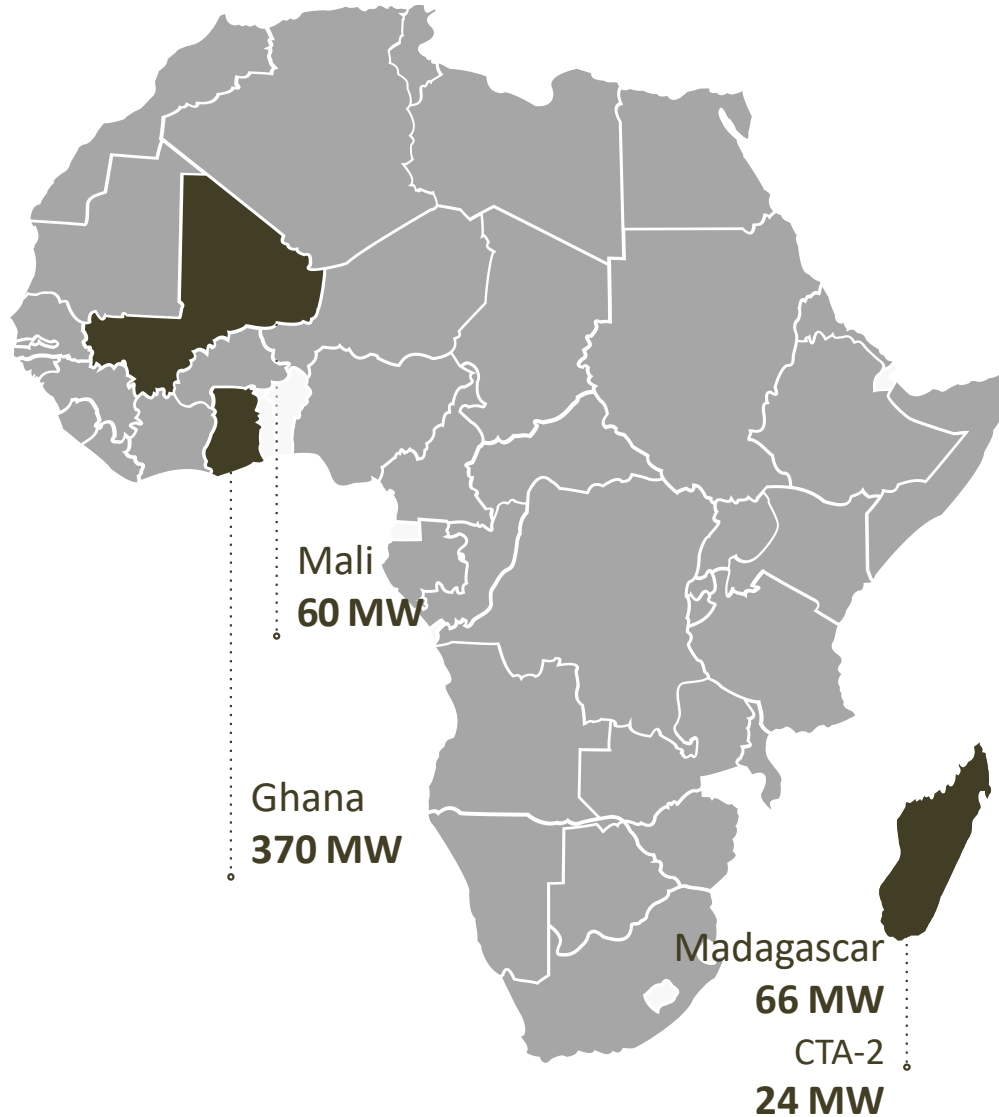
**FOREIGN OPERATIONS**



## Foreign Operations at a Glance

AFRICA  
TOTAL  
**496 MW\***

\* Does not include CTA-2





VERY ATTRACTIVE REGION WITH STRONG GROWTH POTENTIAL...

## Penetration in Africa

### Ghana



Population	<b>30.4 mn</b>
GDP	<b>\$ 67 bn</b>
GDP per capita	<b>\$ 2,202</b>
Installed Capacity	<b>5,043 MW</b>
Energy Consumption	<b>16.2 bn KWh</b>
Energy Consumption/Capita	<b>533 KWh</b>

### Madagascar



Population	<b>27.0 mn</b>
GDP	<b>\$ 14 bn</b>
GDP per capita	<b>\$ 522</b>
Installed Capacity	<b>844 MW</b>
Energy Consumption	<b>1.8 bn KWh</b>
Energy Consumption/Capita	<b>64,7 KWh</b>

### Mali



Population	<b>19.7 mn</b>
GDP	<b>\$ 18 bn</b>
GDP per capita	<b>\$ 891</b>
Installed Capacity	<b>630 MW</b>
Energy Consumption	<b>3.4 bn KWh</b>
Energy Consumption/Capita	<b>168 KWh</b>

Source: The World Bank database (as of 2019)

## Ghana Key Highlights

- Ghana PP benefits from USD based guaranteed capacity charge for 332 MW out of 370 MW installed capacity based on a 6.5 year power purchase agreement (PPA) signed with Republic of Ghana on Aug'17
- On top of that, PP generates revenues from routine sales activity via spot market
- Ghana engine conversion to dual fuel (heavy fuel oil/natural gas) ongoing
- Receivables from Republic of Ghana covered by a **USD 75 MM letter of guarantee** confirmed by an A+ rated bank (Abu Dhabi Commercial Bank)
- Cash CAPEX already recovered in June 2018 (less than 1 year)

COMPLETED IN 9.5 MONTHS





## Madagascar Key Highlights

- **Madagascar PP benefits from USD based guaranteed capacity charge for 60 MW out of 66 MW installed capacity based on a 20 year Power Purchase Agreement (PPA) signed with the Republic of Madagascar with Jirama, the state-owned electricity and water services company, on Sep'17**
- **Madagascar CTA-2 PP (24 MW) is operated by Aksa Energy until Jan'24**
- **Fixed USD based monthly fee obtained from Jirama, owner of Madagascar CTA-2**
- **Land, fuel procurement, all licences and permits are provided by Jirama**
- **Cash CAPEX recovered in February 2018 (less than 1 year)**



## Mali Key Highlights

- Mali PP benefits from EUR based guaranteed capacity charge for 30 MW out of 40 MW installed capacity based on a 3 year Power Purchase Agreement (PPA) renewed with Énergie du Mali on Jan'21
- In Jan'21, contract with Mali government extended for 3 years with additional capacity of 20 MW, already operational by Nov'21. Power generated by 20 MW installed capacity will also be purchased by EDM for 3 years based on a guaranteed Euro denominated capacity charge.
- Land, fuel supply, licenses and permits are provided by Énergie du Mali.

COMPLETED IN 6 MONTHS

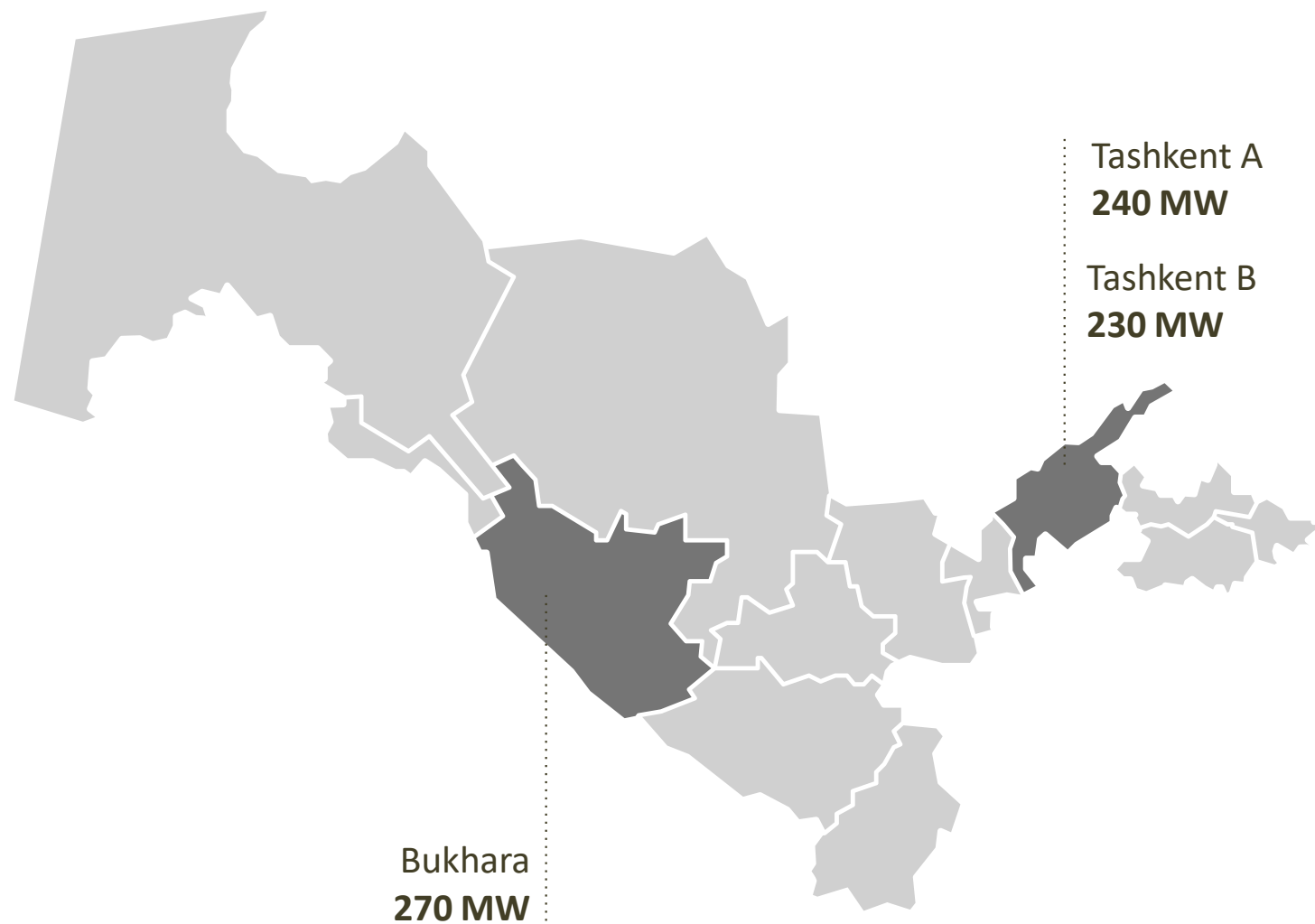


Mali Heavy Fuel Oil  
Power Plant



## Foreign Operations at a Glance

UZBEKISTAN  
TOTAL  
INSTALLED  
CAPACITY  
**740 MW**






## Uzbekistan Operations - 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, the capital of Uzbekistan.
- On 20 January 2021, above mentioned agreement has been amended with 230 MW capacity expansion (Tashkent B) and additionally, another agreement has been signed regarding construction of 270 MW CCGT in Bukhara.
- All of the three power plants are officially fully operational as of end of Mar'22, leading to significantly higher contribution in 2Q22 vs 1Q22
- Both agreements involve sale of the energy generated in these power plants based on a USD denominated guaranteed capacity payment for a duration of 25 years
- Natural gas to be provided by Uztransgaz, the natural gas supply company of Uzbekistan



TL million

Quarterly- 2Q22 vs 1Q22

	2Q22	1Q22	q/q
 Net Sales	394	159	148%
 EBITDA	285	76	276%
 Profit Before Tax	236	55	333%



# Kazakhstan Project - Key Highlights

- On 13 July 2022, Aksa Energy's Kazakhstan branch has won the tender organized by Kazakhstan Electricity and Power Market Operator regarding 240 MW Kyzylorda combined heat and power plant project
- Power plant is expected to be commissioned in 2025 with capacity payments for 15 years
- Power plant is planned to be established with brand new machines



# Congo Project - Key Highlights

- On 21 January 2021, Aksa Enerji Üretim A.Ş.'s 100% subsidiary Aksa Energy Company Congo has signed a concession agreement with Republic of Congo about obtaining operating rights of a 50 MW natural gas power plant in the city of Pointe-Noire
- 25 MW portion of 50 MW installed capacity planned to be operational by year end 2022
- Natural gas is expected to be supplied from Congo's local gas reserves
- Electricity generated is expected to be exported to Democratic Republic of Congo via existing transmission lines
- In May 22, Aksa Energy Company Congo signed an electricity export transmission agreement with Energie Electrique du Congo (E2C- Republic of Congo's Electricity Generation- Transmission- Distribution Company). Negotiations regarding electricity export and gas supply agreements are ongoing.







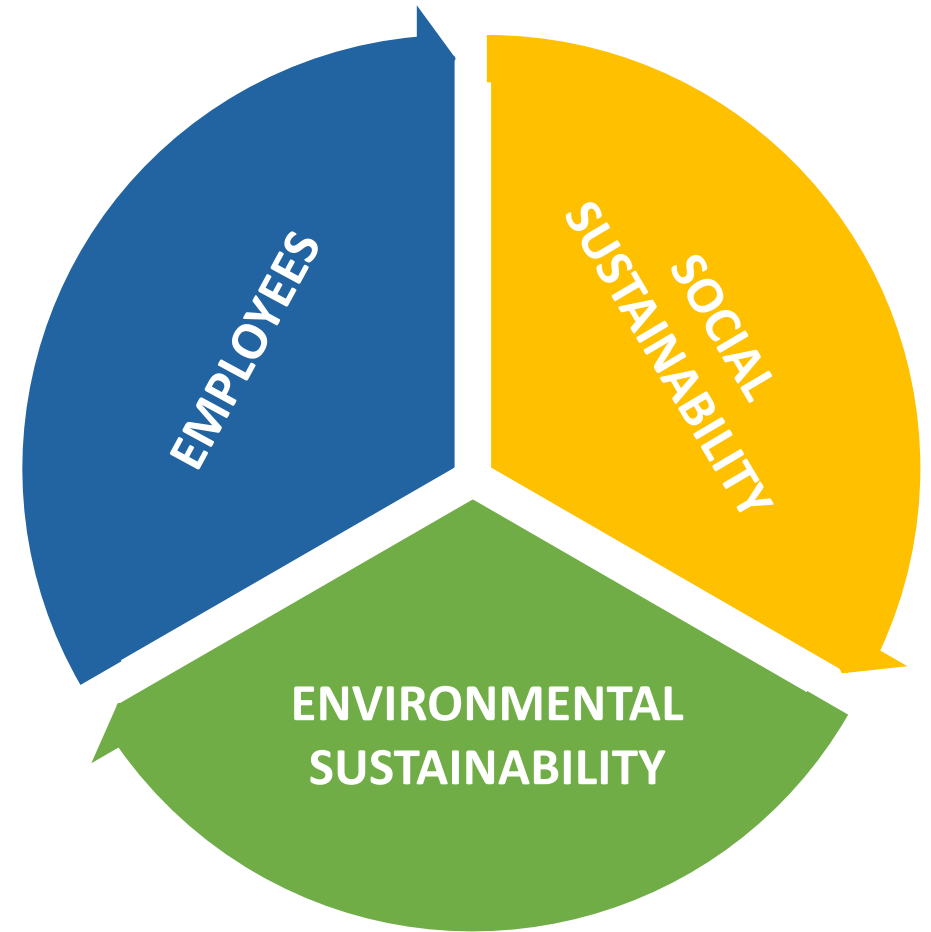
**SUSTAINABILITY**



# SUSTAINABILITY AT AKSA ENERGY

## SUSTAINABLE BUSINESS MODEL

- Aksa Energy's stock is trading at BIST Sustainability Index since 2015.
- The Company acts with the **Responsibility of a Sustainable Business Model** for a safe future.
- The Company's sustainability approach is based on three pillars - **Environmental Sustainability, Employees and Social Responsibility.**
- As a signatory to the **United Nations Global Compact** since 2017, Aksa Energy is committed to conducting its business operations in line with the **10 Principles** outlined in the Global Compact.

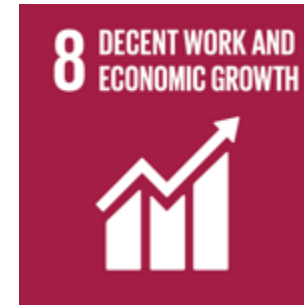




# SUSTAINABILITY AT AKSA ENERGY

## WE ARE COMMITTED TO SUSTAINABLE DEVELOPMENT GOALS!

- Aksa Energy prioritizes identifying and managing the significant environmental impacts of the industry, **respecting human and employee rights**, and contributing to **social development** in the regions where it operates.
- Aksa Energy is committed to 7 of the Sustainable Development Goals that have been set in 2012 within the scope of the United Nations Sustainability Conference.
- Aksa Energy has signed The Trillion Tonne Communiqué, which is a declaration to the world from companies that are sensitive to climate change and demand measures to combat it, and the Company designs its energy investment in this context







**APPENDIX**



# Consolidated Summary Income Statement

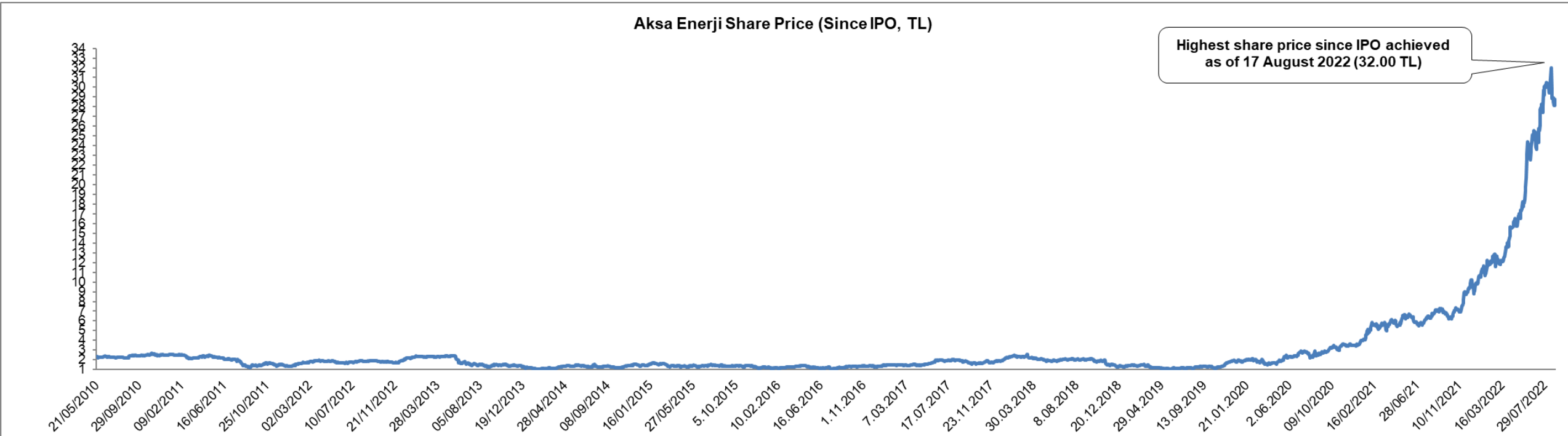
	1H22	1H21	y/y
<b>MM TL</b>			
Net sales	18,568	4,764	290%
Cost of sales	(15,716)	(3,859)	307%
<b>Gross Profit</b>	2,852	905	215%
General & administrative costs	(116)	(47)	145%
Marketing expenses	(4)	(2)	73%
Other operating income	105	12	787%
Other operating expenses	(86)	(16)	423%
<b>Operating Income</b>	2,752	851	223%
Expected revaluation losses	(24)	(11)	126%
Income from investment activities	6	-	n.m.
Financing income	908	119	660%
Financing expense	(507)	(280)	81%
<b>Earnings Before Income Tax</b>	3,134	680	361%
Tax	(481)	(125)	286%
<b>Net Income after minority interest</b>	2,458	488	404%

# Consolidated Summary Balance Sheet

	1H22	YE21	ytd
<b>MM TL</b>			
Cash and cash equivalents	236	525	-55%
Trade receivables	7,821	5,328	47%
Inventories	303	225	34%
<b>Total Current Assets</b>	<b>9,390</b>	<b>7,129</b>	<b>32%</b>
PP&E	16,042	13,038	23%
Intangibles	268	222	21%
<b>Total Non-current Assets</b>	<b>16,752</b>	<b>13,520</b>	<b>24%</b>
<b>Total Assets</b>	<b>26,142</b>	<b>20,650</b>	<b>27%</b>
<b>Total Current Liabilities</b>	<b>7,279</b>	<b>6,272</b>	<b>16%</b>
<b>Total Non-current Liabilities</b>	<b>4,575</b>	<b>3,793</b>	<b>21%</b>
Paid in capital	1,226	1,226	0%
Shareholder's equity	14,288	10,584	35%
<b>Total Liabilities and Shareholder's Equity</b>	<b>26,142</b>	<b>20,650</b>	<b>27%</b>



# Share Performance

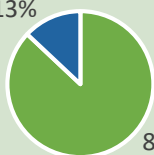
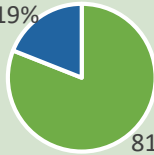

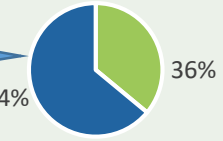

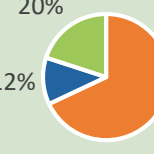


Aksa Enerji shares increased by 160% in 2021 and reached 9.99 TL in Dec31.

Aksa Enerji shares increased by 189% year to date and reached 28.86 TL as of 19 Aug'22.

Market capitalization reached 35.4 bln TL as of 19 Aug'22.

# 2022 GUIDANCE

FINANCIAL INDICATORS	2021 ACTUAL	COMPOSITION	2022 GUIDANCE	COMPOSITION
Net Sales (MM TL)	13,887	 <p>87% Domestic 13% Foreign</p>	24,154	 <p>81% Domestic 19% Foreign</p>
EBITDA (MM TL)	2,609	 <p>46% Domestic 54% Foreign</p>	5,477	 <p>36% Domestic 64% Foreign 21% Uzbekistan 43% Africa</p>
CAPEX (MM TL)	2,420	 <p>10% Africa 90% Uzbekistan</p>	1,368	 <p>68% Uzbekistan 12% Africa 20% Domestic</p>

Notes: Domestic indicates operations in Turkey and Northern Cyprus. 2022 capex guidance excludes any potential new investments

# Contact- Investor Relations

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