

(Convenience translation of a report and financial
statements originally issued in Turkish)

Akenerji Elektrik Üretim A.Ş.

Condensed consolidated financial statements for the
interim period ended 1 January - 30 September 2024

AKENERJİ ELEKTRİK ÜRETİM A.Ş.

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AKENERJİ ELEKTRİK ÜRETİM A.Ş.**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 SEPTEMBER 2024 AND 31 DECEMBER 2023**

(Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

		Current period	Prior period
		Unaudited	Audited
	Notes	30 September 2024	31 December 2023
ASSETS			
Current assets			
Cash and cash equivalents		2.093.299.485	1.590.095.067
Financial investments		-	176.754.883
Derivative instruments	7	-	4.703.103
Trade receivables			
- Due from related parties	15	9.460.658	170.477.527
- Due from third parties		821.652.765	938.868.414
Other receivables			
- Due from third parties		186.146.180	20.836.710
Inventories		93.416.895	175.770.231
Prepaid expenses		77.602.519	206.354.110
Current income tax assets	9	7.113.324	4.385.274
Other current assets		69.109.205	144.956.615
Total current assets		3.357.801.031	3.433.201.934
Non - current assets			
Other receivables			
- Due from third parties		27.966.274	32.480.580
Financial investments		931.601	1.019.556
Inventories		43.844.747	55.265.027
Property, plant and equipment	4	37.053.629.612	38.370.341.012
Right of use assets		323.053.913	288.684.233
Intangible assets	5	563.461.758	560.784.019
Prepaid expenses		2.880.993	342.847.776
Deferred tax assets	9	-	14.354.608
Other non-current assets		338.084.123	307.946.787
Total non - current assets		38.353.853.021	39.973.723.598
TOTAL ASSETS		41.711.654.052	43.406.925.532

The accompanying notes form an integral part of these condensed consolidated financial statements.

AKENERJİ ELEKTRİK ÜRETİM A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2024 AND 31 DECEMBER 2023

(Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

		Current Period	Prior Period
		Unaudited	Audited
	Notes	30 September 2024	31 December 2023
LIABILITIES			
Current liabilities			
Short term borrowings	3	280.722.575	-
Short term portion of long-term borrowings			
- Bank loans	3	1.466.650.717	9.173.083.873
- Lease payables	3	61.990.432	69.143.187
Trade payables			
- Due to related parties	15	40.895.302	242.850.531
- Due to third parties		1.237.120.572	1.121.406.368
Employee benefit obligations		10.823.005	16.033.020
Other payables			
- Other payables to third parties		236.143.853	341.433.219
Derivative instruments	7	31.246.287	51.570.477
Current income tax liabilities	9	-	979.412
Deferred income		107.979.183	77.730
Short term provisions			
- Provisions for employee benefits		34.348.986	40.467.460
- Other short-term provisions	6	79.165.628	115.420.856
Total current liabilities		3.587.086.540	11.172.466.133
Non-current liabilities			
Long term borrowings			
- Bank loans	3	16.189.315.880	11.875.775.152
- Lease payables	3	263.816.760	330.334.790
Other payables			
- Due to third parties		669.666.284	725.619.309
Long term provisions			
- Provisions for employee benefits		52.138.760	46.305.804
Deferred tax liabilities	9	1.247.340.635	533.214.777
Total non-current liabilities		18.422.278.319	13.511.249.832
EQUITY			
Share capital	8	729.164.000	729.164.000
Adjustments to share capital	8	11.532.694.825	11.532.694.825
Share premiums		1.102.512.329	1.102.512.329
Other comprehensive income/(expense) not to be reclassified to profit/loss			
Gains/losses on revaluation and remeasurement			
- Increase on revaluation of property, plant and equipment		2.807.102.746	2.907.711.979
- Losses on re-measurement of defined benefit plans		(51.416.925)	(43.999.810)
Restricted reserves			
- Legal reserves	8	238.607.857	238.607.857
- Other reserves		(15.892.945)	(15.892.945)
Accumulated income/(losses)		2.373.020.565	(4.574.757.423)
Net income for the period		986.496.741	6.847.168.755
Total equity		19.702.289.193	18.723.209.567
TOTAL LIABILITIES AND EQUITY		41.711.654.052	43.406.925.532

The accompanying notes form an integral part of these condensed consolidated financial statements.

AKENERJİ ELEKTRİK ÜRETİM A.Ş.**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE INTERIM PERIODS BETWEEN 1 JANUARY - 30 SEPTEMBER 2024 AND 2023**

(Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

	Notes	Current period		Prior period	
		Unaudited		Unaudited	
		1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Revenue	10	18.103.438.288	26.019.083.923	7.175.151.202	7.890.085.050
Cost of sales (-)	10	(17.841.827.753)	(24.294.065.275)	(6.899.998.464)	(7.351.899.879)
Gross profit		261.610.535	1.725.018.648	275.152.738	538.185.171
General administrative expenses (-)		(475.167.301)	(426.097.691)	(163.304.965)	(147.682.296)
Other operating income	12	334.911.731	681.965.906	116.036.796	151.761.795
Other operating expenses (-)	12	(230.328.635)	(423.229.081)	(57.269.076)	(114.547.395)
Operating profit/(loss)		(108.973.670)	1.557.657.782	170.615.493	427.717.275
Income from investment activities	13	3.099.720	61.297.781	(169.852)	45.449.645
Expenses from investment activities	13	(20.753.261)	(1.804.723)	(20.753.199)	(70.629)
Operating profit/(loss) before financial income/(expense)		(126.627.211)	1.617.150.840	149.692.442	473.096.291
Financial income	14	326.215.487	922.301.130	55.246.358	159.099.981
Financial expense (-)	14	(3.819.677.676)	(8.863.875.190)	(1.046.518.785)	(1.675.325.847)
Monetary gain		5.323.180.516	8.703.424.820	1.463.206.306	5.122.881.019
Profit before tax		1.703.091.116	2.379.001.600	621.626.321	4.079.751.444
Tax income/(expense)					
Current income tax expense (-)	9	-	(32.308.347)	23.788	(414.629)
Deferred tax income	9	(716.594.375)	(1.111.897.613)	(341.652.252)	(1.194.164.189)
Net income for the period		986.496.741	1.234.795.640	279.997.857	2.885.172.626
Distribution of income/(loss) for the period:					
Equity holders of the parent		986.496.741	1.234.795.640	279.997.857	2.885.172.626
		986.496.741	1.234.795.640	279.997.857	2.885.172.626
Earnings profit per share (1.000 shares)		1,353	1,693	0,384	3,957

The accompanying notes form an integral part of these condensed consolidated financial statements.

AKENERJİ ELEKTRİK ÜRETİM A.Ş.**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE PERIODS BETWEEN 1 JANUARY - 30 SEPTEMBER 2024 AND 2023**

(Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

	Current period	Prior period		
	Unaudited	Unaudited		
	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Net income for the period	986.496.741	1.234.795.640	279.997.857	2.885.172.626
Other comprehensive income/ (expense)				
To be reclassified to profit or loss				
Gains on cash flow hedge accounting	-	4.687.356	-	1.089.142
Deferred tax expense	-	(460.009)	-	115.529
Not to be reclassified to profit or loss				
Actuarial gain/(loss) arising from defined benefit plans	(9.889.487)	(25.963.110)	(279.489)	(3.911.499)
Deferred tax effect	2.472.372	5.192.622	84.002	782.300
Other comprehensive expense	(7.417.115)	(16.543.141)	(195.487)	(1.924.528)
Total comprehensive expense	979.079.626	1.218.252.499	279.802.370	2.883.248.098

The accompanying notes form an integral part of these condensed consolidated financial statements.

AKENERJİ ELEKTRİK ÜRETİM A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM PERIODS BETWEEN 1 JANUARY - 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

				Other comprehensive income /(expenses) not to be reclassified to profit or loss	Other comprehensive income/ (expense) to be reclassified to profit or loss	Restricted reserves					
	Share capital	Adjustments to share capital	Share premiums	Increase on revaluation of property, plant and equipment(*)	Losses on re-measurement of defined benefit plans	Gains / (losses) on cash flow hedging	Other reserves	Legal reserves	Retained earnings / (accumulated losses)	Net profit/ (loss) for the period	Total equity
1 January 2023	729.164.000	11.532.694.825	1.102.512.329	4.667.987.482	(41.517.977)	(4.364.614)	(15.892.945)	238.607.857	(7.566.654.514)	2.860.431.774	13.502.968.217
Transfers	-	-	-	-	-	-	-	-	2.860.431.774	(2.860.431.774)	-
Total comprehensive income/(expense)	-	-	-	-	(20.770.488)	4.227.347	-	-	-	1.234.795.640	1.218.252.499
Other adjustments (*)	-	-	-	(147.667.240)	-	-	-	-	147.667.240	-	-
30 September 2023	729.164.000	11.532.694.825	1.102.512.329	4.520.320.242	(62.288.465)	(137.267)	(15.892.945)	238.607.857	(4.558.555.500)	1.234.795.640	14.721.220.716
1 January 2024	729.164.000	11.532.694.825	1.102.512.329	2.907.711.979	(43.999.810)	-	(15.892.945)	238.607.857	(4.574.757.423)	6.847.168.755	18.723.209.567
Transfers	-	-	-	-	-	-	-	-	6.847.168.755	(6.847.168.755)	-
Total comprehensive income /(expense)	-	-	-	-	(7.417.115)	-	-	-	-	986.496.741	979.079.626
Other adjustments (*)	-	-	-	(100.609.233)	-	-	-	-	100.609.233	-	-
30 September 2024	729.164.000	11.532.694.825	1.102.512.329	2.807.102.746	(51.416.925)	-	(15.892.945)	238.607.857	2.373.020.565	986.496.741	19.702.289.193

(*) As of 30 September 2024, the depreciation difference between the acquisition cost and the carrying values of the assets subject to revaluation method amounting to TL 100.609.233 (30 September 2023: TL 147.667.240), were reclassified to accumulated losses from revaluation fund of property, plant and equipment.

The accompanying notes form an integral part of these condensed consolidated financial statements.

AKENERJİ ELEKTRİK ÜRETİM A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIODS BETWEEN 1 JANUARY - 30 SEPTEMBER 2024 AND 2023

Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

		Current Period	Prior Period
		Unaudited	Unaudited
		1 January -	1 January -
Notes	30 September 2024	30 September 2023	
A. Cash flows from operating activities		1.518.070.556	3.520.188.332
Net income for the period		986.496.741	1.234.795.640
Adjustments to reconcile net income for the period		259.302.507	2.053.165.168
Adjustments for depreciation and amortization expenses	11	1.460.486.781	1.494.121.991
Adjustments for provisions			
-Adjustments for provisions for employee benefits		52.523.673	64.452.352
-Adjustments for litigation provisions	6	(6.601.204)	1.512.102
-Adjustments for other provisions	6	(12.760.524)	(7.498.447)
Adjustments for interest income		(195.804.494)	(274.442.512)
Adjustments for interest expense		1.484.805.909	1.973.769.762
Adjustments for financial investments		(1.107.605)	(56.269.911)
Adjustments for (gain)/ loss on sale of property, plant and equipment		(54.068)	(40.235)
Adjustments for unrealized foreign currency translation differences		2.089.696.060	7.216.316.669
Fair value adjustments			
-Adjustments for fair value of derivative financial instruments		(30.099.135)	(56.244.009)
Adjustments for tax (income) / expense	9	(716.594.375)	(1.144.205.960)
Monetary loss		(3.865.188.511)	(7.158.306.634)
Changes in working capital		314.258.443	337.594.523
Adjustments for (increase)/ decrease in trade receivables from related parties		132.913.355	729.138.900
Adjustments for (increase)/ decrease in trade receivables from third parties		(143.014.484)	1.600.002.311
Adjustments for (increase)/ decrease in other receivables from third parties		(200.331.526)	(12.820.054)
Adjustments for (increase)/ decrease in inventories		36.859.329	(73.739.105)
Adjustments for (increase)/ decrease in prepaid expenses		133.664.482	361.684.796
Adjustments for (increase)/ decrease in other assets		(84.584.955)	(223.107.557)
Adjustments for increase/ (decrease) in trade payables to related parties		(157.928.413)	(318.202.070)
Adjustments for increase/ (decrease) in trade payables to third parties		471.660.090	(1.741.428.766)
Adjustments for increase/ (decrease) in derivative financial instruments		30.758.237	16.186.420
Adjustments for increase/ (decrease) in deferred income		122.221.903	12.962.201
Adjustments for increase/ (decrease) in employee benefit obligations		(1.120.524)	13.397.856
Adjustments for increase/ (decrease) in other payables		(26.839.051)	(26.480.409)
Cash flows from operating activities		1.560.057.691	3.625.555.331
Provisions related to provisions for employee benefits		(36.709.934)	(71.399.186)
Tax receipts/(payments)		(5.277.201)	(33.967.813)
B. Cash flows from investing activities		(48.373.793)	(777.284.651)
Cash inflows due to sale of property, plant and equipment		17.566.247	1.773.769
Cash outflows due to purchase of property, plant and equipment	4	(159.729.126)	(724.623.858)
Cash outflows due to purchase of intangible assets	5	(56.524.668)	(58.454.391)
Other cash inflows/(outflows)		150.313.754	4.019.829
C. Cash flows from investing activities		(539.441.763)	(1.688.479.237)
Cash inflows from financial liabilities		7.416.781.636	-
Cash outflows from financial liabilities		(4.639.086.723)	(773.473.898)
Cash outflows from payments of rent agreements		(77.588.115)	(78.460.352)
Interest paid		(3.443.767.528)	(569.758.135)
Interest received		195.804.494	128.673.985
Other cash inflows/ (outflows) (*)		8.414.473	(395.460.837)
Net increase/ (decrease) in cash and cash equivalents		930.255.000	1.054.424.444
Inflation effect on cash and cash equivalents		(410.270.790)	(974.975.879)
Cash and cash equivalents at the beginning of the period (*)		1.554.350.249	2.657.453.341
Cash and cash equivalents at the end of the period (*)		2.074.334.459	2.736.901.906

(*) Cash and cash equivalents at the beginning of the period and at the end of the period does not include interest accruals and restricted deposits, and the changes in restricted deposits are provided in "Other cash inflows / (outflows)".

The accompanying notes form an integral part of these condensed consolidated financial statements.

AKENERJİ ELEKTRİK ÜRETİM A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD BETWEEN 1 JANUARY - 30 SEPTEMBER 2024

Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

NOTE 1 - ORGANISATION OF GROUP AND NATURE OF OPERATIONS

Akenerji Elektrik Üretim A.Ş. ("the Company" or "Akenerji") is engaged in establishing, renting and operating facilities of electrical energy production plant, producing electricity and trading electricity to the customers. The Company was established by Akkök Sanayi Yatırım ve Geliştirme A.Ş. in 1989 (Akkök Sanayi Yatırım ve Geliştirme A.Ş. is registered as Akkök Holding A.Ş. on 13 May 2014). On 14 May 2009, the Company has become a joint venture between Akkök Holding A.Ş. and CEZ a.s.

The Company is registered in Turkey and its registered address is as follows;

Miralay Şefik Bey Sokak No: 15 Akhan Kat: 3-4 Gümüşsuyu / İstanbul - Turkey

The Company is registered to the Capital Markets Board ("CMB"), and its shares are publicly traded in Istanbul Stock Exchange ("ISE"). As of 30 September 2024, the Company's free float is 25,28% (31 December 2023: 25,28%).

As of 30 September 2024, the number of employees employed by Akenerji and its subsidiaries (Akenerji and its subsidiaries will be referred called as the "Group") is 296 (31 December 2023: 319).

The condensed consolidated financial statements for the interim period 1 January - 30 September 2024 were approved by the Board of Directors on 8 November 2024.

The nature of business and registered addresses of the entities included in the consolidation ("Subsidiaries") are provided below:

Subsidiaries	Nature of business	Registered address
Akenerji Elektrik Enerjisi İthalat-İhracat ve Toptan Ticaret A.Ş. ("Akenerji Toptan")	Electricity trading	Gümüşsuyu/İstanbul
Akel Kemah Elektrik Üretim A.Ş. ("Akel Kemah")	Electricity generation and trading	Gümüşsuyu/İstanbul
Akenerji Doğalgaz İthalat İhracat ve Toptan Ticaret A.Ş. ("Akenerji Doğalgaz")	Natural gas trading	Gümüşsuyu/İstanbul
Akel Sungurlu Elektrik Üretim A.Ş. ("Akel Sungurlu")	Electricity generation	Gümüşsuyu/İstanbul
5ER Enerji Tarım Hayvancılık A.Ş. ("5ER Enerji")	Electricity generation	Gümüşsuyu/İstanbul
Akenerji Company For Electric Energy Import And Export and Wholesale Trading/Contribution Branch ("Akenerji Toptan Khabat")	Electricity trading	Erbil/Iraq
Aken Europe B.V. ("Aken B.V.")	Electricity trading	Amsterdam/Netherlands

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD BETWEEN 1 JANUARY - 30 SEPTEMBER 2024**

Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

Principles of Preparation of Interim Condensed Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") announced by the Capital Market Board ("CMB") of Turkey published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements have been prepared in accordance with the Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS"/"TFRS") issued by Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA").

The interim condensed consolidated financial statements have been presented in accordance with the formats specified in the "Announcement on TMS/TFRS Taxonomy" published by the POA on July 3, 2024, and the Financial Statement Examples and User Guide issued by the CMB.

In accordance with the TAS 34 "Interim Financial Reporting", entities are allowed to prepare a complete or condensed set of interim financial statements. Within this framework, the Group has adopted to prepare condensed consolidated financial statements for the interim periods. Accordingly, these interim condensed consolidated financial statements do not include all the required disclosures and notes, and therefore, should be read in conjunction with the Group's financial statements as of 31 December 2023.

The Group and its subsidiaries registered in Turkey maintain their books of account and prepare their statutory financial statements in accordance with the principles and requirements published by the CMB, the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The interim condensed consolidated financial statements have been prepared on a historical cost basis, and necessary adjustments and reclassifications have been reflected in the statutory records to ensure proper presentation in accordance with TAS/TFRS.

Adjustment of consolidated financial statements in hyperinflation periods

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared using the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in terms of the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 30 September 2023 and 31 December 2023, on the purchasing power basis as of 30 September 2024.

According to the decision numbered 81/1820 dated 28 December 2023, by the Capital Markets Board (CMB), issuers and capital market institutions subject to the Turkish Accounting/Financial Reporting Standards are required to apply the provisions of TAS 29 starting from the annual financial reports for the accounting periods ending as of 31 December 2023, in order to implement inflation accounting.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD BETWEEN 1 JANUARY - 30 SEPTEMBER 2024**

Amounts expressed in Turkish Lira ("TL") based on the purchasing power of TL as of 30 September 2024 unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TÜİK). As of September 30, 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Adjustment correlation	3 year cumulative inflation ratios
30 September 2024	2.526,16	1,00000	%343
31 December 2023	1.859,38	1,35860	%268
30 September 2023	1.691,04	1,49385	%254

The main components of the Group's adjustments for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in Turkish Lira (TL) are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed according to the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power on the balance sheet date. If the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities, as well as equity items that are not expressed in terms of the current purchasing power at the balance sheet date, have been adjusted using the relevant correction coefficients.
- All income statement accounts, excluding income statement accounts that are counterparty to non-monetary accounts of balance sheet, are restated based on the price correlations of the date they were initially reflected in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(losses) account in the consolidated profit or loss statement.

2.2 Basis of consolidation

- The consolidated financial statements include the accounts of the parent company, Akenerji, and its Subsidiaries on the basis set out in sections (b) to (c) below. The financial statements of the companies within the consolidation scope have been prepared in accordance with TAS/IFRS, taking into account necessary adjustments and classifications as of the date of the consolidated financial statements, and in adherence to consistent accounting principles and practices. The operating results of the subsidiaries have been included or excluded based on the effective dates of acquisitions or disposals.
- Subsidiaries refer to companies in which Akenerji has the authority and power to control the financial and operating policies in accordance with Akenerji's interests, through the ability to exercise more than 50% of the voting rights in the companies as a result of its direct and/or indirect ownership of shares.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The table below shows the effective ownership percentages of subsidiaries and associates as of 30 September 2024 and 31 December 2023, along with the voting rights percentages held directly or indirectly by the Group.

Subsidiaries	Effective ownership interest (%)		Voting rights (%)	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Akenerji Toptan	100,00	100,00	100,00	100,00
Ak-el Kemah	100,00	100,00	100,00	100,00
Akenerji Doğalgaz	100,00	100,00	100,00	100,00
Akel Sungurlu (*)	-	-	100,00	100,00
5ER Enerji (*)	-	-	100,00	100,00
Akenerji Toptan Khabat (**)	-	-	100,00	100,00
Aken B.V.	100,00	100,00	100,00	100,00

(*) Akenerji Toptan has a free purchase options of Akel Sungurlu and 5ER Enerji's shares at any time and Akenerji Toptan has the controlling power within the scope of the capacity lease agreement and usufruct right agreement, so Akel Sungurlu and 5ER Enerji have been consolidated in the financial statements using the full consolidation method.

(**) The subsidiary's branch, which operates in a different country, is separately presented.

Subsidiaries are consolidated from the date on which the control is transferred to the Group and are deconsolidated from the date that the control ceases. If necessary, accounting policies applied to subsidiaries are adjusted to ensure consistency with the accounting policies adopted by the Group.

Carrying values of the Subsidiaries' shares held by the Company are eliminated against the related equity of subsidiaries. Intercompany transactions and balances between Akenerji and its subsidiaries are eliminated on consolidation. Dividends arising from shares held by the Company in its subsidiaries are eliminated from income for the period and equity, respectively.

2.3 The new standards, amendments and interpretations

The accounting policies applied in the preparation of the interim condensed consolidated financial statements as of 30 September 2024, have been consistently applied with those used in the previous year, except for the new and amended TAS/IFRS and TFRIC interpretations effective as of 1 January 2024. The effects of these standards and interpretations on the Group's financial position and performance are explained in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as of 30 September 2024 are as follows:

- Amendment to IAS 1, Non-current liabilities with covenants;
- Amendment to IFRS 16 ,Leases on sale and leaseback;
- Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;
- IFRS S1, "General requirements for disclosure of sustainability-related financial information";
- IFRS 2, "Climate-related disclosures";

These standards do not have a significant impact on the financial position and performance of the Group.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

ii) Standards, amendments and improvements issued but not yet effective and not early adopted as of 30 September 2024

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

- IFRS 17, 'Insurance Contracts';
- Amendments to IAS 21, Lack of Exchangeability;
- Amendment to IFRS 9 and IFRS 7, Classification and Measurement of Financial Instruments;
- IFRS 18, Presentation and Disclosure in Financial Statements;
- IFRS 19, Subsidiaries without Public Accountability: Disclosures;

The Group is in the process of assessing the impact of the standards on financial position or performance of the Group.

2.4 Restatement and errors in the accounting policies and estimates

Any change in the accounting policies resulted from the first time adoption of a new standard is made either retrospectively or prospectively in accordance with the transition requirements. Changes that do not include transition provisions, significant voluntary changes in accounting policies, or identified accounting errors are applied retrospectively, and prior period financial statements are restated. If changes in accounting estimates are related to only one period, they are recognized in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively.

2.5 Comparatives and restatement of prior year financial statements

The Group prepares comparative consolidated financial statements, to enable readers to determine financial position and performance trends. When there are changes in the presentation or classification of the consolidated financial statements, the prior period consolidated financial statements are reclassified accordingly to the ensure comparability.

2.6 Critical accounting estimates and judgments

The preparation of interim condensed consolidated financial statements requires the use of estimates and assumptions that could affect the reported amounts of assets and liabilities as of the balance sheet date, as well as the disclosure of contingent assets and liabilities and the amounts of reported income and expenses for the period. Although these estimates and assumptions are based on the best information available to the Group's management regarding current events and transactions, actual results may differ from these assumptions.

The estimates and assumptions that are material to the carrying values of assets and liabilities as well as the results of operations are outlined below:

Deferred tax assets for the carry forward tax losses:

Deferred tax assets are accounted for only where it is likely that related temporary differences and accumulated losses will be recovered through expected future profits or will be offsetted from the deferred tax liabilities incurred on the temporary differences will be recovered at the same date.

As a result of the studies performed, the Group recognized no deferred tax assets on carry forward tax losses (31 December 2023: None) as of 30 September 2024.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Carry forward tax losses amounting to TL 3.722.792.356 (31 December 2023: TL 3.300.536.755) (Note 9). As of 30 September 2024, the deferred tax asset has not been calculated by the Group considering its expected future profits and the related deferred tax liabilities for the relevant periods.

Explanations for revaluation method and fair value measurement

The Group has chosen revaluation method instead of historical cost model as an accounting policy among application methods mentioned under TAS 16 for lands, land improvements, buildings, machinery and equipment belong to its power plants commencing from 30 September 2015.

In the valuation work conducted, the use of significant forward-looking estimates and assumptions (such as expected future electricity prices, spark spreads, electricity production volumes, capacity utilization rates and discount rates) requires an independent valuation firm due to the impact of sectoral and economic changes, as well as the complexity of inputs and calculations. As of 31 December 2023, the valuations of lands, land improvements, buildings, machinery and equipment were based on fair values determined by an independent valuation company licensed by the CMB.

Income Approach, discounted cash flow analysis (Level 3) is used by the valuation company for valuation reports of 31 December 2023 aims to determine fair value of lands, land improvements, buildings, machinery and equipment of Uluabat hydroelectric power plant (HPP), Ayyıldız wind farm power plant (WFPP), Burç HPP, Feke I HPP, Feke II HPP, Bulam HPP, Gökkaya HPP, Sungurlu biomass power plant (BPP), Himmetli HPP and Erzin Natural Gas Combined Cycle Power Plant (NGCCPP) which are belong to Akenerji assets.

Since long term electricity prices and spark spreads are the most important inputs of "Income Approach - discounted cash flow analysis", an independent consultancy and technology firm, which operates in energy market, has been hired. In determining long-term electricity prices and spark spreads, the most important inputs to the model included in the following factors: the future trends in demand, the commissioning of new plants and decommissioning of old ones, developments in renewable energy capacity and capacity factors, expectations related to the carbon market, natural gas and coal prices, developments in electricity export and import, and the efficiency improvements of thermal power plants.

Changes in forward-looking spark spreads used in the model affect the generation of the Erzin natural gas combined cycle power plant. The generation forecasts for the hydro plants, Sungurlu and Ayyıldız are based on historical production data and feasibility reports covering a 50-year period. The discount rate used in valuation model prepared on the basis of USD has been determined as reel 10,31% which is in line with the current macroeconomic market conditions. An increase in the discount rate has a reducing effect on the fair value of the plants.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.7 Going concern

The Group considers it is appropriate to prepare its consolidated financial statements on a going concern basis in a foreseeable future.

In the period ending on 30 September 2024, the Group's total production volume decreased by 14% compared to the same period last year. The main reason for this decline is the 20% increase in natural gas costs in October 2023, while the ceiling prices in the electricity market were kept constant in the first half of this year, putting significant pressure on the production and profitability of natural gas power plants. Although the ceiling prices in the Day-Ahead Market were raised from 2700 TL/MWh to 3000 TL/MWh as of July 2024, this increase remains relatively low compared to similar practices in other liberalized electricity markets. Another development at the beginning of the third quarter was an increase in the Capacity Mechanism Budget, along with a rise in TEİAŞ's system usage fees. With rising temperatures in June persisting into July and August, changes in the ceiling price and the regulatory changes in the Capacity Mechanism that positively impacted our company, had a supportive effect on our operations. As a result, as of 30 September 2024, earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to 1.352 million TL (30 September 2023: 3.052 million TL).

The natural gas purchases for production activities at the Group's Erzin combined-cycle natural gas power plant represent a substantial portion of production costs. In 2024, the natural gas supply has continued through BOTAŞ. Despite fluctuations in global natural gas prices, there has been no change in BOTAŞ tariffs since the price increase in October 2023. Increases in natural gas transmission service and capacity fees at the beginning of 2024 have been closely monitored alongside the decline in demand in the electricity market and import costs for energy plants. Additionally, cost optimization continues through monthly assessments of opportunities to reduce natural gas costs.

Within the scope of the "Financial Restructuring" agreement signed by the Group with Yapı ve Kredi Bankası A.Ş. on November 11, 2019, a refinancing loan agreement amounting to 859 million USD was established, aimed at refinancing all existing debts of the company and extending their maturities. This loan has a total term of 13 years, with a grace period of 1.5 years. Due to the Group's debt service payments and early principal repayments, the total loan balance was reduced to 511 million USD as of 30 September 2024. According to the Loan Agreement mentioned hereby, all liabilities denominated in TRY and in USD, which are due in December 2024, were converted into USD and restructured with an 18-month maturity under the amendmend dated September 20, 2024 This adjustment alleviated the cash flow pressure on the Group, positively impacting our financial sustainability and competitive strength. The remaining 331 million USD amounted loans will continue with their existing terms, maturing in December 2032.

The Group is taking various actions to enhance its operational profitability and cash flows from operations by evaluating all opportunities that could positively contribute to its cash flows and align with its interests. Accordingly, it prepares its consolidated financial statements under the assumption that the business will continue its operations in the foreseeable future, with no anticipated risk to its going concern.

2.8 Seasonality of Group's operations

Due to the nature of the industry in which the Group operates, its business volume exhibits seasonal fluctuations. Business volume tends to be higher in the second quarter for hydroelectric power plants and in the first quarter for wind power plants. Seasonality does not have a significant impact on the business volume of the Group's remaining segments.

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NOTE 3 - BORROWINGS

The details of borrowings of the Group as of 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
Short term borrowings		
- Bank loans	280.722.575	-
Total short term borrowings	280.722.575	-
Short-term portion of long term borrowings		
- Bank loans	1.466.650.717	9.173.083.873
- Lease liabilities	61.990.432	69.143.187
Total short-term portion of long term borrowings	1.528.641.149	9.242.227.060
Long term borrowings		
- Bank loans	16.189.315.880	11.875.775.152
- Lease liabilities	263.816.760	330.334.790
Total long term borrowings	16.453.132.640	12.206.109.942
Total short term and long term borrowings	18.262.496.364	21.448.337.002

Letters of guarantee given, pledges and mortgages related to financial liabilities are disclosed in Note 6.

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NOTE 3 - BORROWINGS (Continued)

As of 30 September 2024 and 31 December 2023, the original currencies and weighted average interest rates for short and long-term financial liabilities are as follows:

30 September 2024				
	Currency	Effective Interest rate %	Original Amount	Amount in TL
Short term borrowings	TL	26,93	280.722.575	280.722.575
Total short term borrowings			280.722.575	280.722.575
Short term portion of long-term bank loans	USD	7,72	42.983.814	1.466.650.717
Short term portion of long-term lease liabilities	EUR	6,51	1.505.116	57.452.375
Interest cost of short-term portion of long-term lease liabilities (-)	EUR	6,51	(290.755)	(11.098.534)
Short term portion of long-term lease liabilities	TL	19,04	15.636.591	15.636.591
Total short term portion of long term borrowings				1.528.641.149
Long term bank loans	USD	7,72	474.467.802	16.189.315.880
Long term lease liabilities	EUR	6,51	5.070.731	193.556.914
Interest cost of long term lease liabilities (-)	EUR	6,51	(1.292.420)	(49.333.481)
Long term lease liabilities	TL	19,04	119.593.327	119.593.327
Total long term borrowings				16.453.132.640
31 December 2023				
	Currency	Effective Interest rate %	Original Amount	Amount in TL
Short term portion of long-term bank loans	USD	7,75	107.306.258	4.291.696.507
Short term portion of long-term bank loans	TL	12,28	3.592.945.039	4.881.387.366
Short term portion of long-term lease liabilities	EUR	8,98	1.602.697	70.927.353
Interest cost of short-term portion of long-term lease liabilities (-)	EUR	8,98	(332.529)	(14.716.065)
Short term portion of long-term lease liabilities	TL	18,76	9.518.524	12.931.899
Total short term portion of long term borrowings				9.242.227.060
Long term bank loans	USD	7,75	296.932.692	11.875.775.152
Long term lease liabilities	EUR	8,98	6.530.108	288.989.998
Interest cost of long term lease liabilities (-)	EUR	8,98	(1.599.486)	(70.785.282)
Long term lease liabilities	TL	18,76	112.130.074	112.130.074
Total long term borrowings				12.206.109.942

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NOTE 3 - BORROWINGS (Continued)

As of 30 September 2024, all of the Euro finance lease liabilities of the Group are subject to floating interest rate of Euribor + 3.4% (31 December 2023: All of the Euro finance lease liabilities of the Group are subject to floating interest rate of Euribor + 3.4%).

The details of redemption schedule of the long term bank borrowings as of 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
Up to 1 - 2 years	7.677.508.341	1.597.812.357
Up to 2 - 3 years	1.614.435.422	1.735.454.012
Up to 3 - 4 years	1.544.512.144	1.817.645.845
Up to 4 - 5 years	1.352.966.438	1.588.670.100
More than 5 years	3.999.893.535	5.136.192.838
	16.189.315.880	11.875.775.152

The principal repayment schedule of the Group's long-term finance lease obligations as of 30 September 2024 and 31 December 2023 is as follows:

	30 September 2024	31 December 2023
Up to 1-2 years	51.575.615	60.236.659
Up to 2-3 years	50.148.690	55.539.281
Up to 3-4 years	48.844.247	52.888.444
Up to 4-5 years	3.257.270	57.269.385
Up to 5-6 years	274.490	1.043.534
Up to 6-7 years	321.776	574.048
Up to 7-8 years	377.209	2.356.631
Up to 8-9 years	442.191	1.182.651
Up to 9-10 years	518.368	1.102.444
More than 10 years	108.056.904	98.141.713
	263.816.760	330.334.790

As of 30 September 2024 and 2023, the movements of borrowings are as follows:

	2024	2023
1 January	21.448.337.002	26.169.178.566
Foreign exchange differences	2.089.696.060	7.216.316.671
Current year interest expense	1.426.028.364	1.609.505.142
Changes in lease liabilities	63.844.647	101.319.158
Cash flow impact	(743.660.728)	(1.421.692.384)
Monetary loss	(6.021.748.981)	(10.273.834.366)
30 September	18.262.496.364	23.400.792.787

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NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

	1 January 2024	Additions	Transfers	Disposals	30 September 2024
Cost					
Lands	2.661.003	-	-	-	2.661.003
Land improvements (*)	22.837.128.752	26.389.392	-	-	22.863.518.144
Buildings	5.194.614.088	1.328.879	-	-	5.195.942.967
Machinery and equipment (**)	19.915.940.944	14.842.743	179.267.967	-	20.110.051.654
Motor vehicles	28.738.299	1.878.843	-	-	30.617.142
Furnitures and fixtures	211.104.353	6.017.015	-	(4.453.918)	212.667.450
Special costs	138.542.460	1.964.679	-	(43.846.550)	96.660.589
Construction in progress	418.865.912	107.307.575	(179.681.020)	(30.431.379)	316.061.088
	48.747.595.811	159.729.126	(413.053)	(78.731.847)	48.828.180.037
Accumulated depreciation					
Land improvements	(3.948.323.935)	(555.018.491)	-	-	(4.503.342.426)
Buildings	(738.229.886)	(112.172.115)	-	-	(850.402.001)
Machinery and equipment	(5.494.073.858)	(720.990.798)	-	-	(6.215.064.656)
Motor vehicles	(19.046.045)	(3.320.877)	-	-	(22.366.922)
Furnitures and fixtures	(156.224.080)	(4.046.282)	-	156.941	(160.113.421)
Special costs	(21.356.995)	(2.911.358)	-	1.007.354	(23.260.999)
	(10.377.254.799)	(1.398.459.921)	-	1.164.295	(11.774.550.425)
Net book value	38.370.341.012				37.053.629.612

(*) Within the capacity increase project of Ayyıldız wind power plant, the cost of land improvement acquired through finance lease on 27 January 2017 is amounting to TL 4.175.863. As of 30 September 2024, the total amount of accumulated depreciation of related land improvement is TL 851.656.

(**) Within the capacity increase project of Ayyıldız wind power plant, the cost of machinery and equipment acquired through finance lease on 27 January 2017 is amounting to TL 414.816.933. As of 30 September 2024, the total amount of accumulated depreciation of the related machinery and equipment is TL 321.483.123.

Current period depreciation expense amounting to TL 1.395.097.901 has been included in cost of sales and TL 3.362.020 has been included in general administrative expenses.

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NOTE 4 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	1 January 2023	Additions	Transfers	Disposals	30 September 2023
Cost					
Lands	2.318.925	-	-	-	2.318.925
Land improvements (*)	25.710.606.990	5.760.297	19.144.998	-	25.735.512.285
Buildings	4.898.696.305	929.927	114.874.223	-	5.014.500.455
Machinery and equipment (**)	18.164.265.863	254.327.173	445.179.446	-	18.863.772.482
Motor vehicles	24.589.672	145.638	3.982.328	-	28.717.638
Furnitures and fixtures	187.333.641	9.820.624	2.893.650	-	200.047.915
Special costs	50.856.690	38.499.341	-	-	89.356.031
Construction in progress	815.361.530	415.140.858	(586.074.645)	-	644.427.743
	49.854.029.616	724.623.858	-	-	50.578.653.474
Accumulated depreciation					
Land improvements	(3.109.176.940)	(629.464.224)	-	-	(3.738.641.164)
Buildings	(596.038.393)	(105.296.366)	-	-	(701.334.759)
Machinery and equipment	(4.600.373.271)	(666.669.109)	-	-	(5.267.042.380)
Motor vehicles	(15.140.820)	(2.823.493)	-	-	(17.964.313)
Furnitures and fixtures	(145.603.390)	(4.504.801)	-	-	(150.108.191)
Special costs	(17.572.801)	(1.851.297)	-	-	(19.424.098)
	(8.483.905.615)	(1.410.609.290)	-	-	(9.894.514.905)
Net book value	41.370.124.001				40.684.138.569

(*) Within the capacity increase project of Ayyıldız wind power plant, the cost of land improvement acquired through finance lease on 27 January 2017 is amounting to TL 4.175.863. As of 30 September 2023, the total amount of accumulated depreciation of related land improvement is TL 741.765.

(**) Within the capacity increase project of Ayyıldız wind power plant, the cost of machinery and equipment acquired through finance lease on 27 January 2017 is amounting to TL 414.816.933. As of 30 September 2023, the total amount of accumulated depreciation of the related machinery and equipment is TL 280.001.429.

Current period depreciation expense amounting to TL 1.406.966.495 has been included in cost of sales and TL 3.642.795 has been included in general administrative expenses.

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NOTE 4 - PROPERTY, PLANT AND EQUIPMENT (Continued)

There are no borrowing costs capitalized in the cost of construction in progress for the period ended 30 September 2024 (30 September 2023: None).

Details of the guarantees, pledges and mortgages on property, plant and equipment as of 30 September 2024 and 31 December 2023 are disclosed in Note 6.

NOTE 5 - INTANGIBLE ASSETS

	1 January 2024	Additions	Transfers	Disposals	30 September 2024
Costs					
Rights	7.821.421	56.524.668	34.663.105	(35.040)	98.974.154
Licenses	1.015.662.974	-	(34.250.052)	(39.382.400)	942.030.522
	1.023.484.395	56.524.668	413.053	(39.417.440)	1.041.004.676
Accumulated amortization					
Rights	(7.481.333)	(3.548.681)	(70.468.803)	11.039.662	(70.459.155)
Licenses	(455.219.043)	(26.646.891)	70.468.803	4.313.368	(407.083.763)
	(462.700.376)	(30.195.572)	-	15.353.030	(477.542.918)
Net book value	560.784.019				563.461.758

	1 January 2023	Additions	Transfers	Disposals	30 September 2023
Costs					
Rights	7.747.692	2.914.118	74.562.431	(7.257.937)	77.966.304
Licenses	977.021.877	55.540.273	(74.562.431)	-	957.999.719
	984.769.569	58.454.391	-	(7.257.937)	1.035.966.023
Accumulated amortization					
Rights	(7.459.769)	(2.814.739)	(64.552.706)	2.892.748	(71.934.466)
Licenses	(427.069.177)	(55.615.143)	64.552.706	-	(418.131.614)
	(434.528.946)	(58.429.882)	-	2.892.748	(490.066.080)
Net book value	550.240.623				545.899.943

Current period amortization expense amounting to TL 18.773.920 (30 September 2023: TL 7.485.279) has been included in cost of sales and remaining TL 11.421.652 (30 September 2023: TL 50.944.603) has been included in general administrative expenses.

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NOTE 6 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES**a) Other short - term provisions**

As of 30 September 2024, there are various lawsuits against or in favor of the Group. These lawsuits are mainly action of debt and business cases. The Group management estimates the outcomes of these lawsuits and the financial effects thereof, and the required provisions are accounted for based on these estimates. The amount of provisions for the lawsuits as of 30 September 2024 is TL 43.686.763 (31 December 2023: TL 67.181.467).

	30 September 2024	31 December 2023
Litigation provision	43.686.763	67.181.467
Periodical maintenance provisions	35.478.865	48.239.389
	79.165.628	115.420.856

The movements of litigation provision are as follows:

	2024	2023
1 January	67.181.467	108.693.285
Current period charges	1.679.516	1.524.944
Interest charges of litigation provision	-	747.383
Released provisions	(8.280.720)	(760.225)
Monetary gain	(16.893.500)	(36.476.862)
30 September	43.686.763	73.728.525

b) Contingent liabilities**- Guarantees given**

The commitments and contingent liabilities of the Group that are not expected to be resulted in a significant loss or liability to the Group are summarized below:

		30 September 2024		31 December 2023	
	Original currency	Original Amount	TL equivalent	Original Amount	TL Equivalent
Letters of guarantees given	TL	663.904.437	663.904.437	209.159.356	209.159.356
	USD	1.549.792	52.832.409	2.693.232	107.715.379
	EUR	421.583	16.027.742	4.343.122	192.204.922
			732.764.588		509.079.657

The guarantees provided generally consist of letters of guarantee issued to various institutions and organizations related to the Group's operations (such as the Energy Market Regulatory Authority (EMRA), suppliers from whom goods and services are procured, state institutions responsible for electricity transmission and distribution, tax offices for VAT refunds), and various judicial authorities for ongoing legal cases.

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NOTE 6 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Guarantees, pledges, mortgages ("GPM") given by the Group as of 30 September 2024 and 31 December 2023 are as follows:

		30 September 2024		31 December 2023	
	Currency	Original currency	TL equivalent	Original currency	TL equivalent
GPMs given by the Group					
A. GPMs given					
for companies' own legal entity	TL	7.082.365.280	7.082.365.280	8.929.302.114	8.929.302.114
	USD	919.065.392	31.330.939.213	920.208.832	36.803.603.870
	EUR	421.583	16.027.742	4.343.122	192.204.914
B.Total amount of GPM given for the subsidiaries and associates in the scope of consolidation					
		-	-	-	-
C.Total amount of GPM given for the purpose of maintaining operating activities					
		-	-	-	-
D.Total other GPMs given					
		-	-	-	-
i) Total amount of CPMB's given on behalf of the majority shareholder		-	-	-	-
ii) Total amount of CPMB's given to on behalf of other which are not in scope of B and C.		-	-	-	-
iii) Total amount of CPMB's given on behalf of third parties which are not in scope of C.		-	-	-	-
		38.429.332.235		45.925.110.898	

Details of the guarantees given by Akenerji for its own legal entity as of 30 September 2024 are as follows:

As of 11 November 2019, within the scope of financial restructuring between our company Akenerji ("Borrower") and Yapı ve Kredi Bankası A.Ş. ("Bank"), a total of USD 859 million refinancing loan agreement for the maturity of 13 years, including a principal grace period of 1.5 years has been concluded, in order to provide refinancing and maturity extension of all existing debts of our company. The aforementioned Loan Agreement was amended on September 20, 2024, whereby Tranche 1 of USD 40 million principal due in 2024 and Tranche 2 of TRY 2,271,037,258 principal were repaid, while Tranche 5 of USD 180 million was utilized. Consequently, security agreements signed in 2019 and amended from time to time – including Assignment of Receivables, Assignment of Epiş Receivables, Mortgage on Usufruct Rights and the Real Estate, Commercial Enterprise Pledge, Account Pledge, Assignment of Insurance Receivables, Assignment of Shareholder Receivables, Movable Asset Pledge, and Share Pledge Agreements – continue to be valid as collateral for the company's existing principal debts amounting to USD 511.2 million and related accrued interest and other ancillary obligations as of 30 September 2024. Under the Movable Asset Pledge Agreements signed between Akenerji and the Bank, a first-degree movable asset pledge of TRY 6,418,460,843 and a second-degree pledge of USD 917,515,600 have been established, setting an upper limit for Akenerji. Additionally, Yapı ve Kredi Bankası A.Ş. has been designated as the loss payee of insurance policies.

As of 30 September 2024, GPMs given by the Group to equity ratio is 195% (31 December 2023: 245%).

- Sales and purchase commitments

Electricity sales and purchase commitments:

Within the scope of electricity energy sales agreements made with energy companies, the Group has committed to sell 992.192 MWh of energy physically in 2024, and within the scope of the related commitment, 992.192 MWh of energy has been sold as of 30 September 2024.

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NOTE 6 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Continued)

The Group has committed to purchase 185.878 MWh of physical electricity energy within the scope of electricity energy purchase agreements with energy companies in 2024 and as of 30 September 2024, 168.214 MWh of energy has been purchased under this commitment.

As of 30 September 2024, the Group has no purchase or sales agreements committed for execution in 2024 or in subsequent periods.

Natural gas purchase commitments

The Group fulfilled 100% of its annual take-or-pay commitment in the third quarter of 2024.

Other matters

The Kemah Hydroelectric Power Plant project stands out as one of Turkey's leading hydroelectric projects with a high installed capacity of 198 MW, reservoir capacity, and strategic location. The State Hydraulic Works Final Project approval process of the project, which is planned to be established in Erzincan and expected to generate an average of 560 GWh of electricity per year, was completed in 2017, the license was modified in 2020 and the pre - construction period was extended. As one of the most significant investments of Akenerji Elektrik Üretim A.Ş., the project continues to undergo economic analyses focusing on conventional energy production alternatives, opportunities to benefit from YEKDEM incentives, and pumped storage systems as of 30 September 2024. The existing railway line passes through the reservoir area of the Kemah HPP, and after the project is completed, a portion of this line will be under water (inundated). The repositioning of this line is planned to be included in the upcoming period's investment plan as a public investment by the state, in coordination with Turkey Republic State Railways and the Ministry of Transport. Once the relocation plan is realized, the Group plans to proceed with the other necessary works for the investment. Due to the aforementioned economic analysis and alternative assessments and ongoing relocation plans, construction of Kemah project has not begun as of 30 September 2024, thus the project is not presented in financial statements.

c) Contingent assets

Guarantees received

		30 September 2024		31 December 2023	
	Currency	Original Currency	TL Equivalent	Original currency	TL Equivalent
Letters of guarantees received	TL	231.641.291	231.641.291	508.722.648	508.722.648
	EURO	262.225	9.969.270	318.532	14.096.642
	USD	2.029.000	69.168.610	1.729.000	69.151.077
Notes of guarantees received	TL	1.752.432	1.752.432	23.040.182	23.040.182
	USD	745.824	25.425.140	745.824	29.829.111
	EURO	33.800	1.285.008	33.800	1.495.820
Cheques of guarantees received	GBP	5.675	258.444	5.675	288.679
	TL	106.000	106.000	144.012	144.012
	USD	16.650	567.599	16.650	665.914
Mortgages received	TL	3.242.000	3.242.000	4.404.592	4.404.592
		343.415.794		651.838.677	

Letters of guarantees received, in general, comprised of the letters of guarantees received from the customers in relation to the Group's electricity sales operations.

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NOTE 7 - DERIVATIVE FINANCIAL INSTRUMENTS

	30 September 2024		31 December 2023	
	Contract amount	Fair value	Contract amount	Fair value
Forward contracts				
- Short - term	-	-	20.197.144	4.703.103
Derivative financial assets	-	-	20.197.144	4.703.103
Forward contracts				
- Short - term	255.907.500	31.246.287	1.781.011.100	51.570.477
Derivative financial liabilities	255.907.500	31.246.287	1.781.011.100	51.570.477

Movement of derivative instruments during the period is as follows:

	2024	2023
1 January	(46.867.374)	50.072.149
To be reclassified to profit or loss		
- Financial (income)/expense	3.723.752	(54.906.596)
- Monetary (loss)/gain	11.897.335	(5.190.248)
30 September	(31.246.287)	(10.024.695)

NOTE 8 - EQUITY**Share capital**

Akenerji adopted the registered capital system applicable to the companies registered on the CMB and defined a limit to its registered capital for shares. Akenerji's registered capital ceiling and paid-in capital as of 30 September 2024 and 31 December 2023 are shown below:

	30 September 2024	31 December 2023
Limit on registered share capital (historical)	1.500.000.000	1.500.000.000
Issued capital	729.164.000	729.164.000

The Company's shareholders and shareholding structure as of 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024		31 December 2023	
	Share (%)	Amount	Share (%)	Amount
CEZ a.s.	37,36	272.425.943	37,36	272.425.943
Akkök Holding A.Ş.	20,43	148.989.090	20,43	148.989.090
Akarsu Enerji Yatırımları San. ve Ticaret A.Ş. ("Akarsu")	16,93	123.436.852	16,93	123.436.852
Publicly held	25,28	184.312.115	25,28	184.312.115
		729.164.000		729.164.000
Adjustment to share capital		11.532.694.825		11.532.694.825
Total paid-in capital		12.261.858.825		12.261.858.825

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NOTE 8 – EQUITY (Continued)

The share capital of the Company consists of 72.916.400.000 shares with a nominal value of 1 (one) Kr for each where no privilege rights are provided for any kind of shares.

Hyperinflation adjustments made on equity according to TAS 29, published by CMB on 7 March 2024, are presented below:

Equity	PPE indexed accounting entries	CPE indexed accounting entries	Differences classified in retained earnings
Adjustments to share capital	14.195.150.060	11.532.694.825	(2.662.455.235)
Share premiums	1.521.022.110	1.102.512.329	(418.509.781)
Restricted reserves	332.283.917	238.607.857	(93.676.060)

Retained Earnings

Hyperinflation adjustments made on retained earnings according to TAS 29, published by CMB on 7 March 2024, are presented below:

Retained Earnings	Balances before hyperinflation accounting	Balances after hyperinflation accounting
30 September 2023	(7.633.570.201)	(4.558.555.500)
1 January 2023	(6.473.542.581)	(7.566.654.514)

Share premiums

Share premiums presented in the consolidated financial statements represent the proceeds from the excess of the number of shares compared to their nominal values.

Reserves

	30 September 2024	31 December 2023
Legal reserves	238.607.857	238.607.857
	238.607.857	238.607.857

Turkish Commercial Code stipulates that the legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's paid-in share capital. Other legal reserve is appropriated out of 10% of the distributable income after 5% dividend is paid to shareholders. Under the TCC, legal reserves can only be used for compensating losses, continuing operations in severe conditions or preventing unemployment and taking actions for relieving its effects in case general legal reserves does not exceed half of paid-in capital or issued capital.

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NOTE 9 - TAX ASSETS AND LIABILITIES

	30 September 2024	31 December 2023
Current income tax expenses	-	32.248.730
Prepaid taxes	(7.113.324)	(35.654.592)
Current income tax liabilities/ (Current income tax assets), net	(7.113.324)	(3.405.862)

Corporation tax

The Group is subject to corporate tax in Turkey. Necessary provisions have been made in the financial statements for the estimated tax liabilities of the Group related to the current period activity results.

The corporate tax rate in Turkey is 25% (31 December 2023: 25%). The corporate tax rate is applied to the net corporate income to be found as a result of adding the non-deductible expenses to the commercial earnings of the companies, and deducting the exemptions and deductions stated in the tax laws. Losses can be carried forward for offset against future taxable income for up to 5 years. However, the resulting losses cannot be deducted retrospectively from the profits of previous years.

In Turkey, there is no practice to reconcile with the tax authority on taxes payable. The corporate tax return is submitted until the evening of the 30th day of the fourth month following the end of the accounting period and is paid until the end of the month.

Companies in Turkey calculate temporary tax at the rate of 25% over their quarterly financial profits (31 December 2023: 25%) and declared until the 17th day of the second month following that period and pay it by the evening of the seventeenth day. The temporary tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated over the corporate tax return to be submitted in the following year. Despite the deduction, if there is an amount of advance tax paid, this amount can be refunded or deducted in cash.

Income tax withholding

Limited tax payers, who earn income through a permanent establishment or representative and pay it to companies (dividends) resident in Turkey, not subject to withholding tax. Dividend payments made to persons other than these are subject to 10% withholding tax. The profit included to the capital is not a profit distribution.

The details of tax income / expense for the period ended 30 September 2024 and 2023 are as follows:

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Current income tax income/(expense)	-	(32.308.347)	23.788	(414.629)
Deferred tax expense	(716.594.375)	(1.111.897.613)	(341.652.252)	(1.194.164.189)
	(716.594.375)	(1.144.205.960)	(341.628.464)	(1.194.578.818)

Deferred taxes

	30 September 2024	31 December 2023
Deferred tax assets	-	14.354.608
Deferred tax liabilities	(1.247.340.635)	(533.214.777)
Deferred tax assets, net	(1.247.340.635)	(518.860.169)

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NOTE 9 - TAX ASSETS AND LIABILITIES (Continued)

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising from its financial statements prepared in compliance with TAS and its statutory tax financial statements. The temporary differences usually result from the recognition of revenue and expenses in different reporting periods according to TAS and Tax Laws.

The tax rate used in the calculation of deferred tax assets and liabilities is 25% (31 December 2023: 25%)

The breakdown of cumulative temporary differences and the resulting deferred tax assets/liabilities provided using principal tax rates is as follows:

	Total temporary differences		Deferred tax assets/(liabilities)	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Investment incentives (*)	(912.479.735)	(987.413.840)	228.119.934	246.853.461
Derivative financial instruments	(31.246.287)	(46.867.375)	7.811.572	11.716.844
Provisions for lawsuits	(43.686.763)	(67.181.467)	10.921.691	16.795.366
Provision for employment termination benefit	(38.021.097)	(36.686.945)	9.505.274	9.171.736
Provision for unused vacation rights	(14.117.664)	(9.618.859)	3.529.416	2.404.716
Adjustments to property, plant and equipment	6.180.396.772	3.218.463.624	(1.545.099.192)	(804.615.905)
Adjustments to borrowings	82.332.140	286.556.247	(20.583.035)	(71.639.062)
Other	(233.814.828)	(281.810.722)	58.453.705	70.452.675
Deferred tax assets/(liabilities), net			(1.247.340.635)	(518.860.169)

(*) Within the scope of former Article 19 of Income Taxation Law, the related amount of investment incentive is mainly due to investment expenditures of Uluabat HEPP.

In accordance with the Group's assessments as of 30 September 2024, details of tax losses on which deferred taxes are not recognized, along with the year it is incurred and the maximum year it can be utilized, are provided below:

Year incurred	Year can be used	30 September 2024	31 December 2023
2019	2024	133.261.860	133.261.860
2020	2025	262.766.426	262.766.426
2021	2026	1.181.821.985	1.181.821.985
2022	2027	220.741.281	220.741.281
2023	2028	1.504.823.182	1.501.945.203
2024	2029	419.377.622	-
		3.722.792.356	3.300.536.755

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NOTE 10 - REVENUE AND COST OF SALES**a) Revenue**

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Revenue on sharing of imbalance savings	8.113.715.749	8.582.279.081	2.723.065.033	2.290.071.057
Electricity sales revenue	8.088.249.887	13.753.335.573	3.767.789.046	4.547.313.776
Revenue on seconder frequency control	767.547.368	811.214.737	257.950.612	259.550.071
Revenue on capacity mechanism	337.869.516	210.725.787	203.276.846	52.601.289
Revenue on loading orders	220.736.001	2.035.257.623	37.201.711	517.598.211
Other revenues	575.319.767	626.271.122	185.867.954	222.950.646
	18.103.438.288	26.019.083.923	7.175.151.202	7.890.085.050

b) Cost of sales

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Direct raw materials consumed and cost of electricity purchased (*)	15.237.095.902	21.547.567.369	6.028.178.988	6.452.658.528
Depreciation and amortization expenses	1.420.798.782	1.420.005.094	462.401.387	464.155.522
Personnel expenses	453.294.712	489.450.890	144.832.711	191.159.456
Maintenance and repair expenses	304.373.694	370.767.638	111.098.277	137.041.371
Other materials and spare parts consumed	141.486.113	126.148.345	49.741.914	48.646.158
Insurance expenses	118.683.927	124.661.580	36.298.311	36.527.632
Other	166.094.623	215.464.359	67.446.876	21.711.212
	17.841.827.753	24.294.065.275	6.899.998.464	7.351.899.879

(*) Direct raw materials consumed comprised of cost of natural gas purchased, cost of energy purchased, imbalance sharing costs, system usage costs, and etc.

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NOTE 11- EXPENSES BY NATURE

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Direct raw materials consumed and cost of electricity purchased	15.237.095.902	21.547.567.369	6.028.178.988	6.452.658.528
Depreciation and amortization expenses (*)	1.460.486.781	1.494.121.991	472.199.093	488.489.177
Personnel expenses (**)	692.163.046	685.894.105	225.535.290	253.108.559
Maintenance and repair expenses	304.373.694	370.767.638	111.098.277	137.041.371
Other materials and spare parts consumed	141.486.113	126.148.345	49.741.914	48.646.158
Insurance expenses (***)	121.384.254	126.348.037	37.151.565	36.991.692
Consultancy expenses	36.663.887	23.484.353	10.800.654	6.403.267
IT expenses	30.530.942	29.090.554	11.688.328	9.974.083
Taxes and duties	18.984.198	24.252.040	3.449.016	5.455.647
Rent expenses	16.435.756	1.718.355	6.116.210	461.543
Vehicle expenses	16.264.995	11.048.764	5.561.733	4.137.538
Office expenses	16.159.432	12.652.618	5.264.060	3.293.113
Travel expenses	9.035.199	12.702.154	2.967.953	5.089.308
Advertising and sponsorship expenses	2.079.336	1.917.013	755.009	903.717
Other expenses	213.851.519	252.449.630	92.795.339	46.928.474
	18.316.995.054	24.720.162.966	7.063.303.429	7.499.582.175

(*) Depreciation and amortization expenses amounting to TL 1.420.798.782 (30 September 2023: TL 1.420.005.094) is classified in cost of sales, TL 39.687.999 (30 September 2023: TL 74.116.897) of amortization and depreciation expenses is classified in general administrative expenses.

(**) Personnel expenses amounting to TL 453.294.712 (30 September 2023: TL 489.450.890) is classified in cost of sales, TL 238.868.334 (30 September 2023: TL 196.443.215) is classified in general and administrative expenses.

(***) Insurance expenses amounting to TL 118.683.927 (30 September 2023: TL 124.661.580) is classified in cost of sales, TL 2.700.327 (30 September 2023: TL 1.686.457) is classified in general and administrative expenses.

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NOTE 12 - OTHER OPERATING INCOME AND EXPENSE**a) Other operating income**

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Gains of futures and options market	147.503.563	160.467.345	72.261.693	50.044.391
Delay interests received	57.751.485	141.647.077	1.163.225	16.997.862
Foreign exchange gains from trading activities	47.873.479	157.677.618	26.958.884	74.238.943
Revenues from risk sharing agreements	37.416.208	-	10.535.196	-
Provisions no longer required (*)	18.843.256	2.408.676	(823.101)	1.895.394
Other income	25.523.740	219.765.190	5.940.899	8.585.205
	334.911.731	681.965.906	116.036.796	151.761.795

(*) As of 30 September 2024, TL 8.837.241 (30 September 2023: TL 728.839) of the provisions no longer required from litigation provisions, TL 4.454.315 from premium provisions (30 September 2023: None) and TL 5.551.700 from other no longer required provisions (30 September 2023: TL 1.679.837)

b) Other operating expense

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Losses on futures and options market	115.594.038	235.239.926	37.700.270	22.520.489
Foreign exchange losses from trading activities	32.968.901	136.900.561	5.857.143	66.174.729
Delay interests charged	17.383.510	19.407.478	1.049.147	2.656.904
Provisions for litigations	1.936.283	1.524.541	(2.383.058)	315.046
Losses on risk sharing contracts	103.581	-	103.581	-
Other expenses	62.342.322	30.156.575	14.941.993	22.880.227
	230.328.635	423.229.081	57.269.076	114.547.395

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NOTE 13 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES**a) Income from investing activities**

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Fair value difference gain on exchange rate protected deposit accounts	2.371.142	61.248.811	(48.615)	45.419.538
Dividend income	72.825	-	72.825	-
Profit on sale of property, plant and equipment	53.247	48.970	(194.062)	30.107
Other income	602.506	-	-	-
	3.099.720	61.297.781	(169.852)	45.449.645

b) Expenses from investing activities

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Fair value difference losses on exchange rate protected deposit accounts	-	702.910	-	(43.977)
Other	20.753.261	1.101.813	20.753.199	114.606
	20.753.261	1.804.723	20.753.199	70.629

NOTE 14 - FINANCIAL INCOME AND EXPENSES**a) Financial income**

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Foreign exchange gain	160.840.835	687.490.248	1.495.722	118.463.088
Interest income	138.053.009	132.795.435	53.750.636	28.070.819
Gain on derivative financial instruments	27.321.643	102.015.447	-	12.566.074
	326.215.487	922.301.130	55.246.358	159.099.981

b) Financial expenses

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Foreign exchange losses	2.154.686.203	6.870.654.514	524.587.940	1.056.246.754
Interest and commission expenses	1.467.422.399	1.954.362.284	480.106.232	604.024.233
Losses on derivative financial instruments	184.242.860	22.059.032	37.714.363	8.763.704
Other financial expenses	13.326.214	16.799.360	4.110.250	6.291.156
	3.819.677.676	8.863.875.190	1.046.518.785	1.675.325.847

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NOTE 15 - RELATED PARTY DISCLOSURES

a) Transaction with related parties

- Purchases from related parties

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Sakarya Elektrik Perakende Satış A.Ş. ("Sepaş") ^{(1) (**)}	225.495.969	900.383.354	(9.725.234)	250.460.048
Aktek Bilgi İlet. Tekn. San. ve Tic. A.Ş. ("Aktek") ^{(2) (**)}	37.992.945	31.802.460	8.462.641	13.452.081
Aksa Akrilik Kimya Sanayi A.Ş. ("Aksa") ^{(3) (**)}	31.356.160	42.527.565	13.557.486	9.617.294
Dinkal Sigorta Acenteliği A.Ş. ("Dinkal") ^{(4) (**)}	22.382.112	30.617.622	14.619.641	11.993.386
Ak-Han Bak.Yön.Serv.Hiz.Güv.Mal. A.Ş. ("Ak-Han") ^{(5) (**)}	21.687.419	21.566.368	6.490.537	7.699.158
Cez a.s. ^{(6) (*)}	11.322.771	33.005.115	3.043.533	5.694.749
Akgirişim Müteahhitlik Müşavirlik Ve Çevre Teknolojileri San. Ve Tic. A.Ş. ^{(7) (**)}	1.143.165	17.353.508	(50.178)	17.353.508
Akiş Gayrimenkul Yatırım A.Ş. ^{(8) ("Akiş") (**)}	966.418	44.143	346.167	44.143
Akkök Holding A.Ş. ("Akkök") ^{(9) (*)}	328.852	7.065.080	49.048	1.060.437
Other	60.123	1.457.117	(2.639)	(99.103)
	352.735.934	1.085.822.332	36.791.002	317.275.701

(1) Comprised of purchase of electricity and sharing of instability savings.

(2) Comprised of IT services received.

(3) Comprised of sharing of instability savings.

(4) Comprised of insurances purchased from insurance companies by the intermediary of Dinkal.

(5) Comprised of building maintenance and other services received.

(6) Comprised of purchase of electricity.

(7) Comprised of service procurements related to the installation of solar power plant.

(8) Comprised of building maintenance and other services received.

(9) Comprised of rent service received.

- Sales to related parties

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Sepaş ^{(1) (**)}	667.347.934	8.289.959.295	417.146.429	2.547.029.510
Cez a.s ^{(2) (*)}	249.748.072	34.554.425	96.799.894	(2.350.143)
Aksa ^{(3) (**)}	24.297.488	59.362.573	7.404.953	18.633.050
Akiş ^{(4) (**)}	5.427.998	-	2.691.988	-
Akkök Holding A.Ş. ^{(5) (*)}	-	17.599.774	-	16.993.826
Other	41.797	535.016	(686)	201.710
	946.863.289	8.402.011.083	524.042.578	2.580.507.953

(1) Comprised of sales of electricity and sharing of instability.

(2) Comprised of sales of electricity sharing of instability.

(3) Comprised of sharing of instability.

(4) Comprised of service procurements related to the installation of solar power plant.

(5) Comprised of vehicle rental and earthquake donation aids expense reflection.

(*) Shareholder.

(**) Akkök Holding group company.

(***) Cez a.s. group company.

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NOTE 15 - RELATED PARTY DISCLOSURES (Continued)

b) Balances with related parties

- Short-term trade receivables from related parties

	30 September 2024	31 December 2023
CEZ a.s. ^{(1) (*)}	6.435.229	2.751.575
Aksa ^{(2) (**)}	2.325.007	4.605.037
Akiş ^{(3) (**)}	700.422	-
Sepaş ^{(4) (**)}	-	163.080.256
Other	-	40.659
	9.460.658	170.477.527

(1) Comprised of receivables from sales of electricity.

(2) Comprised of receivables from sharing of instability.

(3) Comprised of service procurements related to the installation of solar power plant.

(4) Comprised of receivables from sales of electricity and sharing of instability.

The average maturity days of trade receivables from related parties is 20 days.

- Short-term trade payables to related parties

	30 September 2024	31 December 2023
Dinkal ^{(1) (**)}	19.925.866	189.349.737
CEZ a.s. Turkey Daimi Tem. ^{(2) (***)}	5.770.952	6.690.703
Aktek ^{(3) (**)}	4.996.858	8.240.722
Aksa ^{(4) (**)}	3.629.674	3.486.584
Ak-Han ^{(6) (**)}	2.737.423	3.186.865
Akkök ^{(5) (*)}	2.293.670	3.138.064
CEZ a.s. ^{(7) (*)}	1.462.159	8.563.067
Sepaş ^{(8) (**)}	59.500	19.604.935
Other	19.200	589.854
	40.895.302	242.850.531

(1) Comprised of payables to Dinkal for the insurances purchased from insurance companies by the intermediary of Dinkal.

(2) Comprised of the payables related to consultancy.

(3) Comprised of the payables related to IT services and equipment purchased.

(4) Comprised of the payables related to sharing of instability.

(5) Comprised of the payables related to office maintenance and management services received.

(6) Comprised of the payables related to consultancy and rent services received.

(7) Comprised of the payables related to electricity purchases.

(8) Comprised of the payables related to electricity and sharing of instability.

(*) Shareholder.

(**) Akkök Holding group company.

(***) Cez a.s. group company.

The average maturity days of trade payables from related parties is 30 days.

AKENERJİ ELEKTRİK ÜRETİM A.Ş.**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 15 - RELATED PARTY DISCLOSURES (Continued)**c) Key management compensation**

For the purpose of these consolidated financial statements, key management compensation consists of the payments made to Group shareholders and top management (General Manager and Vice General Managers and directors).

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Salaries and benefits	29.337.594	28.069.409	10.151.352	7.939.701
Bonus payment	9.299.425	15.261.782	(408.189)	(1.037.996)
Attendance fee	3.591.389	3.177.129	1.411.992	1.285.736
	42.228.408	46.508.320	11.155.155	8.187.441

NOTE 16 - FINANCIAL RISK MANAGEMENT**- Foreign exchange risk**

The Group is exposed to foreign exchange risk through the impact of rate changes in the translation of foreign currency. Foreign exchange risk arises from recorded assets and liabilities resulting from future commercial and financial transactions. In accordance with the Group's "Currency Risk Hedging Policies and Procedures," part of this risk is mitigated by offsetting foreign currency assets and liabilities, while the remaining portion is managed through spot foreign exchange purchases and derivative instruments. The Group management monitors and analyzes its net foreign currency position and takes balancing measures accordingly.

The details of the foreign currency assets and liabilities as of 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
Assets	1.360.104.526	1.735.095.488
Liabilities	(18.049.614.472)	(16.978.793.906)
Net financial position	(16.689.509.946)	(15.243.698.418)
Net position of derivative instruments	(255.907.500)	(2.392.247.847)
Foreign currency position (net)	(16.945.417.446)	(17.635.946.265)

AKENERJİ ELEKTRİK ÜRETİM A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD BETWEEN 1 JANUARY - 30 SEPTEMBER 2024

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NOTE 16 - FINANCIAL RISK MANAGEMENT (Continued)

As of 30 September 2024 and 31 December 2023, assets and liabilities denominated in foreign currency and their TL equivalent held by the Group:

	30 September 2024				31 December 2023			
	TL Equivalent	USD	Euro	Other	TL Equivalent	USD	Euro	Other
Trade receivables	166.649.026	4.668.282	192.882	-	189.431.802	4.232.250	455.624	-
Monetary financial assets	1.165.776.082	25.312.743	7.913.376	336	1.513.572.828	34.884.922	2.674.325	73
Current assets	1.332.425.108	29.981.025	8.106.258	336	1.703.004.630	39.117.172	3.129.949	73
Monetary financial assets	27.679.418	-	725.135	-	32.090.858	-	725.135	-
Non-current assets	27.679.418	-	725.135	-	32.090.858	-	725.135	-
Total assets	1.360.104.526	29.981.025	8.831.393	336	1.735.095.488	39.117.172	3.855.084	73
Trade payables	97.107.051	2.453.283	351.011	-	405.055.855	9.430.298	630.270	-
Financial liabilities	1.513.004.558	42.983.814	1.214.361	-	4.347.907.797	107.306.258	1.270.168	-
Other monetary liabilities	25.263.666	740.414	-	-	43.558.579	1.089.105	-	-
Short-term liabilities	1.635.375.275	46.177.511	1.565.372	-	4.796.522.231	117.825.661	1.900.438	-
Financial liabilities	16.333.539.313	474.467.802	3.778.311	-	12.093.979.868	296.932.692	4.930.622	-
Other monetary liabilities	80.699.884	2.365.109	-	-	88.291.807	2.207.580	-	-
Long-term liabilities	16.414.239.197	476.832.911	3.778.311	-	12.182.271.675	299.140.272	4.930.622	-
Total liabilities	18.049.614.472	523.010.422	5.343.683	-	16.978.793.906	416.965.933	6.831.060	-
Net Asset(Liability) Position of Statement of Financial Position Derivative Instruments	(255.907.500)	(7.500.000)	-	-	(2.392.247.847)	(59.813.914)	-	-
Off statement of financial position foreign currency derivative assets	-	-	-	-	27.439.899	686.086	-	-
Off statement of financial position foreign currency derivative liabilities	255.907.500	7.500.000	-	-	2.419.687.746	60.500.000	-	-
Net foreign currency asset/(liability) position	(16.945.417.446)	(500.529.397)	3.487.710	336	(17.635.946.265)	(437.662.675)	(2.975.976)	73
Net foreign currency asset/(liability) position of monetary items	(16.689.509.946)	(493.029.397)	3.487.710	336	(15.243.698.418)	(377.848.761)	(2.975.976)	73
Total fair value of financial instruments used for foreign currency hedging	31.246.287	915.749	-	-	34.496.730	1.171.836	-	-
Export	692.583.159	14.580.459	6.208.436	-	1.426.981.236	17.029.604	24.833.311	-
Import	550.485.368	16.160.479	832.613	600	910.360.206	20.783.882	7.592.492	7.228

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 16 - FINANCIAL RISK MANAGEMENT (Continued)

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and EURO. As of 30 September 2024 and 31 December 2023, the following table details of Group's sensitivity to a 10% increase and decrease in the TL against relevant foreign currencies, all other variables held constant. The sensitivity analysis includes only monetary items in open foreign currency at the end of the year.

30 September 2024				
	Profit /Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
+/- 10% fluctuation of USD rate against to TL				
1- USD net asset/liability	(1.682.265.606)	1.682.265.606	-	-
2- Part of hedged from USD risk (-)	-	-	-	-
3- USD net effect (1+2)	(1.682.265.606)	1.682.265.606	-	-
+/- 10% fluctuation of EUR rate against to TL				
4- EUR net asset/liability	13.313.077	(13.313.077)	-	-
5- Part of hedged from EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	13.313.077	(13.313.077)	-	-
+/- 10% fluctuation of other currencies rate against to TL				
7- Other currencies net asset/liability	1.534	(1.534)	-	-
8- Part of hedged from other currencies risk (-)	-	-	-	-
9- Other currencies net effect (7+8)	1.534	(1.534)	-	-
Total (3+6+9)	(1.668.950.995)	1.668.950.995	-	-
31 December 2023				
	Profit /Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
+/- 10% fluctuation of USD rate against to TL				
1- USD net asset/liability	(1.511.200.028)	1.511.200.028	-	-
2- Part of hedged from USD risk (-)	-	-	-	-
3- USD net effect (1+2)	(1.511.200.028)	1.511.200.028	-	-
+/- 10% fluctuation of EUR rate against to TL				
4- EUR net asset/liability	(13.170.185)	13.170.185	-	-
5- Part of hedged from EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	(13.170.185)	13.170.185	-	-
+/- 10% fluctuation of other currencies rate against to TL				
7- Other currencies net asset/liability	371	(371)	-	-
8- Part of hedged from other currencies risk (-)	-	-	-	-
9- Other currencies net effect (7+8)	371	(371)	-	-
Total (3+6+9)	(1.524.369.842)	1.524.369.842	-	-

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NOTE 17 - FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The estimated fair values of financial instruments have been determined by the Group, using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions have been used in estimating the fair value of financial instruments:

Financial assets

It is anticipated that the carrying values of financial assets, including cash and cash equivalents, measured at cost, are equal to their fair values due to their short-term nature.

The carrying values of trade receivables along with the related allowances for uncollectability are estimated to be their fair values.

Financial liabilities

The fair values of short-term bank borrowings and other monetary liabilities are considered to approximate to their respective carrying values. The carrying values of the long-term bank loans of the Group reflect their fair values due to the repricing of the loans within the scope of the Financial Restructuring made on 11 November 2019 and the amendment made on 20 September 2024.

Fair value hierarchy table

The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted)

Level 2: Other valuation techniques include direct or indirect observable inputs

Level 3: Valuation techniques do not contain observable market inputs

As of 30 September 2024, the Group has short-term liabilities of TL 31.246.287 (31 December 2023: TL 51.570.477) related to derivative financial instruments classified as level 2. As of 30 September 2024, the Group does not have long-term liabilities related to derivative financial instruments (31 December 2023: None). As of 30 September 2024, there is no short-term derivative financial asset (31 December 2023: TL 4.703.103).

Fair value of the lands, land improvements, buildings, machinery and equipment of the Group's power plants were measured by a professional independent valuation company on 31 December 2023 through other valuation techniques involving direct and indirect observable inputs (Level 3) (Note 2.6).

NOTE 18 - SUBSEQUENT EVENTS

None.