

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

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

	Reviewed 30 June 2023	Audited 31 December 2022
ASSETS		
Current assets:		
Cash and cash equivalents	2.060.586	2.305.560
Financial investments	599.133	658.342
Trade receivables	6.647.446	7.041.880
- Trade receivables from related parties	1.641.088	1.076.819
- Trade receivables from third parties	5.006.358	5.965.061
Other receivables	1.542.810	1.478.472
- Other receivables from related parties	1.352.262	1.241.213
- Other receivables from third parties	190.548	237.259
Receivables from service concession arrangements	1.353.922	1.041.484
Derivative financial assets	80.037	-
Inventories	863.412	677.823
Prepaid expenses	76.715	70.950
-Prepaid expenses to third parties	76.715	70.950
Current tax assets	7.879	21.307
Other current assets	436.921	265.739
- Other current assets from third parties	436.921	265.739
Total current assets	13.668.861	13.561.557
Non-current assets:		
Financial investments	246	246
- Other financial investments	246	246
Trade receivables	148.581	91.621
- Trade receivables from third parties	148.581	91.621
Other receivables	11.084.805	7.446.857
- Other receivables from related parties	10.889.047	7.287.208
- Other receivables from third parties	195.758	159.649
Contract assets	179.240	8.531
- Other contract assets	179.240	8.531
Receivables from service concession arrangements	7.419.183	6.766.842
Equity accounted investees	4.295.113	1.614.022
Tangible assets	34.261.445	34.644.864
Right of use assets	241.478	263.484
Intangible assets	1.479.695	1.444.595
Derivative financial assets	668.167	459.185
Prepaid expenses	9.672	8.370
- Prepaid expenses to third parties	9.672	8.370
Deferred tax assets	1.392.611	1.101.734
Other non-current assets	23.829	15.777
- Other non-current assets to third parties	23.829	15.777
Total non-current assets	61.204.065	53.866.128
Total assets	74.872.926	67.427.685

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LIABILITIES		
Current liabilities:		
Short-term borrowings	1.743.177	2.720.679
Short-term borrowings from third parties	1.743.177	2.720.679
- <i>Bank borrowings</i>	981.211	2.157.412
- <i>Issued debt instruments</i>	761.966	563.267
Short-term portion of long-term borrowings	11.961.972	8.986.822
Short-term portion of long-term borrowings from third parties	11.961.972	8.986.822
- <i>Bank borrowings</i>	9.501.658	7.585.455
- <i>Issued debt instruments</i>	2.380.132	1.291.899
- <i>Lease liabilities</i>	80.182	109.468
Trade payables	4.981.143	5.781.518
- <i>Trade payables to related parties</i>	84.232	77.273
- <i>Trade payables to third parties</i>	4.896.911	5.704.245
Payables related to employee benefits	38.411	22.026
Other payables	2.967.604	3.606.132
- <i>Other payables to related parties</i>	34.488	1.212.927
- <i>Other payables to third parties</i>	2.933.116	2.393.205
Derivative financial liabilities	-	17.905
Deferred income	1.748.893	1.138.219
- <i>Deferred income from related parties</i>	1.129.409	214.662
- <i>Deferred income from third parties</i>	619.484	923.557
Current tax liabilities	151.031	134.280
Short-term provisions	21.213	21.511
- <i>Other short-term provisions</i>	21.213	21.511
Other current liabilities	422.358	225.467
- <i>Other current liabilities to third parties</i>	422.358	225.467
Total current liabilities	24.035.802	22.654.559
 Long-term borrowings	 26.669.194	 22.708.925
Long-term borrowings from third parties	26.669.194	22.708.925
- <i>Bank borrowings</i>	20.301.048	17.393.418
- <i>Lease liabilities</i>	228.860	277.265
- <i>Issued debt instruments</i>	6.139.286	5.038.242
Other payables	12.973	7.916
- <i>Other payables to related parties</i>	12.973	7.916
Long-term provisions	254.767	175.209
- <i>Long-term provisions for employee benefits</i>	254.767	175.209
Deferred tax liabilities	3.558.328	4.272.438
Total non-current liabilities	30.495.262	27.164.488
Total liabilities	54.531.064	49.819.047

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EQUITY		
Equity attributable to owners of the Company	20.342.315	17.700.261
Paid-in capital	2.500.000	2.500.000
Additional Capital Contributions of Shareholders	2.118.611	-
Adjustments to share capital	102.575	102.575
Share premium	1.448	1.448
Effects of business combinations under common control	(391.175)	(391.175)
Other comprehensive income not to be reclassified in profit or loss	22.109.951	22.959.860
- Gains on revaluation and remeasurement	22.109.951	22.959.860
<i>Increases on revaluation of property, plant and equipment</i>	<i>22.245.856</i>	<i>23.039.988</i>
<i>Actuarial losses</i>	<i>(135.905)</i>	<i>(80.128)</i>
Other comprehensive income to be reclassified in profit or loss	(9.159.256)	(7.743.708)
- <i>Currency translation adjustment</i>	2.315.608	1.680.772
- <i>Losses on hedging transactions</i>		
<i>Losses on cash flow hedges</i>	(11.474.864)	(9.424.480)
Restricted reserves appropriated from profits	7.931	7.931
- <i>Legal reserves</i>	<i>7.931</i>	<i>7.931</i>
Accumulated income/(losses)	1.046.365	151.967
Current period profit	2.005.865	111.363
Non-controlling interests	(453)	(91.623)
Total equity	20.341.862	17.608.638
Total liabilities and equity	74.872.926	67.427.685

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023****Convenience Translation of Interim Consolidated Financial Statements Originally Issued in Turkish**

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

	Reviewed 1 January- 30 June 2023	Not Reviewed 1 April- 30 June 2023	Reviewed 1 January- 30 June 2022	Not Reviewed 1 April- 30 June 2023
PROFIT/(LOSS)				
Revenue	16.063.881	6.866.525	12.052.214	6.100.446
Cost of sales (-)	(13.892.254)	(5.663.564)	(10.277.154)	(5.258.802)
GROSS PROFIT	2.171.627	1.202.961	1.775.060	841.644
General administrative expenses (-)	(558.031)	(294.422)	(266.855)	(140.710)
Marketing expenses (-)	(61.892)	(33.472)	(35.816)	(19.166)
Other income from operating activities	2.777.324	1.391.540	2.194.625	1.058.147
Other expenses from operating activities (-)	(1.277.493)	(821.240)	(875.094)	(395.649)
Profit from operating activities	3.051.535	1.445.367	2.791.920	1.344.266
Gain from investment activities	2.865.081	1.188.107	1.973	1.973
Loss from investment activities	(7.492)	(7.492)	-	-
Share of gain on equity accounted investees	39.114	(2.110)	(9.382)	(36.679)
PROFIT BEFORE FINANCE INCOME	5.948.238	2.623.872	2.784.511	1.309.560
Finance income	4.605.281	4.038.401	2.364.043	1.203.760
Finance expense (-)	(8.801.027)	(6.721.373)	(4.952.911)	(2.518.296)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX	1.752.492	(59.100)	195.643	(4.976)
Tax income/(expense) from continuing operations	264.543	487.612	(193.037)	(65.594)
- Current period tax expense	(218.354)	(48.924)	(96.865)	(55.378)
- Deferred tax income/(expense)	482.897	536.536	(96.172)	(10.216)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	2.017.035	428.512	2.606	(70.570)
PROFIT/(LOSS) FOR THE PERIOD	2.017.035	428.512	2.606	(70.570)
Profit/(loss) attributable to:				
Non-controlling interests	11.170	278	(38.451)	(25.237)
Equity holders of the Parent	2.005.865	428.234	41.057	(45.333)
Income/(loss) per share (TL)				
- Income/(loss) per share from continuing operations	0,802	0,171	0,016	(0,018)

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

Convenience Translation of Interim Consolidated Financial Statements Originally Issued in Turkish

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

	Reviewed 1 January - 30 June 2023	Not Reviewed 1 April- 30 June 2023	Reviewed 1 January - 30 June 2022	Not Reviewed 1 April- 30 June 2023
OTHER COMPREHENSIVE INCOME/(LOSS)				
CURRENT PERIOD NET PROFIT/(LOSS)	2.017.035	428.512	2.606	(70.570)
Other comprehensive income/(loss) not to be reclassified to profit or loss	(56.067)	(1.253)	5.231.345	5.242.494
-Gains on revaluation of property, plant and equipment	-	-	6.516.135	6.516.135
-Actuarial losses	(70.084)	(1.566)	(15.335)	(1.399)
Taxes relating to components of other comprehensive income/(loss) not to be reclassified to profit or loss	14.017	313	(1.269.455)	(1.272.242)
- Taxes relating to gains on revaluation of property, plant and equipment	-	-	(1.272.522)	(1.272.522)
- Taxes relating to actuarial losses	14.017	313	3.067	280
Other comprehensive loss to be reclassified to profit or loss	(1.426.355)	(1.516.064)	(1.331.682)	(927.789)
- Exchange differences on translation of foreign operations, net of tax	624.029	907.713	174.802	(43.742)
Gains/(losses) on exchange differences on translation of foreign operations, net of tax	624.029	907.713	174.802	(43.742)
- Other comprehensive loss relating to cash flow hedges	(2.562.980)	(3.029.721)	(1.883.105)	(1.105.059)
Cash flow hedge losses	(2.562.980)	(3.029.721)	(1.883.105)	(1.105.059)
Taxes relating to components of other comprehensive loss to be reclassified to profit or loss	512.596	605.944	376.621	221.012
-Taxes relating to cash flow hedges	512.596	605.944	376.621	221.012
OTHER COMPREHENSIVE INCOME/(LOSS)	(1.482.422)	(1.517.317)	3.899.663	4.314.705
TOTAL COMPREHENSIVE INCOME/(LOSS)	534.613	(1.088.805)	3.902.269	4.244.135
Total comprehensive income/(loss) attributable to				
Non-controlling interests	11.170	278	(38.451)	(25.237)
Equity holders of the Parent	523.443	(1.089.083)	3.940.720	4.269.372

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

Convenience Translation of Interim Consolidated Financial Statements Originally Issued in Turkish

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

					Items			Items								
					not to be reclassified to profit or loss	to be reclassified to profit or loss		to be reclassified to profit or loss	to be reclassified to profit or loss							
Prior period 1 January-30 June 2022	Paid-in Capital	Additional Contributions of Shareholders	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)	Effect of Business Combinations under Common Control	Net Profit	Equity Holders of the Parent	Non- Controlling Interest	Equity	
Opening balances	2.500.000	-	102.575	1.448	10.994.165	(17.923)	1.374.130	(7.550.224)	7.931	(624.021)	(391.175)	(86.447)	6.310.459	(128.566)	6.181.893	
Transfers	-	-	-	-	(349.559)	-	-	-	-	263.112	-	86.447	-	-	-	
Total comprehensive income (loss)	-	-	-	-	5.243.613	(12.268)	174.802	(1.506.484)	-	-	-	41.057	3.940.720	(38.451)	3.902.269	
- Profit of the period	-	-	-	-	-	-	-	-	-	-	-	41.057	41.057	(38.451)	2.606	
- Other comprehensive income	-	-	-	-	5.243.613	(12.268)	174.802	(1.506.484)	-	-	-	-	3.899.663	-	3.899.663	
Ending balances	2.500.000	-	102.575	1.448	15.888.219	(30.191)	1.548.932	(9.056.708)	7.931	(360.909)	(391.175)	41.057	10.251.179	(167.017)	10.084.162	
Current period 1 January - 30 June 2023																
Opening balances	2.500.000	-	102.575	1.448	23.039.988	(80.128)	1.680.772	(9.424.480)	7.931	151.967	(391.175)	111.363	17.700.261	(91.623)	17.608.638	
Additional Capital Contributions of Shareholders	-	2.118.611	-	-	-	-	-	-	-	-	-	-	2.118.611	-	2.118.611	
Transactions with non- controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	80.000	80.000	
Transfers	-	-	-	-	(794.132)	-	-	-	-	905.495	-	(111.363)	-	-	-	
Disposal of subsidiary	-	-	-	-	-	290	10.807	-	-	(11.097)	-	-	-	-	-	
Total comprehensive income	-	-	-	-	-	(56.067)	624.029	(2.050.384)	-	-	-	2.005.865	523.443	11.170	534.613	
- Profit of the period	-	-	-	-	-	-	-	-	-	-	-	2.005.865	2.005.865	11.170	2.017.035	
- Other comprehensive income	-	-	-	-	-	(56.067)	624.029	(2.050.384)	-	-	-	-	(1.482.422)	-	(1.482.422)	
Ending balances	2.500.000	2.118.611	102.575	1.448	22.245.856	(135.905)	2.315.608	(11.474.864)	7.931	1.046.365	(391.175)	2.005.865	20.342.315	(453)	20.341.862	

ZORLU ENERJİ ELEKTRİK ÜRETİM AŞ AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

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	Reviewed 1 January- 30 June 2023	Reviewed 1 January- 30 June 2022
CASH FLOWS FROM OPERATING ACTIVITIES	4.233.575	1.614.429
Profit	2.017.035	2.606
- Profit from continuing operations	2.017.035	2.606
Adjustments for profit/ (loss) for the period	1.734.133	2.792.807
Adjustments for depreciation and amortisation expense	1.183.553	629.919
Adjustments for provisions	20.067	13.619
- Adjustments for provisions relating with employee benefits	20.365	6.004
- Adjustments for (reversal of) other provisions	(298)	7.615
Adjustments for interest (income)/expenses	1.648.246	1.279.337
- Adjustments for interest income	(798.857)	(343.877)
- Adjustments for interest expense	2.447.103	1.623.214
Adjustments for unrealised foreign exchange losses	3.397.166	1.886.378
Adjustments for fair value losses/(gains)	(1.109.375)	(162.394)
- Other adjustments for fair value losses/(gains)	(802.451)	-
- Adjustments for fair value losses/(gains) on derivative financial instruments	(306.924)	(162.394)
Adjustments for undistributed profits of investments accounted for using equity method	(39.114)	9.382
- Adjustments for undistributed profits of associates	(39.114)	9.382
Adjustments for tax (income)/expenses	(264.543)	193.037
Adjustments for gains/(losses) on disposal of non-current assets	3.493	(1.973)
- Adjustments for gains/(losses) on disposal of tangible assets	3.493	(1.973)
Adjustments for losses/(gains) on disposal of subsidiaries	(2.058.631)	-
Other adjustments to reconcile profit/(loss)	(1.046.729)	(1.054.498)
Changes in working capital	635.119	(1.141.107)
Adjustments for decrease/(increase) in trade receivables	347.479	(1.321.295)
- Decrease (increase) in trade receivables from related parties	(349.519)	(125.346)
- Decrease (increase) in trade receivables from third parties	696.998	(1.195.949)
Adjustments for decrease/(increase) in other receivables related with operations	115.298	(1.715.572)
- Decrease/(increase) in other related party receivables relating with operations	12.306	(1.695.217)
- Decrease/(increase) in other third party receivables relating with operations	102.992	(20.355)
Decrease/(increase) in receivable from service concession agreements	579.242	424.889
Adjustments for decrease/(increase) in inventories	(364.862)	(402.449)
Adjustments for increase/(decrease) in trade payables	(522.800)	1.802.981
- Increase/(decrease) in trade payables to related parties	(72.895)	139.467
- Increase/(decrease) in trade payables to third parties	(449.905)	1.663.514
Adjustments for increase/(decrease) in other payables	137.390	80.117
- Increase/ (decrease) in other payables to third parties	137.390	80.117
Other adjustments for other increase/(decrease) in working capital	(96.593)	16.736
- Decrease (increase) in other assets relating with operations	(314.324)	(155.711)
- Decrease (increase) in other liabilities relating with operations	217.731	172.447
Adjustments for decrease/(increase) in contract assets	(170.709)	(137.055)
- Decrease (increase) in other contract assets	(170.709)	(137.055)
Increase (decrease) in deferred income	610.674	110.541

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Cash flows from used in operations	4.386.287	1.654.306
Payments relating with provisions for employee benefits	(23.246)	(2.199)
Taxes paid	(129.466)	(37.678)
CASH FLOWS FROM INVESTING ACTIVITIES	404.775	(212.997)
Cash inflows from losing control of subsidiaries	2.105.061	-
Cash outflows from subsidiaries capital advance payments	(1.217.110)	-
Proceeds from sales of property, plant, equipment and intangible assets	22.878	4.939
- <i>Proceeds from sale of property, plant and equipment</i>	22.878	4.939
Purchase of property, plant, equipment and intangible assets	(422.935)	(217.936)
- <i>Purchase of property, plant and equipment</i>	(421.720)	(217.777)
- <i>Purchase of intangible assets</i>	(1.215)	(159)
Other inflows (outflows) of cash	(83.119)	-
CASH FLOWS FROM FINANCING ACTIVITIES	(4.675.166)	(264.215)
Proceeds from capital advances	931.575	-
Proceeds from borrowings	1.396.028	4.196.331
- <i>Proceeds from borrowings</i>	41.787	3.344.304
- <i>Proceeds from issuance of debt instruments</i>	1.354.241	852.027
Repayments of borrowings	(5.179.308)	(2.874.775)
- <i>Borrowing repayments</i>	(4.027.958)	(2.152.835)
- <i>Payments of issued debt instruments</i>	(1.151.350)	(721.940)
Increase in other payables to related parties	30.057	3.017
Payments of lease liabilities	(44.523)	(31.282)
Interest paid	(1.986.355)	(1.289.308)
Interest received	199.211	159.675
Cash inflows from derivative instruments	57.332	-
Cash outflows from derivative instruments	(16.829)	(68.807)
Other cash outflows decrease	(62.354)	(359.066)
NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES	(36.816)	1.137.217
Effect of exchange rate changes on cash and cash equivalents	(204.108)	(138.424)
Net decrease in cash and cash equivalents	(240.924)	998.793
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	2.052.722	2.160.437