

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023****Convenience Translation of Interim Consolidated Financial Statements Originally Issued in Turkish**

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

	Unaudited 31 March 2023	Audited 31 December 2022
ASSETS		
Current assets:		
Cash and cash equivalents	1.628.945	2.305.560
Financial investments	588.026	658.342
Trade receivables	7.235.136	7.041.880
- <i>Trade receivables from related parties</i>	1.239.025	1.076.819
- <i>Trade receivables from third parties</i>	5.996.111	5.965.061
Other receivables	1.190.954	1.478.472
- <i>Other receivables from related parties</i>	980.916	1.241.213
- <i>Other receivables from third parties</i>	210.038	237.259
Receivables from service concession arrangements	1.271.941	1.041.484
Inventories	569.124	510.310
Prepaid expenses	62.369	70.950
- <i>Prepaid expenses to third parties</i>	62.369	70.950
Current tax assets	16.802	21.307
Other current assets	418.541	433.252
- <i>Other current assets from third parties</i>	418.541	433.252
Total current assets	12.981.838	13.561.557
Non-current assets:		
Financial investments	246	246
- <i>Other financial investments</i>	246	246
Trade receivables	160.349	91.621
- <i>Trade receivables from third parties</i>	160.349	91.621
Other receivables	8.088.594	7.446.857
- <i>Other receivables from related parties</i>	7.921.970	7.287.208
- <i>Other receivables from third parties</i>	166.624	159.649
Contract assets	100.591	8.531
- <i>Other contract assets</i>	100.591	8.531
Receivables from service concession arrangements	7.212.230	6.766.842
Equity accounted investees	2.573.451	1.614.022
Tangible assets	34.107.189	34.644.864
Right of use assets	252.566	263.484
Intangible assets	1.502.378	1.444.595
Derivative financial assets	371.786	459.185
Prepaid expenses	6.868	8.370
- <i>Prepaid expenses to third parties</i>	6.868	8.370
Deferred tax assets	1.125.846	1.101.734
Other non-current assets	15.777	15.777
- <i>Other non-current assets to third parties</i>	15.777	15.777
Total non-current assets	55.517.871	53.866.128
Total assets	68.499.709	67.427.685

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LIABILITIES		
Current liabilities:		
Short-term borrowings	1.634.247	2.720.679
Short-term borrowings from third parties	1.634.247	2.720.679
- Bank borrowings	964.669	2.157.412
- Issued debt instruments	669.578	563.267
Short-term portion of long-term borrowings	7.963.491	8.986.822
Short-term portion of long-term borrowings from third parties	7.963.491	8.986.822
- Bank borrowings	6.573.719	7.585.455
- Issued debt instruments	1.311.158	1.291.899
- Lease liabilities	78.614	109.468
Trade payables	6.425.260	5.994.384
- Trade payables to related parties	582.026	290.139
- Trade payables to third parties	5.843.234	5.704.245
Payables related to employee benefits	90.241	22.026
Other payables	4.200.779	3.607.928
- Other payables to related parties	1.509.380	1.214.723
- Other payables to third parties	2.691.399	2.393.205
Derivative financial liabilities	17.372	17.905
Deferred income	1.205.975	923.557
- Deferred income from third parties	1.205.975	923.557
Current tax liabilities	255.821	134.280
Short-term provisions	20.449	21.511
- Other short-term provisions	20.449	21.511
Other current liabilities	244.420	225.467
- Other current liabilities to third parties	244.420	225.467
Total current liabilities	22.058.055	22.654.559
Long-term borrowings	22.445.571	22.708.925
Long-term borrowings from third parties	22.445.571	22.708.925
- Bank borrowings	16.837.296	17.393.418
- Lease liabilities	242.745	277.265
- Issued debt instruments	5.365.530	5.038.242
Other payables	9.310	7.916
- Other payables to related parties	9.310	7.916
Long-term provisions	240.361	175.209
- Long-term provisions for employee benefits	240.361	175.209
Deferred tax liabilities	4.434.356	4.272.438
Total non-current liabilities	27.129.598	27.164.488
Total liabilities	49.187.653	49.819.047

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	Unaudited 31 March 2023	Audited 31 December 2022
EQUITY		
Equity attributable to owners of the Company	19.312.787	17.700.261
Paid-in capital	2.500.000	2.500.000
Adjustments to share capital	102.575	102.575
Share premium	1.448	1.448
Other comprehensive income not to be reclassified in profit or loss	22.516.388	22.959.860
- Gains/(losses) on revaluation and remeasurement	22.516.388	22.959.860
<i>Increases on revaluation of property, plant and equipment</i>	<i>22.651.040</i>	<i>23.039.988</i>
<i>Actuarial losses</i>	<i>(134.652)</i>	<i>(80.128)</i>
Other comprehensive income to be reclassified in profit or loss	(7.643.192)	(7.743.708)
- Currency translation adjustment	1.407.895	1.680.772
- Losses on hedging transactions		
<i>Losses on cash flow hedges</i>	<i>(9.051.087)</i>	<i>(9.424.480)</i>
Restricted reserves appropriated from profits	7.931	7.931
- Legal reserves	7.931	7.931
Accumulated income/(losses)	250.006	(239.208)
Current period profit	1.577.631	111.363
Non-controlling interests	(731)	(91.623)
Total equity	19.312.056	17.608.638
Total liabilities and equity	68.499.709	67.427.685

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023****Convenience Translation of Interim Consolidated Financial Statements Originally Issued in Turkish**

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

	Unaudited 1 January- 31 March 2023	Unaudited 1 January- 31 March 2022
PROFIT/(LOSS)		
Revenue	9.198.197	5.951.870
Cost of sales (-)	(8.230.040)	(5.018.352)
GROSS PROFIT	968.157	933.518
General administrative expenses (-)	(263.609)	(126.145)
Marketing expenses (-)	(27.911)	(16.752)
Other income from operating activities	1.385.784	1.136.478
Other expenses from operating activities (-)	(456.253)	(479.445)
Profit from operating activities	1.606.168	1.447.654
Income from investment activities	1.676.974	-
Share of gain on equity accounted investees	41.224	27.297
PROFIT BEFORE FINANCE INCOME	3.324.366	1.474.951
Finance income	566.880	1.160.283
Finance expense (-)	(2.079.654)	(2.434.615)
PROFIT FROM CONTINUING OPERATIONS, BEFORE TAX	1.811.592	200.619
Tax expense from continuing operations	(223.069)	(127.443)
- Current period tax expense	(169.430)	(41.487)
- Deferred tax expense	(53.639)	(85.956)
PROFIT FROM CONTINUING OPERATIONS	1.588.523	73.176
PROFIT FOR THE PERIOD	1.588.523	73.176
Profit/(loss) attributable to:		
Non-controlling interests	10.892	(13.214)
Equity holders of the Parent	1.577.631	86.390
Income/(loss) per share (TL)		
- Income/(loss) per share from continuing operations	0,63	0,03

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

Convenience Translation of Interim Consolidated Financial Statements Originally Issued in Turkish

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

	Unaudited 1 January - 31 March 2023	Unaudited 1 January - 31 March 2022
OTHER COMPREHENSIVE INCOME (LOSS)		
CURRENT PERIOD NET PROFIT	1.588.523	73.176
Other comprehensive income not to be reclassified to profit or loss	(54.814)	(11.149)
- Actuarial losses	(68.518)	(13.936)
Taxes relating to components of other comprehensive income not to be reclassified to profit or loss	13.704	2.787
- Taxes relating to actuarial losses	13.704	2.787
Other comprehensive income to be reclassified to profit or loss	89.709	(403.893)
- Exchange differences on translation of foreign operations, net of tax	(283.684)	218.544
Gains/(losses) on exchange differences on translation of foreign operations, net of tax	(283.684)	218.544
- Other comprehensive loss relating to cash flow hedges	466.741	(778.046)
Cash flow hedge losses	466.741	(778.046)
Taxes relating to components of other comprehensive income to be reclassified to profit or loss	(93.348)	155.609
- Taxes relating to cash flow hedges	(93.348)	155.609
OTHER COMPREHENSIVE INCOME/(LOSS)	34.895	(415.042)
TOTAL COMPREHENSIVE INCOME/(LOSS)	1.623.418	(341.866)
Total comprehensive income/(loss) attributable to		
Non-controlling interests	10.892	(13.214)
Equity holders of the Parent	1.612.526	(328.652)

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

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

					Items not to be reclassified to profit or loss		Items to be reclassified to profit or loss						
	Paid-in Capital	Adjustment to Share Capital	Share Premium	Revaluation of Property, Plant and Equipment	Actuarial Gains/ (Losses)	Currency Translation Adjustment	Hedge Reserves	Legal Reserves	Accumulated Income/(Losses)	Net Profit	Equity Holders of the Parent	Non- Controlling Interest	Equity
Previous period													
1 January-31 March 2022													
Opening balances	2.500.000	102.575	1.448	10.994.165	(17.923)	1.374.130	(7.550.224)	7.931	(1.015.196)	(86.447)	6.310.459	(128.566)	6.181.893
Transfers	-	-	-	(174.779)	-	-	-	-	88.332	86.447	-	-	-
Total comprehensive income (loss)	-	-	-	-	(11.149)	218.544	(622.437)	-	-	86.390	(328.652)	(13.214)	(341.866)
- Profit of the period	-	-	-	-	-	-	-	-	-	86.390	86.390	(13.214)	73.176
- Other comprehensive loss	-	-	-	-	(11.149)	218.544	(622.437)	-	-	-	(415.042)	-	(415.042)
Ending balances	2.500.000	102.575	1.448	10.819.386	(29.072)	1.592.674	(8.172.661)	7.931	(926.864)	86.390	5.981.807	(141.780)	5.840.027
Current period													
1 January – 31 March 2023													
Opening balances	2.500.000	102.575	1.448	23.039.988	(80.128)	1.680.772	(9.424.480)	7.931	(239.208)	111.363	17.700.261	(91.623)	17.608.638
Transactions with non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	80.000	80.000
Transfers	-	-	-	(388.948)	-	-	-	-	500.311	(111.363)	-	-	-
Disposal of subsidiary	-	-	-	-	290	10.807	-	-	(11.097)	-	-	-	-
Total comprehensive income	-	-	-	-	(54.814)	(283.684)	373.393	-	-	1.577.631	1.612.526	10.892	1.623.418
- Profit of the period	-	-	-	-	-	-	-	-	-	1.577.631	1.577.631	10.892	1.588.523
- Other comprehensive income	-	-	-	-	(54.814)	(283.684)	373.393	-	-	-	34.895	-	34.895
Ending balances	2.500.000	102.575	1.448	22.651.040	(134.652)	1.407.895	(9.051.087)	7.931	250.006	1.577.631	19.312.787	(731)	19.312.056

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

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	Unaudited 1 January- 31 March 2023	Unaudited 1 January- 31 March 2022
CASH FLOWS FROM OPERATING ACTIVITIES	2.079.705	(285.120)
Profit	1.588.523	73.176
- Profit from continuing operations	1.588.523	73.176
Adjustments for profit/ (loss) for the period	(324.224)	1.191.082
Adjustments for depreciation and amortisation expense	591.116	313.687
Adjustments for provisions	8.085	8.363
- Adjustments for provisions relating with employee benefits	9.147	3.472
- Adjustments for (reversal of) other provisions	(1.062)	4.891
Adjustments for interest (income)/expenses	510.117	638.014
- Adjustments for interest income	(396.676)	(172.343)
- Adjustments for interest expense	906.793	810.357
Adjustments for unrealised foreign exchange losses	669.906	835.225
Adjustments for fair value losses/(gains)	(715.585)	(158.107)
- Other adjustments for fair value losses/(gains)	(802.451)	-
- Adjustments for fair value losses/(gains) on derivative financial instruments	86.866	(158.107)
Adjustments for undistributed profits of investments accounted for using equity method	(41.224)	(27.297)
- Adjustments for undistributed profits of associates	(41.224)	(27.297)
Adjustments for tax (income)/expenses	223.069	127.443
Adjustments for gains/(losses) on disposal of non-current assets	(1.318)	-
- Adjustments for gains/(losses) on disposal of tangible assets	(1.318)	-
Adjustments for losses/(gains) on disposal of subsidiaries	(873.205)	-
Other adjustments to reconcile profit/(loss)	(695.185)	(546.246)
Changes in working capital	873.915	(1.523.269)
Adjustments for decrease/(increase) in trade receivables	(198.185)	(939.706)
- Increase in trade receivables from related parties	(140.741)	(163.343)
- Increase in trade receivables from third parties	(57.444)	(776.363)
Adjustments for decrease/(increase) in other receivables related with operations	66.493	(1.711.502)
- Decrease/(increase) in other related party receivables relating with operations	39.810	(1.702.419)
- Decrease/(increase) in other third party receivables relating with operations	26.683	(9.083)
Decrease/(increase) in receivable from service concession agreements	303.675	182.172
Adjustments for decrease/(increase) in inventories	(75.873)	(113.737)
Adjustments for increase/(decrease) in trade payables	434.935	1.100.399
- Increase/(decrease) in trade payables to related parties	301.544	4.667
- Increase/(decrease) in trade payables to third parties	133.391	1.095.732
Adjustments for increase/(decrease) in other payables	62.263	46.387
- Increase/ (decrease) in other payables to third parties	62.263	46.387
Other adjustments for other increase/(decrease) in working capital	90.249	(39.575)
- Increase in other assets relating with operations	(644)	(65.801)
- Increase in other liabilities relating with operations	90.893	26.226
Adjustments for decrease/(increase) in contract assets	(92.060)	(19.254)
- Decrease in other contract assets	(92.060)	(19.254)
Increase in deferred income	282.418	(28.453)

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

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	Unaudited 1 January- 31 March 2023	Unaudited 1 January- 31 March 2022
Cash flows from used in operations	2.138.214	(259.011)
Payments relating with provisions for employee benefits	(17.919)	(1.431)
Taxes paid	(40.590)	(24.678)
CASH FLOWS FROM INVESTING ACTIVITIES	701.108	(82.511)
Cash inflows from losing control of subsidiaries	938.040	-
Proceeds from sales of property, plant, equipment and intangible assets	2.074	-
- <i>Proceeds from sale of property, plant and equipment</i>	2.074	-
Purchase of property, plant, equipment and intangible assets	(184.249)	(82.511)
- <i>Purchase of property, plant and equipment</i>	(183.691)	(82.243)
- <i>Purchase of intangible assets</i>	(558)	(268)
Cash outflows from subsidiaries and/or joint ventures capital advance payments	(39.645)	-
Other inflows (outflows) of cash	(15.112)	-
CASH FLOWS FROM FINANCING ACTIVITIES	(3.592.801)	317.170
Proceeds from capital advances	299.673	-
Proceeds from borrowings	1.062.419	3.142.379
- <i>Proceeds from borrowings</i>	12.145	2.802.866
- <i>Proceeds from issuance of debt instruments</i>	1.050.274	339.513
Repayments of borrowings	(3.687.644)	(1.817.406)
- <i>Borrowing repayments</i>	(2.855.194)	(1.565.806)
- <i>Payments of issued debt instruments</i>	(832.450)	(251.600)
Increase in other payables to related parties	12.781	1.372
Payments of lease liabilities	(25.036)	(14.132)
Interest paid	(1.245.676)	(742.905)
Interest received	81.966	68.495
Cash inflows from derivative instruments	57.332	-
Cash outflows from derivative instruments	-	(68.807)
Other cash outflows decrease	(148.616)	(251.826)
NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES	(811.988)	(50.461)
Effect of exchange rate changes on cash and cash equivalents	(9.233)	(50.034)
Net decrease in cash and cash equivalents	(821.221)	(100.495)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2.293.646	1.161.644
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1.472.425	1.061.149