

# ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

### Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Unaudited 31 March 2022	Audited 31 December 2021
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	1.153.939	1.171.070
Financial investments	333.104	298.976
Trade receivables	3.810.508	2.846.527
- Trade receivables from related parties	346.553	182.302
- Trade receivables from third parties	3.463.955	2.664.225
Other receivables	2.493.300	944.050
- Other receivables from related parties	2.450.828	911.429
- Other receivables from third parties	42.472	32.621
Receivables from service concession arrangements	776.193	694.125
Derivative financial assets	71.819	57.115
Inventories	352.767	239.030
Prepaid expenses	75.304	46.319
- Prepaid expenses to third parties	75.304	46.319
Current tax assets	9.767	9.532
Other current assets	202.216	164.562
- Other current assets from third parties	202.216	164.562
<b>Total current assets</b>	<b>9.278.917</b>	<b>6.471.306</b>
<b>Non-current assets:</b>		
Financial investments	246	246
- Other financial investments	246	246
Trade receivables	58.467	51.481
- Trade receivables from third parties	58.467	51.481
Other receivables	4.225.924	3.227.990
- Other receivables from related parties	4.052.670	3.074.954
- Other receivables from third parties	173.254	153.036
Contract assets	38.631	19.377
- Other contract assets	38.631	19.377
Receivables from service concession arrangements	3.985.815	3.331.766
Equity accounted investees	1.343.253	1.181.148
Property, plant and equipment	18.752.644	18.787.818
Right of use assets	154.350	162.309
Intangible assets	1.481.244	1.501.186
Derivative financial assets	19.998	-
Prepaid expenses	8.691	8.975
- Prepaid expenses to third parties	8.691	8.975
Deferred tax assets	737.855	671.747
Other non-current assets	10.515	11.069
- Other non-current assets from third parties	10.515	11.069
<b>Total non-current assets</b>	<b>30.817.633</b>	<b>28.955.112</b>
<b>Total assets</b>	<b>40.096.550</b>	<b>35.426.418</b>

**ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES****INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022****Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Unaudited 31 March 2022	Audited 31 December 2021
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Short-term borrowings	2.532.892	1.270.673
Short-term borrowings from related parties	14.157	35.551
- <i>Other short-term borrowings</i>	14.157	35.551
Short-term borrowings from third parties	2.518.735	1.235.122
- <i>Bank borrowings</i>	2.027.537	905.107
- <i>Issued debt instruments</i>	304.688	164.037
- <i>Other short-term borrowings</i>	186.510	165.978
Short-term portion of long-term borrowings	5.494.253	4.334.885
Short-term portion of long-term borrowings from third parties	5.494.253	4.334.885
- <i>Bank borrowings</i>	4.197.404	3.277.643
- <i>Issued debt instruments</i>	1.245.184	1.006.354
- <i>Lease liabilities</i>	51.665	50.888
Trade payables	3.346.455	2.189.914
- <i>Trade payables to related parties</i>	85.788	80.775
- <i>Trade payables to third parties</i>	3.260.667	2.109.139
Payables related to employee benefits	40.213	18.272
Other payables	1.623.654	1.235.798
- <i>Other payables to related parties</i>	9.028	7.769
- <i>Other payables to third parties</i>	1.614.626	1.228.029
Derivative financial liabilities	-	109.531
Deferred revenue	115.767	144.220
- <i>Deferred revenue from third parties</i>	115.767	144.220
Current tax liabilities	22.802	5.758
Short-term provisions	20.431	15.540
- <i>Other short-term provisions</i>	20.431	15.540
Other current liabilities	181.455	177.170
- <i>Other current liabilities to third parties</i>	181.455	177.170
<b>Total current liabilities</b>	<b>13.377.922</b>	<b>9.501.761</b>
Long-term borrowings	19.458.425	18.174.197
Long-term borrowings from third parties	19.458.425	18.174.197
- <i>Bank borrowings</i>	15.311.833	14.337.735
- <i>Lease liabilities</i>	147.073	155.841
- <i>Issued debt instruments</i>	3.999.519	3.680.621
Other payables	7.076	6.365
- <i>Other payables to related parties</i>	7.076	6.365
Derivative financial liabilities	-	162.574
Long-term provisions	88.100	68.296
- <i>Long-term provisions for employee benefits</i>	88.100	68.296
Deferred tax liabilities	1.325.000	1.331.332
<b>Total non-current liabilities</b>	<b>20.878.601</b>	<b>19.742.764</b>
<b>Total liabilities</b>	<b>34.256.523</b>	<b>29.244.525</b>

# ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

### Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated.)

	Unaudited 31 March 2022	Audited 31 December 2021
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>	<b>5.981.807</b>	<b>6.310.459</b>
Paid-in capital	2.500.000	2.500.000
Adjustment to share capital	102.575	102.575
Share premium	1.448	1.448
Effects of business combinations under common control	(391.175)	(391.175)
Other comprehensive income (loss) not to be reclassified in profit or loss	10.790.314	10.976.242
- Gains (losses) on revaluation and remeasurement	10.790.314	10.976.242
<i>Increases on revaluation of property, plant and equipment</i>	<i>10.819.386</i>	<i>10.994.165</i>
<i>Actuarial gains/ (losses)</i>	<i>(29.072)</i>	<i>(17.923)</i>
Other comprehensive income (loss) to be reclassified in profit or loss	(6.579.987)	(6.176.094)
- <i>Currency translation adjustment</i>	<i>1.592.674</i>	<i>1.374.130</i>
- <i>Losses on hedging transactions</i>		
<i>Losses on cash flow hedges</i>	<i>(8.172.661)</i>	<i>(7.550.224)</i>
Restricted reserves appropriated from profits	7.931	7.931
- <i>Legal reserves</i>	<i>7.931</i>	<i>7.931</i>
Accumulated losses	(535.689)	(624.021)
Current year profit or loss	86.390	(86.447)
Non-controlling interests	(141.780)	(128.566)
<b>Total equity</b>	<b>5.840.027</b>	<b>6.181.893</b>
<b>Total liabilities and equity</b>	<b>40.096.550</b>	<b>35.426.418</b>

**ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES****INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022****Convenience Translation of Consolidated Financial Statements Originally Issued in  
Turkish**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Unaudited 1 January - 31 March 2022	Unaudited 1 January - 31 March 2021
<b>PROFIT (LOSS)</b>		
Revenue	5.961.590	2.407.147
Cost of sales (-)	(5.028.072)	(2.028.323)
<b>Gross profit</b>	<b>933.518</b>	<b>378.824</b>
General and administrative expenses (-)	(124.481)	(79.559)
Marketing expenses (-)	(18.416)	(9.883)
Other income from operating activities	1.132.238	254.140
Other expenses from operating activities (-)	(479.099)	(112.837)
<b>Profit from operating activities</b>	<b>1.443.760</b>	<b>430.685</b>
Income from investment activities	-	976
Share of gain on equity accounted investees	27.297	22.430
<b>PROFIT BEFORE FINANCE INCOME (EXPENSE)</b>	<b>1.471.057</b>	<b>454.091</b>
Finance income	1.164.523	472.992
Finance expense (-)	(2.434.961)	(968.123)
<b>PROFIT / (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX</b>	<b>200.619</b>	<b>(41.040)</b>
Tax (expense) income from continuing operations	(127.443)	6.605
- Current year tax expense	(41.487)	(13.996)
- Deferred tax income	(85.956)	20.601
<b>PROFIT / (LOSS) FROM CONTINUING OPERATIONS</b>	<b>73.176</b>	<b>(34.435)</b>
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>73.176</b>	<b>(34.435)</b>
<b>Profit / (loss) attributable to:</b>		
Non-controlling interests	(13.214)	(13.013)
Equity holders of the Parent	86.390	(21.422)
<b>Income/ (loss) per share (TL)</b>		
- Income (loss) per share from continuing operations	0,035	(0,011)

# ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022

### Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated.)

	Unaudited 1 January - 31 March 2022	Unaudited 1 January - 31 March 2021
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
<b>CURRENT PERIOD NET PROFIT (LOSS)</b>	<b>73.176</b>	<b>(34.435)</b>
<b>Other comprehensive income not to be reclassified to profit or loss</b>	<b>(11.149)</b>	<b>(1.673)</b>
- Actuarial losses	(13.936)	(2.091)
<b>Taxes relating to components of other comprehensive income not to be reclassified to profit or loss</b>	<b>2.787</b>	<b>418</b>
- Taxes relating to actuarial losses	2.787	418
<b>Other comprehensive income to be reclassified to profit or loss</b>	<b>(403.893)</b>	<b>(448.808)</b>
- Currency translation adjustment	218.544	163.705
<i>Gains (losses) on currency translation adjustment</i>	<i>218.544</i>	<i>163.705</i>
- Other comprehensive income (loss) relating to cash flow hedges	(778.046)	(765.641)
<b>Taxes relating to components of other comprehensive income to be reclassified to profit or loss</b>	<b>155.609</b>	<b>153.128</b>
- Taxes relating to cash flow hedges	155.609	153.128
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>	<b>(415.042)</b>	<b>(450.481)</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(341.866)</b>	<b>(484.916)</b>
<b>Total comprehensive income attributable to</b>		
Non-controlling interests	(13.214)	(13.013)
Equity holders of the Parent	(328.652)	(471.903)

# ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022

### Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

				Items not to be reclassified to profit or loss		Items to be reclassified to profit or loss								
	Paid-in Capital	Adjustment to Share Capital	Share Premium	Revaluation of Property, Plant and Equipment	Actuarial Gains/ (Losses)	Currency Translation Adjustment	Hedge Reserves	Legal Reserves	Accumulated Losses	Effect of Business Combinations under Common Control	Net Profit or Loss	Equity Holders of the Parent	Non- Controlling Interest	Equity
<b>Previous period</b>														
<b>1 January-31 March 2021</b>														
<b>opening balances</b>	<b>2.000.000</b>	<b>102.575</b>	<b>916</b>	<b>4.900.479</b>	<b>(11.534)</b>	<b>590.369</b>	<b>(3.858.376)</b>	<b>7.931</b>	<b>(969.887)</b>	<b>(391.175)</b>	<b>73.851</b>	<b>2.445.149</b>	<b>(147.929)</b>	<b>2.297.220</b>
Effects of business combinations under common control	-	-	-	-	-	-	-	-	-	-	-	-	36.750	36.750
Transfers	-	-	-	(35.470)	(418)	-	(20.346)	-	130.085	-	(73.851)	-	-	-
Total comprehensive income (loss)	-	-	-	-	(1.673)	163.705	(612.513)	-	-	-	(21.422)	(471.903)	(13.013)	(484.916)
- Profit (loss) of the period	-	-	-	-	-	-	-	-	-	-	(21.422)	(21.422)	(13.013)	(34.435)
- Other comprehensive income (loss)	-	-	-	-	(1.673)	163.705	(612.513)	-	-	-	-	(450.481)	-	(450.481)
<b>Ending balances</b>	<b>2.000.000</b>	<b>102.575</b>	<b>916</b>	<b>4.865.009</b>	<b>(13.625)</b>	<b>754.074</b>	<b>(4.491.235)</b>	<b>7.931</b>	<b>(839.802)</b>	<b>(391.175)</b>	<b>(21.422)</b>	<b>1.973.246</b>	<b>(124.192)</b>	<b>1.849.054</b>
<b>Current period</b>														
<b>1 January – 31 March 2022</b>														
<b>Opening balances</b>	<b>2.500.000</b>	<b>102.575</b>	<b>1.448</b>	<b>10.994.165</b>	<b>(17.923)</b>	<b>1.374.130</b>	<b>(7.550.224)</b>	<b>7.931</b>	<b>(624.021)</b>	<b>(391.175)</b>	<b>(86.447)</b>	<b>6.310.459</b>	<b>(128.566)</b>	<b>6.181.893</b>
Transfers	-	-	-	(174.779)	-	-	-	-	88.332	-	86.447	-	-	-
Total comprehensive income (loss)	-	-	-	-	(11.149)	218.544	(622.437)	-	-	-	86.390	(328.652)	(13.214)	(341.866)
- Profit (loss) of the period	-	-	-	-	-	-	-	-	-	-	86.390	86.390	(13.214)	73.176
- Other comprehensive income (loss)	-	-	-	-	(11.149)	218.544	(622.437)	-	-	-	-	(415.042)	-	(415.042)
<b>Ending balances</b>	<b>2.500.000</b>	<b>102.575</b>	<b>1.448</b>	<b>10.819.386</b>	<b>(29.072)</b>	<b>1.592.674</b>	<b>(8.172.661)</b>	<b>7.931</b>	<b>(535.689)</b>	<b>(391.175)</b>	<b>86.390</b>	<b>5.981.807</b>	<b>(141.780)</b>	<b>5.840.027</b>

# ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022

### Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Unaudited 1 January- 31 March 2022	Unaudited 1 January- 31 March 2021
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(285.120)</b>	<b>369.858</b>
Profit (loss)	73.176	(34.435)
- Profit (loss) from continuing operations	73.176	(34.435)
<b>Adjustments to reconcile profit (loss)</b>	<b>1.191.082</b>	<b>635.929</b>
Adjustments for depreciation and amortisation expense	313.687	169.423
Adjustments for provisions	8.363	699
- Adjustments for provisions relating with employee benefits	3.472	1.957
- Adjustments for (reversal of) other provisions	4.891	(1.258)
Adjustments for interest (income) expenses	638.014	320.568
- Adjustments for interest income	(172.343)	(102.030)
- Adjustments for interest expense	810.357	422.598
Adjustments for unrealised foreign exchange losses	835.225	252.024
Adjustments for fair value losses (gains)	(158.107)	(31.460)
- Adjustments for fair value (gains) losses on derivative financial instruments	(158.107)	(31.460)
Adjustments for undistributed profits of investments accounted for using equity method	(27.297)	(22.430)
- Adjustments for undistributed profits of associates	(27.297)	(22.430)
Adjustments for tax (income) expenses	127.443	(6.605)
Adjustments for losses (gains) on disposal of non-current assets	-	(976)
- Adjustments for losses (gains) on disposal of tangible assets	-	(976)
Other adjustments to reconcile profit (loss)	(546.246)	(45.314)
<b>Changes in working capital</b>	<b>(1.523.269)</b>	<b>(186.449)</b>
Adjustments for decrease (increase) in trade receivable	(939.706)	(134.171)
- Decrease (increase) in trade receivables from related parties	(163.343)	(31.999)
- Decrease (increase) in trade receivables from third parties	(776.363)	(102.172)
Adjustments for decrease (increase) in other receivables related with operations	(1.711.502)	70.046
- Decrease (increase) in other related party receivables relating with operations	(1.702.419)	77.516
- Decrease (increase) in other third party receivables relating with operations	(9.083)	(7.470)
Decrease (increase) in receivable from service concession agreements	182.172	87.877
Adjustments for decrease (increase) in inventories	(113.737)	(42.909)
Adjustments for increase (decrease) in trade payables	1.100.399	(179.603)
- Increase (decrease) in trade payables to related parties	4.667	10.858
- Increase (decrease) in trade payables to third parties	1.095.732	(190.461)
Adjustments for increase (decrease) in other payables	46.387	17.236
- Increase (decrease) in other payables to third parties	46.387	17.236
Other adjustments for other increase (decrease) in working capital	(68.028)	(5.933)
- Decrease (increase) in other assets relating with operations	(65.801)	(33.170)
- Increase (decrease) in other liabilities relating with operations	(2.227)	27.237
Adjustments for decrease (increase) in contract assets	(19.254)	1.008
- Decrease (increase) in other contract assets	(19.254)	1.008

**ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES****INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022****Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated.)

	Unaudited 1 January- 31 March 2022	Unaudited 1 January- 31 March 2021
<b>Cash flows from operations</b>	<b>(259.011)</b>	<b>415.045</b>
Payments relating with provisions for employee benefits	(1.431)	(573)
Taxes paid	(24.678)	(44.614)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(82.511)</b>	<b>(49.361)</b>
Proceeds from sales of property, plant, equipment and intangible assets	-	3.267
- <i>Proceeds from sale of property, plant and equipment</i>	-	3.267
Purchase of property, plant, equipment and intangible assets	(82.511)	(52.628)
- <i>Purchase of property, plant and equipment</i>	(82.243)	(47.668)
- <i>Purchase of intangible assets</i>	(268)	(4.960)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>317.170</b>	<b>(538.761)</b>
Proceeds from borrowings	3.142.379	537.302
- <i>Proceeds from borrowings</i>	2.802.866	166.125
- <i>Proceeds from issuance of debt instruments</i>	339.513	371.177
Repayments of borrowings	(1.817.406)	(702.713)
- <i>Borrowing repayments</i>	(1.565.806)	(440.173)
- <i>Payments of issued debt instruments</i>	(251.600)	(262.540)
Increase in other payables to related parties	1.372	40.501
Payments of lease liabilities	(14.132)	(8.510)
Interest paid	(811.712)	(341.697)
Interest received	68.495	35.087
Other cash outflows	(251.826)	(98.731)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES</b>	<b>(50.461)</b>	<b>(218.264)</b>
Effect of exchange rate changes on cash and cash equivalents	<b>(50.034)</b>	<b>(38.062)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(100.495)</b>	<b>(256.326)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>1.161.644</b>	<b>709.909</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>1.061.149</b>	<b>453.583</b>