

9M2020 Earnings Presentation

November 6, 2020










aksa ENERGY





STRONG FINANCIAL RESULTS IN A CHALLENGING OPERATING ENVIRONMENT...

Key Highlights – 9M20

TL million

		3Q20	3Q19	y/y
Quarterly- 3Q20	 Net Sales	1,801	1,487	21%
	 EBITDA	381	366	4%
	 Net Income	157	121	29%
	 Net Financial Debt	2,857	3,142 ⁽¹⁾	-9%

		9M20	9M19	y/y
Cumulative-9M20	 Net Sales	5,268	3,800	39%
	 EBITDA	1,089	1,103	-1%
	 Net Income	448	350	28%

		9M20	9M19	y/y
KPIs-9M20	 Gross Margin	17%	21%	-3 pp
	 EBITDA Margin	21%	29%	-8 pp
	 Net Fin. Debt / EBITDA	2.0x	2.5x	
	 Net Fin. Debt / Equity	60%	155%	-95 pp







(1) As of YE19

FOREIGN OPERATIONS' CONTRIBUTION TO EBITDA AT A HIGH 67%

Regional Breakdown






TL million

Quarterly- 3Q20

		Domestic	Foreign	Share of Foreign
	Net Sales	1,464	337	19% 
	EBITDA	133	248	65% 
	Profit Before Tax	22	164	88% 

TL million





Cumulative-9M20

		Domestic	Foreign	Share of Foreign
	Net Sales	4,203	1,065	20% 
	EBITDA	364	725	67% 
	Profit Before Tax	-17	518	

Note: Foreign operations include Africa operations only. Northern Cyprus is included in domestic operations

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

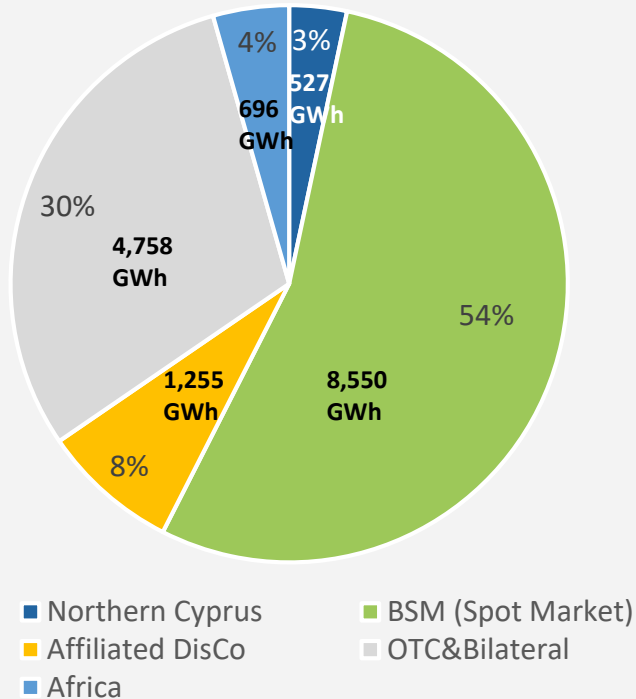
Regional Breakdown

		Domestic	Foreign	Total
Quarterly- 3Q20	 Sales Volume (GWh)	4,919	187	5,106
	 Sales Price (TL/MWh)	340	1,891	397
Cumulative-9M20	 Sales Volume (GWh)	15,090	696	15,786
	 Sales Price (TL/MWh)	316	1,616	373

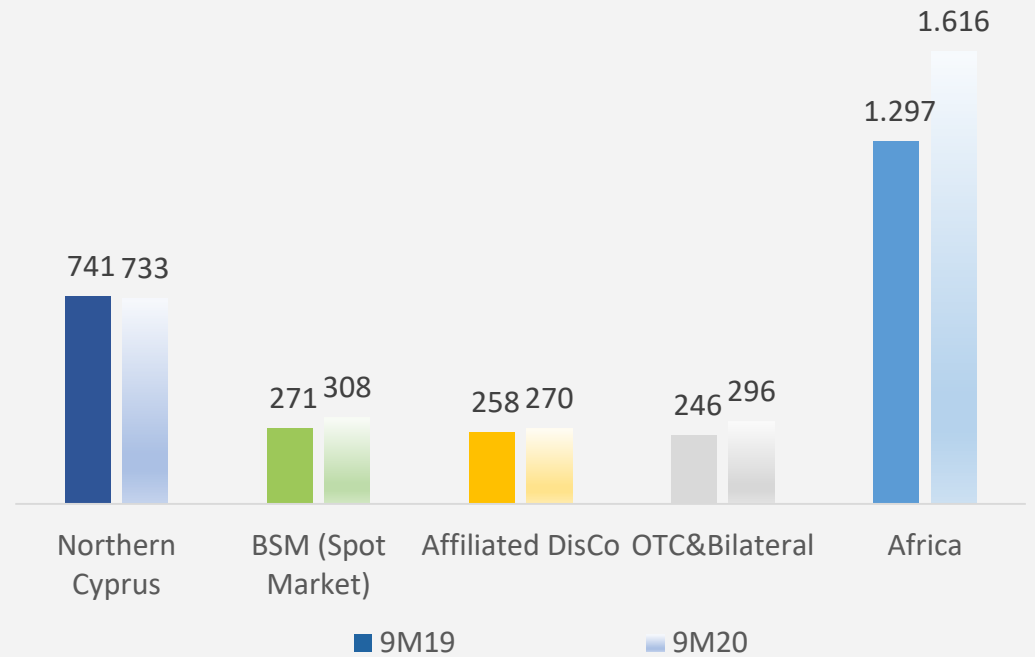
Note: Company internal data. Excludes intercompany eliminations applied in CMB financials

Sales Channel Breakdown

Sales Volume by Channel (9M20)



Sales Price by Channel (TL/MWh)



Bolu PP Key Highlights

Energy Source: Lignite Coal

Installed Capacity: 270 MW

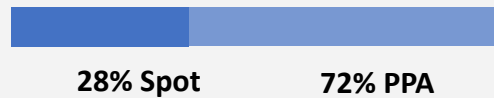
Generation: 1,413 GWh (9M20)

CUR: 80% (9M20)

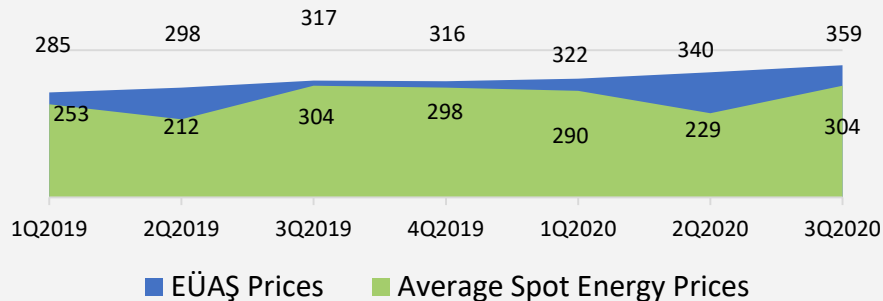
Capacity Payment: 44 MM TL (9M20)

EÜAŞ Lignite PPA Price: 359 TL/MWh (3Q20)

Sales Composition:



EÜAŞ vs Spot Electricity Prices (TL/MWh)



Source: EPIAŞ for average spot prices



- Bolu PP sold 72% of its generation to EÜAŞ (state-run power generator) 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
- 4Q20 EÜAŞ price announced as 385 TL /MWh

Antalya PP Key Highlights

Energy Source: Natural Gas

Installed Capacity: 900 MW

Generation: 1,980 GWh (9M20)

Capacity Payment: 56 MM TL (9M20)

CUR: 37% (9M20)

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



- Base load power plant with high efficiency ratio of 59%
- Power generation more than 10 x of 2Q20 generation during 3Q20
- 56 MM TL capacity payment received in 9M20
- 75% of gas supplied from BOTAŞ vs 25% from private sector ensuring optimisation

Şanlıurfa PP Key Highlights

Energy Source: Natural Gas

Installed Capacity: 147 MW

Generation: 96 GWh

CUR: 11%



- Şanlıurfa PP operations were suspended in Aug'20 due to high transmission costs
- 90% of transmission cost saving was achieved

Northern Cyprus PP Key Highlights

Energy Source: Fuel Oil

Installed Capacity: 153 MW

Generation: 527 GWh

CUR: 52%

PPA Price: 733 TL/MWh (9M20)

Contract Expiry: 2027

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. Capacity Utilization expected to increase in Nov'20 as wet season is about to end
- Ghana engine conversion to dual fuel (heavy fuel oil/natural gas) expected to be completed in 2021

- Mali PP benefits from EUR based guaranteed capacity charge for 30 MW out of 40 MW installed capacity
- Contract with Mali government expected to be renewed in Nov'20



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

Consolidated Summary Income Statement

	9M2019	9M2020	y/y
MM TL			
Net sales	3,800	5,268	39%
Cost of sales	(2,996)	(4,383)	46%
Gross Profit	804	885	10%
General & administrative costs	(75)	(84)	12%
Marketing expenses	(1)	(4)	n.m.
Other operating income	28	6	-78%
Other operating expenses	(8)	(36)	n.m.
Operating Income	748	769	3%
Expected revaluation losses	(3)	(21)	n.m.
Financing income	301	363	21%
Financing expense	(663)	(610)	-8%
Earnings Before Income Tax	384	510	31%
Tax	(34)	(53)	56%
Net Income	350	448	28%
Net income after minority interest	(174)	355	104%

Consolidated Summary Balance Sheet

	2019	9M2020	ytd
MM TL			
Cash and cash equivalents	122	307	153%
Trade receivables	1,933	2,770	43%
Inventories	284	131	-54%
Total Current Assets	2,684	3,488	30%
PP&E	5,499	5,846	6%
Intangibles	99	122	23%
Total Non-current Assets	5,817	6,123	5%
Total Assets	8,501	9,612	13%
Total Current Liabilities	2,944	3,313	13%
Total Non-current Liabilities	1,738	1,525	-12%
Paid in capital	613	613	0%
Shareholder's equity	3,819	4,775	25%
Total Liabilities and Shareholder's Equity	8,501	9,612	13%

Contact- Investor Relations

Pınar SAATCIOĞLU

Head of Investor Relations and Corporate Communications

pinar.saatcioglu@aksa.com.tr

+90 216 681 1053

Rüzgarlıbahçe Mh. Özalp Çıkması No:10 Kavacık / Beykoz, İstanbul

Disclaimer

Aksa Energy has prepared this presentation for the sole purpose of providing information, which contains forward-looking statements that reflect the Company management's current views with respect to certain future events. Although it is believed that the expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.

No representation or guarantee is made by Aksa Energy for the accuracy or completeness of the Information contained herein. The Information is subject to change without any notice. Neither the presentation nor the information can construe any investment advise, or an offer to buy or sell Aksa Energy shares/bonds. This presentation and/or the information cannot be copied, disclosed or distributed. Aksa Energy expressly disclaims any and all liability for any statements including any forward looking projections and statements, expressed, implied, contained herein, or for any omissions from information or any other written or oral communication transmitted or made available. Neither Aksa Energy nor any of its directors, managers, employees nor any other person shall have any liability whatsoever for any loss arising from use of this presentation.