ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

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

ASSETS	Audited 31 December 2022	Audited 31 December 2021
Current assets:		
Cash and cash equivalents	2.305.560	1.171.070
Financial investments	658.342	298.976
Trade receivables	7.041.880	2.846.527
- Trade receivables from related parties	*1.076.819*	*182.302*
- Trade receivables from third parties	*5.965.061*	*2.664.225*
Other receivables	1.478.472	944.050
- Other receivables from related parties	*1.241.213*	*911.429*
- Other receivables from third parties	*237.259*	*32.621*
Receivables from service concession arrangements	1.041.484	694.125
Derivative financial assets	-	57.115
Inventories	510.310	239.030
Prepaid expenses	70.950	46.319
-Prepaid expenses to third parties	*70.950*	*46.319*
Current tax assets	21.307	9.532
Other current assets	433.252	164.562
- Other current assets from third parties	*433.252*	*164.562*
Total current assets	**13.561.557**	**6.471.306**
Non-current assets:		
Financial investments	246	246
- Other financial investments	*246*	*246*
Trade receivables	91.621	51.481
- Trade receivables from third parties	*91.621*	*51.481*
Other receivables	7.446.857	3.227.990
- Other receivables from related parties	*7.287.208*	*3.074.954*
- Other receivables from third parties	*159.649*	*153.036*
Contract assets	8.531	19.377
- Other contract assets	*8.531*	*19.377*
Receivables from service concession arrangements	6.766.842	3.331.766
Equity accounted investees	1.614.022	1.181.148
Tangible assets	34.644.864	18.787.818
Right of use assets	263.484	162.309
Intangible assets	1.444.595	1.501.186
Derivative financial assets	459.185	-
Prepaid expenses	8.370	8.975
- Prepaid expenses to third parties	*8.370*	*8.975*
Deferred tax assets	1.101.734	671.747
Other non-current assets	15.777	11.069
- Other non-current assets to third parties	*15.777*	*11.069*
Total non-current assets	**53.866.128**	**28.955.112**
Total assets	**67.427.685**	**35.426.418**

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

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

LIABILITIES	**Audited 31 December 2022**	**Audited 31 December 2021**
Current liabilities:		
Short-term borrowings	2.720.679	1.270.673
Short-term borrowings from related parties	-	35.551
- Other short-term borrowings	-	*35.551*
Short-term borrowings from third parties	2.720.679	1.235.122
- Bank borrowings	*2.157.412*	*905.107*
- Issued debt instruments	*563.267*	*164.037*
- Other short-term borrowings	-	*165.978*
Short-term portion of long-term borrowings	8.986.822	4.334.885
Short-term portion of long-term borrowings from third parties	8.986.822	4.334.885
- Bank borrowings	*7.585.455*	*3.277.643*
- Issued debt instruments	*1.291.899*	*1.006.354*
- Lease liabilities	*109.468*	*50.888*
Trade payables	5.994.384	2.189.914
- Trade payables to related parties	*290.139*	*80.775*
- Trade payables to third parties	*5.704.245*	*2.109.139*
Payables related to employee benefits	22.026	18.272
Other payables	3.607.928	1.235.798
- Other payables to related parties	*1.214.723*	*7.769*
- Other payables to third parties	*2.393.205*	*1.228.029*
Derivative financial liabilities	17.905	109.531
Deferred income	923.557	144.220
- Deferred income from third parties	*923.557*	*144.220*
Current tax liabilities	134.280	5.758
Short-term provisions	21.511	15.540
- Other short-term provisions	*21.511*	*15.540*
Other current liabilities	225.467	177.170
- Other current liabilities to third parties	*225.467*	*177.170*
Total current liabilities	**22.654.559**	**9.501.761**
Long-term borrowings	22.708.925	18.174.197
Long-term borrowings from third parties	22.708.925	18.174.197
- Bank borrowings	17.393.418	14.337.735
- Lease liabilities	277.265	155.841
- Issued debt instruments	5.038.242	3.680.621
Other payables	7.916	6.365
- Other payables to related parties	7.916	6.365
Derivative financial liabilities	-	162.574
Long-term provisions	175.209	68.296
- Long-term provisions for employee benefits	*175.209*	*68.296*
Deferred tax liabilities	4.272.438	1.331.332
Total non-current liabilities	**27.164.488**	**19.742.764**
Total liabilities	**49.819.047**	**29.244.525**

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

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

	Audited 31 December 2022	**Audited 31 December 2021**
EQUITY		
Equity attributable to owners of the Company	**17.700.261**	**6.310.459**
Paid-in capital	2.500.000	2.500.000
Adjustments to share capital	102.575	102.575
Share premium	1.448	1.448
Other comprehensive income not to be reclassified in profit or loss	22.959.860	10.976.242
- Gains/ (losses) on revaluation and remeasurement	22.959.860	10.976.242
Increases on revaluation of property, plant and equipment	*23.039.988*	*10.994.165*
Actuarial gains/ (losses)	*(80.128)*	*(17.923)*
Other comprehensive income to be reclassified in profit or loss	(7.743.708)	(6.176.094)
- *Currency translation adjustment*	1.680.772	1.374.130
- *Losses on hedging transactions*		
Losses on cash flow hedges	(9.424.480)	(7.550.224)
Restricted reserves appropriated from profits	7.931	7.931
- Legal reserves	*7.931*	*7.931*
Accumulated losses	(239.208)	(1.015.196)
Current year profit/ (loss)	111.363	(86.447)
Non-controlling interests	(91.623)	(128.566)
Total equity	**17.608.638**	**6.181.893**
Total liabilities and equity	**67.427.685**	**35.426.418**

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2022

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

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

	Audited 1 January- 31 December 2022	Audited 1 January- 31 December 2021
PROFIT/ (LOSS)		
Revenue	30.067.398	11.634.808
Cost of sales (-)	(26.171.178)	(9.771.696)
Gross profit/ (loss) from commercial operations	**3.896.220**	**1.863.112**
GROSS PROFIT	**3.896.220**	**1.863.112**
General administrative expenses (-)	(689.170)	(365.287)
Marketing expenses (-)	(77.351)	(34.654)
Other income from operating activities	3.899.287	1.836.121
Other expenses from operating activities (-)	(1.637.358)	(578.029)
Profit from operating activities	**5.391.628**	**2.721.263**
Income from investment activities	3.870	2.098
Share of gain/ (loss) on equity accounted investees	93.177	29.491
PROFIT BEFORE FINANCE INCOME/ (EXPENSE)	**5.488.675**	**2.752.852**
Finance income	4.284.422	2.516.698
Finance expense (-)	(9.652.712)	(5.464.622)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX	**120.385**	**(195.072)**
Tax (expense)/ income from continuing operations	(80.386)	35.638
- Current year tax expense	*(284.699)*	*(93.751)*
- Deferred tax (expense)/ income	*204.313*	*129.389*
PROFIT/ (LOSS) FROM CONTINUING OPERATIONS	**39.999**	**(159.434)**
PROFIT/ (LOSS) FOR THE YEAR	**39.999**	**(159.434)**
Profit/ (loss) attributable to:		
Non-controlling interests	(71.364)	(72.987)
Equity holders of the Parent	111.363	(86.447)
Income/ (loss) per share (TL)		
- Income/ (loss) per share from continuing operations	0,04	(0,04)

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

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

	Audited 1 January - 31 December 2022	Audited 1 January - 31 December 2021
OTHER COMPREHENSIVE INCOME (LOSS)		
CURRENT PERIOD NET PROFIT/ (LOSS)	**39.999**	**(159.434)**
Other comprehensive income not to be reclassified to profit or loss	**12.854.360**	**6.338.966**
-Gains on revaluation of property, plant and equipment	16.116.112	7.805.116
-Actuarial losses	(77.756)	(7.399)
Taxes relating to components of other comprehensive income not to be reclassified to profit or loss	**(3.183.996)**	**(1.458.751)**
- Taxes relating to gains on revaluation of property, plant and equipment	*(3.199.547)*	*(1.460.231)*
- Taxes relating to actuarial losses	*15.551*	*1.480*
Other comprehensive income to be reclassified to profit or loss	**(1.567.614)**	**(2.887.741)**
- Exchange differences on translation of foreign operations,net of tax	306.642	783.761
Gains/ (losses) on exchange differences on translation of foreign operations,net of tax	*306.642*	*783.761*
- Other comprehensive loss relating to cash flow hedges	*(2.342.820)*	*(4.589.377)*
Taxes relating to components of other comprehensive income to be reclassified to profit or loss	**468.564**	**917.875**
-Taxes relating to cash flow hedges	*468.564*	*917.875*
OTHER COMPREHENSIVE INCOME	**11.286.746**	**3.451.225**
TOTAL COMPREHENSIVE INCOME	**11.326.745**	**3.291.791**
Total comprehensive income/ (expense) attributable to		
Non-controlling interests	(71.364)	(72.987)
Equity holders of the Parent	11.398.109	3.364.778

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 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	Net Profit or Loss	Equity Holders of the Parent	Non-Controlling Interest	Equity
Previous year													
1 January-31 December 2021													
Opening balances	**2.000.000**	**102.575**	**916**	**4.900.479**	**(11.534)**	**590.369**	**(3.858.376)**	**7.931**	**(1.361.062)**	**73.851**	**2.445.149**	**(147.929)**	**2.297.220**
Share capital increase	500.000	-	532	-	-	-	-	-	-	-	500.532	-	500.532
Transactions with non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	92.350	92.350
Transfers	-	-	-	(251.199)	(470)	-	(20.346)	-	345.866	(73.851)	-	-	-
Total comprehensive income	-	-	-	6.344.885	(5.919)	783.761	(3.671.502)	-	-	(86.447)	3.364.778	(72.987)	3.291.791
- Profit/ (loss) of the year	-	-	-	-	-	-	-	-	-	*(86.447)*	*(86.447)*	*(72.987)*	*(159.434)*
- Other comprehensive income	-	-	-	*6.344.885*	*(5.919)*	*783.761*	*(3.671.502)*	-	-	-	*3.451.225*	-	*3.451.225*
Ending balances	**2.500.000**	**102.575**	**1.448**	**10.994.165**	**(17.923)**	**1.374.130**	**(7.550.224)**	**7.931**	**(1.015.196)**	**(86.447)**	**6.310.459**	**(128.566)**	**6.181.893**
Current year													
1 January – 31 December 2022													
Opening balances	**2.500.000**	**102.575**	**1.448**	**10.994.165**	**(17.923)**	**1.374.130**	**(7.550.224)**	**7.931**	**(1.015.196)**	**(86.447)**	**6.310.459**	**(128.566)**	**6.181.893**
Transactions with non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	100.000	100.000
Transfers	-	-	-	(870.742)	-	-	-	-	775.988	86.447	(8.307)	8.307	-
Total comprehensive income	-	-	-	12.916.565	(62.205)	306.642	(1.874.256)	-	-	111.363	11.398.109	(71.364)	11.326.745
- Profit/ (loss) of the year	-	-	-	-	-	-	-	-	-	*111.363*	*111.363*	*(71.364)*	*39.999*
- Other comprehensive income	-	-	-	*12.916.565*	*(62.205)*	*306.642*	*(1.874.256)*	-	-	-	*11.286.746*	-	*11.286.746*
Ending balances	**2.500.000**	**102.575**	**1.448**	**23.039.988**	**(80.128)**	**1.680.772**	**(9.424.480)**	**7.931**	**(239.208)**	**111.363**	**17.700.261**	**(91.623)**	**17.608.638**

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

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

	Audited 1 January- 31 December 2022	**Audited 1 January- 31 December 2021**
CASH FLOWS FROM OPERATING ACTIVITIES	**2.657.450**	**2.001.211**
Profit/ (loss)	39.999	(159.434)
- Profit/ (loss) from continuing operations	*39.999*	*(159.434)*
Adjustments for profit/ (loss) for the period	**4.744.290**	**2.968.941**
Adjustments for depreciation and amortisation expense	1.482.003	690.598
Adjustments for provisions	20.957	14.861
- Adjustments for provisions relating with employee benefits	*14.986*	*13.138*
- Adjustments for (reversal of) other provisions	*5.971*	*1.723*
Adjustments for interest (income)/ expenses	2.776.277	1.679.446
- Adjustments for interest income	*(893.671)*	*(349.141)*
- Adjustments for interest expense	*3.669.948*	*2.028.587*
Adjustments for unrealised foreign exchange losses	3.426.857	1.769.459
Adjustments for fair value losses/ (gains)	(482.071)	(43.555)
- Adjustments for fair value losses/ (gains) on derivative financial instruments	*(482.071)*	*(43.555)*
Adjustments for undistributed profits of investments accounted for using equity method	(93.177)	(29.491)
- Adjustments for undistributed profits of associates	*(93.177)*	*(29.491)*
Adjustments for tax (income)/ expenses	80.386	(35.638)
Adjustments for gains/ (losses) on disposal of non-current assets	(3.870)	(2.098)
- Adjustments for gains/ (losses) on disposal of tangible assets	*(3.870)*	(2.098)
Other adjustments to reconcile profit/ (loss)	(2.463.072)	(1.074.641)
Changes in working capital	**(1.938.046)**	**(651.346)**
Adjustments for decrease/ (increase) in trade receivables	(4.054.798)	(1.319.463)
- Increase in trade receivables from related parties	*(852.129)*	*(104.272)*
- Increase in trade receivables from third parties	*(3.202.669)*	*(1.215.191)*
Adjustments for decrease/ (increase) in other receivables related with operations	(1.631.181)	152.118
- Decrease/ (increase) in other related party receivables relating with operations	*(1.495.090)*	*117.118*
- Decrease/ (increase) in other third party receivables relating with operations	*(136.091)*	*35.000*
Decrease/ (increase) in receivable from service concession agreements	(282.159)	169.122
Adjustments for decrease/ (increase) in inventories	(271.280)	(96.733)
Adjustments for increase/ (decrease) in trade payables	3.535.958	220.506
- Increase/ (decrease) in trade payables to related parties	*195.034*	*26.386*
- Increase/ (decrease) in trade payables to third parties	*3.340.924*	*194.120*
Adjustments for increase/ (decrease) in other payables	204.296	106.151
- Increase/ (decrease) in other payables to third parties	*204.296*	*106.151*
Other adjustments for other increase/ (decrease) in working capital	(229.065)	4.019
- Increase in other assets relating with operations	*(281.116)*	*(48.351)*
- Increase in other liabilities relating with operations	*52.051*	*52.370*
Adjustments for decrease/ (increase) in contract assets	10.846	60.262
- Decrease in other contract assets	*10.846*	*60.262*
Increase in deferred income	779.337	52.672

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

Convenience Translation of Consolidated Financial Statements Originally Issued in Turkish

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

	Audited 1 January- 31 December 2022	**Audited 1 January- 31 December 2021**
Cash flows from operations	**2.846.243**	**2.158.161**
Payments relating with provisions for employee benefits	(4.533)	(2.973)
Taxes paid	(184.260)	(153.977)
CASH FLOWS FROM INVESTING ACTIVITIES	**(527.233)**	**(269.582)**
Proceeds from sales of property, plant, equipment and intangible assets	9.427	4.795
- Proceeds from sale of property, plant and equipment	*9.427*	*4.795*
Purchase of property, plant, equipment and intangible asssets	(522.009)	(340.157)
- Purchase of property, plant and equipment	*(508.352)*	*(327.213)*
- Purchase of intangible assets	*(13.657)*	*(12.944)*
Cash outflows related to purchases for obtaining control of subsidiaries	(14.651)	-
Dividends received	-	65.780
CASH FLOWS FROM FINANCING ACTIVITIES	**(953.720)**	**(1.162.564)**
Proceeds from issuing shares or other equity instruments	-	194.096
- Proceeds from capital increase	-	*194.096*
Proceeds from capital advances	1.187.036	-
Proceeds from borrowings	7.045.923	5.548.136
- Proceeds from borrowings	*5.195.160*	*1.729.274*
- Proceeds from issuance of debt instruments	*1.850.763*	*3.818.862*
Repayments of borrowings	(5.813.068)	(5.000.287)
- Borrowing repayments	*(4.363.328)*	*(4.118.492)*
- Payments of issued debt instruments	*(1.449.740)*	*(881.795)*
Increase in other payables to related parties	21.469	-
Increase/ (decrease) in other payables to related parties	-	(72.468)
Payments of lease liabilities	(70.208)	(40.027)
Interest paid	(2.932.342)	(1.795.838)
Interest received	360.735	183.984
Other cash outflows	(753.265)	(180.160)
NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES	**1.176.497**	**569.065**
Effect of exchange rate changes on cash and cash equivalents	(44.495)	(117.330)
Net increase in cash and cash equivalents	**1.132.002**	**451.735**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**1.161.644**	**709.909**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**2.293.646**	**1.161.644**