

Questions and Answers

1) Question: First of all, I would like to congratulate you all for the successful year 2022. You have been a stock that has made many of your investors earn. However, it is not possible to say the same for this year. I believe the Company is laggard in taking actions regarding your stock performance and the buyback decision. It would be beneficial to make a bonus issue to boost the stock price. The 3.5 billion TL left in the reserves should be given as bonus issue.

Answer: Bonus issuance was realized 2 years ago. In accordance with the CMB regulation, the profit for the relevant year can be used for dividend distribution or bonus issuance. The mentioned figure is the consolidated figure and we have distributed almost all of the distributable profit. After the dividend distribution in 2023, there is no remaining profit that can be used for bonus issuance. This means that as Aksa Energy, we will not be able to make a bonus issuance.

Our negotiations regarding the buy-back decision started during the earthquakes in February, and in this period, we prioritized announcing our new investments. After screening the developments, it was decided that the Buy-Back Programme was necessary and we announced it to the public.

2) Question: Will an Investor Relations Officer be hired? I recommend that conference calls should be in Turkish or English depending on the participants.

Answer: Currently, our CFO Cevdet Yalçın and other officials are responding to shareholders' questions. Approximately 150 candidates were interviewed for the Investor Relations Officer role, we are looking for the best candidate. We will find the most suitable candidate for Aksa Energy.

Before starting conference calls, we ask whether it's convenient to run the call in Turkish. After the feedback, we can run conference calls accordingly. We also publish our earnings releases in Turkish and English.

3) Question: Will there be new business relationships for 2023?

Answer: Our investments are progressing rapidly in 2023. We recently announced our hybrid Solar Power Plant investment in Bolu Göynük. We are working on the second 25 MW of our 50 MW power plant under construction in Congo. In Turkey, following our applications to EMRA for renewable energy with storage, we have received our first license approvals for a total installed capacity of 182.4 MW.

We want to continue our power and heat plant projects in Odessa and Izmail cities in Ukraine after the war, as we did in Kyzylorda. In addition, as we have recently announced in Ghana, we want to start the construction of a 350 MW natural gas power plant in Kumasi. Our Kumasi agreement is in US Dollars for 20 years period. Our negotiations similar to our previous investments in Uzbekistan and Kazakhstan are ongoing. We also aim to expand our presence in new countries. We continue to develop projects in America and Europe.

4) Question: Why are there no female members on your Board of Directors?

Answer: There was a female member on our Board of Directors until July 2022. Currently, we have revised the article in our Articles of Association regarding the number of board members to allow a female board member. We reappointed Tülay Kazancı to the Board of Directors as a female board

member. Our Company plans to work towards increasing the number of female members on the Board of Directors in the upcoming period.

5) Question: Electricity prices have fallen considerably recently. What is the impact of this situation on Aksa Energy?

Answer: Following the energy crisis in Europe, electricity prices began to stabilize in September. As a result, there has been a decrease in electricity prices both in Europe and Turkey. In Turkey, despite the increase in exchange rates, natural gas prices were reduced in TL. We observe that this discount trend stopped with the BOTAŞ prices announced in May. When you look at our power plant revenues, there is no corresponding decrease due to the electricity discounts. We did not benefit from the high electricity prices that occurred before due to Maximum Settlement Price (AUF) system. Since the ancillary services market is not subject to a ceiling price, we do not experience a similar decline.

6) Question: Could you provide information about Aksa Energy's 2030 vision? CEO Mr Cemil Kazancı mentioned the target of 1000 MW growth every year. Will you be able to achieve this?

Answer: We plan to launch our 2030 Strategy in the near future. We want Aksa Energy to become a more global power producer. Our target is to triple the size of our company in terms of installed capacity and market capitalization by 2030. As stated by Mr Cemil Kazancı, with a growth of 1000 MW every year until 2030, our company will have tripled its installed capacity by 2030. We aim for at least 50 per cent of the new installed capacity to be based on renewable energy. We aim for sustainable growth via entering new geographical regions and new technologies.

7) Question: Why was the buyback decision announced late?

Answer: The buyback plan was announced late, but it was necessary to position it apart from the general equity market. There is no intervention in the market and everyone is kept at an equal distance. We provide training to market participants. We hold individual investor meetings and analysis meetings. In our public disclosures, projects that are not considered responsible are reported, it is stated that we have always been a growth-oriented company and that we are moving forward with sustainability investments.

8) Question: Why were the revenues from Africa low in the last quarter of 2022?

Answer: In the last quarter, we signed a contract to extend the existing PPA for 15 years based on USD. As a result of this contract, there was a discount in guaranteed capacity payments. In addition to this, there was also an impact from the exchange rate changes in Ghana and Turkey. These two factors led to a decrease in Africa's revenue. In addition, we continue our commercial activities in 9 units that are part of the dual fuel conversion project. We continue our negotiations regarding the natural gas conversion of the remaining 13 units. As our gas conversion increases, we have the option to increase our guaranteed take or pay volume and capacity utilization.

9) Question: Is the new investment in the Kumasi project in Ghana similar to your previous project in Ghana? What are your expectations for this power plant? Will new machinery be used in Kumasi power plant?

Answer: Aksa Energy is the only company to have signed a new agreement in Ghana recently and the details are confidential. Regarding our agreement, we can say that it is a profitable agreement. There is no requirement for new machinery during the power plant construction process. In line with our contract, we evaluate second-hand machinery with low depreciation.

10) Question: When will the construction of your renewable energy investment with storage start and what is the amortization period?

Answer: We have already received the preliminary licenses for 182.4 MW of renewable energy with storage, and we are in the licensing process. We have started to work on technical and administrative permits for our investment. The dollar-based ceiling price for renewable energy in Yekdem has recently been announced. We can say that it will be more easier to provide financing for such projects. The start period of the investment and investment returns may vary. Storage costs are decreasing day by day, and the demand for renewable energy has recently increased. The final picture will likely become clearer with the realization of our 2030 Strategy in the following days.

11) Question: Will Renewable Energy affect your current sales?

Answer: It is too early to talk about the impact of Renewable Energy on our sales. We expect storage power plants to serve in a different market. In addition, new methods such as 'aggregation' for renewable energy are emerging, especially in Europe. It is not possible to talk about the effect for natural gas power plants at the moment, but the storage period for Secondary Frequency sales in the ancillary services market is at least 4 hours. The minimum required storage is currently 1 hour in the market. We don't expect these to impact our sales. We anticipate an increase in imbalance and instability in Yekdem, so more ancillary services will be needed. Our expectation is that these two power plants will support each other. It will be useful to see the emission trading system that Turkey will implement in 2026. These investments will help us to generate commercial revenue from carbon emissions.

12) Question: Will the implementation of the emission trading system impact Aksa Göynük coal power plant?

Answer: We definitely expect an impact, but we also expect an increase in electricity prices due to this system. We expect the prices generated by this system to increase at the same rate as current prices.

13) Question: Investors and analysts expect a continuous decline in electricity prices. Will you be able to reach your targets in line with this expectation?

Answer: Our revenue sources will not only be based on electricity production with renewable energy, but we also plan to have other factors like carbon emission revenues that will affect our growth. We plan to provide detailed information in our 2030 Strategy Report.

14) In Kazakhstan, you constantly emphasize ‘the first step’. What is the meaning of this?

Answer: There is a significant demand for Aksa Energy in Kazakhstan. Aksa Energy is building the first private power plant in Kazakhstan. It is a unique project. Previously, power plants were built using outdated technology by the state. Our technology has attracted attention, and consequently the demand for Aksa Enerji has increased. We emphasize it because we find the potential to be quite high in Kazakhstan.