

9M 2021 Earnings Presentation





5 November 2021






HIGHEST QUARTERLY NET INCOME ACHIEVED DRIVEN BY POSITIVE OPERATING ENVIRONMENT

Key Highlights – 9M21





TL million

		3Q21	3Q20	q/q
Quarterly- 3Q21 vs 3Q20	 Net Sales	3,559	1,801	98%
	 EBITDA	644	381	69%
	 Net Income	325	133	144%
	 Net Financial Debt	3,301	2,621 (*)	26%

Cumulative-9M21

		9M21	9M20	y/y
 Net Sales		8,323	5,268	58%
 EBITDA		1,743	1,089	60%
 Net Income		813	355	129%

KPIs-9M21

		9M21	9M20	y/y
 Gross Margin		18%	17%	+0.7 pp
 EBITDA Margin		21%	21%	+0.3 pp
 Net Fin. Debt / EBITDA		1.53x (**)	1.75x (*)	
 Net Fin. Debt / Equity		56%	57% (*)	-1.2 pp

(*) As of YE20







(**) Rolling EBITDA

FOREIGN OPERATIONS' CONTRIBUTION TO EBITDA AT 57%

Regional Breakdown







TL million

Quarterly- 3Q21

		Domestic	Foreign	Share of Foreign
	Net Sales	3,160	399	11% 
	EBITDA	299	345	54% 
	Profit Before Tax	142	270	66% 



TL million



Cumulative-9M21

		Domestic	Foreign	Share of Foreign
	Net Sales	7,132	1,191	14% 
	EBITDA	748	995	57% 
	Profit Before Tax	389	703	64% 

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

Regional Breakdown

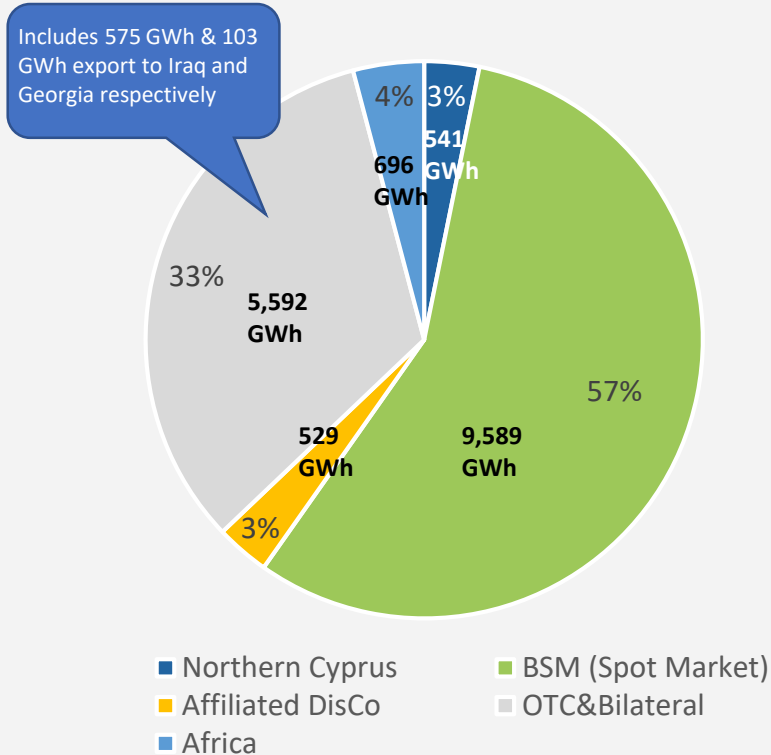
		Domestic	Foreign	Total
Quarterly- 3Q21	 Sales Volume (GWh)	5,738	229	5,967
	 Sales Price (TL/MWh)	576	1,890	626

		Domestic	Foreign	Total
Cumulative- 9M21	 Sales Volume (GWh)	16,251	696	16,947
	 Sales Price (TL/MWh)	456	1,828	512

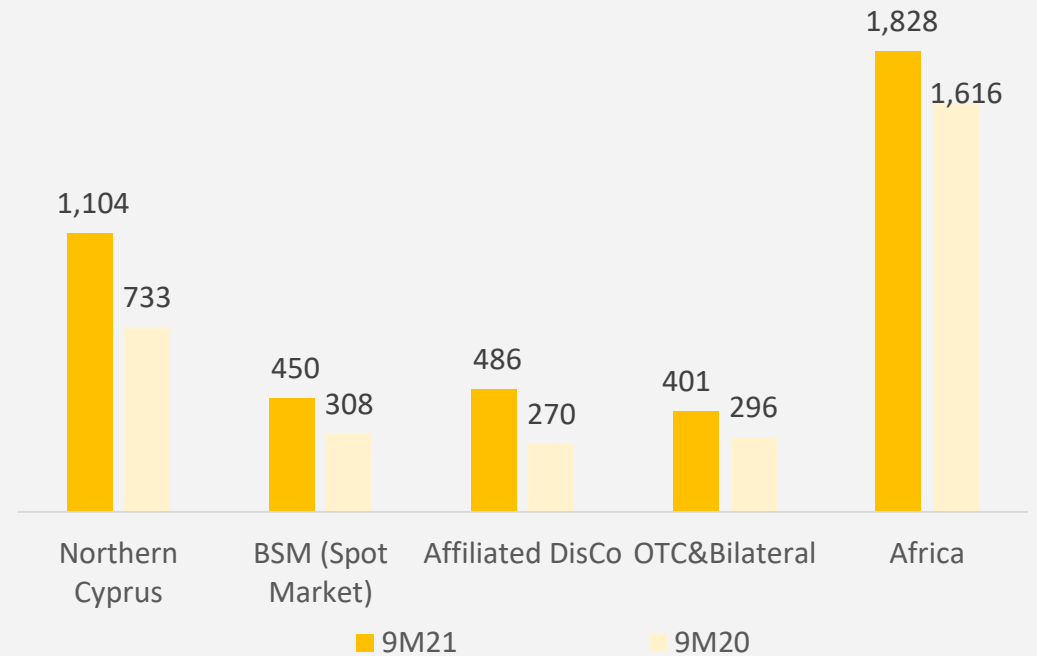
Note: Company internal data. Excludes intercompany eliminations applied in CMB financials. Sales volume data based on «net sales»
Foreign operations include Africa operations only. Northern Cyprus is included in domestic operations

Sales Channel Breakdown

Sales Volume by Channel (9M21)



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

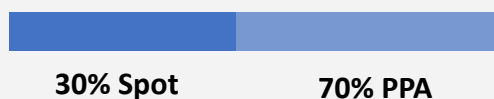
Generation (Gross): 1,576 GWh (9M21)

CUR: 89% (9M21)

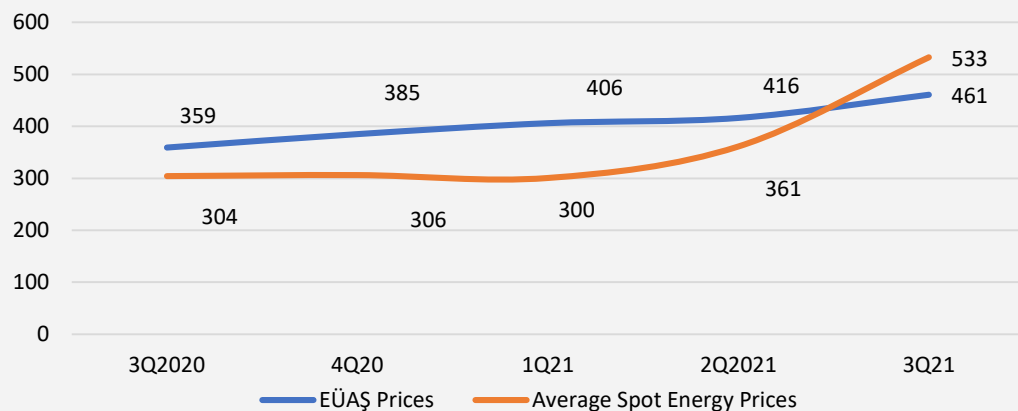
Capacity Payment: 48 MM TL (9M21)

EÜAŞ Lignite PPA Price: 461 TL/MWh (3Q21)

Sales Composition:



EÜAŞ vs Spot Electricity Prices (TL/MWh)



Source: EPIAŞ for average spot prices

Bolu Goynuk Thermal Power Plant



- **Bolu PP sold 70% of its generation to EÜAŞ (state-run power generator) during 9M21 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**
- **4Q21 EÜAŞ price announced as 471 TL /MWh. Contract with EÜAŞ expires in Dec'21**

Antalya PP Key Highlights

Energy Source: Natural Gas

Installed Capacity: 900 MW

Generation (Gross): 3,713 GWh (9M21)

Capacity Payment: 60 MM TL (9M21)

CUR: 69% (9M21)

Adjusted CUR (*): 82% (9M21)

- **Base load power plant with high efficiency ratio of 59%**
- 82% of electricity generated sold in spot market, remaining 18% via bilateral contracts
- 60 MM TL capacity payment received in 9M21
- During 9M21, 84% of gas supplied from BOTAŞ vs 16% from private sector ensuring optimisation

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



(*) Adjusted with secondary frequency control capacity reserved for emergency. Proxy for Commercial Capacity Utilization

Şanlıurfa PP Key Highlights

Energy Source: Natural Gas

Installed Capacity: 147 MW

Generation (Gross): 83 GWh (9M21)

CUR: 44% (9M21)



- Şanlıurfa Power Plant resumed its operations from Aug'21 onwards driven by favorable market conditions
- 97% of electricity generated sold in spot market, remaining 3% via bilateral contracts
- During 9M21, 100% of gas was supplied from BOTAŞ

Northern Cyprus PP Key Highlights

Energy Source: Fuel Oil

Installed Capacity: 153 MW

Generation: 550 GWh (9M21)

CUR: 55% (9M21)

PPA Price: 1,104 TL/MWh (9M21)

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. Overall, project completion rate stands at 70%. Tashkent A is expected to become operational in Dec'21
- 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. Tashkent B is expected to become operational in Jan'22. Bukhara is expected to become operational in Feb'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 4Q21
- 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



2021 GUIDANCE REVISION

FINANCIAL INDICATORS	2020 ACTUAL	2021 PREVIOUS GUIDANCE	2021 REVISED GUIDANCE	
Net Sales (MM TL)	7,231	7,750	11,718	
EBITDA (MM TL)	1,497	1,764	2,300	
CAPEX (MM TL)	255	1,575	1,790	

Notes:

- (1) Domestic indicates operations in Turkey and Northern Cyprus
- (2) Average Spot Electricity Prices are expected to increase by 77% in 2021 and reach around 500 TL/MWh
- (3) Average BOTAŞ gas prices are expected to increase by 47% in 2021 and reach around 2,200 TL/1,000 m3
- (5) Average EÜAŞ Purchase Agreement Price for Göynük PP expected to be 430 TL/MWh in 2021 vs 350 TL/MWh in 2020

Consolidated Summary Income Statement

	9M21	9M20	y/y
MM TL			
Net sales	8,323	5,268	58%
Cost of sales	(6,863)	(4,383)	57%
Gross Profit	1,460	885	65%
General & administrative costs	(88)	(83)	5%
Marketing expenses	(4)	(4)	10%
Other operating income	12	6	91%
Other operating expenses	(28)	(35)	-21%
Operating Income	1,352	769	76%
Expected revaluation losses	(8)	(21)	-61%
Financing income	180	363	-50%
Financing expense	(432)	(610)	-29%
Earnings Before Income Tax	1,092	501	118%
Tax	(157)	(53)	195%
Net Income after minority interest	813	355	129%

Consolidated Summary Balance Sheet

	9M21	2020 YE	ytd
MM TL			
Cash and cash equivalents	396	314	26%
Trade receivables	3,512	2,706	30%
Inventories	354	138	156%
Total Current Assets	5,578	3,464	61%
PP&E	6,971	5,655	23%
Intangibles	162	116	40%
Total Non-current Assets	7,343	6,039	22%
Total Assets	12,921	9,503	36%
Total Current Liabilities	4,880	3,298	48%
Total Non-current Liabilities	2,094	1,580	33%
Paid in capital	613	613	-
Shareholder's equity	5,947	4,625	29%
Total Liabilities and Shareholder's Equity	12,921	9,503	36%

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