

YE 2021 Earnings Presentation

1 March 2022







aksa ENERGY

1.7 BLN TL ANNUAL NET INCOME DRIVEN BY STELLAR OPERATIONAL & FINANCIAL PERFORMANCE




Key Highlights – YE21

TL million





Quarterly- 4Q21 vs 4Q20

| | | 4Q21 | 4Q20 | q/q |
|---|--------------------|-------|-------|------|
|  | Net Sales | 5,565 | 1,963 | 184% |
|  | EBITDA | 867 | 408 | 112% |
|  | Net Income | 866 | 115 | 656% |
|  | Net Financial Debt | 4,545 | 2,632 | 73% |

Cumulative-YE21

| | | YE21 | YE20 | y/y |
|---|------------|--------|-------|------|
|  | Net Sales | 13,887 | 7,231 | 92% |
|  | EBITDA | 2,609 | 1,497 | 74% |
|  | Net Income | 1,680 | 470 | 257% |

KPIs-YE21

| | | YE21 | YE20 | y/y |
|---|------------------------|-------|-------|----------|
|  | Gross Margin | 15% | 17% | -1.6 pp |
|  | EBITDA Margin | 19% | 21% | -1.9 pp |
|  | Net Fin. Debt / EBITDA | 1.74x | 1.76x | |
|  | Net Fin. Debt / Equity | 43% | 57% | -13.7 pp |







*50% of net sales (revenues) come from power trading activities

FOREIGN OPERATIONS' CONTRIBUTION TO EBITDA AT 54%

Regional Breakdown







TL million

Quarterly- 4Q21

| | | Domestic | Foreign | Share of Foreign |
|---|-------------------|----------|---------|---|
|  | Net Sales | 4,982 | 583 | 10%  |
|  | EBITDA | 455 | 412 | 48%  |
|  | Profit Before Tax | 961 | 347 | 27%  |

TL million





Cumulative-2021

| | | Domestic | Foreign | Share of Foreign |
|---|-------------------|----------|---------|---|
|  | Net Sales | 12,114 | 1,773 | 13%  |
|  | EBITDA | 1,203 | 1,406 | 54%  |
|  | Profit Before Tax | 1,350 | 1,050 | 44%  |

Note: Foreign operations include Africa operations. Northern Cyprus and energy trade operations at Iraq & Georgia are included in domestic operations

FX BASED PRICE TARIFFS IN AFRICA AND NORTHERN CYPRUS SUPPORTIVE OF OPERATIONS

Regional Breakdown

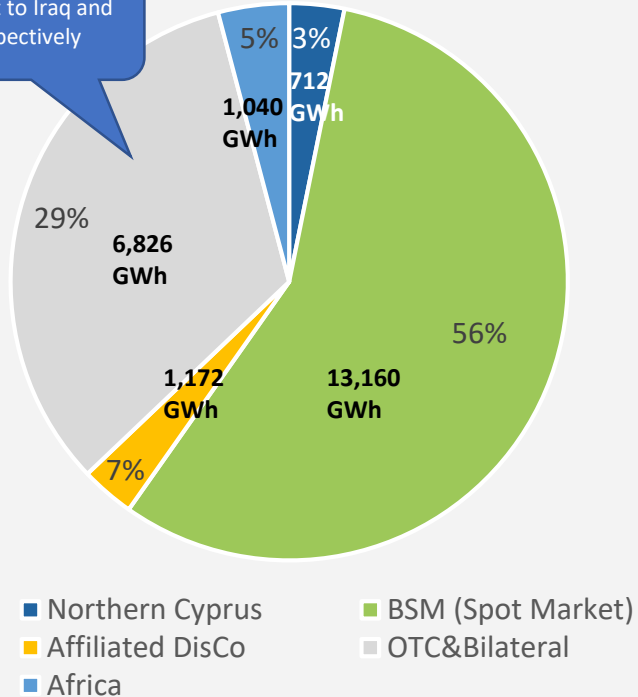
| | | Domestic | Foreign | Total | |
|------------------|--|----------------------|---------|-------|--------|
| Quarterly- 4Q21 |  | Sales Volume (GWh) | 6,243 | 343 | 6,586 |
| |  | Sales Price (TL/MWh) | 848 | 1,840 | 899 |
| | | Domestic | Foreign | Total | |
| Cumulative- 2021 |  | Sales Volume (GWh) | 20,812 | 1,040 | 21,852 |
| |  | Sales Price (TL/MWh) | 593 | 1,832 | 652 |

Note: Company internal data. Excludes intercompany eliminations applied in CMB financials. Sales volume data based on «net sales»
Foreign operations include Africa operations. Northern Cyprus is included in domestic operations

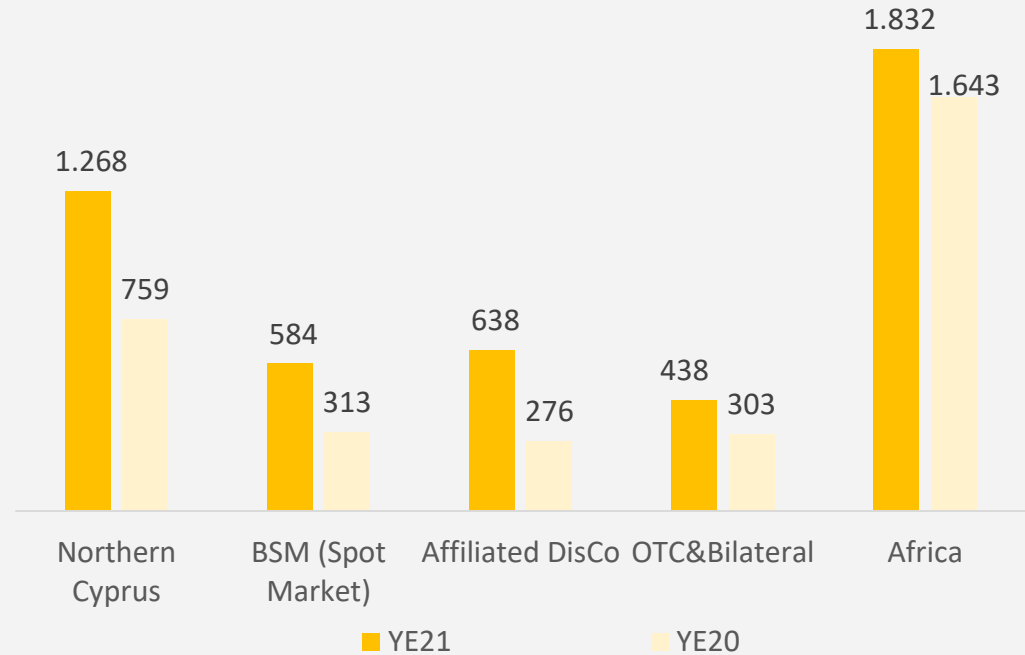
Sales Channel Breakdown

Sales Volume by Channel (YE21)

Includes 640 GWh & 103 GWh export to Iraq and Georgia respectively



Sales Price by Channel (TL/MWh)



Note: Company internal data. Excludes intercompany eliminations applied in CMB financials. Sales volume data based on «net sales»

Bolu PP Key Highlights

Energy Source: Lignite Coal

Installed Capacity: 270 MW

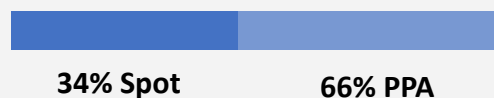
Generation (Gross): 2,120 GWh (YE21)

CUR: 90% (YE21)

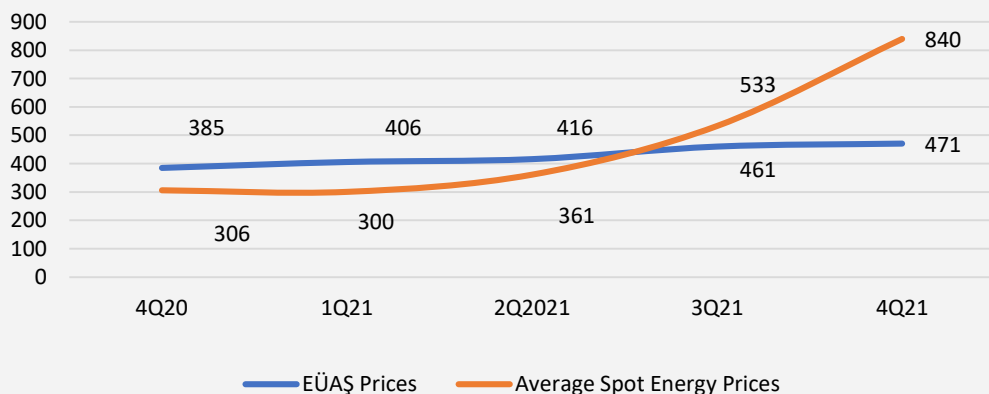
Capacity Payment: 65 MM TL (YE21)

EÜAŞ Lignite PPA Price: 471 TL/MWh (4Q21)

Sales Composition:



EÜAŞ vs Spot Electricity Prices (TL/MWh)



Source: EPIAŞ for average spot prices

Bolu Goynuk Thermal Power Plant



- **Bolu PP sold 66% of its generation to EÜAŞ (state-run power generator) during 2021 via formula based price scheme dependant on quarterly changes in inflation and USD/TL**
- **On top of that, Bolu PP also enjoys 3% additional incentive thanks to compliance with environmental legislation**
- **On 24 September 2020, Bolu PP acquired COVID-19 Safe Production Certificate**
- **Contract with EÜAŞ expired in Dec'21**

Antalya PP Key Highlights

Energy Source: Natural Gas

Installed Capacity: 900 MW

Generation (Gross): 4,899 GWh (YE21)

Capacity Payment: 82 MM TL (YE21)

CUR: 68% (YE21)

Adjusted CUR (*): 83% (YE21)

**Ali Metin Kazancı Antalya
Natural Gas Combined Cycle
Power Plant**



- **Base load power plant with high efficiency ratio of 59%**
- 86% of electricity generated sold in spot market, remaining 14% via bilateral contracts
- 82 MM TL capacity payment received in YE21
- During 2021, 88% of gas supplied from BOTAŞ vs 12% from private sector ensuring optimisation

(*) 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): 164 GWh (YE21)

CUR: 35% (YE21)



- Şanlıurfa Power Plant resumed its operations from Aug'21 onwards driven by favorable market conditions
- 99% of electricity generated sold in spot market, remaining 1% via bilateral contracts
- During 2021, 100% of gas was supplied from BOTAŞ
- **High level of flexibility which enables the most effective utilization of secondary frequency capacity reserve market**

Northern Cyprus PP Key Highlights

Energy Source: Fuel Oil

Installed Capacity: 153 MW

Generation: 724 GWh (YE21)

CUR: 54% (YE21)

PPA Price: 1,268 TL/MWh (YE21)

Contract Expiry: 2024 (+3 year extension option)

Northern Cyprus Kalecik
Heavy Fuel Oil Power Plant



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

Overseas Operations Key Highlights



Ghana Heavy Fuel Oil Power Plant

- Ghana PP benefits from USD based guaranteed capacity charge for 332 MW out of 370 MW installed capacity
- 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) still ongoing

- Mali PP benefits from EUR based guaranteed capacity charge for 50 MW out of 60 MW installed capacity
- 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



Mali Heavy Fuel Oil Power Plant

- Madagascar PP benefits from USD based guaranteed capacity charge for 60 MW out of 66 MW installed capacity
- 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



Madagascar Heavy Fuel Oil Power Plant

Uzbekistan Project - 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. Tashkent A started gradual commercial operation in mid Jan'22.
- 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. Bukhara started gradual commercial operation in mid Jan'22. 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
- Power Plant Equipments to be relocated from existing power plants where possible
 - ✓ Low CAPEX
 - ✓ Use of idle equipment to increase revenues and overall production
- Natural gas to be provided by Uztransgaz, the natural gas supply company of Uzbekistan
 - ✓ Lower commercial risk
 - ✓ No need for cash or bank line for procurement
 - ✓ No logistic need for transportation of natural gas; no need for storage



Congo Project - Key Highlights

- On 21 January 2021, Aksa Enerji Üretim A.Ş.'s 100% subsidiary Akxa 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 1H22
- 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



Consolidated Summary Income Statement

| | 2021 | 2020 | y/y |
|---|----------|---------|-------|
| MM TL | | | |
| Net sales | 13,887 | 7,231 | 92% |
| Cost of sales | (11,809) | (6,033) | 96% |
| Gross Profit | 2,079 | 1,198 | 74% |
| General & administrative costs | (165) | (117) | 40% |
| Marketing expenses | (8) | (10) | -11% |
| Other operating income | 226 | 14 | 1507% |
| Other operating expenses | (73) | (42) | 73% |
| Operating Income | 2,059 | 1,042 | 98% |
| Expected revaluation losses | (18) | (11) | 67% |
| Income from investment activities | 2 | - | n.m. |
| Financing income | 987 | 357 | 177% |
| Financing expense | (630) | (682) | -8% |
| Earnings Before Income Tax | 2,400 | 707 | 240% |
| Tax | (565) | (149) | 280% |
| Net Income after minority interest | 1,680 | 470 | 257% |

Consolidated Summary Balance Sheet

| | 2021 | 2020 | ytd |
|---|---------------|--------------|-------------|
| MM TL | | | |
| Cash and cash equivalents | 525 | 314 | 67% |
| Trade receivables | 5,328 | 2,706 | 97% |
| Inventories | 225 | 138 | 63% |
| Total Current Assets | 7,129 | 3,464 | 106% |
| PP&E | 13,038 | 5,655 | 131% |
| Intangibles | 222 | 116 | 92% |
| Total Non-current Assets | 13,520 | 6,039 | 124% |
| Total Assets | 20,650 | 9,503 | 117% |
| Total Current Liabilities | 6,272 | 3,298 | 90% |
| Total Non-current Liabilities | 3,793 | 1,580 | 140% |
| Paid in capital | 1,226 | 613 | 100% |
| Shareholder's equity | 10,584 | 4,625 | 129% |
| Total Liabilities and Shareholder's Equity | 20,650 | 9,503 | 117% |

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