

**ÇAN2 TERMİK A.Ş.  
AND ITS' SUBSIDIARIES  
CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE SIX-  
MONTH INTERIM PERIOD  
ENDED 30.06.2022 AND  
LIMITED INDEPENDENT  
AUDITORS' REPORT**

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**ÇAN2 TERMİK A.Ş.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR INTERIM PERIOD AS OF**  
**30.06.2022**  
**(Currency is TRY unless otherwise is indicated.)**

		<b>Current Period Limited Audited Consolidated</b>	<b>Previous Period Audited Consolidated</b>
<b>ASSETS</b>	<b>NOTES</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
<b>Current Assets</b>			
Cash and cash equivalents	42	606.911.088	23.552.721
Trade Receivables	6-7	224.408.539	155.198.509
Trade receivables from related parties	6	32.420.054	28.517.163
<i>Trade receivables from third parties</i>	7	191.988.485	126.681.346
Other Receivables	6-8	12.924.044	3.333.243
<i>Other Receivables from Related Parties</i>	6	10.105.457	592.695
<i>Other Receivables from Third Parties</i>	8	2.818.587	2.740.548
Inventories	9	323.412.184	222.076.764
Prepaid Expenses	10	13.034.451	15.182.551
Assets Related to Current Term Tax	30	228.443	--
Other Current Assets	20	83.492.419	122.166.556
<b>TOTAL CURRENT ASSETS</b>		<b>1.264.411.168</b>	<b>541.510.344</b>
<b>Non-current Assets</b>			
Other receivables	8	209.744	209.743
<i>Other receivables from related parties</i>	6	-	-
<i>Other receivables from third parties</i>	8	209.744	209.743
Tangible Fixed Assets	11	4.899.420.780	4.921.667.543
Intangible Fixed assets	12	32.108.990	30.706.367
<i>Other intangible fixed assets</i>	12	32.108.990	30.706.367
Right of Use Assets	14	2.443.100	3.290.763
Prepaid Expenses	10	2.028.414	1.884.776
Deferred Tax Assets	30	--	--
Other Non-Current Assets	20	57.354.671	53.860.978
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4.993.565.699</b>	<b>5.011.620.170</b>
<b>TOTAL ASSETS</b>		<b>6.257.976.867</b>	<b>5.553.130.514</b>

Consolidated financial statements for the period ending on 30.06.2022 have been approved by the Board of Directors Decision dated 29.07.2022 and numbered 2022/11.

The accompanying notes are an integral part of these financial statements.

**ÇAN2 TERMİK A.Ş.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR INTERIM PERIOD AS OF**  
**30.06.2022**  
**(Currency is TRY unless otherwise is indicated.)**

		<b>Current Period</b>	<b>Previous Period</b>
		<b>Limited Audited</b>	<b>Audited</b>
		<b>Consolidated</b>	<b>Consolidated</b>
<b>LIABILITIES</b>	<b>NOTES</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
<b>Short Term Liabilities</b>			
Short Term Loans	33	56	81.776.258
Short Term Financial Lease Liabilities		1.551.615	421.153
Short Terms Part of Long-Term Loans	33	433.334.518	543.249.068
Other Financial Liabilities	33	25.848.089	2.972.839
Trade Payables	6-7	288.315.071	204.267.918
<i>Trade Payables to Related Parties</i>	6	63.046.114	516.207
<i>Trade Payables to Third Parties</i>	7	225.268.957	203.751.711
Employee Benefit Obligations	19	12.463.474	6.115.662
Other Payables	6-8	281.807.856	132.618.962
<i>Other payables to related parties</i>	6	157.326.578	103.398.050
<i>Other payables to third parties</i>	8	124.481.278	29.220.912
Deferred Income	10	--	61.096.265
Short-term Provisions	18-19	9.947.000	5.807.581
<i>Short term provisions from employee benefits</i>	19	8.701.745	4.867.231
<i>Other Short-Term Provisions</i>	18	1.245.255	940.350
Other Short-Term Liabilities	20	132.004.824	43.650.986
<b>TOTAL SHORT-TERM LIABILITIES</b>		<b>1.185.272.503</b>	<b>1.081.976.692</b>
Long Term Liabilities	33	1.771.897.207	1.670.555.436
Long Term Financial Leasing Liabilities		882.846	1.136.908
Other Payables	6-8	3.485.224	5.796.327
<i>Other Payables to Related Parties</i>	6	--	--
<i>Other Payables to Third Parties</i>	8	3.485.224	5.796.327
Long Term Provisions	18-19	2.220.994	1.509.318
<i>Long term provisions for employee benefits</i>	19	2.031.562	1.324.274
<i>Other Long-Term Provisions</i>	18	189.432	185.044
Deferred Tax Liabilities	30	17.057.066	175.075.436
Other Long-Term Liabilities	20	899.633	1.447.164
<b>TOTAL LONG-TERM LIABILITIES</b>		<b>1.796.442.970</b>	<b>1.855.520.589</b>

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**ÇAN2 TERMİK A.Ş.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR INTERIM PERIOD AS OF**  
**30.06.2022**  
**(Currency is TRY unless otherwise is indicated.)**

		<b>Current Period</b>	<b>Previous Period</b>
		<b>Limited Audited</b>	<b>Audited</b>
		<b>Consolidated</b>	<b>Consolidated</b>
<b>EQUITY</b>	<b>NOTES</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
<b>Equity of Parent Company</b>		<b>3.276.261.394</b>	<b>2.615.633.233</b>
Paid-in Share Capital	21	320.000.000	320.000.000
Shares Related Discount/Premium	21	185.332.488	185.332.488
Not to be reclassification of profit or loss accumulated other comprehensive income or expenses		2.829.865.838	2.829.865.838
<i>Gains/Losses Related Revaluation and Measurement</i>	11	2.831.264.906	2.831.264.906
<i>Effects of combination of entities or businesses under common control</i>	3-21	(1.399.068)	(1.399.068)
Reclassification of profit or loss accumulated other comprehensive income or expenses	21	(680.953.836)	(425.813.602)
<i>Hedging Gain/Loss</i>		(680.134.016)	(425.813.602)
<i>Other Gain/Loss</i>	21	(819.820)	(620.592)
Capital Advances	21	-	-
Profit or Loss of Previous Years	21	(293.751.490)	(112.788.484)
Net Profit or Loss	31	915.768.394	(180.963.007)
<b>Non-controlling Shares</b>		<b>--</b>	<b>-</b>
<b>TOTAL EQUITY</b>		<b>3.276.261.394</b>	<b>2.615.633.233</b>
<b>TOTAL LIABILITIES</b>		<b>6.257.976.867</b>	<b>5.553.130.514</b>

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**ÇAN2 TERMİK A.Ş.**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX-MONTH INTERIM PERIOD ENDED 30.06.2022**  
**(Currency is TRY unless otherwise is indicated.)**

		Current Period Limited Audited Consolidated	Previous Period Limited Audited Consolidated	Current Period Not Audited Consolidated	Previous Period Not Audited Consolidated
STATEMENT OF PROFIT/LOSS	NOTES	01.01 - 30.06.2022	01.01 - 30.06.2021	01.04 - 30.06.2022	01.04 - 30.06.2021
Revenue	22	1.988.694.905	500.782.637	1.081.635.692	263.052.982
Cost of Goods Sold (-)	23	(1.090.625.255)	(376.118.586)	(690.880.854)	(190.021.580)
<b>GROSS PROFIT/LOSS</b>		<b>898.069.650</b>	<b>124.664.051</b>	<b>390.754.838</b>	<b>73.031.402</b>
General administrative expenses (-)	24	(27.251.268)	(13.695.822)	(13.042.818)	(9.102.321)
Marketing expenses (-)	24	--	--	--	--
Other Income from Operating Activities	25	21.700.207	16.010.927	17.863.577	5.747.115
Other Expenses from Operating Activities (-)	25	(24.465.842)	(12.706.338)	(11.228.816)	(5.222.526)
<b>OPERATING PROFIT/LOSS</b>		<b>868.052.747</b>	<b>114.272.818</b>	<b>384.346.781</b>	<b>64.453.670</b>
Income from Investing Activities	26	--	124.647	--	(25.424)
Expenses from Investing Activities (-)	26	(133.366)	--	--	--
<b>FINANCING EXPENSE BEFORE OPERATING PROFIT/LOSS</b>		<b>867.919.381</b>	<b>114.397.465</b>	<b>384.346.781</b>	<b>64.428.246</b>
Financial Income	28	260.898.303	48.085.072	185.417.344	17.880.926
Financial Expenses (-)	28	(306.783.367)	(340.263.643)	(203.544.882)	(88.024.481)
<b>PROFIT/LOSS BEFORE TAXATION FROM CONTINUING OPERATIONS</b>		<b>822.034.317</b>	<b>(177.781.106)</b>	<b>366.219.243</b>	<b>(5.715.309)</b>
<b>Tax Expense/Income from Continuing Operations</b>		<b>93.734.077</b>	<b>790.069</b>	<b>135.801.255</b>	<b>(10.667.600)</b>
Period Tax Income/Loss	30	-	-	-	-
Deferred Tax Income/Loss	30	93.734.077	790.069	135.801.255	(10.667.600)
<b>PROFIT/LOSS FROM ONGOING OPERATIONS</b>		<b>915.768.394</b>	<b>(176.991.037)</b>	<b>502.020.498</b>	<b>(16.382.909)</b>
<b>PROFIT/LOSS FROM DISCONTINUED OPERATIONS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROFIT/LOSS FOR THE PERIOD</b>		<b>915.768.394</b>	<b>(176.991.037)</b>	<b>502.020.498</b>	<b>(16.382.909)</b>
<b>Profit/loss distribution for the period</b>					
Non-controlling Shares		-	-	-	-
Parent Company Shares	21	915.768.394	(176.991.037)	502.020.498	(16.382.909)
<b>Earnings Per Share</b>					
Earnings per share from continuing operations	31	2,861776	(0,642290)	1,568814	(0,059453)
<b>OTHER COMPREHENSIVE INCOME</b>		<b>(199.228)</b>	<b>49.564</b>	<b>(233.136)</b>	<b>26.032</b>
<b>Not to be reclassified to profit or loss</b>		<b>(199.228)</b>	<b>49.564</b>	<b>(233.136)</b>	<b>26.032</b>
Actuarial losses and earnings calculated under employee benefits	19-29	(258.738)	64.369	(302.775)	34.200
Effect of Tax	19-29	59.510	(14.805)	69.639	(8.168)
<b>To be reclassified to profit or loss</b>		<b>(254.941.007)</b>	<b>--</b>	<b>(121.088.150)</b>	<b>--</b>
Cash Flow Hedge Gains/Losses	37	(295.180.269)	--	(128.161.038)	--
Gains (Losses) from Change in Value of the Forward Component of the Forward Contract		(23.985.520)	--	(23.985.520)	--
Deferred Tax Income/Loss	29	64.224.782	--	31.058.408	--
<b>OTHER COMPREHENSIVE INCOME</b>		<b>(255.140.235)</b>	<b>49.564</b>	<b>(121.321.286)</b>	<b>26.032</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>660.628.159</b>	<b>(176.941.473)</b>	<b>380.699.212</b>	<b>(16.356.877)</b>

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**ÇAN2 TERMİK A.Ş.**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH INTERIM PERIOD ENDED 30.06.2022**  
(Currency is TRY unless otherwise is indicated.)

	Not to be Reclassified to profit or loss accumulated other comprehensive income or expenses					To be Reclassified to profit or loss accumulated other comprehensive income or expenses	Accumulated Profit			
	Paid-in Share Capital	The Effect of Associations Including Enterprises or Enterprises Subject to Joint Control	Share Premiums / Discounts	Actuarial Loss /Gain	Hedging Profit/Loss	Revaluation Increase Fund	Retained Earnings/Losses	Net Profit/Loss for the Period	Non-controlling Interest Profit	Equities
<b>Balance on January 1, 2021</b>	<b>252.410.000</b>	<b>(1.399.068)</b>	--	<b>(457.852)</b>	--	<b>654.691.656</b>	<b>(150.141.190)</b>	<b>37.352.705</b>	--	<b>792.456.251</b>
Other Comprehensive Income/Expense	--	--	--	49.594	--	--	--	--	--	49.564
Transfers	--	--	--	--	--	--	37.352.705	(37.352.705)	--	--
Total Comprehensive Income	--	--	--	--	--	--	--	--	--	--
Capital Increase	67.590.000	--	186.569.716	--	--	--	--	--	--	254.159.716
Net Profit/Loss for The Period	--	--	--	--	--	--	--	(176.991.037)	--	(176.991.037)
<b>Balance on June 30, 2021</b>	<b>320.000.000</b>	<b>(1.399.068)</b>	<b>186.569.716</b>	<b>(408.288)</b>	--	<b>654.691.656</b>	<b>(112.788.485)</b>	<b>(176.991.037)</b>	--	<b>869.674.494</b>
<b>Balance on January 1, 2022</b>	<b>320.000.000</b>	<b>(1.399.068)</b>	<b>185.332.488</b>	<b>(620.592)</b>	<b>(425.193.010)</b>	<b>2.831.264.906</b>	<b>(112.788.485)</b>	<b>(180.963.007)</b>	--	<b>2.615.633.234</b>
Other Comprehensive Income/Expense	--	--	--	(199.228)	(254.941.006)	--	--	--	--	(255.140.234)
Transfers	--	--	--	--	--	--	(180.963.007)	180.963.007	--	--
Capital Increase (Security Offering)	--	--	--	--	--	--	--	--	--	--
Net Profit/Loss for The Period	--	--	--	--	--	--	--	915.768.394	--	915.768.394
<b>Balance on June 30, 2022</b>	<b>320.000.000</b>	<b>(1.399.068)</b>	<b>185.332.488</b>	<b>(819.820)</b>	<b>(680.134.016)</b>	<b>2.831.264.906</b>	<b>(293.751.490)</b>	<b>915.768.394</b>	--	<b>3.276.261.394</b>

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**ÇAN2 TERMİK A.Ş.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTH INTERIM PERIOD ENDED 30.06.2022**  
**(Currency is TRY unless otherwise is indicated.)**

		<b>Current Period Limited Audited Consolidated</b>	<b>Previous Period Limited Audited Consolidated</b>
	<b>NOTES</b>	<b>01.01-30.06.2022</b>	<b>01.01-30.06.2021</b>
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>1.037.673.493</b>	<b>677.513</b>
<b>Profit/Loss for The Period</b>		<b>915.768.394</b>	<b>(176.991.037)</b>
<b>Adjustments To Reconcile Net Profit/Loss for The Period</b>		<b>70.342.243</b>	<b>209.474.165</b>
Adjustments related to Amortization and Depreciation Expenses	11-12-14-23-24-27	99.009.701	42.429.430
Adjustments for Impairment (Cancellation) of Receivables	7	--	--
Adjustments Related to Employees Benefits Provision (Cancellation)	19	4.283.064	1.419.155
Adjustment Related to Litigation and/or Penalty Provisions (Cancellation)	18	304.905	(1.181)
Adjustments Regarding (Cancellation) of Provisions Set aside in accordance with Sectoral Requirements	18	4.389	--
Deferred Financial Expense Arising from Purchases on Credit	7-8	1.365.732	1.792.604
Unearned Financial Income Arising from Sales on Credit	7-8	(7.844.366)	(21.285.745)
Adjustments Related to Interest Expense	20	132.004.824	23.954.523
Adjustments Related to Interest Income	20	(56.226.525)	(44.065.334)
Adjustments Related to Unrealized Foreign Currency Translation Differences		286.414.374	206.001.337
Adjustments Regarding Impairment Reversal of Tangible Fixed Assets	11	--	--
Adjustments Related to Tax Expense/Income	30	(158.018.369)	(770.624)
Adjustment on Fair Value Loss (Gains) of Derivative Financial Instruments	37	23.985.520	--
Adjustments for Fair Value Loss (Gains)	37	(254.941.006)	--
<b>Changes In Business Capital</b>		<b>51.762.084</b>	<b>(31.855.179)</b>
Adjustments related to inventories increase/decrease	9	(101.335.420)	(47.191.465)
Increase (Decrease) in Trade Receivables from Related Parties	6	(3.902.891)	(1.604.839)
Increase (Decrease) in Trade Receivables from Third Parties	7	(66.672.871)	(4.435.696)
Increase (Decrease) in Other Receivables from Related Parties	6	(9.512.762)	21.427.108
Increase (Decrease) in Other Receivables from Third Parties	8	(78.038)	2.176
Change of Other Assets	20	91.178.526	4.183.221
Increase (Decrease) in Trade Payables to Related Parties	6	62.529.907	966.630
Increase (Decrease) in Trade Payables to Third Parties	7	29.361.612	10.018.417
Changes of Prepaid Expenses	10	2.004.462	(3.453.132)
Changes of Payables within the Scope of Employee Benefits	19	2.064.748	(1.691.566)
Increase (Decrease) in Other Payables related to Activities of Related Parties	6	53.928.528	(12.695.369)
Increase (Decrease) in Other Payables related to Activities of Third Parties	8	92.949.263	15.220.600
Provisions on Employee Benefits	19	4.541.802	1.350.145
Increase (Decrease) in Deferred Income	10	(61.096.265)	11.330.796
Changes of Other Liabilities	20	(44.198.517)	(25.282.204)
<b>Cash Flows from activities</b>		<b>1.037.872.721</b>	<b>627.949</b>
Other gain/loss	21	199.228	49.564
<b>B. CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		<b>(77.317.897)</b>	<b>(16.485.863)</b>
Cash Inflows Arising from the Sale of Tangible Fixed Assets	11	--	124.647
Cash Outflows Arising from the Purchase of Tangible Fixed Assets	11	(72.661.492)	(16.564.339)
Cash Outflows Arising from the Purchase of Intangible Assets	12	(4.656.405)	27.729
Cash Inflows from Right-of-Use Assets	14	--	--
Cash Outflows from Right-to-Use Assets	14	--	(73.900)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(376.997.228)</b>	<b>25.742.914</b>
Cash Inflows from the Issuance of Equity and Other Equity-Based Instruments	21	--	254.159.716
Cash Inflows from Financial Lease Agreements	33	876.400	--
Cash Inflows from Loans	33	65.226.113	81.941.945
Cash Inflows for Debt Payments Arising from Rental Agreements	14	96.737	--
Cash Outflows Related to Loan Repayments	33	(441.989.313)	(309.480.460)
Cash Outflows Related to Debt Payments Arising from Rental Agreements	14	(1.207.165)	--
Cash Outflows from Other Financial Loan Payments	33	--	(878.287)
<b>NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS</b>		<b>583.358.367</b>	<b>9.934.564</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>23.552.721</b>	<b>1.203.171</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>606.911.088</b>	<b>11.137.736</b>

The accompanying notes are an integral part of these financial statements.



**ÇAN2 TERMİK A.Ş.**  
**Limited Audited 01 January 2022- 30 June 2022 Period**  
**Explanatory Notes to the Consolidated Financial Statements**  
(Currency is TRY unless otherwise is indicated.)

**1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY**

**Çan2 Termik A.Ş.**

Çan2 Termik Inc. (“Company”, “Parent Company”), on 27 May 2003 Çan Kömür ve İnşaat A.Ş. was established under the title. The title of the company was changed to Çan2 Termik Anonim Şirketi after the Extraordinary General Assembly held on January 19, 2021, registered with the Istanbul Trade Registry Office on January 21, 2021. This change was published in the Turkish Trade Registry Gazette dated January 26, 2021 and numbered 10253. The company is engaged in the establishment, commissioning, leasing of a domestic coal-based electric power generation facility, electric power generation, sales of the produced electric energy and/or capacity to customers. Its center located Barbaros District, Karanfil Street, Varyap Meridian Site No: 1D, Ataşehir / Istanbul.

The license certificate of the Company for Çan-2 Thermal Power Plant Production Facility with an installed capacity of 340 MWm/330 MWe located in Çan district of Çanakkale province was approved by the decision of the Energy Market Regulatory Authority dated 28.01.2016 and numbered 6083-2, and on 28.01.2016 the Company's license was approved. e delivered. Ministry acceptance of Çan-2 Thermal Power Plant was made on 01.08.2018. In addition, regarding the thermal power plant, Industry Registry Certificate dated 10.08.2020 and numbered 720480 and a capacity report valid until 29.07.2022 dated 28.07.2020 and numbered 79 were obtained. As of 30.06.2022, the average number of employees of the Group is 573.

Çan2 Termik A.Ş. the application made to the Capital Markets Board for the initial public offering of its shares was approved in the Board's bulletin dated 15.04.2021 and numbered 2021/20, and the public offering of the shares was carried out on 21-22 April 2021 using the "Fixed Price Bookkeeping" method.

Thus, all of the shares with a nominal value of TRY 67.590.000 offered to the public, and TRY 6.759.000 shares with a nominal value offered for additional sale, were sold at a total nominal value of TRY 74,349.000, at the public offering price of 3.90 TRY/share.

The capital of Çan2 Termik A.Ş. as of 30.06.2022 is TRY 320.000.000 and the shareholding structure is as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	76,77%	76,77%
Public Shares	23,23%	23,23%

**Subsidiaries**

**Yel Enerji Elektrik Üretim Sanayi A.Ş.**

Yel Enerji Elektrik Üretim Sanayi A.Ş. (“Yel Enerji”) was established on 22.10.2007. Yel Enerji was established to engage in the establishment, commissioning, leasing, generation of electrical energy, and sale of the generated electrical energy and/or capacity to customers. As of 30.06.2022, Yel Enerji's investments continue, it has not started its operations yet and has not generated any income. As of 30.06.2022, the average number of employees of Yel Enerji is 2 people.

The mining license numbered IR:17517 in the Bayramiç District of Çanakkale Province was purchased by Yel Energy and the transfer process was completed. Its center is in Barbaros District, Karanfil Street, Varyap Meridian Site No: 1D, Ataşehir / Istanbul.

With the Share Purchase and Sale agreement signed on 20.10.2016, Yel Enerji shareholders transferred all of their shares to Çan Kömür2 Termik A.Ş. at nominal value and Yel Enerji was included in the scope of consolidation.

As of 30.06.2022, Yel Enerji's capital is TRY 600.000 and its shareholding structure is as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Çan2 Termik A.Ş.	100%	100%

## **ÇAN2 TERMİK A.Ş.**

**Limited Audited 01 January 2022- 30 June 2022 Period**

### **Explanatory Notes to the Consolidated Financial Statements**

(Currency is TRY unless otherwise is indicated.)

#### **1.ORGANIZATION AND CORE BUSINESS OF THE COMPANY (CONTINUED)**

##### **Çan 2 Trakya Kömür Maden A.Ş.**

Çan2 Termik A.Ş. became a 100% shareholder of Çan 2 Trakya Kömür Maden A.Ş. (“Çan 2 Trakya”) as a founding partner on 18.06.2019 and was included in the consolidation.

Çan 2 Trakya is engaged in purchasing, selling, manufacturing, assembling, and importing all kinds of natural stones and mineral ores in finished and semi-finished form. Its center is in Barbaros District, Karanfil Street, Varyap Meridian Site No: 1D, Ataşehir / Istanbul. As of 30.06.2022, the average number of employees of Çan 2 Trakya is 1 person.

The capital of Çan 2 Thrace is TRY 550,000 as of 30.06.2022 and its shareholding structure is as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Çan2 Termik A.Ş.	100%	100%

#### **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**

##### **a. Basis of Presentation**

###### **Applied Accounting Standards**

The accompanying interim consolidated financial statements are in accordance with the provisions of the Capital Markets Board (“CMB”) “Communiqué on Principles Regarding Financial Reporting in the Capital Markets” (“Communiqué”) No. II-14.1 published in the Official Gazette dated 13.06.2013 and numbered 28676. It has been prepared in accordance with the Turkish Financial Reporting Standards (“TFRS”), which was put into effect by the Public Oversight, Accounting and Auditing Standards Authority (“KGK”). TFRSs; It includes Standards and Interpretations published by KGK under the names of Turkish Accounting Standards (“TAS”), Turkish Financial Reporting Standards, TMS Interpretations and TFRS Interpretations.

Interim consolidated financial statements have been presented in accordance with the TFRS Taxonomy developed by the POA based on the financial statement examples determined in the Financial Statement Examples and User Guide published in the Official Gazette dated 07.06.2019 and numbered 30794.

###### **Current and Reporting Currency**

The Group keeps and prepares its legal books and statutory financial statements in accordance with the Turkish Commercial Code (“TCC”), the accounting principles determined by the tax legislation, and the Uniform Chart of Accounts issued by the Ministry of Finance. The functional currency of the Group is Turkish Lira (“TL”). These interim consolidated financial statements are presented in TL, which is the functional currency of the Group.

###### **Adjusting financial tables in hyperinflation periods**

The companies, who are preparing their financial tables according to CMB Accounting Standards, are not using inflation accounting according to a decision given on March 17, 2005 that will be in effect since January 01, 2005. The preparing and presenting financial tables are not done in accordance with TAS/TAS 29” Financial Reporting in Economies with High Inflation” according to the decision given by CMB.

Public Oversight Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards, Financial Reporting Standard for Large and Medium Sized Enterprises on January 20, 2022. Accordingly, it has been stated that businesses applying IFRS do not need to make any adjustments within the scope of TAS 29 in their financial statements for 2021.

## **ÇAN2 TERMİK A.Ş.**

**Limited Audited 01 January 2022- 30 June 2022 Period**

### **Explanatory Notes to the Consolidated Financial Statements**

(Currency is TRY unless otherwise is indicated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### Base of Consolidation

Consolidation is prepared in structure of Çan2 Termik A.Ş. which is parent company.

Consolidated financial reports are prepared in accordance with TAS 27 - Consolidated and Separated Financial statements of Turkish accounting standard.

Consolidated financial reports contain all subsidiaries of the parent company.

- It eliminates participation amount at each subsidiary and percentage amount of main partnership which are equivalent to amount in equities of each subsidiary.
- It determines amount of minority percentage in consolidated profit and loss of period and amount of minority percentage determines separately from amount of main subsidiary from amount of net actives of consolidated main subsidiary. The amount of minority percentage from net actives contains; calculated minority percentages in merge date in accordance with TFRS 3; minority percentage from all transactions made after merge date.
- All expenses, income, transactions, and balances incurred of group are eliminated.
- Subsidiary income, expenses and dividends including all balances and transactions are eliminated. Profits and loss which are added to inventory or cost of current and non-current assets due to transactions in subsidiaries are eliminated. Loss in group can show an impairment which should be in account in assets section of consolidated financial reports. The differences which rise during elimination of loss and profits which resulted by transactions in group apply in accordance with TAS 12 “Income Taxes” standard.
- Necessary adjustments are made during preparation of consolidated financial statements when one of subsidiaries needs to use different accounting principles for similar transactions or events.
- The consolidated financial reports of the partnership and subsidiaries are prepared at the same time with financial statements. Accounting policies are accepted for consolidated financial reports, same transactions, and transactions in same condition.
- All income and expenses of a subsidiary take in account consolidated financial reports after acquisition date according to TFRS 3 and this situation continues till the date of partnership lose its control power on subsidiary. When subsidiary sold; the difference between the income resulted by this transaction and the book value of subsidiary will be shown as loss or profit in consolidated comprehensive income statement.

About this transaction if there is a currency translation loss or profits which are related directly to equity consider in accordance with “TAS 21 Currency Change Effects”.

- Minority interest can be shown at equities section in consolidated statement of financial position separately from equities amount of partnership. The Group’s loss or profit amount for minority interest should be shown also separately on financial statements.

### **Comparative Information and Restatement of Prior Period Financial Statements**

The group for the period 30 June 2022 Dec 2021 dated as of the date of the Consolidated Financial Statements Consolidated Statement of financial position prepared with 31 December; 1 January – 30 June consolidated comprehensive income statement in the period from Dec 2022 period, consolidated cash flow statement 1 January – 30 June 2021 Dec consolidated comprehensive income in the period as of the date prepared statement, cash flow statement;

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

and 1 January – 30 June 2022 Dec consolidated stockholder's equity statement in the period 1 January – 30 June 2021 Dec comparatively with the Consolidated Statement of changes in equity in the period. When comparative information is deemed necessary to ensure compliance with the presentation of the consolidated financial statements for the current period, it is reclassified, and significant differences are explained.

### **Covid - 19 Outbreak Effects**

Spread in Turkey and the world and declared as a pandemic by the World Health Organization in March 2020 Covid-19th epidemic and the measures taken against the epidemic, epidemic leads to disruptions in the operations of exposure in all countries harms the economic conditions both globally and in our country. There has been no shortage of epidemic-ceased production at the power plant. The effect is reflected in electricity sales prices. Because Yel Enerji, one of the group companies, has not yet been activated, it has not experienced an impact on this process. Due to the Covid-19 outbreak at the Group Çan 2 Termik Santral , there were no problems with production, and the electricity market was affected by the impact on overall electricity prices. The group has obtained the Covid-19 safe production certificate. Jul. 12 There is an extraction of coal in Thrace, and since it is an open enterprise, there has been no serious impact on the production part, there has been an impact due to increases in production costs. In terms of the economic impact of the outbreak, the Group management believes that as of the reporting date, it will not be exposed to a significant negative impact due to Covid-19.

### **Changes in Accounting Policies**

If adjustments on accounting policies are applied retroactive, the group should adjust the previous opening balance in the report. The group should provide comparative data which is presented in accordance with the new accounting policies in terms of current years. Changes in accounting policy need to application for previous periods and also for current period or if group cannot determine the change effect of the financial statements as in cumulative, it wouldn't make any application for previous periods.

#### **a. Changes and Errors in Accounting Estimates**

If the effects of the change in accounting estimates create changes in asset, foreign resource or equity items, the book values of the relevant asset, foreign resource or equity item must be corrected at the time of the change. Projecting the impact of a change in accounting forecasting into the financial statements going forward means that the forecast applies to transactions, events, and conditions after the date of the change. Previous period errors are corrected through retroactive rearrangement, except where period-specific or cumulative effects related to the error cannot be calculated.

In the preparation of the consolidated interim financial statements, the Group management is required to make estimates and assumptions that will affect the asset and liability amounts, which determine the possible liabilities and commitments as of the balance sheet date and the amounts of income and expenses as of the reporting period. The results may differ from predictions and assumptions. These estimates and assumptions are regularly reviewed, necessary corrections are made and reflected in the operating results of the relevant period.

### **Significant Accounting Evaluations, Estimates and Assumptions**

The preparation of financial statements requires the use of estimates and assumptions that may affect the amounts of assets and liabilities reported as of the statement of financial position date, disclosure of contingent assets and liabilities, and the amounts of income and expenses reported during the accounting period. Although these estimates and assumptions are based on the best information of the Group management regarding the current events and transactions, actual results may differ from the assumptions.

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **b. Changes and Errors in Accounting Estimates**

In the next financial reporting period, estimates and assumptions that may cause significant changes in the book value of assets and liabilities are stated below:

**Inventories:** Inventories are examined physically and how long they are in the past, and provisions are made for inventory items that are estimated to be unavailable.

**Provisions for employee benefits:** Severance pay liability is determined by actuarial calculations based on some assumptions including discount rates, future salary increases and employee turnover rates. Since these plans are long term, these assumptions contain significant uncertainties.

**Determination of fair values:** Certain estimates are made in the use of observable and unobservable market information used in determining the fair value.

**Useful lives of tangible and intangible fixed assets:** The Group management makes important assumptions in the determination of the useful lives of tangible and intangible fixed assets, in line with the experience of its technical team and forward-looking marketing and management strategies for special costs.

Facility, machinery, and devices are reflected in the financial statements with their fair values determined in the valuation studies performed by an independent professional and real estate appraisal company licensed by the Capital Markets Board (“CMB”). The frequency of revaluation studies is determined in a way to ensure that the book values of the revalued tangible fixed assets do not differ significantly from their fair values as of the end of the relevant reporting period. The frequency of revaluation studies depends on the change in the fair values of tangible fixed asset items. In cases where the fair value of a revalued asset is significantly different from its book value, the revaluation study should be repeated, and this study is performed for the entire asset class in which the revalued asset is located as of the same date. On the other hand, it is not deemed necessary to repeat the revaluation studies for tangible fixed assets whose fair value changes are insignificant. As of the current period, there is no need for a re-valuation study.

The economic depreciation period of the Çan-2 Termal Santral is based on the determinations made by the technical departments regarding the economic life of the plant during the commissioning period.

**Deferred tax assets and liabilities:** Deferred tax assets are recorded when it is highly likely to benefit from temporary differences and unused previous year financial losses by earning taxable profit in the future. While determining the amount of deferred tax assets to be recorded, it is necessary to make important estimates and evaluations regarding the taxable profits that may occur in the future

**Borrowing costs:** The Group has added the borrowing costs of the loans used to finance the construction of power plants to the cost of the power plant, which is considered as qualifying assets.

### **c. Going Concern**

The group prepared the consolidated financial statements in the interim period based on going concern.

### **d. Netting/Deduction**

Financial assets and liabilities are presented net if the required legal right is already present, the presence of intention is to pay the related assets and liabilities in accordance with the net fair value, or if the acquisition of assets and the fulfillment of obligations are intentional simultaneously.

## **2.BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **e. Changes in Financial Reporting Standards**

The accounting policies adopted in preparation of the yearend financial statements as at June 30, 2022 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRYK interpretations on the Group's financial position and performance have been disclosed in the related paragraphs

**The new standards, amendments and interpretations which are effective as at January 1, 2022 are as follows:**

#### **Changes in TFRS 3 - Changes regarding the References to the Conceptual Framework**

This amendment updates a reference to the Conceptual Framework for Financial Reporting in IFRS 3 without significantly changing the provisions of the standard.

These changes are effective for annual periods beginning on or after January 1, 2022. Early implementation is permitted by applying it in conjunction with other reference updates to the Conceptual Framework so far.

#### **Changes in TFRS 16 – Tangible Fixed Assets - Intended Pre-Use Earnings**

These changes do not allow revenues from the sale of produced items to be deducted from the cost of the related asset while making the related property, plant and equipment operate under the conditions intended by management, and require such sales revenues and related costs to be recognized in profit or loss.

These changes are applied for annual accounting periods beginning on or after January 1, 2022. Early application is allowed.

#### **Changes in TAS 37 – Economically Disadvantaged Contracts-Contract Fulfillment Costs**

With the change made in TAS 37, the estimated costs of fulfilling the contract in order to determine whether the contract is an economically disadvantageous contract consist of both the variable costs incurred to fulfill the contract and the amounts distributed from other costs directly related to fulfilling the contract.

These changes are applied for annual accounting periods beginning on or after January 1, 2022. Early application is allowed.

#### **Annual Improvements to TFRS's / 2018-2020 Period**

##### *Change to the First Application of TFRS 1 Turkish Financial Reporting Standards*

With the change made in TFRS 1, the subsidiary that started to apply TFRSs at a later date than its parent in paragraph D16(a) of the standard, included cumulative translation differences in the scope of the exemption for the measurement of its assets and liabilities, and to apply TFRSs for the first time. implementation costs for startups are reduced.

##### *Amendments to TFRS 9 Financial Instruments*

This amendment clarifies the fees taken into account in the assessment of the removal of a financial liability from the balance sheet. The debtor includes fees paid or received between the debtor and the creditor, including fees paid or received by the Decedent or creditor on behalf of others.

##### *Amendment to TAS 41 Agricultural Activities*

With this amendment, the provision in paragraph 22 of TAS 41, which requires that cash flows arising from taxation not be included in the calculation in determining the fair value, has been removed. The amendment harmonizes the

## **2.BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **Annual Improvements to TFRS's / 2018-2020 Period (Continued)**

relevant provisions of the standard with the provisions of TFRS 13.

Amendments to TFRS 1, TFRS 9 and TAS 41 are applied for annual accounting periods beginning on or after 1 January 2022. Early application is permitted.

#### *TFRS 16 (Amendments) Continuing Concessions on Rent Payments Related to COVID-19 After 30 June 2021*

The Public Oversight Accounting and Auditing Standards Authority (“KGK”), published in June 2020, extending the exemption for tenants from determining whether certain concessions granted due to COVID-19 in rental payments due to COVID-19 have not been determined by a change in the lease for one more year. Continuing Concessions in Payments After 30 June 2021 - Amendments to TFRS 16.

When the change was first published, the facilitating practice only applied if any reduction in lease payments would affect payments that would normally be due on or before June 30, 2021. As lessors continue to offer rental concessions related to COVID-19 to tenants, and the impact of the COVID-19 pandemic continues and is significant, POA has extended the period of use of the facilitator by one year.

This changes will be applied by tenants for annual accounting periods beginning on or after April 1, 2021, but early application is allowed.

The effects of this standard on the financial position and performance of the Company are being evaluated.

### **Standards that have not yet entered into force and amendments and interpretations to existing previous standards**

#### **TFRS 17 Insurance Contracts**

TFRS 17 requires insurance liabilities to be measured at a current coverage value and provides a more streamlined measurement and presentation approach for all insurance contracts. These requirements are designed to achieve consistent, principles-based accounting for insurance contracts. TFRS 17 will replace TFRS 4 Insurance Contracts as of 1 January 2023.

#### **TAS 1 (Amendments) Classification of Liabilities as Short or Long Term**

The purpose of these amendments is to ensure the consistent application of the requirements of the standard by assisting the decision-making process of the companies concerned whether debts and other liabilities in the statement of financial position that do not have a definite maturity should be classified as short-term (expected to be paid within one year) or long-term. These amendments made in TAS 1 will be applied in annual accounting periods beginning on or after January 1, 2023, but early application is also permitted.

#### **TFRS 4 (Amendments) Extension of the Temporary Exemption Period for the Application of TFRS 9**

With the postponement of the effective date of TFRS 17 to 1 January 2023, the expiry date of the temporary exemption period in TFRS 4 Insurance Contracts regarding the implementation of TFRS 9 provided to insurance companies has also been revised to 1 January 2023.

#### **TAS 1 (Amendments) Disclosure of Accounting Policies**

This amendment requires businesses to take materiality as a basis in explaining their accounting policies. Although this amendment made in TAS 1 will be applied in annual accounting periods beginning on or after January 1, 2023, early application is allowed.

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **TAS 8 (Amendments) Definition of Accounting Estimates**

With this amendment, the definition of "accounting estimation" was included instead of the definition of "change in accounting estimates", and sample and explanatory paragraphs regarding the estimates were added, furthermore, the issues of applying the estimates prospectively and correcting the errors retrospectively and the differences between these concepts were clarified. These amendments made in TAS 8 will be applied in annual accounting periods beginning on or after January 1, 2023, but early application is also permitted.

### **TAS 12 (Amendments) Deferred Tax on Assets and Liabilities Arising from a Single Transaction**

With these amendments, it has been clarified that the exemption regarding the first recognition of an asset or liability in the financial statements does not apply to transactions in which equal amounts of taxable and deductible temporary differences occur when the asset and liability are first recorded.

These amendments made in TAS 12 will be applied in annual accounting periods beginning on or after January 1, 2023, but early application is also permitted.

### **TFRS 17 (Changes) Insurance Contracts and First Application of TFRS 17 and TFRS 9 – Comparative Information**

Changes have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the transition.

In addition, with the change in comparative information, companies that are the first to apply TFRS 7 and TFRS 9 simultaneously are allowed to present comparative information about their financial assets as if they had previously applied the classification and measurement requirements of TFRS 9 to that financial asset.

The changes will be applied when TFRS 17 is first applied.

The possible effects of the said standards, amendments and improvements on the consolidated financial position and performance of the Group are being evaluated.

#### **f) Summary of Important Accounting Policies**

#### **Related Parties**

The group will consider as a related party if one the conditions below are met.

- a) If the party directly or indirectly with one or more agent:
  - i) Controls the enterprise, controlled by enterprise or is present under the same control with the enterprise (including parent companies, subsidiaries and subsidiaries at the same line of business);
  - ii) Has share which allows it to have big impact on the company; or
  - iii) Has associated control on the company.
- b) If the party is an affiliate of the company;
- c) If the party is an business partnership where the group is a party;
- d) If the party is a member of the key personnel in the group or Company's main partnership;
- e) If the party is a close family member of any person mentioned in the a or d parts;
- f) If the party is an enterprise which is controlled, partnered or under important effect or any person mentioned in d) or e) parts has right to vote in important decisions of the party;

The party must have post-employment benefit plans for employees of the entity or an entity that is a related party.



## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **Financial assets**

Financial assets are recorded with their appropriate value and expenses directly related to purchase except financial assets reflected to profit or loss of the appropriate value difference and recorded on their appropriate value. In the case of purchase or selling of financial assets which are bound to a contract that has a condition on deliverance date of financial instruments set by the market are recorded at the date of transaction or deducted from records. Financial assets are classified as “financial assets reflected to profit or loss of the realizable value difference”, “financial assets kept in hand till its maturity”, “marketable financial assets” and credits and receivables.

#### ***Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss; are financial assets held for trading. When a financial asset is acquired for short-term disposal, it is classified in this category. The mentioned financial assets constituting derivative products that are not determined as an effective protection tool against financial risk are also classified as financial assets whose fair value difference is reflected to profit or loss.

#### ***Financial assets measured at amortized cost***

Financial asset is classified as a financial asset measured at amortized cost if the terms of the contract for the financial asset, which aims to collect the contractual cash flows of the financial asset, lead to cash flows that include only the principal and interest payments arising from the principal balance at certain dates. It is valued at its discounted cost using the effective interest rate method and provision is made for impairment, if any. Interest income from securities held to maturity is recognized as interest income in the period profit / loss.

#### ***Financial assets at fair value through other comprehensive income***

In cases where the contractual terms of the financial asset aiming at collecting the contractual cash flows of the financial asset and selling the financial asset, and in addition, the terms of the contract for the financial asset lead to cash flows that include only principal and interest payments arising from the principal balance at certain dates, the financial asset is the fair value difference reflected in other comprehensive income classified as.

Fair value difference subsequent valuation of financial assets reflected in other comprehensive income is made at their fair value. However, if their fair value cannot be determined reliably, are measured at amortized cost using the internal rate of return method for those with a fixed term; a fixed term fair value are measured using pricing models or discounted cash flow techniques for non. The difference of the fair value of financial assets arising from changes in fair value reflected in other comprehensive income and amortized cost and fair value of securities computed by expressing the difference between the effective interest method, unrealized profits or losses in equity items “in value of financial assets increase / decrease Fund” under the account are shown. Fair value difference if financial assets reflected in other comprehensive income are disposed of, the value generated in equity accounts as a result of fair value application is reflected in profit/loss for the period.

### **Registration and derecognition of financial assets**

The Group reflects the financial assets or liabilities in its consolidated balance sheet if it is a party to the related financial instrument contracts. The Group derecognizes all or part of a financial asset only when it loses control over the rights arising from the contract to which the said assets are subject. The Group derecognizes financial liabilities only if the liability defined in the contract is discharged, canceled or expired.

### **Impairment / expected loss provision in financial assets**

At each reporting date, it is assessed whether there has been a significant increase in the credit risk of an impaired financial instrument since it was first recognized in the consolidated financial statements. While making this assessment, the change in the default risk of the financial instrument is considered. The expected loss allowance

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

estimate is objective, probability-weighted, and includes supportable information about estimates of past events, current conditions, and future economic conditions.

For all financial assets, except for trade receivables, where the carrying amount is reduced through the use of an allowance account, the impairment is directly deducted from the carrying amount of the relevant financial asset. In case the trade receivable cannot be collected, the amount in question is deducted from the provision account and written off. Changes in the provision account \*are recognized in profit or loss for the period. Except for equity instruments at fair value through other comprehensive income, if the impairment loss is reduced in a subsequent period and the decrease can be attributed to an event that occurred after the impairment loss was recognized, the previously recognized impairment loss would never have been recognized at the date the impairment loss would be reversed. It is canceled in the consolidated income statement so that it does not exceed the amortized cost amount that it will reach.

The increase in the fair value of equity instruments at fair value through consolidated other comprehensive income is recognized directly in equity.

### **Interests, dividends, losses, and gains**

Interest, dividends, losses, and gains related to a financial instrument, or a financial liability are recognized as income or expense in profit or loss. Distributions to equity instrument holders are accounted for directly in equity. Transaction costs arising from equity transactions are accounted for as a discount from equity. Income taxes on distributions to shareholders of equity instruments and transaction costs arising from equity transactions are accounted for in accordance with TAS 12 Income Taxes. The classification of a financial instrument as a financial liability or equity instrument determines whether interest, dividends, losses and gains on that instrument are recognized as income or expense in profit or loss. Thus, dividend payments on shares that are fully accounted for as liabilities are accounted for as expenses, just like interest on bonds. Similarly, gains and losses associated with the repurchase or refinancing of financial liabilities are recognized in profit or loss, while the repurchase or refinancing of equity instruments is accounted for as a change in equity. Changes in the fair value of the equity instrument are not reflected in the financial statements. An entity generally incurs various costs in issuing or repurchasing its own equity instruments. These costs may include registration and other regulatory fees, legal, financial, and other professional consulting fees, printing costs and stamp duties. From equity transactions

Transaction costs arising from these transactions are accounted for as a deduction from equity, as long as there are additional costs incurred directly from these transactions, that is, they do not need to be incurred otherwise. In addition, costs related to abandoned equity transactions are recognized as an expense.

Transaction costs related to the issuance of a composite financial instrument are allocated to the debt and equity components of the instrument in proportion to the distribution of the obtained amounts to the related instrument. Transaction costs associated with multiple transactions (for example, costs associated with simultaneous issuance of some stocks and listings of some other stocks) are allocated to the relevant transactions on the basis of an allocation method that is reasonable and consistent with similar transactions. The amount of transaction costs accounted for as a deduction from equity during the period is disclosed separately in accordance with TAS 1.

### ***Trade Receivables***

Trade receivables resulting from the provision of products or services to the buyer are accounted for at the amortized value of the receivables, which are recorded at the original invoice value, to be obtained in the following periods using the effective interest method. Short-term receivables with no specified interest rate are shown at the invoice amount unless the effect of the original effective interest rate is significant.

A “simplified approach” is applied within the scope of impairment calculations for trade receivables (with a maturity of less than 1 year) that are accounted at amortized cost in the consolidated financial statements and do not contain a

## **ÇAN2 TERMİK A.Ş.**

**Limited Audited 01 January 2022- 30 June 2022 Period**

### **Explanatory Notes to the Consolidated Financial Statements**

(Currency is TRY unless otherwise is indicated.)

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### ***Trade Receivables (Continued)***

significant financing component. With this approach, allowances for losses on trade receivables are measured at an amount equal to "lifetime expected credit losses", in cases where trade receivables are not impaired for specific reasons (other than realized impairment losses).

Following the provision for impairment, if all or part of the amount of the impaired receivable is collected, the collected amount is deducted from the provision for impairment and recorded in other income from main activities.

### ***Cash and cash equivalents***

Cash and cash equivalents are cash, demand deposits and other highly liquid short-term investments with maturities of 3 or less than 3 months from the date of purchase, immediately convertible into cash, and without significant risk of change in value.

### **Financial Liabilities**

A financial liability is measured at fair value at initial recognition. During the initial recognition of financial liabilities whose fair value difference is not recognized in profit or loss, the transaction costs directly attributable to the underwriting of the related financial liability are added to the said fair value. Financial liabilities are accounted for at amortized cost using the effective interest method, together with the interest expense calculated over the effective interest rate in the following periods.

### **Inventories**

Inventories are valued based on the weighted average cost method by considering the cost or the net realizable value, whichever is the lowest. Net realizable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses. The cost of inventories covers all purchasing costs, conversion costs and other expenses made to bring the inventories into their current state and condition. When net realizable value of inventories is less than their cost, inventories will be valued according to their realizable value and the difference will be record as an item in comprehensive income statement.

In cases where impairment of inventories is no longer valid or net realizable value is increased, impairment of inventories which was recorded as loss in previous comprehensive income statement will be a provision no longer required. The amount of provision no longer required is limited with the amount of provision which was allocated in previous periods. (Note: 9)

### **Tangible Fixed Assets**

The Group has adopted the "Revaluation model" starting from 30.06.2022, based on the reasonable values determined in the valuation studies performed by an independent valuation company accredited to the CMB for the asset value of the thermal power plant in accordance with TAS 16 "Tangible Fixed Assets" standard.

"Peer Comparison Method" and "Cost Approach" were used to determine the fair value of the real estate's belonging to Çan2 Termik A.Ş., and "Income Capitalization INA analysis" and "Cost Method" were used to determine the fair values of the facilities. Revaluations are made regularly in a way that does not cause the amount to be determined by using the fair value as of the end of the reporting period to differ materially from the carrying value. The frequency of revaluations depends on the changes in the fair values of the items of property, plant and equipment subject to revaluation.

If the fair value of the revalued asset differs significantly from its carrying value, the asset is revalued. Some items of property, plant and equipment whose fair values show significant changes are revalued annually. Items of property,

## ÇAN2 TERMİK A.Ş.

Limited Audited 01 January 2022- 30 June 2022 Period

### Explanatory Notes to the Consolidated Financial Statements

(Currency is TRY unless otherwise is indicated.)

## 2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

plant and equipment that do not have significant changes in their fair values are subject to revaluation every three or five years.

Increases in tangible fixed assets because of revaluation are recorded after netting the deferred tax effect to the revaluation fund account in the equity group of the balance sheet. The difference between depreciation and amortization calculated over the carrying value of the revalued assets (depreciation charged to the profit or loss statement) and the depreciation and amortization calculated over the acquisition cost of these assets is transferred from the revaluation reserve to the accumulated profit/loss after the deferred tax effect is netted each year. . The same applies to tangible fixed assets as well.

The lands are not depreciated because their economic useful lives are indefinite. The estimated useful lives of these assets are as follows:

	<u>Years</u>
Thermal power plant	30
Aboveground and underground layouts	8-50
Buildings	50
Machinery, plant and devices	4-15
Vehicle tools and equipment	5
Furniture and fixtures	3-15
Special costs	lease term (days) or lifetime, whichever is less

The profit or loss resulting from the disposal of tangible fixed assets is determined by comparing the adjusted amounts with the collected amounts and is reflected in the relevant income and expense accounts in the current period.

Maintenance and repair expenses of tangible fixed assets are normally recorded as expense. However, in exceptional cases, if the maintenance and repair results in an expansion or significant improvement in assets, these costs can be capitalized and depreciated over the remaining useful life of the associated tangible asset (Note 11).

### Intangible Assets

Intangible assets are consisting of acquisition rights, information systems, computer software and special costs. These elements record on acquisition cost and after the date of acquisition they will amortize by using normal amortization method according to their expected useful life. Expected useful life of intangible assets is like below.

	<u>Years</u>
Rights	3-15
Computer programs	3
Preparation and Development Activities	License or Royalty Contract Duration

In case of decrease in value, the book value of intangible assets can be discounted to its recovered value. Recovered value is the value that whichever is higher between useful value and net selling price. (Note:12)

### Leases – TFRS 16 (As a Lessor)

At the inception of a contract, the Group evaluates whether the contract is or contains a lease. If the contract transfers the right to control the use of an identified asset for a specified period of time, the contract is or includes a lease.

The group considers the following conditions when assessing whether a contract transfers the right to control the use of an identified asset for a specified period of time:

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **Leases – TFRS 16 (As a Lessor) (Continued)**

- The contract contains an identified asset (identification of an asset by express or implied indication in the contract
- A functional part of the asset is physically separate or represents almost the entire capacity of the asset (the asset is not defined if the supplier has a substantive right to replace the asset throughout its useful life and derive economic benefits from it),
- The Group has the right to obtain almost all of the economic benefits to be derived from the use of the identified asset,
- The Group has the right to direct the use of the identified asset. The Group has the right to manage the use of the asset in any of the following situations:
  - a) The Group has the right to manage and change how and for what purpose the asset will be used throughout the period of use, or
  - b) The following decisions regarding how and for what purpose the asset will be used have been determined beforehand:
    - i. The Group has the right to operate the asset (or direct others to operate the asset as it determines) throughout the life of the asset and the supplier does not have the right to change these operating instructions; or
    - ii. The Group has designed the asset (or certain features of the asset) to predetermine how and for what purpose the asset will be used throughout its useful life.

After the above-mentioned assessments, the Group reflects a right-of-use asset and a lease liability to its consolidated financial statements at the actual commencement date of the lease.

#### **Right-of-use asset**

The Group measures the right-of-use asset at cost at the commencement date of the lease. The cost of the right-of-use asset includes:

- a) the initial measurement amount of the lease liability,
- b) all lease payments made on or before the commencement date of the lease, less any lease incentives received.
- c) all initial direct costs incurred by the group; and
- d) in relation to restoring the underlying asset to the condition required by the terms and conditions of the lease.

Costs incurred by the group (excluding costs incurred for producing inventory). When applying the group cost method, the right-of-use entity:

- a) deducting accumulated depreciation and accumulated impairment losses; and
- b) measures at cost adjusted for remeasurement of the lease liability.

While depreciating right-of-use assets, the Group applies the depreciation provisions of TAS 16 Tangible Fixed Assets. TAS 36 Impairment of Assets is applied to determine whether a right-of-use asset is impaired and to account for any identified impairment losses.

Lease payments that are included in the measurement of the Group's lease liability and that have not been realized at the commencement date of the lease consist of the following:

- a) The amount obtained by deducting all kinds of lease incentive receivables from fixed payments,
- b) Lease payments based on an index or rate, initially measured using an index or rate at the commencement date of the lease; and
- c) Penalties for termination of the lease if the lease term indicates that the lessee will exercise an option to terminate the lease.

After the actual commencement date of the lease, the Group measures the lease liability as follows:

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **Right-of-use asset (Continued)**

- a) Increases the book value to reflect the interest on the lease liability,
- b) Decrease book value to reflect lease payments made; and
- c) Remeasures the book value to reflect any reassessments and restructurings.

The Group reflects the remeasurement of the lease liability as an adjustment to the right-of-use asset in its consolidated financial statements.

### **Cash Flow Hedges**

At the date of the derivative contract, the Group determines the transactions that provide hedging against changes in the cash flows of a registered asset or liability or transactions that can be associated with a certain risk and that are likely to occur, resulting from a certain risk and that may affect profit or loss as cash flow hedge.

The Group presents the gains and losses related to the effective hedging transaction under “hedging gains (losses)” in equity. The ineffective portion is defined as profit or loss in the profit for the period. In the event that the hedged commitment or possible future transaction becomes an asset or liability, the gains or losses related to these transactions, which are recognized as equity items, are taken from these items and included in the acquisition cost or book value of the said asset or liability. Otherwise, the amounts recognized under equity items are transferred to the income statement in the period in which the hedged possible future transaction affects the income statement and reflected as profit or loss.

In the event that the hedging instrument is sold, expires or fails to meet the hedge accounting requirements even though it is for hedging purposes, or in one of the situations where the promised or probable future transaction is not expected to occur, it is separately in equity until the promised or probable future transaction occurs. continues to be classified. When the promised or probable future transaction is realized, it is recorded in the income statement or if it is anticipated that it will not be realized, the accumulated gains or losses related to the transaction are reflected in the consolidated financial statements as profit or loss (Note 37).

### **Facilitating applications**

Short-term lease agreements with a rental period of 12 months or less, and agreements regarding information technology equipment rentals (predominantly printers, laptop computers, mobile phones, etc.) determined by the Group as low value, are considered within the scope of the exception recognized by TFRS 16 Leases Standard. Payments related to contracts continue to be recognized as expenses in the period they are incurred (Note 14).

### **Investment Properties**

Rather than sell goods and services for use in the production and administrative purposes at normal course of business, lands and buildings which are held in hand to obtain lease or capital gains or to obtain both, can be classified as Investment Properties and they can be recorded as values which comes after deduction of accumulated depreciation from cost according to its cost method except lands. The cost of construction, which construct by the company, of property for investment purposes determine on cost at the date of completion of rehabilitation and construction work. Asset at this date becomes a property for investment purposes and cause of that it transfers to properties account section.

### **Borrowing Costs**

Group reflects borrowing costs as financing cost during credit period in its comprehensive income statement. Financing cost which is sourced from credits is recorded to comprehensive income statement when they occur.

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

Energy producing plants can be evaluated as a specialty asset depending on conditions. Acquiring, constructing, or borrowing costs that can be directly related to producing of a specialty asset can be capitalized as a part of specialty asset's cost by firms. Firms can book the other borrowing costs as an expense in their occurred period

Acquiring, constructing, or borrowing costs that can be directly related to producing of a specialty asset is added to cost of the asset. This kind of borrowing costs is capitalized as a part of specialty asset's cost for a dependable measure and for a possible situation that it can make an economic contribution to company. Acquiring, constructing,

or borrowing costs that can be directly related to producing of a specialty asset are borrowing costs that will not appear in case that there will be no expense done related to specialty asset.

If a company is get into debt in order to acquire a specialty asset, the borrowing cost amount that will be capitalized will be determined by deducting income that is gained via temporary exploiting aforesaid funds from borrowing cost of the aforesaid borrowing in the related period.

In the case of a company uses a part of the funds that it is get into debt for general purposes in order to finance a qualifying asset; the borrowing cost amount that can be capitalized; is determined via using capitalizing rate that will be applied to expenses that related asset. This capitalizing rate is the weighted average of all existing borrowing of the related period to borrowing costs, except the borrowings that is done for acquiring the qualifying asset. The borrowing cost amount that is capitalized for a period, cannot exceed consisted of the borrowing cost in related period.

When all necessary proceedings virtually is completed for asset's intended usage and getting ready for sale, the capitalizing of borrowing costs will end. In the situation of a qualifying asset is completed in parts and every part can be used while other parts Continue to construct; When all necessary proceedings virtually is completed for certain part's intended usage and getting ready for sale, the capitalizing of borrowing costs of the related part will end.

Within the scope of TAS-23 "Borrowing Costs" standard, the group includes the principal currency difference amounts of the loans used to finance the construction of the Specialty Assets; Assuming that the loan was used in TRY, the TRY base interest rate at the date of use of the loans is taken and the exchange differences corresponding to the TRY interest cost are added to the capitalization amount of the assets considered as qualifying assets. In the calculation made, the base interest rate is based on the representative interest rate on the date of the signed and renewed contracts in the current period for all investment loans used if the same loans are used in TRY under the same conditions (Note 17).

### **Provisions, Contingent Liabilities and Assets**

#### ***Provisions***

Provisions which are present in group as of the statement of financial position date can be accounted in case where there is a legal liability sourced from past or a structural liability and it is highly possible to realize exit of resources to fulfil this liability, there is a reliable estimated amount of liability. In cases where here is more than one a like liability, the need for the possibility of exit of resources which can provide economic profit evaluate by taking in account of all same liabilities in same quality. Even if there is a little possibility to realize exit of resources for a liability in same quality, group allocates provision. Group does not allocate provision for operational loss in future. In cases when the value effect of money is important, amount of provision determine with present value of expenses which will be needed to fulfil liability.

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### ***Contingent Assets and Liabilities***

Contingent assets and liabilities are contingent assets and liabilities that arise from past events and whose realization is dependent on the occurrence or non-existence of one or more events that are beyond the Group's complete control in the future.

The Group does not reflect contingent assets and liabilities in its records. Contingent liabilities are disclosed in the notes to the consolidated financial statements unless the probability of an outflow of relevant economic benefits is remote, whereas contingent assets are disclosed only if an inflow of economic benefits is highly probable.

### **Employee Benefits:**

#### ***Defined Benefit Plan***

Provisions for severance benefit reflect upon to actuarial work according to TAS 19 “employee benefit”.

Liability of severance benefit means value of estimated total provisions for possible liabilities which will occur in future cause of ending the agreement between group and its personnel for defined reasons according to

Turkish Labor Law or retirement of personnel according to related law as of statement of financial position date. Group calculates severance benefit by predicting discounted net value of deserved benefits or based on the information from group’s experience about fire personnel or quit of the personnel and reflects to its financial statements.

#### ***Defined Contribution Proportions***

Group has to pay social insurance premium to Social Insurance Intuition. There will be no other liability if the group Continues to pay the premiums. These premiums reflect to personnel expenses in its accrual periods.

### **Revenues**

When the Group fulfills or fulfills a performance obligation by transferring a promised good or service to its customer, revenue is recognized in the consolidated financial statements. An asset is transferred when or when control of an asset falls into the hands of the customer. The Group recognizes revenue in the consolidated financial statements in line with the following 5 basic principles:

- a) Definition of customer contracts
- b) Definition of performance obligations in contracts
- c) Determination of the transaction price in the contracts
- d) Allocating the transaction price to the performance obligations in the contracts
- e) Recognizing revenue when each performance obligation is satisfied.

A contract is considered within the scope of TFRS 15 only if it is legally enforceable, collectible, rights and payment terms for goods and services are identifiable, the contract has a commercial substance, the contract is approved by the parties, and the parties undertake to fulfill their obligations.

At the beginning of the contract, the Group evaluates the goods or services promised in the contract with the customer and defines each commitment to transfer to the customer as a separate performance obligation. The Group also determines, at the inception of the contract, whether it has fulfilled each performance obligation over time or at a particular moment in time.



## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

The Group takes into account the contractual terms and commercial practices to determine the transaction price. The transaction price is the amount the Group expects to be entitled to in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, some sales taxes). While making the assessment, it is considered whether the contract includes elements of variable amounts and whether it contains a significant financing component.

In accordance with TFRS 15 “Revenue from contracts with customers”, the Group's performance obligations consist of wholesale electricity sales and ancillary services related to electricity sales. The electricity sold is transmitted to the customer over transmission lines and the customer consumes the Group's benefit from performance simultaneously. Revenue from electricity sales and ancillary services related to electricity sales are recognized at the moment of delivery.

### ***TEİAŞ Electricity Sales Revenue***

Contains all sales transactions are made by market participant on the free market reconciled by PMUM (Market Financial Settlement Center) and sales arising from settlement center due to presence of the free market.

### ***Free Consumer Electricity Sales***

According to consumer limit is published by EMRA, sales made to all consumers within the definition of free consumer.

### ***Bilateral Agreements Electricity Sales***

Physical or service sales to both wholesale companies or private manufacturing companies. Primary Frequency Control (PFC) contains service sales related with power plants liability in relevant legislations to transfer this liability to someone else.

### ***Energy Imbalance***

According to legislation, all imbalance receivables and payables are reconciled within responsible party when group companies are merged to create balance group. The responsible party for the balance distributes this amount of compensation to group members. Group imbalance items contains the amount of positive imbalance receivables, negative imbalance payables and zero balance payable/receivable.

### **Foreign Currency Translation**

Foreign currency transactions realized during the period are translated into Turkish Lira at the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currency are valued at the exchange rates prevailing at the end of the period. Exchange gains or losses arising from the valuation of monetary assets and liabilities denominated in foreign currency are reflected in the profit/loss statement.

As of 30.06.2022, announced buying rate of USD by the Central Bank of Republic of Turkey is 16,6614 TRY (31.12.2021: 13,3290 TRY), buying rate of EURO is 17,3701 TRY (31.12.2021: 15,0867 TRY), buying rate of GBP is 20,1752 TRY (31.12.2021: 17,9667 TRY). As of the date of 30.06.2022 announced buying rate of USD by the Central Bank of Republic of Turkey is 16,6914 TRY (31.12.2021: 13,3530 TRY), buying rate of EURO is 17,4014 TRY (31.12.2021: 15,1139 TRY), buying rate of GBP is 20,2804 TRY (31.12.2021: 18,0604 TRY).

### **Calculated Taxed on Corporation Revenue**

#### ***Deferred Tax***

Deferred taxes are calculated by considering statement of financial position liability. They are reflected considering the tax effects of temporary differences between legal tax base and reflected values of assets and liabilities in financial statements. Deferred tax liability is calculating for all taxable temporary differences however discounted temporary differences which occurs from deferred tax assets is calculated in condition to be highly possible to have benefit from these differences by obtaining taxable profit in future.

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

Receivable and liability for deferred tax occurs where there are differences (which are reducible in future and taxable temporary differences) between book value and tax value of asset and liability sections. Deferred tax asset and liability is recording without considering time where group can use timing differences.

### ***Current Tax Payments***

Corporate tax rate in Turkey is 23% as of 2022. This rate can be applied to tax base which if found out after adding expenses, which are not accepted to reduce from tax according to tax law, to its commercial income and deducting exceptions in law (exception like affiliate income), discounts (like investment discount). In case of not distributing dividends, it will not be necessary to pay another tax.

There are not taking of withholding tax for corporate who obtain income in Turkey with a base or permanent representative and dividend payment to corporate that has a base in Turkey. Dividend payment except these above is taxable for withholding tax at 15% (10% before the date of 22.07.2006). Adding profit to capital cannot be count as distribution of dividend and applied for withholding tax.

Financial loss which is showed in declaration form according to Turkish Tax Regulation in condition not to pass for 5 years can be deducted on corporate income for period. However, fiscal loss cannot be deducted from previous year's profits.

### **Earnings / Loss Per Share**

Earnings per share presented at the bottom of the consolidated Comprehensive Income Statement are calculated by dividing the net profit for the period to the number of shares. In case of increasing capital from sources in group in period, when calculating weighted average of number of shares, the value found after that is accepted also to use as valid at the beginning of period. TMS 33 also refers to this matter is as follows.

Ordinary shares can be issued without any changing at sources or current ordinary shares can be reduced. For Example:

- (a) Activation or give ordinary shares (sometimes, ordinary share can be given as dividend too)
- (b) Include bonus issued in another issued transaction; for example, include new rights about bonus issued in issued transaction for current shareholders)
- (c) Share split and
- (d) Reverse share split (consolidation of shares)

Ordinary shares issued to current shareholders without any additional payment in the event of activation or bonus issue or share split. Because of this current ordinary share increase without any increase in resource. Before mentioned transaction number of current ordinary shares adjust according to proportional change in case of mentioned transaction realized at the beginning of the earliest period presented.

### **Events After the Reporting Period**

Subsequent events cover all events between authorization dates for publishing statement of financial position and statement of financial position date even if they are related to an announcement related to profits or if they occur after publishing financial information to public.

In case of occurring, events which are necessary to make adjustments after statement of financial position date, group adjusts the amounts in financial statements in an appropriate way to this situation. Subjects which are not necessary to make adjustment occurred after statement of financial position date is explained in explanatory notes of financial statements if they will affect economic decision of financial statements user.

## **2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **Statement of Cash Flow**

In cash flow statement group reports cash flows in period based on classification as operating, investing, and financing activities. Cash flows sourced from operating activities shows cash flows sourced from Group's activities. Cash flow related to investing activities shows cash flows that group use at present time or they gain from investing activities such as intangible asset investing and financial investing. Cash flow related to financing activities shows the resources used by group and back payment of these resources for financing activities. Cash and cash equivalents are consisted of cash and bank deposit, investment with certain amount at 3 months term or less than 3 months, short term with high liquidity.

### **Determination of Fair Value**

Several accounting policies and disclosures of the group require determination of fair value of both financial and non-financial assets. Assumptions are used to determine fair value and relevant additional information is presented in the notes specific to asset or liability.

According to levels, the valuation methods are listed as follows.

Level 1: Recorded prices (unadjusted) in active market for identical assets and liability

Level 2: Directly (through prices) observable data and indirectly (derived from prices) observable data for assets or liabilities and except recorded prices in Level 1

Level 3: Data is not based on observable market data relevant with assets and liabilities (unobservable data)

## **3.BUSINESS COMBINATIONS**

A business combination involving the undertakings or businesses subject to joint control is a business combination in which all the merging undertakings or businesses are controlled by the same person or persons before and after the business combination and this control is not temporary.

Since the business combinations subject to joint control are accounted by the combination of rights method, goodwill cannot be included in the financial statements, the amount of 1.399.068 TRY goodwill arising from the acquisition of the companies subject to joint control has been shown in the account "The Effect of the Enterprises Subject to Joint Control or Mergers Including the Enterprises" as an account that balances under equity.

The amounts resulting from the merger of enterprises under joint control in the "Effect of Mergers Including Joint Controlled Enterprises or Businesses" are shown below;

<b>Company Title</b>	<b>Acquisition Cost</b>	<b>Acquired Equity Share Value</b>	<b>Effect of Mergers Involving Enterprises or Businesses Under Joint Control</b>
Yel Enerji	100.000	(1.299.068)	(1.399.068)
<b>Total</b>	<b>100.000</b>	<b>(1.299.068)</b>	<b>(1.399.068)</b>

## **4. JOINT VENTURES**

None. (31.12.2021: None)

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**5. SEGMENT REPORTING**

<b>01.01.2022 - 30.06.2022</b>					
<b>Profit or Loss</b>	<b>Mining</b>	<b>Energy Production</b>	<b>Total</b>	<b>Elimination Effect</b>	<b>Consolidated Total</b>
Revenue	4.080.137	1.988.665.920	1.992.746.057	(4.051.152)	1.988.694.905
Cost of Sales (-)	(4.160.022)	(1.090.516.384)	(1.094.676.406)	4.051.152	(1.090.625.254)
<b>Gross Profit/Loss</b>	<b>(79.886)</b>	<b>898.149.536</b>	<b>898.069.651</b>	<b>--</b>	<b>898.069.651</b>
General Administrative Expenses (-)	(1.565.430)	(25.685.839)	(27.251.269)	--	(27.251.269)
Other Real Operating Income	11.891	21.688.316	21.700.207	--	21.700.207
Other Real Operating Expenses (-)	(4.756.253)	(19.709.589)	(24.465.842)	--	(24.465.842)
<b>OPERATING PROFIT/LOSS</b>	<b>(6.389.676)</b>	<b>874.442.424</b>	<b>868.052.747</b>	<b>--</b>	<b>868.052.747</b>
Revenues From Investment Activities	-	(133.366)	(133.366)	--	(133.366)
<b>PROFIT/LOSS BEFORE FINANCE EXPENSES</b>	<b>(6.389.676)</b>	<b>874.309.058</b>	<b>867.919.381</b>	<b>--</b>	<b>867.919.381</b>
Financing Income	1.988.501	260.255.807	262.244.308	(1.346.005)	260.898.303
Financing Expenses (-)	(109.763)	(308.019.609)	(308.129.372)	1.346.005	(306.783.367)
<b>PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>(4.510.938)</b>	<b>826.545.256</b>	<b>822.034.317</b>	<b>--</b>	<b>822.034.317</b>
<b>Continuing Activity Profit/Loss</b>	<b>(901.645)</b>	<b>94.635.722</b>	<b>93.734.077</b>	<b>--</b>	<b>93.734.077</b>
Term Tax Expense/Revenue	-	-	-	--	-
Deferred Tax Expense/Revenue	(901.645)	94.635.722	93.734.077	--	93.734.077
<b>CONTINUING ACTIVITY PROFIT/LOSS</b>	<b>(5.412.583)</b>	<b>921.180.978</b>	<b>915.768.394</b>	<b>--</b>	<b>915.768.394</b>
<b>DISCONTINUING ACTIVITY PROFIT/LOSS</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>CURRENT YEAR PROFIT/LOSS</b>	<b>(5.412.583)</b>	<b>921.180.978</b>	<b>915.768.394</b>	<b>--</b>	<b>915.768.394</b>
<b>30.06.2022</b>					
	<b>Mining</b>	<b>Energy Production</b>	<b>Total</b>	<b>Elimination Effect</b>	<b>Consolidated Total</b>
Current Assets	37.500.468	1.303.032.232	1.340.532.700	(76.121.532)	1.264.411.168
Non-current Assets	39.059.208	4.955.656.491	4.994.715.698	(1.150.000)	4.993.565.699
<b>Total Assets</b>	<b>76.559.675</b>	<b>6.258.688.724</b>	<b>6.335.248.399</b>	<b>(77.271.532)</b>	<b>6.257.976.867</b>
Short Term Liabilities	96.807.442	1.164.586.591	1.261.394.033	(76.121.532)	1.185.272.503
Long Term Liabilities	4.579.647	1.791.863.326	1.796.442.972	-	1.796.442.970
<b>Total Liabilities</b>	<b>101.387.089</b>	<b>2.956.449.917</b>	<b>3.057.837.005</b>	<b>(76.121.532)</b>	<b>2.981.715.473</b>
<b>Equity</b>	<b>(24.827.413)</b>	<b>3.302.238.808</b>	<b>3.277.411.394</b>	<b>(1.150.000)</b>	<b>3.276.261.394</b>

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**5. SEGMENT REPORTING (CONTINUED)**

	01.01.2021 - 30.06.2021				
<b>PROFIT OR LOSS</b>	<b>Mining</b>	<b>Energy Production</b>	<b>Total</b>	<b>Elimination Effect</b>	<b>Consolidated Total</b>
Revenue	13.958.126	500.536.718	514.494.845	(13.712.208)	500.782.637
Cost of Sales (-)	(18.087.027)	(371.743.766)	(389.830.794)	13.712.208	(376.118.586)
<b>Gross Profit/Loss</b>	<b>(4.128.901)</b>	<b>128.792.952</b>	<b>124.664.051</b>	<b>--</b>	<b>124.664.051</b>
General Administrative Expenses (-)	(1.025.869)	(12.669.953)	(13.695.822)	--	(13.695.822)
Other Real Operating Income	12.224	15.998.702	16.010.927	--	16.010.927
Other Real Operating Expenses (-)	(1.286.324)	(11.420.014)	(12.706.338)	--	(12.706.338)
<b>OPERATING PROFIT/LOSS</b>	<b>(6.428.870)</b>	<b>120.701.689</b>	<b>114.272.818</b>	<b>--</b>	<b>114.272.818</b>
Income from Investment Activities	150.071	(25.424)	124.647	--	124.647
<b>PROFIT/LOSS BEFORE FINANCE EXPENSES</b>	<b>(6.278.799)</b>	<b>120.676.265</b>	<b>114.397.466</b>	<b>--</b>	<b>114.397.465</b>
Financing Income	3.790.633	45.918.808	49.709.441	(1.624.369)	48.085.072
Financing Expenses (-)	(1.903.319)	(339.984.694)	(341.888.013)	1.624.369	(340.263.644)
<b>PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>(4.391.486)</b>	<b>(173.389.621)</b>	<b>(177.781.106)</b>	<b>--</b>	<b>(177.781.107)</b>
<b>Continuing Activity Profit/Loss</b>	<b>(482.224)</b>	<b>1.272.294</b>	<b>790.069</b>	<b>--</b>	<b>790.069</b>
Term Tax Expense/Revenue	--	--	--	--	--
Deferred Tax Expense/Revenue	(482.224)	1.272.294	790.069	--	790.069
<b>CONTINUING ACTIVITY PROFIT/LOSS</b>	<b>(4.873.710)</b>	<b>(172.117.327)</b>	<b>(176.991.037)</b>	<b>--</b>	<b>(176.991.038)</b>
<b>CURRENT YEAR PROFIT/LOSS</b>	<b>(4.873.710)</b>	<b>(172.117.327)</b>	<b>(176.991.037)</b>	<b>--</b>	<b>(176.991.038)</b>
<b>31.12.2021</b>					
	Mining	Energy Production	Total	Elimination Effect	Consolidated Total
Current Assets	30.099.370	579.288.800	609.388.170	(67.877.826)	541.510.344
Non-current Assets	40.477.368	4.972.292.802	5.012.770.170	(1.150.000)	5.011.620.170
<b>Total Assets</b>	<b>70.576.738</b>	<b>5.551.581.602</b>	<b>5.622.158.340</b>	<b>(69.027.826)</b>	<b>5.553.130.514</b>
Short Term Liabilities	86.168.674	1.063.685.844	1.149.854.518	(67.877.826)	1.081.976.692
Long Term Liabilities	3.781.404	1.851.739.181	1.855.520.586	--	1.855.520.589
<b>Total Liabilities</b>	<b>89.950.078</b>	<b>2.915.425.025</b>	<b>3.005.375.104</b>	<b>(67.877.826)</b>	<b>2.937.497.281</b>
<b>Equity</b>	<b>(19.373.340)</b>	<b>2.636.156.579</b>	<b>2.616.783.234</b>	<b>(1.150.000)</b>	<b>2.615.633.233</b>

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**6. EXPLANATIONS OF RELATED PARTIES**

**i) Balances of the Company with its' related parties as of June 30, 2022 and December 31, 2021:**

**a) Trade receivables from related parties:**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Suda Maden A.Ş.	13.203.360	601.708
Batı Trakya Madencilik A.Ş.	12.454.044	12.406.844
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	11.065.452	10.314.282
Hidro Kontrol Elektrik Üretim A.Ş.	468.486	6.037.674
Ys Madencilik Sanayi ve Tic. Ltd. Şti	31.997	25.196
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	--	2.321.546
Voytron Enerji Elektrik Perakende Satış A.Ş.	--	746.106
<b>TOTAL</b>	<b>37.223.339</b>	<b>32.453.356</b>
<i>Deduction: Unaccrued financial expenses</i>	<i>(4.803.285)</i>	<i>(3.936.193)</i>
<b>TOTAL</b>	<b>32.420.054</b>	<b>28.517.163</b>

**b) Other receivables from related parties:**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Burak Altay	4.926.635	7.500
Abdulkadir Bahattin Özal	4.919.079	--
Süleyman Sarı	160.750	160.750
Tahsin Yazan	100.000	100.000
Rey Bilişim Hizmetleri Tic. Ltd. Şti.	936	936
Ys Madencilik Sanayi ve Tic. Ltd. Şti	254	254
Kerem Emir Yazan	--	93.951
Odaş Elektrik Üretim San. ve Tic. A.Ş.	--	234.917
<b>TOTAL</b>	<b>10.107.654</b>	<b>598.308</b>
<i>Deduction: Unaccrued financial expenses</i>	<i>(2.197)</i>	<i>(5.613)</i>
<b>TOTAL</b>	<b>10.105.457</b>	<b>592.695</b>

**c) Trade payables to related parties:**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Voytron Enerji Elektrik Perakende Satış A.Ş.	74.542.241	--
Kısrakdere Maden A.Ş.	55.680	55.680
Batı Trakya Madencilik A.Ş.	--	544.757
<b>TOTAL</b>	<b>74.597.921</b>	<b>600.437</b>
<i>Deduction: Unaccrued financial incomes</i>	<i>(11.551.807)</i>	<i>(84.230)</i>
<b>TOTAL</b>	<b>63.046.114</b>	<b>516.207</b>

**ÇAN2 TERMİK A.Ş.**  
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**6. EXPLANATIONS OF RELATED PARTIES (CONTINUED)**

**i) Balances with related parties as of 30 June 2022 and 31 December 2021:**

<b>d)Other payables to related parties:</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Odaş Elektrik Üretim San. ve Tic. A.Ş.	158.261.494	94.971.030
Suda Maden A.Ş.	7.368.674	6.697.536
Ys Madencilik Sanayi ve Tic. Ltd. Şti	1.406.192	1.406.192
Voytron Enerji Elektrik Perakende Satış A.Ş.	1.087.987	12.067.920
Onur Mining	468.578	--
Bahattin Özal	12.500	12.500
Batı Trakya Madencilik A.Ş.	2.222	2.222
<b>TOTAL</b>	<b>168.607.647</b>	<b>115.157.400</b>
<i>Deduction: Unaccrued financial incomes</i>	<i>(11.281.069)</i>	<i>(11.759.350)</i>
<b>TOTAL</b>	<b>157.326.578</b>	<b>103.398.050</b>

**ii) Significant sales to and purchases from related parties:**

<b>a) Sales to related parties</b>	<b>01 January -30 June 2022</b>	<b>01 January - 30 June 2021</b>	<b>01 April -30 June 2022</b>	<b>01 April -30 June 2021</b>
Voytron Enerji Elektrik Perakende Satış A.Ş.	754.267.049	163.026	714.775.481	163.026
Odaş Elektrik Üretim San. ve Tic. A.Ş.	110.171.880	--	110.171.880	--
Suda Maden A.Ş	11.632.797	4.680.000	10.679.366	2.025.000
Batı Trakya Madencilik A.Ş	40.000	258.450	40.000	96.906
<b>TOTAL</b>	<b>876.111.726</b>	<b>5.101.476</b>	<b>835.666.727</b>	<b>2.284.932</b>

<b>c) Purchases from related parties</b>	<b>01 January -30 June 2022</b>	<b>01 January - 30 June 2021</b>	<b>01 April -30 June 2022</b>	<b>01 April -30 June 2021</b>
Voytron Enerji Elektrik Perakende Satış A.Ş.	4.067.157	514.996	2.563.480	248.218
Suda Maden A.Ş.	953.432	4.680.000	--	2.025.000
Kısrakdere Maden A.Ş.	--	19.323.650	--	901.290
<b>TOTAL</b>	<b>5.020.588</b>	<b>24.518.646</b>	<b>2.563.480</b>	<b>3.174.508</b>

**Fees and similar benefits provided to the top management for the accounting period ending on 30.06.2022 are as follows:**

- a) Short-term benefits provided to employees:** The total amount of wages and similar benefits provided to the members of the Board of Directors and senior managers in the first six months of the 2022 accounting period is TRY 9.975.945. (For the first six months of 2021, it is TRY 4.805.352)
- b) Post-employment benefits:** Severance pay is paid to the personnel who deserve the rights granted by law. No payment is made other than the rights arising from the Labor Law.

**ÇAN2 TERMİK A.Ş.**  
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**6. EXPLANATIONS OF RELATED PARTIES (CONTINUED)**

c) **Other long-term benefits:** None.

d) **Benefits due to Dismissal:** None.

e) **Share-based payments:** None.

**7. TRADE RECEIVABLES AND PAYABLES**

**Trade Receivables**

The details of the Group's trade receivables as of 30.06.2022 and 31.12.2021 are as follows:

<b>Trade receivables</b>	<b>June 30, 2022</b>	<b>December 31, 2021</b>
Customer Current Accounts	180.043.823	114.307.354
- Receivables from related parties	37.223.339	32.453.356
- Other receivables	142.820.484	81.853.998
Notes Receivables	50.533.733	46.632.891
Doubtful Receivables	1.500.000	1.500.000
Provision of Doubtful Receivables (-)	(1.500.000)	(1.500.000)
	<b>230.577.556</b>	<b>160.940.245</b>
<i>Deduction: Unaccrued financial expenses</i>	<i>(6.169.017)</i>	<i>(5.741.736)</i>
- Receivables from related parties	<i>(4.803.285)</i>	<i>(3.936.193)</i>
- Other receivables	<i>(1.365.732)</i>	<i>(1.805.543)</i>
<b>TOTAL</b>	<b>224.408.539</b>	<b>155.198.509</b>

Provision for doubtful receivables as of June 30, 2022 and as of December 31, 2021. The movement is as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Opening Balance	1.500.000	1.500.000
Additional provisions	--	--
Payments (-)	--	--
<b>TOTAL</b>	<b>1.500.000</b>	<b>1.500.000</b>

**Trade Payables**

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
Supplier Current Accounts	302.351.614	176.094.130
- Due to related parties	74.597.922	600.438
- Other supplier payables	227.753.692	175.493.692
Notes Payables	5.359.632	33.794.793
	<b>307.711.246</b>	<b>209.888.923</b>
<i>Deduction: Unaccrued financial incomes</i>	<i>(19.396.175)</i>	<i>(5.621.005)</i>
- Trade Payables to Related Parties	<i>(11.551.809)</i>	<i>(84.231)</i>
- Trade Payables to Third Parties	<i>(7.844.366)</i>	<i>(5.536.774)</i>
<b>TOTAL</b>	<b>288.315.071</b>	<b>204.267.918</b>



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**8.OTHER RECEIVABLES AND PAYABLES**

**Short-term Other Receivables**

The details of the Group's other short-term receivables are as follows:

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
Other receivables from related parties	10.107.655	598.308
Other receivables	464.764	464.765
Deposits and guarantees given	2.320.362	2.242.323
Receivables from personnel	33.460	33.460
<b>TOTAL</b>	<b>12.926.241</b>	<b>3.338.856</b>
Deduction: Unaccrued finance expenses	(2.197)	(5.613)
-Other receivables from related parties	(2.197)	(5.613)
-Other receivables	--	--
<b>TOTAL</b>	<b>12.924.044</b>	<b>3.333.243</b>

**Long-term Other Receivables**

The details of the Group's other long-term receivables are as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Deposits and guarantees given	209.744	209.743
<b>TOTAL</b>	<b>209.744</b>	<b>209.743</b>

**Short-term Other Payables**

The details of the Group's other short-term payables are as follows:

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
<i>Due to related parties</i>	168.607.646	115.157.400
Other payables	268.916	666.112
Taxes and funds payables	118.898.365	14.279.187
Received advances	19.800	8.422
Tax or Other Deferred Liabilities	5.243.008	14.257.943
Other Liabilities	51.190	9.249
	<b>293.088.925</b>	<b>144.378.313</b>
<i>Deduction: Unaccrued finance expenses</i>	(11.281.069)	(11.759.351)
- Due to related parties	(11.281.069)	(11.759.351)
- Other payables	--	--
<b>TOTAL</b>	<b>281.807.856</b>	<b>132.618.962</b>

**ÇAN2 TERMİK A.Ş.**  
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**8. OTHER RECEIVABLES AND PAYABLES (CONTINUED)**

Details of taxes and funds payables are as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Wage Income Tax Deduction	7.665.639	4.660.215
Value Added Tax	110.888.363	9.512.160
Other Tax Liabilities	344.363	106.812
<b>TOTAL</b>	<b>118.898.365</b>	<b>14.279.187</b>

**Long-term Other Payables**

The details of the Group's other long-term payables are as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Deferred or Installed Payables to Public	3.485.224	5.796.327
<b>TOTAL</b>	<b>3.485.224</b>	<b>5.796.327</b>

**9. INVENTORIES**

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
Raw materials and supplies	13.858.436	7.475.983
Semi-finished goods	159.908.812	113.372.191
Finished goods	121.704.686	90.947.624
Other inventories	27.940.250	10.280.966
<b>TOTAL</b>	<b>323.412.184</b>	<b>222.076.764</b>

The balance of the raw material amount consist of fuel oil purchases, semi-finished product stocks consist of raw coal purchases, product stocks consist of powdered coal and limestone purchases, and other stocks consist of auxiliary production materials and other operating materials and spare parts.

**10. PRE-PAID EXPENSES AND DEFERRED INCOME**

**Short-term Pre-paid Expenses**

The details of short-term prepaid expenses are as follows:

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
Advances given to suppliers	9.337.742	5.640.820
Expenses related to the coming months	3.696.709	9.541.731
<b>TOTAL</b>	<b>13.034.451</b>	<b>15.182.551</b>

**Long-term Pre-paid Expenses**

The details of long-term prepaid expenses are as follows:

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
Expenses related to the future months	2.028.414	1.884.776
<b>TOTAL</b>	<b>2.028.414</b>	<b>1.884.776</b>

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**10. PRE-PAID EXPENSES AND DEFERRED INCOME (CONTINUED)**

**Short-term Deferred Income**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Advances Received (*)	--	61.096.265
<b>TOTAL</b>	<b>--</b>	<b>61.096.265</b>

(\*) These are the amounts related to the advances received from EPIAŞ. In the following period, it was closed by offsetting the trade receivables.

**11. TANGIBLE FIXED ASSETS**

The movement of tangible fixed assets within the accounting period of 01.01.-30.06.2022 is as follows:

	<b>01.01.2022</b>	<b>Addition</b>	<b>Disposals</b>	<b>Transfer</b>	<b>30.06.2022</b>
<b>Cost</b>					
Lands	166.675.000	2.401.920	--	--	169.076.920
Buildings	596.707	--	--	--	596.707
Plant, machinery and equipment	4.925.301.810	27.956.241	--	--	4.953.258.051
Vehicles	13.335.631	23.395.370	(353.890)	--	36.377.111
Furniture and fixtures	7.736.063	3.350.403	(3.390)	--	11.083.076
Construction in progress	33.668.266	15.839.442	--	--	49.507.708
Research expenses	167.381	--	--	--	167.381
<b>Total</b>	<b>5.147.480.858</b>	<b>72.943.377</b>	<b>(357.280)</b>	<b>--</b>	<b>5.220.066.955</b>
<b>Accumulated Depreciation</b>					
Buildings	(61.707)	--	--	--	(61.707)
Plant, machinery and equipment	(220.870.145)	(91.455.108)	--	--	(312.325.253)
Vehicles	(1.775.114)	(2.793.080)	73.890	--	(4.494.304)
Furniture and fixtures	(3.106.350)	(660.067)	1.506	--	(3.764.911)
<b>Total</b>	<b>(225.813.316)</b>	<b>(94.908.255)</b>	<b>75.396</b>	<b>--</b>	<b>(320.646.175)</b>
<b>Net Book Value</b>	<b>4.921.667.543</b>	<b>(21.964.878)</b>	<b>(281.884)</b>	<b>--</b>	<b>4.899.420.780</b>

The movement of tangible fixed assets within the 01.01.-31.12.2021 accounting period is as follows:

	<b>01.01.2021</b>	<b>Addition</b>	<b>Disposals</b>	<b>Transfer</b>	<b>Revaluation</b>	<b>31.12.2021</b>
<b>Cost</b>						
Lands	54.755.175	2.086.644	--	--	109.833.181	166.675.000
Buildings	320.000	--	--	--	276.707	596.707
Plant, machinery and equipment	2.262.393.996	87.335.125	(635.593)	2.008.625	2.574.199.657	4.925.301.810
Vehicles	4.011.077	472.831	(65.869)	--	8.917.592	13.335.631
Furniture and fixtures	6.020.196	1.715.871	--	--	--	7.736.067
Construction in progress	13.746.851	19.921.415	--	--	--	33.668.266
Research expenses	--	167.381	--	--	--	167.381
<b>Total</b>	<b>2.341.247.295</b>	<b>111.699.267</b>	<b>(701.462)</b>	<b>2.008.625</b>	<b>2.693.227.137</b>	<b>5.147.480.862</b>

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**11. TANGIBLE FIXED ASSETS (CONTINUED)**

<b>Accumulated Depreciation</b>						
Buildings	(48.881)	(12.826)	--	--	--	(61.707)
Plant, machinery, and equipment	(164.076.858)	(56.793.287)	--	--	--	(220.870.145)
Vehicles	(1.405.255)	(585.798)	215.939	--	--	(1.775.114)
Furniture and fixtures	(2.153.362)	(952.991)	--	--	--	(3.106.353)
<b>Total</b>	<b>(167.684.356)</b>	<b>(58.344.902)</b>	<b>215.939</b>	<b>--</b>	<b>--</b>	<b>(225.813.319)</b>
<b>Net Book Value</b>	<b>2.173.562.940</b>	<b>53.354.365</b>	<b>(485.523)</b>	<b>2.008.625</b>	<b>2.693.227.137</b>	<b>4.921.667.543</b>

In accordance with the standard TAS 16 “Tangible Fixed Assets”, group adopted “revaluation model” starting September 30, 2018 by basing on reasonable values detected in revaluation studies by CMB licensed independent valuation company, Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş., for land, underground and aboveground layouts, buildings, machinery, plants and equipment.

In the valuation report dated 11.10.2018 prepared as of 30.09.2018, the value of the investment was determined as TRY 1.961.836.045 according to the income management (DNA). In the valuation report dated 10.02.2020 prepared by an authorized valuation institution as of 31.12.2019, the value of the investment was determined as TRY 2.085.175.474 according to the income management (DNA). As there is no change in the fair values of tangible fixed assets as of the interim report date, no new valuation study has been carried out.

As of 31.12.2021, the asset value of Çan 2 Thermal Power Plant is based on the asset valuation study carried out by Ata Yatırım Menkul Değerler, reflected in the financial statements over the values in the Asset Valuation Report dated 12.01.2022, prepared in accordance with the “General Principles to Be Followed in the valuation of Non-real Estate Assets and International Valuation Standards” in accordance with the decision of the Capital Markets Board dated 11.04.2019 and numbered 21/500. The asset value of Çan 2 Thermal Power Plant has been determined as TL 4.684.505.558 by the authorized valuation companies according to the income method (DNA).

The asset value of Çan 2 Thermal Power Plant was determined by using the discounted cash flow method according to the income approach, and the Market Approach, Income Approach and Cost Approach methods were used in the valuation study. The valuation study was carried out by the valuation company authorized by the Capital Markets Board and by valuation experts in accordance with the International Valuation Standards (UDES).

Revaluation fund movements are as follows:

<b>30.06.2022</b>	<b>Vehicle, Machinery, Plant</b>	<b>Building</b>	<b>Land</b>	<b>Total</b>
<b>January 01,2022 Balance</b>	<b>2.682.442.026</b>	<b>355.718</b>	<b>148.467.162</b>	<b>2.831.264.906</b>
Revaluation Value Increase (Gross)	--	--	--	--
Revaluation Impairment	--	--	--	--
Deferred Tax	--	--	--	--
<b>Revaluation Amount</b>	<b>2.682.442.026</b>	<b>355.718</b>	<b>148.467.162</b>	<b>2.831.264.906</b>

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**11. TANGIBLE FIXED ASSETS (CONTINUED)**

<b>31.12.2021</b>	<b>Vehicle, Machinery, Plant</b>	<b>Building</b>	<b>Land</b>	<b>Total</b>
<b>January 01,2021 Balance</b>	<b>615.948.227</b>	<b>109.449</b>	<b>38.633.980</b>	<b>654.691.656</b>
Revaluation Value Increase (Gross)	2.586.606.678	276.707	109.833.182	<b>2.696.716.567</b>
Revaluation Impairment	(3.489.429)	--	--	<b>(3.489.429)</b>
Deferred Tax	(516.623.450)	(30.438)	--	<b>(516.653.888)</b>
<b>Revaluation Amount</b>	<b>2.682.442.026</b>	<b>355.718</b>	<b>148.467.162</b>	<b>2.831.264.906</b>

**12. INTANGIBLE FIXED ASSETS**

As of 30.06.2022, the details of the Group's intangible assets are as follows:

	<b>01.01.2022</b>	<b>Addition</b>	<b>Disposals</b>	<b>Transfer</b>	<b>30.06.2022</b>
<b>Cost</b>					
Rights	5.758.547	2.205.412	(254.000)	--	7.709.959
Other Intangible Assets	299.880	29.299	--	--	329.179
Preparation and Development Expenses	36.215.981	2.623.474	--	--	38.839.455
<b>Total</b>	<b>42.274.408</b>	<b>4.858.186</b>	<b>(254.000)</b>	<b>--</b>	<b>46.878.594</b>
<b>Accumulated Amortization</b>					
Rights	(1.973.387)	(454.321)	52.219	--	(2.375.489)
Other Intangible Assets	(281.506)	(5.579)	--	--	(287.085)
Preparation and Development Expenses	(9.313.148)	(2.793.881)	--	--	(12.107.029)
<b>Total</b>	<b>(11.568.041)</b>	<b>(3.253.781)</b>	<b>52.219</b>	<b>--</b>	<b>(14.769.603)</b>
<b>Net Book Value</b>	<b>30.706.367</b>	<b>1.604.404</b>	<b>(201.781)</b>	<b>--</b>	<b>32.108.990</b>

As of 31.12.2021, the details of the Group's intangible assets are as follows:

	<b>01.01.2021</b>	<b>Addition</b>	<b>Disposals</b>	<b>Transfer</b>	<b>31.12.2021</b>
<b>Cost</b>					
Rights	3.643.455	2.115.092	--	--	5.758.547
Other Intangible Assets	288.355	11.526	--	--	299.881
Preparation and Development Expenses	35.538.973	677.008	--	--	36.215.981
<b>Total</b>	<b>39.470.783</b>	<b>2.803.626</b>	<b>--</b>	<b>--</b>	<b>42.274.409</b>
<b>Accumulated Amortization</b>					
Rights	(1.557.572)	(415.814)	--	--	(1.973.386)
Other Intangible Assets	(278.143)	(3.363)	--	--	(281.506)
Preparation and Development Expenses	(4.059.464)	(5.253.686)	--	--	(9.313.150)
<b>Total</b>	<b>(5.895.179)</b>	<b>(5.672.863)</b>	<b>--</b>	<b>--</b>	<b>(11.568.042)</b>
<b>Net Book Value</b>	<b>33.575.604</b>	<b>(2.869.237)</b>	<b>--</b>	<b>--</b>	<b>30.706.367</b>

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**13. EVALUATING AND RESEARCHING OF MINE RESOURCES**

As of June 30,2022 and December 31, 2021, the total development expenditure capitalized amount are as follows:

<b>Subsidiaries</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Yel Enerji	5.821.900	3.198.426
Çan2 Termik A.Ş.	3.025.247	3.025.247
Çan2 Trakya	29.992.308	29.992.308
<b>Total</b>	<b>38.839.455</b>	<b>36.215.981</b>

At Yel Enerji, the capitalized amount of TRY 5.821.900 as development expenditures is regarding the amount of drilling activities for coal mine license which is IR:17517 number and 1.205,11 hectares located in Bayramic district in Çanakkale.

Transferring of mine license has realized at July 15, 2015 and preparation and development expenditures have been activated in accordance with the Exploration for and Evaluation of Mineral Resources standard and the accounting policy applied by the Group. Amortization process will be beginning when intangible assets is ready to use (taken over the license) means required conditions available for management's aim. Therefore, development expenses is capitalized and amortization begun to be calculated.

The amount of preparation and development expenses recorded to assets of Çan2 Termik A.Ş. consist of land measure, test and drilling, engineering and architectural works, property damage fees, construction equipment rental fees in July 09, 2013. Development costs belong to coal mining area located in Çanakkale, Çan District, Yaylaköy Village with license number IR 17448. The operating rights of coal mining (existed before) obtained by operating agreement called 'royalty agreement'. Total expenditures for coal mining activities are amount of TRY 3.025.247 as of June 30, 2021. (31.12.2021 : 3.025.247 TRY)

Preparation and Development Expenses of TRY 29.992.308, which are activated in Çan 2 Trakya, are amounts related to coal mine drilling, analysis and geophysical costs in Tekirdag Malkara. Drilling is ongoing and the amortization will begin when the intangible asset is in the position and condition necessary for management to operate as intended.

**14. RIGHT OF USE ASSETS**

As of 30.06.2022, the details of the Group's right-of-use assets are as follows:

	<b>01.01.2022</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfer</b>	<b>30.06.2022</b>
<b>Cost – Vehicles</b>					
Right of Use Asset	6.316.280	--	--	--	6.316.280
<b>Total</b>	<b>6.316.280</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>6.316.280</b>
<b>Accumulated Depreciation - Vehicles</b>					
Right of Use Asset	(3.025.517)	(847.663)	--	--	(3.873.180)
<b>Total</b>	<b>(3.025.517)</b>	<b>(847.663)</b>	<b>--</b>	<b>--</b>	<b>(3.873.180)</b>
<b>Net Book Value</b>	<b>3.290.763</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2.443.100</b>

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**14. RIGHT OF USE ASSETS (CONTINUED)**

As of 31.12.2021, the details of the Group's intangible assets are as follows:

	<b>01.01.2021</b>	<b>Addition</b>	<b>Disposals</b>	<b>Transfer</b>	<b>31.12.2021</b>
<b>Cost – Vehicles</b>					
Right of Use Asset	5.900.470	415.810	--	--	6.316.280
<b>Total</b>	<b>5.900.470</b>	<b>415.810</b>	<b>--</b>	<b>--</b>	<b>6.316.280</b>
<b>Accumulated Depreciation - Vehicle</b>					
Right of Use Asset	(1.409.337)	(1.616.180)	--	--	(3.025.517)
<b>Total</b>	<b>(1.409.337)</b>	<b>(1.616.180)</b>	<b>--</b>	<b>--</b>	<b>(3.025.517)</b>
<b>Net Book Value</b>	<b>4.491.134</b>				<b>3.290.763</b>

The Group has consolidated its leasing debts, which represent the operational lease payments which are obliged to pay rent. Details of the group's accounting in accordance with the TFRS 16 Leases standard are described in Note 2.

**15. IMPAIRMENT OF ASSETS**

As of 30.06.2022 and 31.12.2021, the Group has a decrease in its trade receivables and the impairment amounts are shown in the relevant financial statement items (Note 7).

As of 31.12.2021, there is an impairment in tangible fixed assets of the group, and the amount of impairment is shown in the related financial statement items.

**16. GOVERNMENT INCENTIVES**

Çan2 Termik A.Ş. has Investment Incentive Certificate is 06.02.2015 dated and 117824 numbered, prepared by Ministry of Economy of the Republic of Turkey and General Directorate of Foreign Capital and Incentives Implementation. Mentioned certificate was revised by new numbered 18.09.2017 and C117824 dated. Aforesaid investment is power plant based on domestic coal (Çan 2 Thermic Plant) with 340 MW installed capacity and incentive certificate is arranged according to EMRA's ÖN/5117-5/03070 associate license number and dated 10.07.2014.

Investment Incentive Certificate is given for the full new investment carried out in Çanakkale (Çan 2nd region) and covers the period between 13.08.2014-12.02.2019. With the certificate, employer's share of insurance premiums support, interest support, tax discount rate support, VAT exception and exemption from customs duty incentives are benefited. Total amount of the investment is TRY 801.789.866 based on incentive certificate. An Incentive Closing Visa application was made to the Ministry of Industry and Technology on 02.10.2019 and a completion visa was made within the framework of the provisions of the 24th article of the decision dated 15.06.2012 and numbered 2012/3305 and the 23rd article of the communiqué numbered 2012/1 regarding the implementation of this decision. The decision was notified to us with the letter dated 05.08.2020 and numbered 1777914. The investment contribution rate is calculated at the rate of 40% over the total investment amount before closing the subject of the investment incentive certificate, and a tax reduction of 80% is provided up to the tax to be reached up to TRY 320.715.946 . This amount is subject to deferred tax (Note 30).

In addition, an investment incentive certificate with document number 510216 and ID 1013731, dated 08.04.2020, issued by the Ministry of Industry and Technology of the Republic of Turkey. The support class is Regional-Priority Investment and the support elements are VAT Exemption, Interest Support, Tax Reduction, Employer's Insurance Premium Share and Investment Place Allocation. The investment subject to the certificate is a domestic coal-based electricity generation power plant (Çan 2 Thermal Power Plant) with an installed capacity of 340 MW, and the incentive certificate was issued in accordance with EMRA's Generation License dated 28.01.2016 and numbered UE/6083-2/03428.

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**17. BORROWING COSTS**

None. (None: December 31, 2021).

**18. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

**Other Short-Term Provisions**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Lawsuit Provisions	1.245.255	940.350
<b>Total</b>	<b>1.245.255</b>	<b>940.350</b>

**Other Long-Term Provisions**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Provision for Mine Restoration	189.432	185.044
<b>TOTAL</b>	<b>189.432</b>	<b>185.044</b>

At 11th paragraph TFRS 6 stated: When a company assume the investigation and evaluation of mine resources, it reflects removal and restoration liabilities resulting in given period at financial statement according to TAS 37 - Provisions, Contingent Liabilities and Contingent Assets standard. Accordingly, in the evaluation made by the project manager and the technical team; Mining activities in Çanakkale Province Çan District Yayaköy License No:17448 field will be operated as closed operation and open operation. Extension projects covering this scope have been submitted to the General Directorate of Mining Affairs (“Migem”) for approval. After the open operation, it will be switched to closed operation. There will be no stripping work on the surface during the closed operation periods. Within the scope of the Çan 2 thermal power plant, the area to be picked up in the open operation will be used as an ash storage area as stated in the EIA report. After completing the economic life of the site, it will be arranged with a subsequent location study and afforestation will be abandoned. The estimated cost for terraces and trees will be around TRY 300.000.

Stripping work will be carried out on an area of approximately 150 declares. Due to the extension project, there are 100 trees per acre. Due to the soil structure of the region, the cost of relocation of about an acre is calculated around TRY 2,000 in this way. the total cost for 150 acres was calculated as  $150 \times \text{TRY } 2.000 = \text{TRY } 300.000$ . This study will be carried out after the open pit mine has completed its economic life and will be realized at the end of 20 years.

**Provision for Mine Restoration**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Balance at the Beginning of the Period	185.044	185.044
Additional Provision/ Payment (-)	4.388	--
<b>End-of-Term Balance</b>	<b>189.432</b>	<b>185.044</b>

As of 30.06.2022, the total cost of TRY 300.000 discounted to present value is TRY 189.432. No additional provision has been calculated in the current period.

**Profit for the Period Tax Provisions, Net**

Since there is no taxable base for the accounting periods ending on 30.06.2022 and 31.12.2021, no tax provision has been calculated.



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## **18. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)**

### **Pledges and Mortgages**

In accordance with General Loan Agreement between commercial Esenyurt Branch of Yapı Kredi Bankası A.Ş. & commercial branch of Kozyatağı of Halk Bankası A.Ş. Consortium and Çan2 Termik A.Ş., a share pledge agreement has been signed between the mentioned parties in order to issue a guarantee in favor of commercial branch of Esenyurt of Yapı Kredi Bankası A.Ş. & commercial branch of Kozyatağı of Halk Bankası A.Ş., as in the shares that are issued will be unhesitant pledged to them correspondingly to the spirit of the agreement.

In addition, Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. in return for the loan debt in the General Loan Agreement signed between Çan2 Termik A.Ş. and the Assignment of Receivables and the Movable Pledge Agreement without surrendering the possession. The total amount included in the contract for the Movable Pledge is 244.8 million Euros and TRY 1.000.000.000

Within the scope of the loan agreement, mortgages from 1st degree to 10th degree have been established in favor of Yapı Kredi Bankası A.Ş. and Türkiye Halkbankası A.Ş. The total amount of the mortgages is TRY 2.614.500.000 and 558.900.000 Euro.

### **Assignment**

Yapı Kredi Bank A.Ş. EPIAŞ Transfer of Receivables Agreement with Esenyurt Commercial Branch:

Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. with the Consortium of Kozyatağı Commercial Branch.Sh. as a guarantee of the loan issued in accordance with the General Loan Agreement signed between Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. EPIAŞ Receivables Assignment Agreement was signed in favor of Kozyatağı Commercial Branch. The amount of the assignment is TRY 13.000.000.000, and the period is 2029.

Yapı Kredi Bank A.Ş. EÜAŞ Transfer of Receivables Agreement with Esenyurt Commercial Branch and Türkiye Halk Bankası A.Ş. Kozyatağı Commercial Branch:

Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. with the Consortium of Kozyatağı Commercial Branch.Sh. as a guarantee of the loan issued in accordance with the General Loan Agreement signed between Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. which is Assignment Agreement based on the electricity sales contract dated 24.12.2020 signed between Çan2 Termik A.Ş and EÜAŞ.

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**18. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)**

**Guarantees**

The guarantees given by the Group are as follows:

<b>COLLATERAL PLEDGE MORTGAGES</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
A) The total amount of the collateral pledged mortgages given on behalf of the legal entity	17.738.679.889	15.969.233.599
B) Partnerships included in full consolidation	--	--
C) Total amount of collateral pledged mortgages given by other 3rd parties for the purpose of carrying out ordinary commercial activities	--	--
D) Total Amount of Other Total Pledged Mortgages Given	--	--
i) <i>The total amount of collateral pledged mortgages issued in favor of the main partner</i>	--	--
ii) <i>Other Corporate companies that are not covered by articles B and C the total amount of collateral pledged mortgages issued in favor of</i>	--	--
iii) <i>Third Parties, which is not covered by Article C. the total amount of collateral pledged mortgages issued in favor of persons</i>	--	--
<b>TOTAL</b>	<b>17.738.679.889</b>	<b>15.969.233.599</b>

The guarantees and promissory notes received by the Group are as follows.

	<b>30.06.2022</b>	<b>31.12.2021</b>
Letters of guarantee received	8.281.312	3.277.211
Collateral checks received	--	--
Collateral securities received	--	--
	<b>8.281.312</b>	<b>3.277.211</b>

**Lawsuits Against**

As of 30.06.2022, according to the information obtained from the Group's legal consultancy, there are various commercial lawsuits filed against the Group. A provision of TL 150.546 has been set aside for these lawsuits and their costs.

As of 30.06.2022, the Group has set aside a provision for litigation expenses of TRY 277.650 considering the high probability of losing the cases related to reemployment lawsuits.

The details of the provision for litigation regarding the lawsuits filed against the Group are as follows;

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 31.12.2021</b>
Balance at the Beginning of the Period	940.350	1.480.086
Additional Provisions	428.196	183.850
Cancellations	(123.291)	(723.586)
<b>TOTAL</b>	<b>1.245.255</b>	<b>940.350</b>

**Favorable Lawsuits**

As of the report date, there are various lawsuits initiated by the Group.

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**19. EMPLOYEE BENEFITS**

**a. Short-Term**

*Liabilities within the Scope of Employee Benefits*

	<b>30 Jun 2022</b>	<b>31 December 2021</b>
Debts to Personnel	6.134.983	1.964.029
Social Security Deductions Payable	6.328.491	4.151.633
<b>TOTAL</b>	<b>12.463.474</b>	<b>6.115.662</b>

The balance of the payables to the personnel is accrued on the payroll as of the relevant dates and the social security of the employer and the employee to be paid until the end of the month, declared on the twenty-third of the following month. consists of premium debts.

*Annual Leave Provision*

The movement of the annual leave provision account between 30.06.2022 and 31.12.2021 is presented below:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Opening Balance	4.867.231	3.031.076
Provision During the Period	3.834.514	1.836.155
<b>TOTAL</b>	<b>8.701.745</b>	<b>4.867.231</b>

**b. Long-Term**

*Provisions for Severance Pay*

In accordance with the current labor law, companies are obliged to pay a certain amount of severance pay to personnel who quit their job due to retirement after serving at least one year or who are dismissed for reasons other than resignation and bad behavior. The compensation to be paid is equal to one month's salary for each year of service and this amount has been limited to TRY 10.848,59 (31.12.2021:TRY 10.596,74) as of 30.06.2022.

In order to calculate the Group's liabilities in accordance with TAS 29 (Employee Benefits), a calculation made with actuarial assumptions is required. The Group has calculated the provision for severance pay, using the "Projection Method" in accordance with TAS 29, based on the Group's experience in completing the personnel service period and entitlement to severance pay in previous years and reflected it in the financial statements.

Severance pay provision is set aside by calculating the present value of the probable obligation to be paid in case of retirement of the employees. Accordingly, the actuarial assumptions used to calculate the liability as of 30.06.2022 and 31.12.2021 are as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Discount Rate	18,90%	18,90%
The Estimated Rate of Increase	15,00%	15,00%
Net Discount Rate	3,39%	3,39%

The movement of the severance pay provision account between 30.06.2022 and 31.12.2021 is presented below:

	<b>30 Jun 2022</b>	<b>31 December 2021</b>
<b>Turnover</b>	1.324.274	818.428
Additional Provision / Payment	707.288	505.846
<b>Balance</b>	<b>2.031.562</b>	<b>1.324.274</b>

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**20. OTHER ASSETS AND LIABILITIES**

**Other Current Assets**

As of 30.06.2022 and 31.12.2021, Other Current Assets are as follows:

	<b>30 Jun 2022</b>	<b>31 December 2021</b>
Income accruals (*)	56.226.525	104.435.569
Deferred VAT	6.589.468	7.829.601
Job Advances	530.690	3.447.047
Advances Given to Personel	2.363	3.653
Advances Given to Suppliers	20.143.373	6.450.686
<b>TOTAL</b>	<b>83.492.419</b>	<b>122.166.556</b>

(\*) The details of income accruals are as follows:

	<b>30 Jun 2022</b>	<b>31 Aralık 2021</b>
Electricity sales revenue accruals	56.226.525	104.435.569
<b>TOTAL</b>	<b>56.226.525</b>	<b>104.435.569</b>

**Other Short-Term Liabilities**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Expense Accruals	132.004.824	43.650.986
<b>TOTAL</b>	<b>132.004.824</b>	<b>43.650.986</b>

The details of Expense Accruals are as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Electricity purchase expense accruals	130.379.554	41.063.525
Other expense accruals	1.625.270	2.587.461
<b>TOTAL</b>	<b>132.004.824</b>	<b>43.650.986</b>

As of 30.06.2022 and 31.12.2021, the details of Other Non-Current Assets are as follows:

**Other Non-Current Assets**

	<b>30 Jun 2022</b>	<b>31 December 2021</b>
Advances Given (*)	57.354.671	53.860.978
<b>TOTAL</b>	<b>57.354.671</b>	<b>53.860.978</b>

(\*) Advances given consist of advances given to contractors and suppliers for investment materials and service procurement for Çan-2 Thermal Power Plant in previous periods.

**Other Long-Term Liabilities**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Expense Accruals (*)	899.633	1.447.164
<b>TOTAL</b>	<b>899.633</b>	<b>1.447.164</b>

(\*) The Insurance and Tax liabilities of the Group consist of the interest of the monthly restructured installments.

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**21. CAPITAL, RESERVES AND OTHER EQUITY ITEMS**

**Paid-in Capital**

The Group's paid-in capital structure as of 30.06.2022 and 31.12.2021 is as follows:

Shareholders	30.06.2022		31.12.2021	
	Amount	Rate	Amount	Rate
Odaş Elektrik Üretim San. Tic. A.Ş.	245.651.000	76,77%	245.651.000	76,77%
The Public Shares Part	74.349.000	23,23	74.349.000	23,23
<b>TOTAL</b>	<b>320.000.000</b>	<b>100%</b>	<b>320.000.000</b>	<b>100%</b>

The paid-in capital of Çan2 Termik A.Ş. is 320,000,000 Turkish Liras and it is divided into 320,000,000 (Three Hundred and Twenty Million) shares, each with a nominal value of 1 (One) TRY.

**Premiums/Discounts Related to Shares**

After the capital increase (public offering) on 21-22 April 2021, 67.590.000 shares were sold in to Borsa İstanbul A.Ş. with amount of TRY 185.332.488 remaining after netting out the portion of TRY 9.441.284 of public offering expenses, which occurred since it was sold at a price higher than TRY 1 nominal value, was accounted for as share issue premiums.

	30 Jun 2022	31 December 2021
Share Issue Premiums	185.332.488	185.332.488
<b>TOTAL</b>	<b>185.332.488</b>	<b>185.332.488</b>

**Revaluation Measurement Gains/Losses**

	30 Jun 2022	31 December 2021
Land, Building, Vehicle, Machinery Equipment and Facility	2.831.264.906	2.831.264.906
<b>TOTAL</b>	<b>2.831.264.906</b>	<b>2.831.264.906</b>

**Cash Hedge Gains/Losses**

	30 Jun 2022	31 December 2021
Hedging Gains and Losses	680.134.016	425.193.010
<b>TOTAL</b>	<b>680.134.016</b>	<b>425.193.010</b>

**Actuarial Loss/Gain Fund**

The movements of the actuarial loss/gain fund are as follows:

	30.06.2022	31.12.2021
<b>Balance at the Beginning of the Period</b>	<b>(620.592)</b>	<b>(457.852)</b>
Actuarial Gains/(Losses)	(258.738)	(211.350)
Deferred Tax Effect	59.510	48.610
<b>End-of-Term Balance</b>	<b>(819.820)</b>	<b>(620.592)</b>

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**21. CAPITAL, RESERVES AND OTHER EQUITY ITEMS (CONTINUED)****Effect of Mergers Including Joint Controlled Enterprises or Businesses**

Amounts resulting from the merger of enterprises under joint control in the “Effect of Mergers Including Joint Controlled Enterprises or Business” are reflected as below;

<b>Company Title</b>	<b>Acquisition Cost</b>	<b>Acquired Equity Share Value</b>	<b>The Effect of Mergers Involving Enterprises or Enterprises Subject to Joint Control</b>
Wind Energy	100.000	(1.299.068)	(1.399.068)

A business combination involving undertakings or businesses under common control is a business combination in which all the combining undertakings or businesses are controlled by the same person or persons before and after the business combination and this control is not temporary.

Goodwill amounting to TRY 1,399,068 arising from the acquisition of jointly controlled enterprises, as an account offsetting under equity, as goodwill cannot be included in the financial statements since business combinations under common control are accounted for using the combination of rights method, “Effect of Mergers Containing Joint Controlled Enterprises or Businesses”. ” is shown in the account.

**Capital Advances**

None (31.12.2021: None).

**Shares of the Parent Company**

In the six-month period ending on 30.06.2022, the Group has earned a period loss of TRY 915.768.394 (31.12.2021: TRY 176.991.037). All of these amounts belong to the parent company shares and there is no minority share.

**Previous Year Profit/Loss**

The accumulated profit/losses other than the net profit for the period have been netted off and shown in this item.

<b>Previous Years Profit / Losses</b>	<b>30 Jun 2022</b>	<b>31 December 2021</b>
Profit/Loss for the Previous Years	(112.788.484)	(150.141.189)
Share Ratio in Subsidiaries Not Resulting in Loss of Control Val. Related Increase/Decrease	--	--
Profit/Loss for the Period	(180.963.006)	37.352.705
<b>TOTAL</b>	<b>(293.751.490)</b>	<b>(112.788.484)</b>

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**22. REVENUE AND COSTS OF GOODS SOLD**

The detail of sales is as follows;

	01 January - 30 Jun 2022	01 January - 30 Jun 2021	01 April - 30 Jun 2022	01 April - 30 Jun 2021
<b>Domestic Sales</b>	<b>1.997.872.806</b>	<b>500.789.017</b>	<b>1.090.813.594</b>	<b>263.059.361</b>
TEIAS/Epias/EUAS Electricity Sales Revenue	1.115.917.583	224.135.823	250.587.366	110.111.668
Bilateral Agreements on the Sale of Electricity	864.438.929	268.969.286	824.947.361	148.166.778
Sales of Products from Production	11.632.798	4.629.394	10.679.367	2.003.103
Mineral Sales Revenues	28.984	2.680.886	--	2.515.831
Other Revenues	5.854.512	373.628	4.599.500	261.981
<b>Refunds from Sale</b>	<b>(9.177.901)</b>	<b>(6.380)</b>	<b>(9.177.902)</b>	<b>(6.379)</b>
<b>TOTAL</b>	<b>1.988.694.905</b>	<b>500.782.637</b>	<b>1.081.635.692</b>	<b>263.052.982</b>

The detail of cost of sales is as follows.

	01 January - 30 Jun 2022	01 January - 30 Jun 2021	01 April - 30 Jun 2022	01 April - 30 Jun 2021
The cost of finished products sold	1.090.625.254	376.118.586	690.880.854	190.021.580
<b>TOTAL</b>	<b>1.090.625.254</b>	<b>376.118.586</b>	<b>690.880.854</b>	<b>190.021.580</b>

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**23. EXPENSES ACCORDING TO THEIR QUALIFICATIONS**

The details of the cost of sales for the periods 01.01.-30.06.2022 and 01.01.-30.06.2021 are as follows:

	<b>01 January - 30 Jun 2022</b>	<b>01 January - 30 Jun 2021</b>	<b>01 April - 30 Jun 2022</b>	<b>01 April - 30 Jun 2021</b>
Amount of Intraday Debt Balance	301.092.909	42.727.435	217.450.359	20.471.973
The Cost of Using Coal	292.281.099	145.128.622	156.704.105	75.662.746
TEIAS/EPIAS Other expenses	123.239.627	373.560	122.228.474	165.292
The amount of energy imbalance	122.116.466	45.201.870	53.705.409	22.251.122
Depreciation and amortization expense share	93.936.889	39.998.741	47.275.817	21.065.875
Personnel expense share	52.448.634	25.282.543	32.266.140	13.515.951
System usage fee	21.063.707	19.026.067	10.305.119	9.602.103
Maintenance and repair expenses	19.932.922	1.976.921	12.295.217	1.406.148
The Cost of Using the Diesel	16.408.955	5.208.678	11.314.087	2.497.025
The Cost of Using Fuel Oil	11.032.788	4.382.140	5.790.975	1.661.840
Other Expenses	8.446.121	3.451.768	4.782.567	909.519
DGP Amount of Debt	6.242.601	4.731.475	3.941.486	1.618.741
The Cost of Selling Finished Products Obtained from Production	6.011.511	6.754.005	5.045.446	3.579.762
Insurance expenses	4.769.004	4.292.850	2.384.198	1.998.869
Rental Expenses	3.705.641	--	2.483.137	-
The Cost of Selling Coal	3.414.616	16.069.841	73.077	8.991.176
The Cost of Using Limestone	3.071.300	2.317.150	1.645.070	773.975
Bilateral agreements the cost of energy commercial goods	932.841	4.343.289	932.841	935.009
Consultancy Expenses	477.621	--	257.330	-
Purchase amount of the GOP system	--	4.222.286	--	2.324.606
Imbalance of Group Companies	--	585.675	--	585.675
The Amount of Retrospective Correction	--	43.670	--	4.173
<b>TOTAL</b>	<b>1.090.625.254</b>	<b>376.118.586</b>	<b>690.880.854</b>	<b>190.021.580</b>

**24. GENERAL OPERATING EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES**

	<b>01 January - 30 Jun 2022</b>	<b>01 January - 30 Jun 2021</b>	<b>01 April - 30 Jun 2022</b>	<b>01 April - 30 Jun 2021</b>
Marketing, Sales and Distribution Expenses	--	--	--	--
General Administrative Expenses	27.251.269	13.695.822	13.042.818	9.102.321
<b>TOTAL</b>	<b>27.251.269</b>	<b>13.695.822</b>	<b>13.042.818</b>	<b>9.102.321</b>



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**24. GENERAL OPERATING EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (CONTINUED)**

**Marketing, Sales and Distribution Expenses**

There are no marketing, sales distribution expenses for the periods 01.0-30.06.2022 and 01.01-30.06.2021

**General Administrative Expenses**

The details of general administrative expenses for the periods 01.01.-30.06.2022 and 01.01.-30.06.2021 according to their qualifications are as follows:

	<b>01 January - 30 Jun 2022</b>	<b>01 January - 30 Jun 2021</b>	<b>01 April - 30 Jun 2022</b>	<b>01 April Nisan - 30 Jun 2021</b>
Personnel Expenses	13.569.823	7.193.199	6.142.931	4.374.541
Declaration and Contract Stamp Duty	4.824.685	1.519.397	4.819.177	1.515.281
Depreciation Expense	2.993.033	1.821.774	972.288	920.818
Consultancy Expenses	1.345.360	504.734	394.031	272.791
IPO Expenses	194.378	1.230.227	--	1.230.227
Litigation Provision Expenses	112.642	526.028	16.021	111.197
Fuel Expenses	101.273	49.437	55.966	25.980
Representative Hospitality Expenses	76.857	38.793	53.776	5.338
Travel Expenses	20.356	103.743	11.695	72.583
Due's Expense	23.799	27.882	11.027	15.852
Notarial Expenses	16.352	26.254	7.592	8.134
Cargo Expenses	7.357	7.712	4.283	4.630
Tax Expenses	--	369.979	--	363.284
Other Expenses	3.965.354	276.663	554.031	181.665
<b>TOTAL</b>	<b>27.251.269</b>	<b>13.695.822</b>	<b>13.042.818</b>	<b>9.102.321</b>

**25. OTHER OPERATING INCOME AND EXPENSES**

**Other Operational Income**

	<b>January 01 - June 30 , 2022</b>	<b>January 01 - June 30 , 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Exchange rate income	10.678.251	2.716.988	10.628.627	2.420.193
Prior Year Revenues and Profits	5.896.197	7.634.868	5.851.512	5.992
Rediscounted Interest Income	3.163.593	4.940.504	1.291.133	2.782.857
Other Income and Profits related to operations	1.651.125	3.600	4.935	--
Provisions no longer required	123.291	5.766	85.181	5.766
Other Extraordinary Income	187.750	709.201	2.189	532.307
<b>TOTAL</b>	<b>21.700.207</b>	<b>16.010.927</b>	<b>17.863.577</b>	<b>5.747.115</b>

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**25. OTHER OPERATING INCOME AND EXPENSES (CONTINUED)****Other Operational Expense**

	<b>January 01 - June 30 , 2022</b>	<b>January 01 - June 30 , 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Exchange Rate Expense	12.561.187	2.232.264	4.894.056	769.436
Other Extraordinary Expenses and Losses	6.954.685	7.194.820	2.824.339	4.123.711
Idle Capacity Expenses and Losses	3.595.712	441.819	2.931.454	224.357
Previous Year Expenses and Losses	656.765	1.485.380	(21.079)	213.131
Provision Expenses	150.546	--	150.546	--
Rediscount interest expense	68.244	390.159	68.120	(299.680)
Other	478.703	961.896	381.380	191.571
<b>TOTAL</b>	<b>24.465.842</b>	<b>12.706.338</b>	<b>11.228.816</b>	<b>5.222.526</b>

**26. EXPENDITURES AND REVENUES FROM INVESTING ACTIVITIES**

Revenues from investment activities for the periods 1 January - 30 June 2022 and 1 January - 30 June 2021 are as follows;

	<b>January 01 - June 30 2022</b>	<b>January 01 - June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Investing Activity Revenue	--	124.647	--	(25.424)
Investment Activity Expenses	(133.366)	--	--	--
<b>TOTAL</b>	<b>(133.366)</b>	<b>124.647</b>	<b>--</b>	<b>(25.424)</b>

**27. EXPENSES CLASSIFIED BY PRINCIPAL TYPES**

It is within the scope of the Group's January 01 - June 30, 2022, and January 01 - June 30 2021 periods;

<b>Amortization Expenses</b>	<b>January 01 - June 30 2022</b>	<b>January 01 - June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Cost of Sales	93.936.889	39.998.741	47.275.817	21.065.875
General Administration Expenses	2.993.033	1.821.774	972.288	920.818
Idle Capacity Expenses and Losses	2.079.779	441.818	1.818.328	224.356
Remaining in Cost of Sales	--	125.122	--	(820.112)
Prior Period Expense Loss	--	41.975	--	--
<b>TOTAL</b>	<b>99.009.701</b>	<b>42.429.430</b>	<b>50.066.433</b>	<b>21.390.937</b>

<b>Personnel expenses</b>	<b>January 01 - June 30 2022</b>	<b>January 01 - June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Cost of sales	52.448.632	25.282.543	32.266.140	13.515.951
General Operating Expenses	13.569.823	7.193.199	6.142.930	4.374.541
<b>TOTAL</b>	<b>66.018.455</b>	<b>32.475.742</b>	<b>38.409.070</b>	<b>17.890.492</b>

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**27. EXPENSES CLASSIFIED BY PRINCIPAL TYPES (CONTINUED)**

<b>Insurance expenses</b>	<b>January 01 - June 30 2022</b>	<b>January 01 - June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Cost of Sales	4.769.004	4.292.850	(10.615.802)	1.998.869
<b>TOTAL</b>	<b>4.769.004</b>	<b>4.292.850</b>	<b>(10.615.802)</b>	<b>1.998.869</b>

<b>Consultancy expenses</b>	<b>January 01 - June 30 2022</b>	<b>January 01 - June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
General Administration Expenses	1.345.360	504.734	394.031	272.791
<b>TOTAL</b>	<b>1.345.360</b>	<b>504.734</b>	<b>394.031</b>	<b>272.791</b>

**28. FINANCIAL EXPENSE AND INCOME****Financial Income**

	<b>January 01 - June 30 2022</b>	<b>January 01 - June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Foreign Exchange Profits	220.203.418	38.127.167	147.336.057	13.478.006
Profits from Derivative Instruments	18.384.000	--	18.384.000	--
Interest income	11.040.770	5.324.271	9.069.658	3.058.118
Rediscount interest income	10.989.295	4.633.634	10.602.998	1.344.802
Profit on Sale of Marketable Securities	280.820	--	24.631	--
<b>TOTAL</b>	<b>260.898.303</b>	<b>48.085.072</b>	<b>185.417.344</b>	<b>17.880.926</b>

**Financial Expenses**

	<b>January 01 - June 30 2022</b>	<b>January 01 - June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Foreign exchange losses	200.198.803	241.479.174	152.919.388	95.961.877
Interest and commission expense	105.372.942	97.794.220	55.552.737	(7.309.554)
Rediscount Interest Expense	1.211.622	990.250	(4.927.243)	(627.842)
<b>TOTAL</b>	<b>306.783.367</b>	<b>340.263.644</b>	<b>203.544.882</b>	<b>88.024.481</b>

**29. ANALYSIS OF OTHER COMPREHENSIVE INCOME**

The Group's other comprehensive income / (expense) breakdown as of January 01 – June 30 2022 and January 01 – June 30 2021 is as follows:

<b>Not reclassified on gain/(loss)</b>	<b>January 01 - June 30 2022</b>	<b>January 01 - June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Actuarial gains/(loss)	(258.738)	64.369	(302.775)	34.200
Deferred tax revenue/(expense)	59.510	(14.805)	69.639	(8.168)
<b>TOTAL</b>	<b>(199.228)</b>	<b>49.564</b>	<b>(233.136)</b>	<b>26.032</b>

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**30. TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)**

Tax income / expenses in the income statement for the period between January 01 - June 30 2022 and January 01- June 30 2021 are summarized below:

	<b>January 01 – June 30 2022</b>	<b>January 01 – June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Deferred tax income/ expense	93.734.077	790.069	135.801.255	(10.667.601)
Deferred tax reflected in Equity	59.510	(14.805)	69.639	(8.168)
Cash Flow Hedging Gains/Losses	64.224.782	--	31.058.408	--
<b>TOTAL</b>	<b>158.018.369</b>	<b>775.264</b>	<b>166.929.302</b>	<b>(10.675.769)</b>

**Current Tax**

According to the Corporate Tax Law No. 5520, the tax rate in Turkey is 22% for corporate earnings for the 2018, 2019 and 2020 taxation periods, 25% for the 2021 taxation period and %23 for the taxation period 2022.

**Assets Related to Current Period Tax**

As of 30 June 2021, and 31 December 2020, the details of current period tax assets are as follows;

	<b>June 30 2022</b>	<b>December 31 2021</b>
Prepaid Taxes and Funds	228.443	--
<b>TOTAL</b>	<b>228.443</b>	<b>--</b>

**Deferred Tax**

Company calculates deferred tax assets and liabilities with recorded values in statement of financial position items by considering difference effects which occurs as a result of evaluation for values in statement of financial position items and Tax Procedure Law.

These temporary differences are usually caused by the recognition of income and expenses in different reporting periods in accordance with the CMB communiqué and tax laws. Deferred tax assets and liabilities calculated according to the liability method are applied as 20% over temporary differences after 31 December 2008. However, according to the Law No. 7061, which was adopted on 28 November 2017, “some tax laws and some other laws have been amended”, Law No. 5520, corporate tax law No. 32. 20% tax rate specified in the first paragraph of the article 2018, 2019 and 2020 tax periods for corporate earnings as 22% for the provision of temporary article is added. In accordance with the temporary article 13 of the Corporate Tax Law No. 5520, it will be applied at the rate of 25% for corporate earnings for 2021 and 23% for corporate earnings for 2022.

Turkish tax legislation makes possible that the main partner of company can organize tax statement via financial statement of its consolidated subsidiaries and affiliates. Therefore, with company has deferred tax assets and company has deferred liabilities are not net off their tax position. It is stated separately.

The deferred assets and deferred tax liabilities in the consolidated financial statements are reflected as of June 30, 2022 - December 31, 2021 in the following manner:

	<b>June 30 2022</b>	<b>December 31 2021</b>
Deferred Tax Assets	--	--
Deferred Tax Liabilities	(17.057.066)	(175.075.436)
<b>TOTAL</b>	<b>(17.057.066)</b>	<b>(175.075.436)</b>

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**30. TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED))**

The breakdown of cumulative temporary differences and the resulting deferred tax assets / (liabilities) provided at 30 June 2022 and 31 December 2021 using the enacted tax rates is as follows:

<b>Deferred Tax Assets / Liabilities</b>	<b>Accumulated Temporary Differences</b>		<b>Deferred Tax Assets / (Liabilities)</b>	
	<b>30.06.2022</b>	<b>31.12.2021</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Tax Deduction from Cash Capital Increase (*)	269.107.783	218.291.299	61.894.790	50.206.999
Tangible and Intangible Assets Depreciation Difference	23.521.170	(34.587.391)	5.409.869	(7.955.100)
Severance Indemnities and Provisions	8.960.483	5.055.347	2.060.911	1.162.730
Rediscount	(24.506.030)	(11.633.005)	(5.636.387)	(2.675.591)
Reduced Corporate Tax from Investment (**)	--	--	397.169.100	320.715.946
Prior Period Expense Losses	--	--	--	75.024.487
TAS-21 Currency Change Effects	(50.591.954)	61.757.202	(11.636.148)	13.586.584
Provisions for Debts and Expenses (***)	102.496.778	(167.995.883)	23.574.259	(38.639.053)
Tangible Asset Revaluation Effects	--	--	(695.953.569)	(695.171.391)
Cash Flow Hedging Gains/Losses	--	--	206.060.109	108.668.953
<b>TOTAL</b>	<b>328.988.230</b>	<b>70.887.569</b>	<b>(17.057.066)</b>	<b>(175.075.436)</b>

(\*) A tax advantage of TRY 61.894.790 has been provided within the scope of the incentives related to the capital increases realized by the Group in the previous periods.

(\*\*) Group's investment in thermal power plant II. It is located in the region, but it is stated in the Special Conditions section of the Special Conditions of the YTB that the investment subject to the document is among the priority investments and will benefit from the 5th region supports. Accordingly, the Investment Contribution Rate is 40% and the Reduced Corporate Tax Rate is 80%. Accordingly, it will be possible to benefit from the reduced corporate tax application regarding the income obtained from the investment of TRY 320,715,946, which is 40% of the total investment of TRY 801,789,865. In addition, there is an investment discount within the scope of the investment incentive certificate dated 08.04.2020. The Investment Contribution Rate is 40% and the Discounted Corporate Tax Rate is 80%. Accordingly, a reduced corporate tax application will be available for the income obtained from the investment of TRY 76.453.154, which is 40% of the total investment of TRY 191.132.885.

(\*\*\*) Provisions for debts and expenses include the effect of net book value calculated with the effective interest rate of bank loans as of the balance sheet date, risk provisions for ongoing lawsuits, provisions for doubtful trade receivables and provisions for stripping.

**31. EARNING PER SHARE**

	<b>January 01 – June 30 2022</b>	<b>January 01 – June 30 2021</b>	<b>April 01 - June 30 , 2022</b>	<b>April 01 - June 30 , 2021</b>
Net profit /(loss)	915.768.394	(176.991.037)	502.020.498	(16.382.909)
Weighted average number of ordinary share	320.000.000	275.562.376	320.000.000	275.562.376
<b>Profit/(loss) per share with nominal value of 1 TRY</b>	<b>2,861776</b>	<b>(0,642290)</b>	<b>1,568814</b>	<b>(0,59453)</b>

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**32. FINANCIAL REPORTING IN HYPERINFLATION ECONOMIES**

Prepared financial tables before the period of January 01,2005, in order to show change of purchasing power of TRY, inflations adjustments were made using general wholesale price index under TAS 29. In this standard, financial tables prepared with currency on the high inflation periods, conditioning using adjustment coefficient, financial statements of Money expressed in terms of current purchasing power is predicted. On January 20, 2022, the Public Oversight Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards, Financial Reporting Standard for Large and Medium Sized Enterprises. Accordingly, it has been stated that businesses applying IFRS do not need to make any adjustments within the scope of TAS 29 in their financial statements for 2021.

**33. FINANCIAL INSTRUMENTS****Short-Term Financial Liabilities**

As of 30.06.2022 and 31.12.2021, short-term financial liabilities are as follows:

**Short-Term Financial Liabilities**

	<b>June 30 2022</b>	<b>December 31 2021</b>
Bank Loans	56	81.776.258
Financial Leasing Debts	1.973.400	804.476
Deferred Financial Leasing Debts (-)	(421.785)	(383.323)
Installments of principal and interest of loans	433.334.518	543.249.068
Other Financial Liabilities	25.848.087	2.972.839
<b>Short-Term Financial Liabilities - Net</b>	<b>460.734.276</b>	<b>628.419.318</b>

**Long-Term Financial Liabilities**

	<b>June 30 2022</b>	<b>December 31 2021</b>
Bank loans	1.771.897.207	1.670.555.436
Financial Leasing Debts	1.073.134	1.475.372
Deferred Financial Leasing Debts (-)	(190.288)	(338.464)
<b>Long-Term Financial Liabilities - Net</b>	<b>1.772.780.053</b>	<b>1.671.692.344</b>

**Other Financial Liabilities**

	<b>June 30 2022</b>	<b>December 31 2021</b>
Other Financial Liabilities	25.848.089	2.972.839
<b>TOTAL</b>	<b>25.848.089</b>	<b>2.972.839</b>

The details of the maturity and interest amounts of the Group's loan payables are as follows;

**Loan Repayment Table**

<b>Long-Term Loans Liabilities</b>	<b>June 30, 2022</b>	<b>December 31, 2021</b>
2023	198.463.573	340.316.800
2024	347.238.315	293.026.883
2025	302.614.513	256.153.049
2026	267.943.388	226.669.511
2027	236.761.202	200.187.875
2028	208.659.422	176.350.730
2029	183.483.313	155.018.633
2030	26.733.481	22.831.955
<b>Total</b>	<b>1.771.897.207</b>	<b>1.670.555.436</b>

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**33. FINANCIAL INSTRUMENTS (CONTINUED)**

<b>Long-Term Loans Liabilities</b>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
1-2 Years	198.463.573	--
2-3 Years	347.238.315	--
3-4 Years	302.614.513	340.316.800
4-5 Years	267.943.388	293.026.883
5 Years and Longer	655.637.418	1.037.211.753
<b>Total</b>	<b>1.771.897.207</b>	<b>1.670.555.436</b>

<b>Year of Payment</b>	<b>Financial Leasing Debts</b>	<b>Deferred Financial Leasing Debts</b>
2023	402.238	(109.522)
2024	670.896	(80.766)
<b>Total</b>	<b>1.073.134</b>	<b>(190.288)</b>

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**33. FINANCIAL INSTRUMENTS (CONTINUED)**

	<u>Annual interest rate %</u>		<u>Exchange Value</u>		<u>TRY</u>	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021	June 30,2022	December 31, 2021
TRY Loans	7,5-24%	7,5-29%	--	--	56	14.299.118
EURO Loans	6%-7%	5,5%-7%	--	4.464.575	--	67.477.140
<b>Short-term Loans</b>					<b>56</b>	<b>81.776.258</b>
EURO Loans	6%-7%	5,5%-7%	21.469.164	31.191.030	373.593.518	471.418.101
TRY Loans	7,5-24%	7,5-29%	--	--	59.740.998	71.830.967
<b>Short-term payments and interests of loans</b>					<b>433.334.516</b>	<b>543.249.069</b>
<b>Total short-term loans</b>			<b>-</b>	<b>--</b>	<b>433.334.573</b>	<b>625.025.327</b>
EURO Loans	6%-7%	5,5%-7%	95.359.490	102.531.484	1.659.388.625	1.549.650.599
TRY Loans	7,5-24%	7,5-29%	--	--	112.508.583	120.904.837
<b>Total long-term loans</b>					<b>1.771.897.207</b>	<b>1.670.555.436</b>



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**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

**Credit Risk**

The credit risks exposed as of 30.06.2022 by types of financial instruments are shown in the table below.

30.06.2022	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
<b>As at Reporting Date Maximum Amount of Credit Risk Exposed (A+B+C+D+E) *</b>	<b>32.420.054</b>	<b>191.988.485</b>	<b>10.105.457</b>	<b>10.315.201</b>	<b>606.857.032</b>	<b>23.985.520</b>	<b>86.835.787</b>
- Maximum amount of risk exposed							
- Part of the risk covered by guarantees	--	--	--	2.530.106	--	--	--
A. Net value of financial assets neither due nor impaired	32.420.054	191.988.485	10.105.457	7.785.095	606.857.032	23.985.520	86.835.787
B. Conditions renegotiated, otherwise to be classified as past due or impaired	--	--	--	--	--	--	--
C. Past due but not impaired	--	--	--	--	--	--	--
D. Net book value of Impaired assets	--	1.500.000	--	--	--	--	--
-Past due (gross book value)	--	(1.500.000)	--	--	--	--	--
-Impairment (-)	--	--	--	--	--	--	--
- Part covered by guarantees	--	--	--	--	--	--	--
- Undue (gross book value)	--	--	--	--	--	--	--
-Impairment (-)	--	--	--	--	--	--	--
- Part covered by guarantees	--	--	--	--	--	--	--
E. Off-balance sheet items with credit risk	--	--	--	--	--	--	--

In determining the amount, the increase in credit reliability such as guarantees received are not considered.

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**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

The credit risks exposed as of 31.12.2021 as of the types of financial instruments are shown in the table below.

31.12.2021	Receivables				Deposits in Banks	Other Liquid Assets	Other
	Trade Receivables		Other Receivables				
	Related Party	Third Party	Related Party	Third Party			
<b>As at reporting date maximum amount of credit risk exposed (A+B+C+D+E)</b>	<b>28.517.163</b>	<b>126.681.346</b>	<b>592.695</b>	<b>2.950.291</b>	<b>15.643.115</b>	<b>7.909.606</b>	<b>66.142.481</b>
- Maximum amount of risk exposed							
- Part of the risk covered by guarantees	--	--	--	2.452.066	--	--	--
A. Net value of financial assets neither due nor impaired	28.517.163	126.681.346	592.695	498.225	15.643.115	7.909.606	66.142.481
B. Book value of financial assets whose conditions are renegotiated, otherwise, will be classified as past due or impaired	--	--	--	--	--	--	--
C. Net book value of assets past due but not impaired	--	--	--	--	--	--	--
D. Net book value of assets impaired	--	1.500.000	--	--	--	--	--
- Past due (gross book value)	--	(1.500.000)	--	--	--	--	--
- Impairment amount (-)	--	--	--	--	--	--	--
- The part of net value covered with guarantees etc.	--	--	--	--	--	--	--
- Not due (gross book value)	--	--	--	--	--	--	--
- Impairment amount (-)	--	--	--	--	--	--	--
- The part of net value covered with guarantees etc.	--	--	--	--	--	--	--
E. Off balance items exposed to credit risk	--	--	--	--	--	--	--

In determining the amount, the increase in credit reliability such as guarantees received are not considered.

### **34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

#### **Liquidity risk**

The main responsibility related to liquidity risk management belongs to the Board of Directors. The board of Directors has established an appropriate liquidity risk management for the short-, medium- and long-term funding and liquidity requirements of the Group's Management. The Group manages liquidity risk by regularly monitoring estimated and actual cash flows and ensuring the continuation of sufficient funds and borrowing reserves by matching the maturities of financial assets and liabilities.

In this context, care is taken to ensure that the maturities of receivables and payables are compatible, in order to maintain short-term liquidity, net working capital management targets are set and efforts are made to keep the balance sheet ratios at certain levels.

In medium- and long-term liquidity management, the Group's cash flow forecasts are made based on financial markets and industry dynamics, the cash flow cycle is monitored and tested according to various scenarios.

It shows the maturity distribution of the Group's non-derivative financial liabilities. Non-derivative financial liabilities are prepared without discount and based on the earliest dates required to be paid. When receivables or payables are not fixed, the amount disclosed is determined using the interest rate derived from the yield curves at the date of the report.

#### **Market Risk**

Market risk is changes in interest rates, exchange rates or the value of securities that will negatively affect the Group.

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**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

**Currency risk**

<b>FOREIGN CURRENCY POSITION</b>				
	<b>30.06.2022</b>			
	<b>TRY Equivalent (Functional money unit of labor)</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>
1. Trade Receivables	50.533.733	3.032.982	--	--
2a. Monetary Financial Assets (Cash, Bank accounts included)	300.630.266	52.969	17.256.381	132
2b. Non-Monetary Financial Assets	20.305.615	299.074	882.127	--
3. Other	-	-	-	-
<b>4. Current Assets (1+2+3)</b>	<b>371.469.614</b>	<b>3.385.025</b>	<b>18.138.508</b>	<b>132</b>
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
<b>8.8. Non-Current Assets (5+6+7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. Total Assets (4+8)</b>	<b>371.469.614</b>	<b>3.385.025</b>	<b>18.138.508</b>	<b>132</b>
10. Trade Payables	(25.383.868)	(324.118)	(1.147.832)	--
11. Financial Liabilities	(388.530.166)	--	(22.327.523)	--
12a. Monetary Other Liabilities	-	-	-	-
12b. Non-Monetary Other Liabilities	-	-	-	-
<b>13. Short Term Liabilities (10+11+12)</b>	<b>(413.914.034)</b>	<b>(324.118)</b>	<b>(23.475.355)</b>	<b>-</b>
14. Trade Payables	--	--	--	-
15. Financial Liabilities	(1.811.716.737)	--	(104.113.275)	-
<b>17. Long Term Liabilities (14+15+16)</b>	<b>(1.811.716.737)</b>	<b>--</b>	<b>(104.113.275)</b>	<b>-</b>
<b>18. Total Liabilities (13+17)</b>	<b>(2.225.630.771)</b>	<b>(324.118)</b>	<b>(127.588.630)</b>	<b>-</b>
<b>19. Net Off-Balance Sheet Derivative Instruments Asset/(Liability) Position (19a-19b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
19a. Total Amount of Assets Hedged	-	-	-	-
19b. Total Amount of Hedged Liabilities	-	-	-	-
<b>20. Net Foreign Asset/ (Liability) Position (9-18+19))</b>	<b>(1.854.161.157)</b>	<b>3.060.907</b>	<b>(109.450.122)</b>	<b>132</b>
<b>21. Net Foreign Currency Asset/ (Liability) Position of Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(1.874.466.773)</b>	<b>2.761.833</b>	<b>(110.332.249)</b>	<b>132</b>
<b>22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedging</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>23. Export</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>24. Import</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

<b>FOREIGN CURRENCY POSITION</b>				
	<b>31.12.2021</b>			
	<b>TRY Equivalent (Functional money unit of labor)</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>
1. Trade Receivables	41.190.353	3.035.383	48.501	--
2a. Monetary Financial Assets (Cash, Bank accounts included)	6.891.193	757	456.097	6
2b. Non-Monetary Financial Assets	12.478.428	453.225	426.693	--
3. Other	--	--	--	--
<b>4. Current Assets (1+2+3)</b>	<b>60.559.974</b>	<b>3.489.365</b>	<b>931.291</b>	<b>6</b>
5. Trade Receivables	--	--	--	--
6a. Monetary Financial Assets	--	--	--	--
6b. Non-Monetary Financial Assets	--	--	--	--
7. Other	--	--	--	--
<b>8. Non-Current Assets (5+6+7)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>9. Total Assets (4+8)</b>	<b>60.559.974</b>	<b>3.489.365</b>	<b>931.291</b>	<b>6</b>
10. Trade Payables	(64.242.470)	(1.437.503)	(2.975.515)	<b>(4.200)</b>
11. Financial Liabilities	(538.895.242)	--	(35.655.605)	--
12a. Monetary Other Liabilities	--	--	--	--
12b. Non-Monetary Other Liabilities	--	--	--	--
<b>13. Short Term Liabilities (10+11+12)</b>	<b>(603.137.712)</b>	<b>(1.437.503)</b>	<b>(38.631.120)</b>	<b>(4.200)</b>
14. Trade Payables	--	--	--	--
15. Financial Liabilities	(1.549.650.599)	--	(102.531.484)	--
<b>17. Long Term Liabilities (14+15+16)</b>	<b>(1.549.650.599)</b>	<b>--</b>	<b>(102.531.484)</b>	<b>--</b>
<b>18. Total Liabilities (13+17)</b>	<b>(2.152.788.311)</b>	<b>(1.437.503)</b>	<b>(141.162.604)</b>	<b>(4.200)</b>
<b>19. Net Asset/ (Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)</b>	<b>(295.395.306)</b>	<b>156.827.174</b>	<b>(158.135.793)</b>	<b>--</b>
19a. Total Amount of Assets Hedged	2.094.113.250	156.827.174	--	--
19b. Total Amount of Hedged Liabilities	(2.390.048.556)	--	(158.135.793)	--
<b>20. Net Foreign Asset/ (Liability) Position (9-18+19)</b>	<b>(2.387.623.643)</b>	<b>158.879.036</b>	<b>(298.367.106)</b>	<b>(4.194)</b>
<b>21. Net Foreign Currency Asset/ (Liability) Position of Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(2.104.706.765)</b>	<b>1.598.637</b>	<b>(140.658.006)</b>	<b>(4.194)</b>
<b>22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedging</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>23. Export</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>24. Import</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

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**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

*Sensitivity Analysis of Foreign Exchange Position*

Sensitivity Analysis of Foreign Exchange Position				
30.06.2022				
	Profit / Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
Change in 20% of the U.S. Dollar against TRY;				
1 - Net asset / liability of USD	3.673.088	(3.673.088)	--	--
2 - Amount hedged for USD risk (-)	--	--	--	--
<b>3- Net Effect of U.S. Dollar (1+2)</b>	<b>3.673.088</b>	<b>(3.673.088)</b>	<b>--</b>	<b>--</b>
Change in 20% of the EURO against TRY;				
4 - Net asset / liability of EUR	(131.340.146)	131.340.146	--	--
5 - Amount hedged for EUR risk (-)	--	--	--	--
<b>6- Net Effect of EURO (4+5)</b>	<b>(131.340.146)</b>	<b>131.340.146</b>	<b>--</b>	<b>--</b>
Change in 20% of the GBP against TRY;				
7- Other foreign currency net asset / liability	158	(158)	--	--
8- Part of hedged protected from other currency risk (-)	--	--	--	--
<b>9- Net Effect of GBP (7+8)</b>	<b>158</b>	<b>(158)</b>	<b>--</b>	<b>--</b>
<b>TOTAL (3+6+9)</b>	<b>(127.666.900)</b>	<b>127.666.900</b>	<b>--</b>	<b>--</b>

Sensitivity Analysis of Foreign Exchange Position				
31.12.2021				
	Profit / Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
Change in 20% of the U.S. Dollar against TRY;				
1 - Net asset / liability of USD	190.654.843	(190.654.843)	--	--
2 - Amount hedged for USD risk (-)	--	--	--	--
<b>3- Net Effect of U.S. Dollar (1+2)</b>	<b>190.654.843</b>	<b>(190.654.843)</b>	<b>--</b>	<b>--</b>
Change in 20% of the EURO against TRY;				
4 - Net asset / liability of EUR	(358.040.527)	358.040.527	--	--
5 - Amount hedged for EUR risk (-)	--	--	--	--
<b>6- Net Effect of EURO (4+5)</b>	<b>(358.040.527)</b>	<b>358.040.527</b>	<b>--</b>	<b>--</b>
Change in 20% of the GBP against TRY;				
7- Other foreign currency net asset / liability	(5.033)	5.033	--	--
8- Part of hedged protected from other currency risk (-)	--	--	--	--
<b>9 -Net Effect of GBP (7+8)</b>	<b>(5.033)</b>	<b>5.033</b>	<b>--</b>	<b>--</b>
<b>TOTAL (3+6+9)</b>	<b>(448.675.561)</b>	<b>448.675.561</b>	<b>--</b>	<b>--</b>

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## **35. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATION AND PROTECTION OF FINANCIAL HEDGE ACCOUNTING EXPLANATION)**

### **Fair Value**

Fair value is defined as price between willing parties who are into making a sale or purchase.

Financial assets and liabilities in foreign currency are converted to market prices at statement of financial position date. Methods and assumptions below are used to predict fair value of each financial instrument in case when it is possible to determine fair value of these instruments.

### **Financial Assets**

The fair value of certain financial assets carried at cost, including cash at banks, marketable securities plus the respective accrued interest are considered to approximate their respective carrying values. The carrying values of the trade receivables net of provisions for uncollectible receivables are considered to

### **Financial Liabilities**

Values of monetary liabilities and trade payables are considered close to their fair value because of short term nature. Bank loans are stated with their discounted cost and transaction cost will be added to initial cost of loans. Book value of loans is considered close to its fair value because of updates in changed market conditions and interest rates. Book value of trade payables is considered as close to its fair value cause of being short termed.

The fair value of financial assets and liabilities are determined as follows:

*First Level: Financial assets and liabilities are appreciated from stock price traded in active market for similar assets and liabilities.*

*Second Level: Financial assets and liabilities are appreciated from inputs used determining observable price in the market as direct or indirect with the exception of the price is stated in first level.*

*Third Level: Financial assets and liabilities are appreciated from inputs based on unobservable data in the market in determining the fair value of an asset or liability.*

The Group's management believes that the recorded values of financial instruments reflects their fair values.

### **Derivative Financial Instruments (Futures Agreements)**

The Group engage to agreements on derivative transactions in the foreign exchange markets.(Note 38)

### **Financial Liabilities**

Values of monetary liabilities and trade payables are considered close to their fair value because of short term nature. Bank loans are stated with their discounted cost and transaction cost will be added to initial cost of loans. Book value of loans is considered close to its fair value because of updates in changed market conditions and interest rates. Book value of trade payables is considered as close to its fair value cause of being short termed.

## **36. SUBSEQUENT EVENTS**

None.

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**37. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR'S**

The independent audit fee for the reporting period of 1 January - 31 December 2022 is TRY 250,000. (31.12.2021: 175.000 TL)

**38. DERIVATIVE INSTRUMENTS****CASH FLOW HEDGE ACCOUNTING FOR HIGH PROBABILITY ESTIMATED TRADING CURRENCY RISK**

The Company provides hedging against the foreign exchange risk on the balance sheet by borrowing in the same currency against the foreign currency risks arising from the foreign currency sales amounts that are highly probable to be realized in the future within the scope of the agreements it has made and the corporate budget.

In this context, repayments of foreign currency borrowings that are subject to hedge accounting and determined as hedging instrument are made with foreign currency sales cash flows that will be realized on close dates and determined as hedged item within the scope of hedge accounting.

Within the scope of the currency risk management strategy it has determined, the Company applies hedging accounting for the purpose of hedging the currency risk component of the highly probable estimated transaction cash flow risk, and the exchange rate fluctuations that have occurred on the hedging instrument, whose effectiveness has been mathematically proven in accordance with TFRS 9 and have not yet been realized. It pulls it from the income statement and parks it in the comprehensive income statement and aims to present a healthier income statement.

The Company pays attention to maintain a 100% hedging ratio and a hedging efficiency between 70% and 130% within the scope of the hedge accounting it has established, and as of 30 June 2022, the hedging ratio has been calculated as 95% and the hedging efficiency as 90%.

<b>TRY</b>	<b>June 30, 2022</b>
Cumulative exchange rate difference on hedging Item (Current Portion)	134.350.618
Cumulative exchange rate difference on hedging Item (Non-Current Portion)	782.134.298
Cumulative exchange rate difference on Hedging Instrument (Current Portion)	(152.312.698)
Cumulative exchange rate difference on Hedging Instrument (Non-Current Portion)	(676.729.534)
<b>Rate of Hedge Effectiveness</b>	<b>90%</b>
Inactive Portion Left in the Income Statement	--

<b>TRY</b>	<b>June 30, 2022</b>
The Total Amount of Future Cash Flows of the Hedged Item	2.617.665.087
The Total Amount of Future Cash Flows of the Instrument Used for Hedging Purposes	2.751.784.181
<b>Rate of Hedge Effectiveness</b>	<b>95%</b>

The details of financial instruments subject to valuation as of 30.06.2022 are as follows;

<b>Forward Foreign Exchange Contracts</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Amount of Contract (Euro)	20.800.000	--
Amount of Valuation as End of Periods (TRY)	(24.889.120)	--
Discounted Valuation (TRY)	(23.985.520)	--



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(Currency is TRY unless otherwise is indicated.)

**39. OTHER ISSUES THAT SIGNIFICANTLY AFFECT THE FINANCIAL STATEMENTS OR REQUIRED FOR UNDERSTANDING OF THE FINANCIAL STATEMENTS**

None.

**40. EXPLANATIONS TO CASH FLOW STATEMENT**

Movements in the cash flow statement that do not create cash inflows and outflows are as follows as of the years:

		Current Period Audited Consolidated	Prior Period Audited Consolidated
	NOTES	01.01-30.06.2022	01.01-30.06.2021
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>1.037.673.493</b>	<b>677.513</b>
Profit/Loss For The Period		915.768.394	(176.991.037)
Adjustments To Reconcile Net Profit/Loss For The Period		70.342.241	209.474.165
	11-12-23-24-27		
Adjustments related to amortization and depreciation expenses	27	42.429.430	36.853.886
Adjustments related to impairment/revocation	7	-	-
Adjustments Related to Employees Benefits Provision (Cancellation)	19	1.419.155	865.725
Provisions Related to Litigation and / or Provisions (Cancellation) Provisions Relating to Provisions (Cancellation)	18	(1.181)	79.844
Adjustments on Provisions (Cancellation) on the Sectoral Requirements Framework	18	-	0
Deferred Financial Income Arising From Sales on Credit	7-8	(21.285.745)	(10.545.151)
	7-8		
Adjustments Regarding Interest Expenses	20	23.954.523	185.370.934
Adjustments Related to Interest Income	20	(44.065.334)	(54.453.070)
Adjustments for Unrealized Currency Translation Differences		206.001.337	162.470.000
Adjustments Regarding Impairment Reversal of Tangible Fixed Assets		0	-
Adjustments Regarding Tax Expenses/Income	30	(770.624)	360.320
<b>Changes In Business Capital</b>		<b>(31.855.179)</b>	<b>(146.300.635)</b>
Adjustments Regarding Increase/Decrease in Inventories	9	(47.191.465)	(28.382.262)
Increase/Decrease in Trade Receivables from Related Parties		(1.604.839)	-
Increase/Decrease in Trade Receivables from Unrelated Parties	7	(4.435.696)	(65.712.713)
Decrease (Increase) in Other Receivables from Related Parties	6	21.427.108	(15.227.316)
Decrease (Increase) in Other Receivables from Unrelated Parties	8	2.176	(22.192)
Change in Other Assets	20	4.530.139	119.846.678
Increase (Decrease) in Trade Payables to Related Parties		966.630	-
Increase (Decrease) in Trade Payables to Non-Related Parties	7	10.018.417	10.907.970
Change in Prepaid Expenses	10	(3.800.050)	1.065.086
Change in Payables Under Employee Benefits	19	(1.691.566)	(4.240.486)
Increase (Decrease) in Other Payables Related to Operations to Related Parties	6	(12.695.369)	57.339.616
Increase (Decrease) in Other Payables Related to Operations to Non-Related Parties	8	15.220.600	(4.609.318)
Provisions for Employee Benefits	19	1.350.145	1.189.527
Increase (Decrease) in Deferred Revenues	10	11.330.796	(32.982.197)
Change in Other Obligations	20	(25.282.204)	(185.473.028)
<b>Cash Flows from Operations</b>		<b>627.949</b>	<b>16.879.943</b>
Other Loss/Gain	21	49.564	(278.954)

The details of the Group's shareholders' equity as of 30.06.2022 and 31.12.2021 are disclosed in Note 21.

**41. CASH AND CASH EQUIVALENTS****Cash and Cash Equivalents**

	June 30, 2022	December 31, 2021
Bank	606.857.032	15.643.115
-Demand deposit	182.118.196	10.862.281
-Time deposit	424.738.836	4.780.834
Other current assets	54.056	7.909.606
<b>TOTAL</b>	<b>606.911.088</b>	<b>23.552.721</b>

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(Currency is TRY unless otherwise is indicated.)

**41. CASH AND CASH EQUIVALENTS (CONTINUED)****Cash and Cash Equivalents (Continued)**

As of 30.06.2022 there is no blocked deposits of the Group (31.12.2021: None). The information about the Group's term account for the periods 30.06.2022 and 31.12.2021 is as follows:

<b>Currency Time Deposits</b>	<b>Maturity</b>	<b>Interest rate</b>	<b>30.06.2022</b>
			<b>TRY</b>
TRY	01.07.2022	14,75%	700.000
TRY	01.07.2022	16,00%	2.200.000
TRY	01.07.2022	15,29%	3.399.516
TRY	15.08.2022	17,00%	1.556.920
			<b>7.856.436</b>

<b>Currency Time Deposits</b>	<b>Maturity</b>	<b>Interest Rate</b>	<b>30.06.2022</b>	<b>30.06.2022</b>
			<b>Currency</b>	<b>TRY Equivalent</b>
EURO	01.07.2022	0,21%	6.000.000	104.220.600
EURO	01.07.2022	0,01%	18.000.000	312.661.800
			<b>24.000.000</b>	<b>416.882.400</b>

<b>Currency Time Deposits</b>	<b>Maturity</b>	<b>Interest Rate</b>	<b>31.12.2021</b>
			<b>TRY</b>
TL	03.01.2022	19,00%	3.000.000
TL	03.01.2022	15,42%	328.675
TL	03.01.2022	15,42%	452.160
TL	03.01.2022	19,00%	1.000.000
TL	15.03.2021	14,00%	--
			<b>4.780.834</b>

**42. INTEREST, TAX, PROFIT BEFORE DEPRECIATION (EBITDA)**

This financial data, that is calculated as an income before finance, tax and depreciation is an indication of measured income without taking notice of finance, tax, expenses that are not required cash outflows, depreciation and redemption expenses of the company. This financial data also specified in the financial statements by some investors due to use in the measurement of the company's ability to repay the loans and/or additional loan. However, EBITDA should not be considered independently from financial statements. Also, EBITDA should not evaluate as an alternative to net income(loss), net cash flow derived from operating, investing and financing activities, financial data obtained from investing and financial activities or prepared according to IAS / IFRS, or other inputs obtained from financial instruments such as, business operating performance. This financial information should be evaluated together with other financial inputs that are contained in the statement of cash flow.

Profit before interest, tax and depreciation is TRY 969.176.507 in the accounting period of 01.01.-30.06.2022. (TRY 01.01-30.06.2021: 152.788.746)