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SUBJECT : Financial Statements 2019 Overview – Summary of Investor Teleconference

Aksa Energy closed 2019 with successful financial results, increasing its consolidated net profit by 3x from TRY 150 million to TRY 455 million year-on-year. In 2019, the Company recorded TRY 5,579 million in revenues and TRY 1,467 million of EBITDA; and increased its EBITDA margin by 4.2 percentage points from 22.1% to 26.3% year-on-year. Hard currency denominated overseas contracts accounted for 73% of EBITDA.

The outline of “Financial Statements 2019 Overview Teleconference”, which has been held today, is presented below to our stakeholders, and the presentation in English is available at <http://www.aksainvestorrelations.com/presentations/financial-presentations/>.

The Sector

The total installed capacity of Turkey increased by 2,826 MW YoY, reaching 91,352 MW as of year-end 2019. When new and decommissioned capacities are netted off, there is a YoY increase of 727 MW in coal & lignite, 534 MW in wind, 202 MW in hydroelectric and 234 MW in natural gas capacities in 2019 whereas fuel-oil capacities decreased by 271 MW. The most notable capacity increase is seen in unlicensed power plants, as was the case in prior periods.

Electricity generation and consumption throughout the country in 2019 declined by 0.6%, compared to the previous year. The share of generation via natural gas decreased from 31% in 2018 to 19% in 2019 due to higher generation by HPPs, decreasing electricity demand, increase in natural gas prices and lower profit margins. On the other hand, the share of hydroelectric generation increased to 31% from 20% due to heavier rainfall compared to the previous year.

Hydroelectric power plants have the largest share in the installed capacity with 31%, followed by natural gas with 28%, coal with 22%, wind with 8% and others with 10%. In terms of generation by fuel type, coal ranked the highest with 38%, followed by hydro with 31%, natural gas with 19%, and wind with 7%. The remaining 4% was generated by other resources.

The natural gas tariff for electricity generation, which was TRY 1,550/thousand Sm³ in early 2019, surged to TRY 1,650/thousand Sm³ in July 2019 due to the increase in USD/TRY rates and went down to TRY 1,600/thousand Sm³ with the price cut in September, closing the year at this level. However, in 2019, the cost of natural gas increased by

34% year-on-year. The weighted average spot market energy prices, on the other hand, increased by 14% year-on-year to TRY 267.

Operations

Aksa Energy's total installed capacity is 1,946 MW.

In 2019, the revenues increased by 19.5% YoY to TRY 5,579 million thanks to the increase in spot energy prices in the Turkish market and the guaranteed sales of hard currency denominated contracts in overseas PPs.

The high profit margins of the overseas power plants with hard-currency denominated revenues continued to effect EBITDA and the net profit positively, despite the negative impact of increased natural gas prices and operating costs on the profit margins of our domestic plants. In 2019, Aksa Energy recorded TRY 1,467 million of Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and TRY 455 million of consolidated net profit.

In 2019, Aksa Energy recorded 16,511 GWh of energy sales; 14,778 GWh of which was generated by the power plants in Turkey and 1,733 GWh by the overseas PPs in Northern Cyprus, Ghana, Mali and Madagascar.

Domestic Sales

Due to the increase in natural gas prices, the Company aligns the operations of its combined-cycle power plants with the peak-price periods in the spot market, pursuing a strategy focused on profitability rather than sales volume since 2018. Thus, the decrease in the generation volume of our natural gas-fired power plants continued in 2019. On the other hand, generation by the local coal-fired Bolu Göynük Thermal Power Plant, which runs at high capacity, remained at the same level.

The increase in natural gas costs due to the increase in FX rates in the second half of 2018 caused a sharp increase in spot energy prices, leading to a positive impact on the profitability of local coal-fired Bolu Göynük Thermal Power Plant. As per the contract, the TRY-based electricity purchase price, along with the 3% incentive granted to eligible power plants, which hold the permits and completed the investments required by the respective environmental legislation, is partially pegged to US Dollar. According to the contract, the purchase price for the remaining 6 years of the 7-year power purchase guarantee stipulated by the Cabinet Decree numbered 2017/11070, was 285 TRY/MWh in 1Q2019, 298 TRY/MWh in 2Q2019, 317 TRY/MWh in 3Q2019 and 316 TRY/MWh for 4Q2019. The price of TRY 316 set for the last quarter of 2019 was 6% higher than the weighted average market clearing price of TRY 298 in 4Q2019.

Furthermore, as part of the "Regulation on the Electricity Market Capacity Mechanism" issued by the Energy Market Regulatory Authority (EPDK), EUAS makes a capacity payment within the scope of its annual budget, to the licensed power plants which meet the determined efficiency and age criteria in order to establish a sufficient installed power capacity, including the reserve capacity, for the assurance of security of supply in electricity market and/or to protect the installed reliable power capacity for the assurance of long term system security. Accordingly, in 2019, Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant were deemed eligible to benefit from the capacity mechanism and received TRY 114,425,220 of capacity payment in total.

In 2019, Aksa Energy's total electricity sales volume in Turkey increased by 10% YoY from 13.4 TWh to 14.8 TWh. Spot market sales constituted 66% of the total domestic sales, OTC and bilateral agreements 24%, and the remaining 10% was sold to the group companies.

Overseas Sales

Aksa Energy boasts four power plants in TRNC, Ghana, Madagascar and Mali. Additionally, the rehabilitation of a 24 MW power plant (CTA-2) in Madagascar was performed on behalf of the country. The electricity generated at CTA-2 Power Plant is being sold to Jirama via guaranteed sales in US Dollars for a duration of 5 years.

Despite potential negative impact of the changing energy demands, seasonality and electricity generation by renewable power plants, the contribution of the overseas power plants to Aksa Energy's profitability continues to be high, as the guaranteed purchases constitute the larger portion in Aksa Energy's sales tariffs. In 2019, our Company recorded a sales volume of 1,733 GWh in its power plants in Northern Cyprus and Africa, and 73% of EBITDA was generated in hard currency.

In 2019, sales volume of our African PPs was comparable to the previous year, rising to 1,027 GWh with a 1.6% increase from 1,011 GWh in 2018.

Developments after the Reporting Period

Suspension of Electricity Generation Operations at Sanliurfa Natural Gas Combined Cycle Power Plant

As of 25.01.2020, the electricity generation operations have been suspended at the 147-MW Sanliurfa Natural Gas Combined Cycle Power Plant as it has diminished prospects for generating electricity at competitive prices on Turkish market.

The capacity utilization rate of Sanliurfa Natural Gas Combined Cycle Power Plant was 13% in 2019.

This is a suspension of production only, not a license cancellation. Therefore, the Plant is able to resume production in a short period if/when favorable market conditions arise. With the suspension of production, nearly 90% cost reduction is expected in the plant's transmission expenses.

2020 Guidance

In 2020, despite the negative impact of market conditions on the profit margins of our domestic power plants, the high profit margins of our overseas power plants are expected to continue to positively affect EBITDA and the net profit. License cancellation of Manisa NGCC power plant in 2019 and suspension of production at Sanliurfa NGCC power plant in January this year, are expected to enable higher production efficiency and better portfolio management.

Aksa Energy expects to generate TRY 5.259 billion in revenues and TRY 1.5 billion of Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) at year-end 2020. Our African power plants are forecast to account for 72% of the projected EBITDA for 2020. In 2020, Bolu Goynuk Thermal Energy Power Plant and Ali Metin Kazancı Natural Gas Combined Cycle Power Plant remain eligible for the capacity mechanism and are expected to receive around TRY 130-138 million capacity payment in total. Domestically, spot market sales are expected to constitute nearly 63% of the total domestic sales, whereas bilateral agreements to account for around 29%, and the remaining 8% to involve primary and secondary frequency services.

Cash-based capital expenditures (CAPEX) are estimated to reach TRY 155 million in 2020. The CAPEX projection is made up of planned maintenance and rehabilitations of existing power plants, as well as investments to complete the engine conversion to dual fuel (HFO/natural gas) at Ghana HFO Power Plant. The 2020 budget does not include any overseas power plant construction CAPEX, as no new investment contracts have been signed yet. In the event of a new investment in 2020, the actual CAPEX will be higher than our current projections.

In formulating our guidance for 2020, EBITDA projections for overseas power plants are calculated based on a projected average exchange rate of 6.25 for USD and 6.64 for EUR. In the event of actual exchange rates differing from our assumptions, revenues generated by our overseas power plants and thus the total EBITDA figure will differ.

Natural Gas-Fired Electricity Generation Projects Planned in Cameroon and the Republic of Congo

Aksa Energy has signed a 12-month Memorandum of Understanding with the Ministry of Water Resources and Energy of Cameroon (MINEE) to develop a 150 MW natural gas-fired power plant in Cameroon and a non-binding term sheet with Gaz du Cameroun S.A., for natural gas supply.

Aksa Energy has also obtained a 12-month provisional license regarding two natural gas-fired projects for electricity generation and sales in the Republic of Congo.

Execution of a binding agreement as a result of these developments is subject to the parties reaching an agreement on various conditions including tariff price, financial guarantee, project development, equipment to be used, and fuel supply. Aksa Energy has no projections on the pace of the process at this stage.

Summary Information on the Developments of Overseas Contracts

Increase in fuel prices combined with liquidity issues in African countries result in distortion in regular payments due from our overseas contracts from time to time. Nevertheless, the Company's overseas collection performance in 2019 was better than planned with a collection figure of USD 345 million in total.

Negotiations are ongoing in Mali and Ghana to extend the duration of guaranteed sales agreements.

We do not foresee any developments before 2021 concerning the Government's plan to build transmission lines for the installation of 54 MW capacity as part of the second phase of our agreement in Madagascar.

Financial Statements for 31.12.2019

While Aksa Energy's revenues increased by 19.5%, the consolidated net profit increased by 203% year-on-year to TRY 455 million. This figure marks a 3x year-over-year growth in consolidated net profit in 2019.

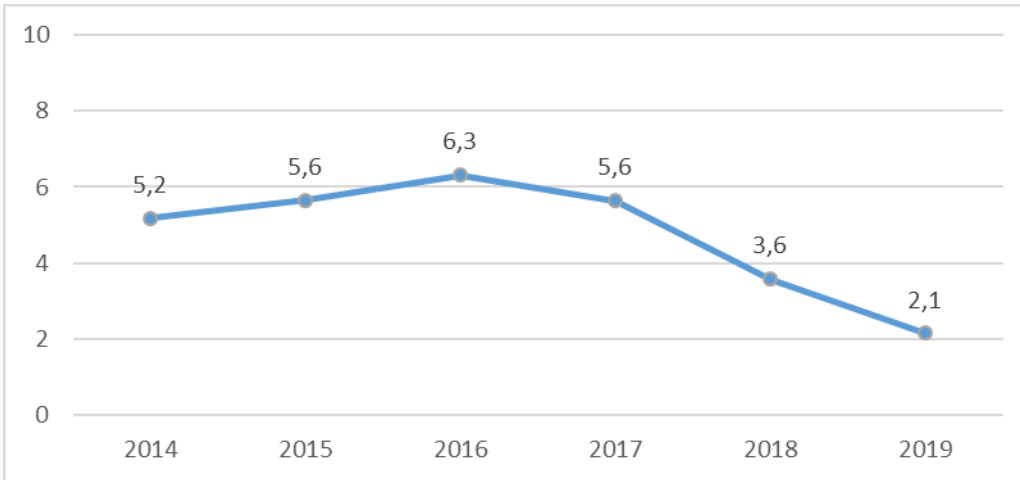
Aksa Energy's EBITDA increased to TRY 1.5 billion, up by %42 year-on-year. Furthermore, gross profit and operating profit increased by 38% and 53%, respectively. Our EBITDA margin increased from 22.1% in 2018 to 26.3% in 2019, and African power plants maintained their positive impact on our profitability. The EBITDA generated by African PPs rose from TRY 674 million in 2018 to TRY 956 million in 2019, up by %33.

In 2019, Turkey and Northern Cyprus accounted for 77% of our sales revenue, while the operations in Africa accounted for 61% of EBITDA. Moreover, since our power plant in Northern Cyprus sells electricity on a guaranteed USD-based tariff, the sales revenues of the power plants in both Northern Cyprus and Africa are realized in hard currency. Therefore, 73% of our EBITDA was USD-based while 27% was TRY-based in 2019.

The share of the main company in the TRY 455.343.289 of consolidated net profit for 2019 amounts to TRY 329.182.900 TL whereas that of non-controlling interests is 126.160.389. Since the minority shares of our Madagascar-based company were taken over in 2019, the ratio of the main company interest in the profit has been affected positively. Furthermore, the main Company's share in net profit has become more balanced as some of the rolling loans previously utilised to provide working capital matured and were renewed with new loans through our subsidiary in Ghana thanks to availability of favorable credit conditions. The Company plans to utilise loans through its subsidiaries as long as the local credit conditions are more favorable.

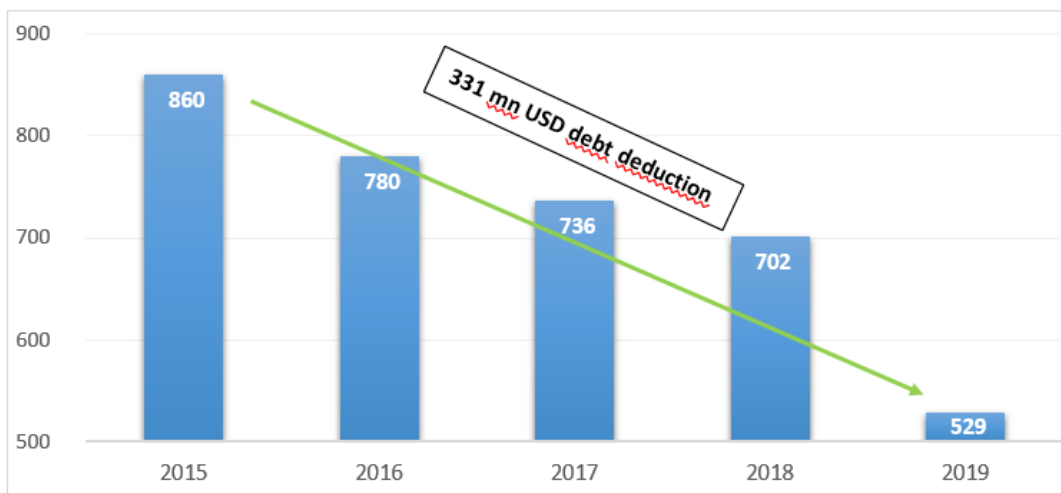
The positive development in the Net Financial Debt/EBITDA ratio continued in 2019 as well, driven by decreased FX-based liabilities through renewable asset sales in 2017 and increased FX-based EBITDA with the commissioning of African PPs as of 2018. Thus, the ratio decreased from 7.8x in 1Q2017 to 2.1x in YE2019, thanks to the strong contribution of African sales. *(The net financial debt/EBITDA graph showing the evolution is presented below.)*

NET FINANCIAL DEBT/EBITDA



Having carried a net financial debt of USD 860 million in 2015 – the year Aksa Energy signed a contract with the Government of Ghana – the Company reduced this figure by USD 124 million in YE2017 via asset sales; and further decreased it to USD 529 million by YE2019 by consistently settling its outstanding loans thanks to the positive contribution of African PPs. Thus, since the beginning of its globalization strategy, the Company has paid off USD 331 million in debt while investing in power plant projects abroad. *(The graph showing the notable decrease in net financial debt in USD terms is presented below.)*

NET FINANCIAL DEBT (USD mn)



As at YE2019, 49% of our bank loans is denominated in TRY, 48.5% in USD and 2.5% in EUR.

Respectfully announced to the public and our esteemed investors.

We declare that the above disclosures are in accordance with the principles set out in the Communiqué Serial: VIII, No: 54 of the Capital Markets Board and fully reflect the information we have received on this matter; the information is consistent with our books, records and documents; and that we have shown all the necessary efforts to obtain accurate and complete information on the subject matter and we are responsible for these statements.