

**ODAŞ ELEKTRİK ÜRETİM
SANAYİ TİCARET A.Ş. AND
IT'S SUBSIDIARIES
CONSOLIDATED FINANCIAL
STATEMENTS AND
EXPLANATORY NOTES FOR
THE PERIOD JANUARY 01 –
SEPTEMBER 30, 2021**

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS AND EXPLANATORY NOTES FOR THE PERIOD JUNE 01 – SEPTEMBER 30, 2021

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ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED SEPTEMBER 30,2021 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Unaudited Consolidated	Previous Period Audited Consolidated
ASSETS	NOTES	30.09.2021	31.12.2020
Current Assets			
Cash and cash equivalents	53	312.001.340	15.431.240
Trade Receivables	6-7	184.330.560	188.601.886
Trade receivables from related parties	6	42.222.112	28.895.916
Trade receivables from third parties	7	142.108.448	159.705.970
Other Receivables	6-9	36.057.090	32.412.266
Other Receivables from Related Parties	6	12.850.851	11.930.535
Other Receivables from Third Parties	9	23.206.239	20.481.731
Inventories	10	263.110.453	193.712.243
Prepaid Expenses	12	14.047.909	20.118.368
Assets Related to Current Term Tax	40	871.415	339.428
Other Current Assets	29	265.860.570	64.895.761
Fixed Assets Classified for Sale	39	710.004	596.919
TOTAL CURRENT ASSETS		1.076.989.341	516.108.111
Non-current Assets			
Other Receivables	6-9	1.201.799	1.352.461
<i>Other receivables from related parties</i>	6	--	--
<i>Other receivables from third parties</i>	9	1.201.799	1.352.461
Investments Valued by Equity Method	4	36.497.040	27.264.636
Tangible Fixed Assets	14	2.523.124.541	2.521.085.578
Intangible fixed assets	17-18	81.586.756	80.599.342
<i>Goodwill</i>	18	--	--
<i>Other intangible fixed assets</i>	17	81.586.756	80.599.342
Right of Use Assets	20	4.137.147	4.609.858
Prepaid Expenses	12	9.487.099	4.679.123
Deferred Tax Assets	40	220.910.928	171.470.932
Other Non-Current Assets	29	69.794.260	78.912.655
TOTAL NON-CURRENT ASSETS		2.946.739.570	2.889.974.585
TOTAL ASSETS		4.023.728.911	3.406.082.696

Consolidated financial statements for the period ended 30.09.2021 have been approved by the Board of Directors Decision dated 08.11.2021 and numbered 2021/17.

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

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED SEPTEMBER 30,2021 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Unaudited Consolidated	Previous Period Audited Consolidated
LIABILITIES	NOTES	30.09.2021	31.12.2020
Short Term Liabilities			
Short Term Loans	47	80.336.958	100.638.111
Short Term Finance Lease Liabilities	47	--	7.637.538
Short Terms Part of Long Term Loans	47	369.307.778	420.115.199
Other Financial Liabilities	47	4.012.017	78.263.971
Trade Payables	6-7	261.363.067	280.689.768
Trade Payables to Related Parties	6	5.974.685	5.275.388
Trade Payables to Third Parties	7	255.388.382	275.414.380
Payables within the Scope of Employee Benefits	27	8.432.558	5.582.269
Other Payables	6-9	68.654.918	113.534.903
Other payables to related parties	6	32.641.572	89.852.531
Other payables to third parties	9	36.013.346	23.682.372
Deferred Income	12	78.088.635	49.912.503
Period Profit in Tax Liability	40	655.825	803.764
Short-term Provisions	25-27	6.880.532	6.510.828
Short term provisions from employee benefits	27	5.016.001	4.045.253
Other Short Term Provisions	25	1.864.531	2.465.575
Other Short Term Liabilities	29	57.656.434	39.996.040
TOTAL SHORT TERM LIABILITIES		935.388.722	1.103.684.894
Long Term Liabilities	47	1.361.299.441	1.487.422.249
Long Term Finance Lease Liabilities	47	--	549.788
Other Payables	6-9	17.519.866	12.327.731
Other Payables to Related Parties	6	--	--
Other Payables to Third Parties	9	17.519.866	12.327.731
Long Term Provisions	25-27	2.094.598	1.460.981
Long term provisions for employee benefits	27	1.909.554	1.275.937
Other Long Term Provisions	25	185.044	185.044
Deferred Tax Liabilities	40	10.995.907	10.655.111
Other Long Term Liabilities	29	4.276.729	1.796.551
TOTAL LONG TERM LIABILITIES		1.396.186.541	1.514.212.411

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ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED SEPTEMBER 30,2021 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Unaudited Consolidated	Previous Period Audited Consolidation
EQUITY	NOTES	30.09.2021	31.12.2020
Equity of Parent Company		1.692.247.835	795.824.435
Paid-in Share Capital	30	1.400.000.000	600.000.000
Shares Related Discount/Premium	30	258.857.762	60.094.073
Not to be reclassification of profit or loss accumulated other comprehensive income or expenses	30	684.742.014	687.441.673
<i>Gains/Losses Related Revaluation and Measurement</i>		728.846.503	728.846.503
<i>Effects of combination of entities or businesses under common control</i>	30	(44.104.489)	(41.404.830)
Reclassification of profit or loss accumulated other comprehensive income or expenses	30	(5.609.004)	(645.109)
Foreign Currency Conversion Adjustments		(4.806.868)	--
<i>Other Gain/Loss</i>	30	(802.136)	(645.109)
Reserves on Retained Earnings	30	639.252	639.252
Other Equities	30	21.868.966	21.868.966
Profit or Loss of Previous Years	30	(546.499.045)	(326.903.703)
Net Profit or Loss	41	(121.752.110)	(246.670.717)
Non-controlling Shares	30	(94.187)	(7.639.044)
TOTAL EQUITY		1.692.153.648	788.185.391
TOTAL LIABILITIES		4.023.728.911	3.406.082.696

Consolidated financial statements for the period ending on 30.09.2021 have been approved by the Board of Directors Decision dated 08.11.2021 and numbered 2021/17.

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

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE PERIOD BETWEEN 01.01.2021-30.09.2021
(Currency is TRY unless otherwise is indicated.)

		Current Period Unaudited Consolidation	Previous Period Unaudited Consolidation	Current Period Unaudited Consolidation	Previous Period Unaudited Consolidation
KAR VEYA ZARAR KISMI	NOTE	30.09.2021	30.09.2020	01.07 - 30.09.2021	01.07 - 30.09.2020
Revenue	31	1.011.882.178	705.392.508	413.185.298	226.780.734
Cost of Good Sold (-)	28-31	(768.749.891)	(525.274.676)	(311.674.896)	(169.867.486)
GROSS PROFIT/LOSS		243.132.287	180.117.832	101.510.402	56.913.248
General administrative expenses (-)	33	(28.278.562)	(21.994.530)	(9.910.567)	(7.156.287)
Marketing expenses (-)	33	(7.627.953)	(10.450.477)	(3.830.979)	(9.004.452)
Other Income from Operating Activities	34	42.216.853	34.781.117	18.761.807	6.208.961
Other Expenses from Operating Activities (-)	34	(85.245.961)	(63.288.871)	(53.813.908)	(12.134.427)
OPERATING PROFIT/LOSS		164.196.664	119.165.071	52.716.755	34.827.043
Income from investing activities	35	417.405	368.270	25.424	316.575
Expense from investing activities (-)	35	(25.424)	--	(25.424)	--
Shares from gains/losses of Investments Valued by Equity Method	16	9.232.405	12.695.625	3.725.060	3.264.981
FINANCING EXPENSE BEFORE OPERATING PROFIT/LOSS		173.821.050	132.228.966	56.441.815	38.408.599
Financial income	37	163.003.225	77.436.692	85.831.563	7.427.584
Financial expenses (-)	37	(547.235.744)	(723.314.005)	(130.010.189)	(330.909.243)
PROFIT/LOSS FROM CONTINUING OPERATIONS BEFORE TAX		(210.411.469)	(513.648.347)	12.263.189	(285.073.060)
Tax Expense/Income from Continuing Operations		48.401.817	(769.037)	46.964.039	(2.489.440)
Period Tax Income/Loss	40	(655.825)	(672.607)	(392.452)	(378.107)
Deferred Tax Income/Loss	40	49.057.642	(96.430)	47.356.491	(2.111.333)
PROFIT/LOSS FROM CONTINUING OPERATIONS		(162.009.652)	(514.417.384)	59.227.228	(287.562.500)
PROFIT/LOSS FROM DISCONTINUED OPERATIONS	39	113.085	2.862	46.236	25.083
PROFIT/LOSS FOR THE PERIOD		(161.896.567)	(514.414.522)	59.273.464	(287.537.417)
Profit/loss distribution for the period					
Non-controlling Shares	30	(40.144.457)	(4.197.041)	9.602.413	10.507.444
Parent Company Shares	30	(121.752.110)	(510.217.481)	49.671.051	(298.044.861)
Earnings Per Share					
Earnings per share from continuing operations	41	(0,173297)	(0,941243)	0,070700	(0,549829)
Not to be reclassified to profit or loss	38	(157.027)	(175.345)	(325.197)	127.947
Actuarial losses and earnings calculated under employee benefits	38	(203.931)	(224.801)	(422.334)	164.034
Effect of Tax	40	46.904	49.456	97.137	(36.087)
OTHER COMPREHENSIVE INCOME		(157.027)	(175.345)	(325.197)	127.947
TOTAL COMPREHENSIVE INCOME		(162.053.594)	(514.589.867)	58.948.267	(287.409.469)
Distribution of Total Comprehensive Income					
Non-controlling shares		(40.183.394)	(4.198.472)	9.549.730	10.502.768
Parent company shares		(121.870.200)	(510.391.395)	49.398.537	(297.912.237)

Consolidated financial statements for the period ending on 30.09.2021 have been approved by the Board of Directors Decision dated 08.11.2021 and numbered 2021/17.

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

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD BETWEEN 01.01.2021-30.09.2021
(Currency is TRY unless otherwise is indicated.)

	Accumulated Profit											
	Paid-in Share Capital	Other Equity Shares	The Effect of Associations Including Enterprises or Enterprises Subject to Joint Control	Share Premiums / Discounts	To be Reclassified to profit or loss accumulated other comprehensive income or expenses	Restricted Reserves	Revaluation Increase Fund	Retained Earnings/Losses	Net Profit/Loss for the Period	Equity of the Parent Company	Non- controlling Interest	Equities
Balance at January 1, 2020	294.742.950	21.868.966	(26.340.830)	28.260.507	(276.526)	73.676.388	728.846.503	(128.254.325)	(186.478.476)	806.045.157	(13.794.555)	792.250.605
Other Comprehensive Income/Expense	--	--	--	--	(175.344)	--	--	--	--	(175.344)	--	(175.344)
Transfers	--	--	--	--	--	--	--	(186.478.476)	186.478.476	--	--	--
Capital Increase	305.257.050	--	--	31.833.566	--	(73.037.136)	--	--	--	264.053.482	--	264.053.482
Increase / Decrease in Subsidiaries Due to the Change in Share Ratios that do not result in a loss of control	--	--	--	--	--	--	--	(11.294.688)	--	(11.294.688)	7.724.689	(3.569.999)
Net Profit/Loss For The Period	--	--	--	--	--	--	--	--	(510.217.481)	(510.217.481)	(4.197.041)	(514.414.522)
Balance at September 30, 2020	600.000.000	21.868.966	(26.340.830)	60.094.073	(451.870)	639.252	728.846.503	(326.027.487)	(510.217.481)	548.411.123	(10.266.907)	538.144.218
Balance at January 1, 2021	600.000.000	21.868.966	(41.404.830)	60.094.073	(645.109)	639.252	728.846.503	(326.903.703)	(246.670.719)	795.824.433	(7.639.047)	788.185.386
Other Comprehensive Income/Expense	--	--	--	--	(4.963.895)	--	--	--	--	(4.963.895)	--	(4.963.895)
Increase / Decrease in Subsidiaries Due to the Change in Share Ratios that do not result in a loss of control	--	--	(2.699.659)	--	--	--	--	27.075.376	--	24.375.717	(26.659.684)	(2.283.967)
Transfers	--	--	--	--	--	--	--	(246.670.718)	246.670.718	--	--	--
Capital Increase	800.000.000	--	--	198.763.689	--	--	--	--	--	998.763.689	74.349.000	1.073.112.689
Net Profit/Loss For The Period	--	--	--	--	--	--	--	--	(121.752.110)	(121.752.110)	(40.144.457)	(161.896.567)
Balance at September 30, 2021	1.400.000.000	21.868.966	(44.104.489)	258.857.762	(5.609.004)	639.252	728.846.503	(546.499.045)	(121.752.110)	1.692.247.835	(94.187)	1.692.153.648

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

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD BETWEEN 01.01.2021-30.09.2021
(Currency is TRY unless otherwise is indicated.)

	NOTES	01.01- 30.09.2021	01.01- 30.09.2020
A. CASH FLOWS FROM OPERATING ACTIVITIES		(137.760.523)	(9.003.767)
Profit/Loss For The Period		(121.752.110)	(510.217.481)
Profit/Loss from Continuing Operations	30	(121.865.195)	(510.220.343)
Profit/Loss from Discontinued Operations	39	113.085	2.862
Adjustments To Reconcile Net Profit/Loss For The Period		203.899.250	431.617.933
	14-17- 28-33- 36		
-Adjustments related to amortization and depreciation expenses		72.816.664	68.898.354
Adjustments Related to Impairment/Revocation in Receivables	7	1.946.456	1.833.009
Adjustments Related to Employees Benefits Provision (Cancellation)	27	1.405.755	1.071.245
Adjustment Related to Litigation and/or Penalty Provisions (Cancellation)	25	1.864.531	1.291.322
Deferred Financial Expense Arising From Purchases on Credit	34	4.667.970	60.509.848
Unearned Financial Income Arising From Sales on Credit	34	(14.036.823)	(57.756.472)
Adjustments Related to Interest Expenses and Currency Differences	37	57.656.434	16.899.489
Adjustments Related to Interest Income	37	(114.635.183)	(52.520.283)
-Adjustments Related to Unrealized Foreign Currency Translation Differences		209.392.073	426.834.454
-Adjustments Related to Tax Expense/Income	40	(49.099.200)	46.973
Adjustments Related to Losses/ (Gains) Incurred Due to Divestment of Subsidiaries, Business Partnerships and Financial Investments or Changes in their Shares	30	(2.699.659)	(39.017.651)
Transfers		27.075.376	--
Minority Interest	30	7.544.857	3.527.646
Changes In Business Capital		(214.943.768)	69.771.124
-Adjustments related to inventories increase/decrease	10	(69.398.210)	(68.052.132)
Increase (Decrease) in Trade Receivables from Related Parties		(13.326.196)	--
Increase (Decrease) in Trade Receivables from Third Parties	7	14.408.097	(3.382.265)
Increase (Decrease) in Other Receivables from Related Parties	6	(920.316)	3.985.681
Increase (Decrease) in Other Receivables from Third Parties	9	(5.998.846)	(19.463.427)
- Increase (Decrease) in Other Assets From Operations	29	(87.088.707)	138.525.663
Increase (Decrease) in Trade Payables to Related Parties		699.297	--
Increase (Decrease) in Trade Payables to Third Parties	7	(15.372.447)	28.162.122
Increase (Decrease) in Prepaid Expenses	12	1.262.483	3.886.511
Increase/(Decrease) in Payables within the Scope of Employee Benefits	27	1.444.534	(8.775.894)
Increase (Decrease) in Other Payables related to Activities of Related Parties	6	(57.210.959)	60.779.260
Increase (Decrease) in Other Payables related to Activities of Third Parties	9	26.906.382	17.178.178
Increase (Decrease) in Deferred Income	12	28.176.132	(49.752.313)
Increase (Decrease) in Other Liabilities for Activities	27-29	(38.525.010)	(33.320.260)
Cash Flows from activities		(132.796.628)	(8.828.423)
Other gain/loss	30	(4.963.895)	(175.344)
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		(75.370.330)	(80.053.593)
Cash Inflows Arising from the Sale of Tangible Fixed Assets	14	1.282.982	334.264
Cash Outflows Arising from the Purchase of Tangible Fixed Assets	14	(68.166.742)	(60.566.377)
Cash Outflows Arising from the Purchase of Intangible Assets	17	(7.525.340)	(19.821.480)
Cash Outflows from Right-to-Use Assets		(961.229)	--
C. CASH FLOWS FROM FINANCING ACTIVITIES		509.700.953	87.844.082
Cash Inflows from the Issuance of Equity and Other Equity-Based Instruments	30	998.763.689	264.053.480
Cash Inflows from Loans	37	52.589.805	560.406.093
Cash Inflows from Repayments of Issued Debt Instruments	37	--	--
Cash Inflows from Factoring Transactions	37	123.140.591	27.820.738
Cash Inflows from Loan Payments Arising from Lease Agreements	20	683.196	--
Cash Inflows from Other Financial Borrowings		--	--
Cash Outflows Related to Loan Repayments	37	(448.658.943)	(720.009.981)
Cash Outflows from Repayments of Issued Debt Instruments	37	(44.805.000)	--
Cash Outflows from Loan Payments Arising from Lease Agreements	20	(776.997)	--
Cash Outflows from Factoring Transactions	37	(162.673.204)	(44.741.942)
Cash Outflows from Other Financial Loan Payments	37	(374.858)	(7.617)
Cash Outflows from Loan Payments Arising from Financial Lease Agreements	37	(8.187.326)	323.310
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE IMPACT OF FOREIGN CURRENCY CONVERSION DIFFERENCES		296.570.100	(1.213.278)
D. THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES ON CASH AND CASH EQUIVALENTS		--	--
NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS		296.570.100	(1.213.278)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	53	15.431.240	16.355.919
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	53	312.001.340	15.142.641

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

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
Explanatory Notes to the Consolidated Financial Statements
for the Period January 01, 2021 – September 30, 2021
(Currency is TRY unless otherwise is indicated.)

1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY

Odaş Elektrik Üretim Sanayi Ticaret A.Ş. (“Odaş” or “The Company”) operates as producing electricity by natural gas combined cycling. Company has been established in Istanbul in September 28, 2010.

The Company has business via establishing production plant, setting plants into operation, lease, producing electricity energy, selling produced electricity and/or created capacity to clients.

The Company has got the producing license from Energy Market Regulatory Authority (EMRA) at July 14, 2011. According to this license company will produce electricity from the power plant that will be established in Şanlıurfa for 49 years. The production plants’ planned installed capacity is 140 Mw. At October 28, 2011 first phase of the plant which has 54 Mw capacities has been settled into operation. On April 30, 2012 the second phase of the plant which is 56 Mw has settled into operation. On August 2012, company has increased 128 Mw its installed capacity in two stages by adding 18 Mw to turbine capacity. Also company has started 12 Mw third phase additional steam turbine investment in year 2012. Steam turbine investment was completed and settled into operation on the year 2013 and total settled power plant reached to 140 Mw.

As of September 30, 2021 and December 31, 2020 group’s capital and share percentages are given below;

Shareholder	30.09.2021		31.12.2020	
	Amount	Rate	Amount	Rate
A. Bahattin Özal	68.199.226	%4,87	33.198.318	%5,53
Burak Altay	217.397.488	%15,53	93.170.353	%15,53
BB Enerji Yatırım San.ve Tic.A.Ş.	39.619.143	%2,83	16.979.633	%2,83
Müjgan Özal Mirası (*)	5.347.275	%0,38	5.347.275	%0,89
Fatimetüz Zehra Özal Mirası (**)	3.208.365	%0,23	3.208.365	%0,53
Hafize Ayşegül Özal	2.708.365	%0,19	2.708.365	%0,45
Mustafa Ali Özal	2.708.365	%0,19	2.708.365	%0,45
Mehmet Fatih Özal	--	--	1.470.919	%0,25
Korkut Enes Özal	--	--	1.470.919	%0,25
Hafize Büşra Özal	1.069.455	%0,08	1.069.455	%0,18
Halka Açık Kısım	1.059.742.318	%75,70	438.668.033	%73,11
Total Capital	1.400.000.000	%100	600.000.000	%100

(*) Due to the death of Ms. Müjgan Özal on 22.05.2018, 0.89% of the shares amounting to 5.347.275 TL were jointly owned by Abdulkadir Bahattin Özal, Mustafa Ali Özal, Fatimetüz Zehra Özal Heirs, Hafize Ayşegül Özal, Mehmet Fatih Özal. passed on to Korkut Enes Özal and Hafize Büşra Özal legally..

The list regarding the distribution is as follows;

Shareholder	Amount	Rate
Fatimetüz Zehra Özal Mirasçıları	1.069.455	%0,18
Hafize Ayşegül Özal	1.069.455	%0,18
Mustafa Ali Özal	1.069.455	%0,18
Abdulkadir Bahattin Özal	1.069.455	%0,18
Mehmet Fatih Özal	356.485	%0,06
Korkut Enes Özal	356.485	%0,06
Hafize Büşra Özal	356.485	%0,06
Total	5.347.275	%0,89

(**) Due to the death of Ms. Fatimetüz Zehra Özal on 04.12.2018, 0.71% of the shares amounting to 4,277,820 TL were transferred to Gökçe Koşay and Ayşenur Koşay Erbay legally with the joint ownership.

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

The distribution list is as follows;

Shareholder	Share Amount	Share Rate
Gökçe Koşay	2.138.910	%0,36
Ayşenur Koşay Erbay	2.138.910	%0,36
Total	4.277.820	%0,72

As of June 30, 2021 in Group's structure , 970 average personnel employed (December 31, 2020: 952).

Odaş Elektrik Üretim Sanayi Ticaret A.Ş. is registered to Trade Registry in Turkey and its registered centre address is below:

Barbaros Mahallesi Karanfil Sokak Varyap Merdian Sitesi No:1D
Ataşehir / İstanbul.

Subsidiaries

Voytron Enerji Elektrik Perakende Satış A.Ş.

Voytron Enerji Elektrik Perakende Satış A.Ş. ("Voytron") was established on 17 September 2009 and registered in the registry. In accordance with the relevant legislation on electricity market, Voytron engages in activities related to the wholesale of electricity and / or capacity and the sale to direct eligible consumers..

Head Office is located at Barbaros Mahallesi Karanfil Sokak Varyap Merdian Sitesi No:1D Ataşehir / İstanbul.

Voytron, had the 20 year duration license of wholesale taken from Energy Market Regulatory Authority (EMRA) as at March 11, 2010.

As of September 30, 2021, the capital of the company is TRY 25.000.000 and the shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	% 100	%100

Hidro Enerji Elektrik Üretim Sanayi A.Ş. :

The company bought at the rate of %100 share of Hidro Enerji Elektrik Üretim Sanayi A.Ş. on November 27, 2012, and Hidro Enerji is included in consolidation.

Hidro Enerji Elektrik Üretim Sanayi A.Ş. (Hidro Enerji) is established on the date of April 5, 2005. Hidro Enerji engages in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

Company centre address is Fatih Sultan Mehmet Mah. Poligon Cad. Buyaka 2 Sitesi No: 8B 2.Kule Kat:17 Tepeüstü Ümraniye / İstanbul.

Hidro Enerji, had 49 year duration production license taken from Energy Market Regulatory Authority (EMRA) as at September 20, 2012. The license is given for Volkan Hydro Electric Power Plant which will be build in Trabzon. Total power of the plant is 1.913 MWm / 1.857 MWe. The licence was revoked by taking advantage of provision of regulation called "Omnibus Bill Regulations numbered 7020" temporary article 21.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
Explanatory Notes to the Consolidated Financial Statements
for the Period January 01, 2021 – September 30, 2021
(Currency is TRY unless otherwise is indicated.)

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

The capital of Hidro Enerji Elektrik Üretim Sanayi A.Ş. as of 31 December 2020 is 615.000 TL. With the share transfer agreement signed on 15.03.2021, 153,750 shares, corresponding to 25% of 615,000 shares, each of which are worth 1.00-TL Turkish Lira had been acquired by Ogma SSH FZ LLC Company; which resides at the following address of B01-146 Service Block Al Hulaila Industrial Zone-FZ RAK, United Arab Emirates. Consequently rest of the shares, which sums at 153,750 and corresponds to 25% of 615,000 shares; each worth 1.00-TL Turkish Lira, had been acquired by the MSC Makine İnşaat Enerji Sanayi ve Ticaret A.Ş. which resides at Kartal, Yalı District, Bağlar Street No:69 Istanbul. Both of these decisions have been effectively approved by the board of Directors of Hidro Enerji Elektrik Üretim Sanayi A.Ş. at 15.03.2021 – corresponding to the file number 2021/4. The final shareholding structure after the share transfer above is as follows:

	September 30, 2021	December 31, 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%50	%100
Ogma SSH FZ LLC	%25	--
MSC Makine İnşaat Enerji San. Ve Tic. A.Ş	%25	--

Odaş Enerji CA:

The only member and 100% shareholder of Odaş Enerji CA is Hidro Enerji Elektrik Üretim Sanayi A.Ş. the company was established on 03.02.2021 with tax identification number 308150820 and registration number 945636 with the decision taken on 02.02.2021. The main field of activity of the company is to produce electrical energy, to present the produced electrical energy and power to customers and users.

In line with the energy purchase agreement signed between Odaş Enerji CA and Uzbekistan Ministry of Energy, an energy facility with an installed power of 174 mW with a 25-year government foreign exchange purchase guarantee will be established in Korezem, Uzbekistan. 140 mW of the total 174 mW installed power will be provided by moving Odaş Elektrik's facility in Şanlurfa.

Company centre is, located within the borders of the Republic of Uzbekistan, in the Khwarezm region, Yangiarik district, Gullanbog village.

As of September 30, 2021, Odaş Enerji CA's capital consists of 450,000,000.00 (four hundred and fifty million) Uzbekistani Som. The shares of the members are equal to one hundred percent (100%) of the registered capital amount of 450,000,000.00 Uzbekistani Som.

Shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Hidro Enerji Elektrik Üretim Sanayi A.Ş.	%100	--

Suda Stratejik Metal Dış Ticaret A.Ş. (Eski Unvanı Ağrı Elektrik Üretim Sanayi A.Ş.) :

The company bought at the rate of %70 share of Suda Stratejik Metal Dış Ticaret A.Ş. on November 27, 2012, and Suda Stratejik Metal is included in consolidation. The company changed its title on April 24, 2017.

Suda Stratejik Metal Dış Ticaret A.Ş. established on 13.04.2011. Field of business of Suda Stratejik Metal Dış A.Ş.; marketing and trading to export and import all kinds of minerals and industrial raw materials, especially Antimuan which it has produced by itself or provided at homeland or abroad.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul

The Company's shareholders transfer their shares at its nominal value to Suda Maden A.Ş. that main partner has 100% of its shares via purchase and sale of share agreement signed on 12.04.2017. and The Company is holded in consolidation.

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

As of September 30, 2021, scope of the capital of Suda Stratejik Metal Dış Ticaret A.Ş. is TRY 12.600.000 and the shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Suda Maden A.Ş.	%100	%100

Küçük Enerji Üretim ve Ticaret Ltd. Şti. :

The company bought at the rate of %90 shares of Küçük Enerji Üretim ve Ticaret Ltd. Şti.on December 27, 2012, and Küçük Enerji is included in consolidation.

Küçük Enerji Üretim ve Ticaret Ltd. Şti. (Küçük Enerji) is established on the date of May 1, 2007. Küçük Enerji operates in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul
Küçük Enerji had the 49 year production license taken from Energy Market Regulatory Authority (EMRA) as at April 12, 2012. The license is given for Köprübaşı Regulatory and Hydroelectric Power Plant which will be built in Trabzon. Total power of the plant is (2 x 4,097) MWm / (2 x 3,975) Mwe

As of September 30, 2021, the share capital of Küçük Enerji Üretim ve Ticaret Ltd. Şti. is TRY 2.650.000 and the shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%90	%90
Abdulkadir Bahattin Özal	%5	%5
Burak Altay	%5	%5

Köprübaşı Regulator and Hydroelectric Power Plant has started to produce and sale electricity in 2015.

Ena Elektrik Üretim Ltd. Şti. :

The company bought at the rate of %80 share of Ena Elektrik Üretim Ltd. Şti. as of December 27, 2012.

Ena Elektrik Üretim Ltd. Şti. (Ena Elektrik) is established as the date of January 17, 2007. Ena Elektrik operates in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

As of September 30, 2021, the shareholding structure of Ena Elektrik Üretim Ltd. Şti. is as follows:

	September 30, 2021	December 31, 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%80	%80
Hidayet Büküm	%20	%20

The share transfer agreement has been signed regarding the sale of all shares which the company owned by 80% of Ena Elektrik on June 29, 2015. The share transfer has not been actualized yet. It is going to be actualized after the licensing process in the presence of EMRA.

Ena Elektrik has been classified as Non-current Assets Held for Sale and Discontinued Operations at consolidated financial table as of September 30, 2021. (Note:39)

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

Yel Enerji Elektrik Üretim Sanayi A.Ş. :

The company bought at the rate of %75 share of Yel Enerji Elektrik Üretim Sanayi A.Ş. as of January 10, 2013, and Yel Elektrik is included in consolidation.

Yel Enerji Elektrik Üretim Sanayi A.Ş (Yel Elektrik) is established as the date of October 22, 2007. Yel Elektrik Üretim Sanayi A.Ş. engages in establishment of electric power generation plant, operation, leasing, electricity power generation, and sale of generated electricity power and / or the capacity to consumers.

İR:17517 numbered mining license is purchased by Yel Enerji Elektrik Üretim Sanayi Ticaret A.Ş. in Çanakkale, Bayramiç Town and its transfer process is completed.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul.

The Company's shareholders transfer their shares at its nominal value to Çan2 Termik A.Ş. that main partner has 92% of its shares via purchase and sale of share agreement signed on 20.10.2016. And The Company held in consolidation.

As of September 30, 2021, scope of Yel Enerji Elektrik Üretim Sanayi Ticaret A.Ş. has a capital of TRY 600.000 and its shareholding structure is as follows:

	September 30 2021	December 31,2020
Çan2 Termik A.Ş.	% 100	% 100

Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. :

The company is a co-founder at the rate of %80 share of Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. and Odaş Doğalgaz is included in consolidation as of January 11, 2013.

According to Law No: 4646, Energy Market Regulatory Authority (EMRA) issued the notification, the decision and commitments specified in the regulations, and with the adoption of the issues, Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.S. operates in Natural Gas Liquefied Natural Gas (LNG), Compressed Natural Gas (CNG) purchasing from the production, import, wholesale companies and other sources of law will be allowed and to wholesale to customers which are exporter distribution, LNG, CNG, wholesale companies, eligible consumers and permitted by law to customers.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul.

Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş., had the 30 year duration license of natural gas wholesale from Energy Market Regulatory Authority (EMRA) as at March 20, 2013.

As of September 30, 2021, the capital of Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. is TRY 4.312.000 and the shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%90,02	%90,02
Tahsin Yazan	%9,98	%9,98

Çan2 Termik A.Ş. :

The company purchased at the rate of %92 share of Çan2 Termik Anonim Şirketi as of September 9, 2013, and Çan Kömür is included in consolidation.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul.

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

Çan2 Termik engaged in, domestic coal based power generation plant establishment, commissioning, hiring, producing electric power generation and sale of generated electricity power and/or the capacity to customers.

Çan-2 Termik A.Ş.'s licensing certificate for the Çan-2 Thermal Power Plant Production Facility, which is continued to be constructed in Çanakkale province-Çan district and which is under construction and which is in the capacity of 340 MWm / 330 MWe installed, is certified by the Energy Market Regulatory Authority dated January 28, 2016 and with the decision numbered 6083- 2 and was delivered to Çan Kömür ve İnşaat A.Ş. on January 28, 2016.

Instruction of Çan 2 Thermal Power Plant has been completed and Ministry Provisional Acceptance has been done at August 01, 2018. Also, company received "Industrial Registry Certificate" dated 10.08.2020 and numbered 720480 and "Capacity Report" dated 28.07.2020 and numbered 79 which is valid till 29.07.2022.

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

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

As of September 30, 2021, Çan2 Termik A.Ş. has a capital of TRY 320.000.000 and its shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%76,77	%100
Halka Açık Kısım	%23,23	--

The title of the company was changed to Çan2 Termik Anonim Şirketi after the Extraordinary General Assembly held on January 19, 2021, registered with the Istanbul Trade Registry Office on January 21, 2021 This change was published in the Turkish Trade Registry Gazette dated January 26, 2021 and numbered 10253.

YS Madencilik San. ve Tic. Ltd. Şti.

Yel Enerji Elektrik Üretim Sanayi A.Ş. is co-founder at the rate of %70 share of YS Madencilik Sanayi ve Ticaret Ltd. Şti. and as a co-founder and YS Madencilik Sanayi ve Ticaret Ltd. Şti. is included in consolidation as of December 12, 2014.

YS Madencilik operates purchasing, selling, manufacturing, installation, importing and exporting every kind of natural stone and manufactured and semi-manufactured of mineral ores.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul.

The Company's shareholders transfer their shares at its nominal value to Odaş Elektrik Üretim Sanayi A.Ş. that main partner has 52% of its shares via purchase and sale of share agreement signed on 15.06.2017. And The Company hold in scope of consolidation.

As of September 30, 2021, the capital of YS Madencilik Sanayi ve Ticaret Ltd. Şti is TRY 10.000 and its shareholding structure is as follows:

	September 30, 2021	December 31,2020
Süleyman Sarı	%48	%48
Odaş Elektrik Üretim Sanayi A.Ş.	%52	%52

- Signed royalty agreement between KİAŞ and YS Madencilik San. ve Tic. Ltd. Şti. on 14.04.2015. Regarding based Balıkesir Province's Balya district coal mine licence which has İR1521-07.09.2006 licence and date number.

- Signed royalty agreement between KİAŞ and YS Madencilik San. ve Tic. Ltd. Şti. on 15.03.2017. Regarding based Çorum Province's Dodurga district coal mine licence which has İR2600-25.01.1959 licence and date number.

With the registration made on 25.08.2017 Alpagut Village Cumhuriyet Mevkii Maden Sk. No: 9A / A Dodurga / Çorum Address "YS Madencilik San. and Tic. Ltd. Şti. Branch of Dodurga "was established.

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

With the registration made on 31.10.2017 Değirmendere Mahallesi Değirmendere Sokak No:17/- Balya/Balıkesir "YS Madencilik San. and Tic. Ltd. Sti. Balya Branch "was established.

With the registration made on 02.01.2018 Kızılırmak Mahallesi Ufuk Üniversitesi Cad. No:11 B/3 Çankaya/Ankara "YS Madencilik San. and Tic. Ltd. Sti. Ankara Branch "was established.

Anadolu Export Maden Sanayi ve Ticaret A.Ş.

The company is a partner at the rate of %96 share of Anadolu Export Maden Sanayi ve Ticaret A.Ş. which is established on the date of December 30, 2014 and Anadolu Export is included in consolidation as of January 22, 2015.

Anadolu Export operates purchasing, selling, manufacturing, installation, importing and exporting every kind of natural stone and manufactured and semi-manufactured of mineral ores.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul.

As of September 30, 2021, the capital of Anadolu Export Maden Sanayi ve Ticaret A.S. is TRY 50.000 and its shareholding structure is as follows:

	September 30, 2021	December 30,2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%96	%96
Burak Altay	%4	%4

License transfer purchase agreement was signed between Stratex International PLC (Stratex) and Anadolu Export to complete the search in the gold field called Karaağaç and decide on business investment based on research results. Reregarding this transfer, application had been made to General Directorate of Mining Affairs. The transfer transaction was completed as of August 19, 2016.

The Company has two operating permits, gold and gold+nickel, which are linked to operation licence numbered 85899.

Suda Maden A.Ş.

The company purchased all shares of Suda Maden A.Ş. as of October 28, 2015, and Suda Maden is included in consolidation.

Suda Maden operates extraction, manufacturing and selling, every kind of natural stone mineral ores.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul.

As of September 30, 2021, the capital of Suda Maden A.Ş. is TRY 44.900.000 and its shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%100	%100

The company has 4 licences including 2 operating license and 2 explorations in Murat mountain located Kütahya-Uşak area. The company, which was bought on October 28, 2015. By the year of 2016, the company has started antimony mining and antimony trioxide production and sales.

With the registration made on February 21, 2018, at the Yaya Köyü Çan Kömür ve İnşaat A.Ş. Sit. No: 90 / Çan / Canakkale address, Suda Maden A.Ş. Çanakkale Branch was established.

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

CR Proje Geliştirme Yatırım San. ve Tic. A.Ş.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş. is co-founder at the rate of %100 share of CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. and CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. is included in consolidation as of January 26, 2017.

CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. operates in establishing, running, renting, generating electricity, producing and selling electricity and / or capacity to customers. It is also developing domestic, renewable and green projects, biomass energy projects.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Merdian Sitesi No:1D Ataşehir/İstanbul.

As of September 30, 2021, the capital of CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. is TRY 50.000 and the shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	% 100	% 100

Çan 2 Trakya Kömür Maden A.Ş.

Çan2 Termik A.Ş. is became a 100% shareholder of Çan 2 Trakya Kömür Maden A.Ş as a founding partner on 18.06.2019. included in the consolidation.

Çan 2 Trakya is engaged in the purchase, sale, manufacture, assembly, import and export of natural stones and mineral ores in finished and semi-finished form.

Company centre address is Barbaros Mahallesi Karanfil Sokak Varyap Merdian Sitesi No:1D Ataşehir/İstanbul.

As of September 30, 2021, Çan 2 Trakya Kömür Maden A.Ş. has a capital of TRY 550.000.000 and its shareholding structure is as follows:

	September 30, 2021	December 31, 2020
Çan2 Termik A.Ş.	% 100	% 100

Parent Company and consolidated subsidiaries EMRA license information as of September 30, 2021 is as follows :

License Owner	License Type	License No	License Duration	Effective Date
VOYTRON ENERJİ	PROCUREMENT	ETS/2461-2/1599	11.03.2010	20 Year
KÜÇÜK ENERJİ	PRODUCTION	EÜ/3769-4/2314	12.04.2012	49 Year
ODAŞ DOĞALGAZ	NATURAL GAS WHOLESALE	DTS/4318-4/291	20.03.2013	30 Year
ÇAN2 TERMİK	PRODUCTION	EÜ/6083-2/03428	28.01.2016	17 Year
ENA ELEKTRİK	PRODUCTION	EÜ/9813-16/04743	17.12.2020	49 Year

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

Parent Company and consolidated subsidiaries licenses information as of September 30, 2021 is as follows :

License Owner	License Group	License Type	License No	Effective Date	Due Date
SUDA MADEN	IV. Group	BUSINESS	34412	04.04.2014	04.04.2034
SUDA MADEN	IV. Group	BUSINESS	43169	13.04.2015	13.04.2025
SUDA MADEN	IV. Group	SEARCH	201200931	22.06.2012	22.06.2021
SUDA MADEN	IV. Group	SEARCH	201200932	22.06.2012	22.06.2021
YEL ENERJİ	IV. Group	BUSINESS	17517	05.01.2015	05.01.2025
YEL ENERJİ	IV. Group	SEARCH	201900450	09.04.2019	09.04.2026
YEL ENERJİ	IV. Group	SEARCH	201900443	09.04.2019	09.04.2026
ANADOLU EXPORT	IV. Group	BUSINESS	85899	24.12.2010	24.12.2025

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

a. Basis of Presentation

The interim period consolidated financial statements of Group have been prepared in accordance with the communique numbered II-14.I “Communique on The Principles Of Financial Reporting In Capital Markets” announced by the Capital Markets Board Of Turkey (CMB) on June 13, 2013 and 28676 numbered, also referring communique’s article 5 based on Turkish Accounting Standard 34 (“TAS”) ‘Interim Financial Reporting’ that is entered into force by Public Oversight Accounting and Auditing Standards Authority of Turkey (‘POA’).

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

Functional and presentation currency

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

As of September 30, 2021 released by the Central Bank of the Republic of Turkey U.S. dollar exchange rate of 1 U.S.= TRY 8,8785, (December 31,2020: TRY 7,4194), EURO exchange rate TRY 10,2933 (December 31,2020:TRY 9,1164), GBP exchange rate TRY 11,9175. (December 31, 2020: TRY 10,1142). As of September 30, 2021 released by the Central Bank of the Republic of Turkey U.S. dollar exchange sales rate of 1 U.S.=TRY 8,8945 , (December 31, 2020: TRY 7,4327), EURO Exchange sales rate TRY 10,3118 T (December 31, 2020: TRY 9,1329), GBP Exchange sales rate TRY 11,9797. (December 31,2020: TRY 10,1669). UZS Exchange rate TRY 0,00083 TL.(December 31, 2020: TRY 0,00071)

Adjusting financial tables in hyperinflation periods

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Base of Consolidation

Consolidation is prepared in structure of Odaş Elektrik Üretim Sanayi Ticaret A.Ş. which is parent company.

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

Consolidated financial reports contain all subsidiaries of the parent company.

- It eliminates participation amount at each subsidiary and percentage amount of main partnership which are equivalent to amount in equities of each subsidiary.
- It determines amount of minority percentage in consolidated profit and loss of period and amount of minority percentage determines separately from amount of main subsidiary from amount of net actives of consolidated main subsidiary. The amount of minority percentage from net actives contains; calculated minority percentages in merge date in accordance with TFRS 3; minority percentage from all transactions made after merge date.
- All expenses, income, transactions and balances incurred of group are eliminated.
- Subsidiary income, expenses and dividends including all balances and transactions are eliminated. Profits and loss which are added to cost of current and non-current assets due to transactions in subsidiaries are eliminated. Loss in group can show an impairment which should be in account in assets section of consolidated financial reports. The differences which rise during elimination of loss and profits which resulted by transactions in group apply in accordance with TAS 12 “Income Taxes” standard.
- Necessary adjustments are made during preparation of consolidated financial statements when one of subsidiaries needs to use different accounting principles for similar transactions or events.
- The consolidated financial reports of the partnership and subsidiaries are prepared at the same time with financial statements. Accounting policies are accepted for consolidated financial reports, same transactions and transactions in same condition.
- All income and expenses of a subsidiary take in account consolidated financial reports after acquisition date according to TFRS 3 and this situation continues till the date of partnership lose its control power on subsidiary. When subsidiary sold; the difference between the income resulted by this transaction and the book value of subsidiary will be shown as loss or profit in consolidated comprehensive income statement. About this transaction if there is a currency translation loss or profits which are related directly to equity take into account in accordance with “TAS 21 Currency Change Effects”.
- Minority interest can be shown at equities section in consolidated statement of financial position separately from equities amount of partnership. The Group’s loss or profit amount for minority interest should be shown also separately on financial statements.

Comparative Information and Restatement of Prior Period Financial Statements

Group has presented the consolidated statement of financial position as of September 30, 2021 comparatively with the date of 31 December 2020. Consolidated profit or loss and other comprehensive income statement and the consolidated cash flow statement for 1 January-30 September 2021 period presented comparatively with consolidated profit or loss and other comprehensive income, consolidated statement of cash flow for 1 January-30 September 2020 period. Consolidated changes in equity statement for the 1 January - 30 September 2021 period presented comparatively with 1 January - 30 September 2020 period.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Covid - 19 Outbreak Effects

Spreading in the world and Turkey and the World Health Organization by declared a pandemic in March 2020 Covidien-19 outbreak and the measures taken against the epidemic, exposure to the epidemic in all countries leads to disruptions in operations and both globally and in our country affects the economic conditions negatively. There was no production shortage caused by an epidemic at the power plants. The effect was reflected in electricity sales prices. Yel Enerji, one of the group companies, has not experienced any impact in this process due to the fact that it is not active yet. Due to the Covid-19 epidemic, there was no problem in production in the Group, and it was affected by the reflection on general electricity prices in the electricity market. The group has obtained the Covid-19 safe production certificate. Since there is coal extraction in the Group and it is an open business, there was no serious impact on the production part, and it was affected by the increases in production costs.

There was no production problem in the hydroelectric power plant due to the Covid-19 outbreak. In terms of the economic effects of the epidemic, the Group management thinks that it will not be exposed to a significant negative impact due to Covid-19 as of the reporting date.

a. Changes in Accounting Policies

If adjustments on accounting policies are applied retroactive, the group should adjust the previous opening balance in the report. The group should provide comparative data which is presented in accordance with the new accounting policies in terms of current years.

Changes in accounting policy need to application for previous periods and also for current period or if group cannot determine the change effect of the financial statements as in cumulative, it wouldn't make any application for previous periods.

Significant Accounting Evaluations, Estimates and Assumptions

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

b. Changes and Errors in Accounting Estimates

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

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

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

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

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Facility, machinery and devices are reflected in the financial statements with their fair values determined in the valuation studies performed as of 31.12.2019 by an independent professional and real estate appraisal company licensed by the Capital Markets Board (“CMB”). The frequency of revaluation studies is determined in a way to ensure that the book values of the revalued tangible fixed assets do not differ significantly from their fair values as of the end of the relevant reporting period.

The frequency of revaluation studies depends on the change in the fair values of tangible fixed asset items. In cases where the fair value of a revalued asset is considered to be significantly different from its book value, the revaluation study should be repeated and this study is performed for the entire asset class in which the revalued asset is located as of the same date. On the other hand, it is not deemed necessary to repeat the revaluation studies for tangible fixed assets whose fair value changes are insignificant. As of the current period, there is no need for a re-valuation study.

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

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

c.Going Concern

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

In assessing the continuity of the Enterprise, Group management considers the existing and additional financial resources, refinancing opportunities and the risks and uncertainties on liquidity in the business plan prepared for the foreseeable period. The group prepares its consolidated financial statements with the assumption that the entity will continue its operations in a predictable future and does not foresee a risk to the going concern.

d.Netting/Deduction

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

e.Comparative Information and Adjustment of Prior Period Financial Statements

The financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of the financial situation and performance trends. In order to comply with the presentation of the financial statements in the current period, comparative information is reclassified when necessary and significant differences are disclosed.

f. Changes in Financial Reporting Standards

New and amended standards and interpretations

The accounting policies adopted in preparation of the yearend financial statements as at September 30, 2021 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRYK interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs..

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Amendments and interpretations to the new standards in force as of September 30, 2021 and the previous existing standards:

Indicator Interest Rate Reform - 2nd Stage - Changes to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16

In December 2020, POA stated that the Benchmark Interest Rate Reform, which introduces temporary exemptions in order to eliminate the effects on financial reporting of changing the benchmark interest rate (IBOR) with an alternative reference rate - Phase 2- TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 He has published his changes. Businesses will apply these changes in annual accounting periods starting on January 1, 2021 or after. Early application is allowed. The changes cover the following topics:

Facilitating implementation for changes in the basis for determining contractual cash flows as a result of the IBOR reform

Changes include a facilitating practice for treating contractual changes or changes in cash flows directly required by the reform as changes in a variable interest rate equivalent to a market interest rate movement. Within the scope of this facilitating practice, if the interest rates applicable to financial instruments change as a result of the interest rate reform, the situation is not considered as a derecognition or contract change; instead, it is envisaged that cash flows will continue to be determined using the original interest rates of the financial instrument.

The facilitating application is mandatory for companies applying TFRS 4 Insurance Contracts Standard by providing exemption from TFRS 9 Financial Instruments (and therefore TAS 39 Financial Instruments: Classification and Measurement) standard and for the application of TFRS 16 Leases standard for lease changes originating from IBOR Reform.

Privileges regarding the termination of the Hedge Accounting relationship

- The amendments allow the revisions in the hedge accounting setup and documentation required due to the IBOR reform without terminating the hedging relationship.
- The accumulated amount in the cash flow hedge fund is assumed to be based on the alternative reference interest rate.
- During the alternative interest rate transition period, companies may attempt to reset the accumulated fair value changes in each hedging relationship while evaluating retrospective efficiency tests in accordance with TAS 39.
- The amendments provide an exemption from changing the items identified as the subject of the grouping approach (for example, those that are part of the macro risk hedging strategy) due to the revisions required by the IBOR reform. The relevant exemption allows the hedging strategy to be maintained and continued without termination.
- In the alternative reference interest rate transition, the hedging relationship can be revised more than once. Phase 2 exemptions apply to all revisions made in the hedging relationship arising from the IBOR reform.

Separate identification of risk components

The amendments provide companies with a temporary exemption that, in cases where the alternative reference interest rate is determined as a risk component in the hedging relationship, it will meet the requirement to define risk components separately.

Additional Disclosures

Amendments Within the scope of TFRS 7 Disclosure on Financial Instruments standard; The process of transition to alternative reference interest rates and how the entity manages the risks arising from the transition, quantitative information about the financial instruments that will be affected by the transition to IBOR even if the transition has not yet occurred, and if the IBOR reform has caused any change in the risk management strategy, additional footnote obligations such as disclosure of this change.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

These changes are mandatory and early application is allowed. Although the application is retrospective, companies do not need to reorganize previous periods.

This change has not had a significant impact on the Company's financial position or performance.

Amendments to TFRS 16 - Privileges Recognized in Lease Payments Regarding Covid-19

In June 2020, the POA amended the TFRS 16 Leases standard in order to provide an exemption to the lease privileges granted to tenants due to the COVID-19 outbreak to assess whether there was a change in leasing. April 7, 2021, POA amended the extension of the exemption to include concessions that result in a decrease in lease payments that expire on or before June 30, 2022.

Lessee will apply this change in annual accounting periods starting on or after April 1, 2020. Early application is allowed.

In general terms, the Company does not expect a significant impact on the financial statements.

Standards published but not enacted and not early implemented

The new standards, interpretations and amendments published as of the date of approval of the financial statements, but which have not yet entered into force for the current reporting period and have not been implemented by the Company at an early stage, are as follows. Unless otherwise stated, the Company will make the necessary changes that will affect its financial statements and footnotes after the entry into force of the new standards and interpretations.

TFRS 10 and TAS 28 Changes: Asset sales or contributions made by an investor to a subsidiary or business partnership

POA postponed the validity date of the amendments made in TFRS 10 and TAS 28 in December 2017, to be changed depending on the ongoing research project outputs regarding the equity method. However, it still allows early application. The Group will evaluate the effects of these changes after these standards have been finalized.

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

In July 2020, the POA made changes to the TFRS operating mergers standard. The amendment was made with the intention of replacing the reference to the old version of the conceptual framework (1989 framework) with the reference to the current version (Conceptual Framework) published in March 2018, without significantly changing the requirements of TFRS 3. However, it added a new paragraph to TFRS 3 to identify contingent assets that do not meet the registration criteria at the date of acquisition. The amendment will apply forward-looking for annual periods beginning on and after January 1, 2022. Early implementation is allowed if the business implements changes to all of the changes in TFRS standards that refer to the conceptual framework (March 2018) at the same time or earlier.

The effects of these changes on the Company's financial position and performance are being evaluated.

Changes in TAS 16 - Making it suitable for the purpose of use

POA made changes in TAS 16 Tangible Fixed Assets standard in July 2020. With the amendment, companies do not allow the deduction of the revenues from the sale of the manufactured products from the cost of the tangible fixed asset item while making a tangible fixed asset suitable for its intended use. Companies will now recognize such sales revenue and related costs in profit or loss. The amendment will be applied for the annual accounting periods starting from January 1, 2022 and after. The amendments can be applied retrospectively only to tangible fixed asset items that are made available at the beginning or after the earliest period in which the company presented the change in comparison with the first accounting period. There is no exemption for first time TFRS applicants.

The effects of these changes on the Company's financial position and performance are being evaluated.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Changes in TAS 37 - Economically disadvantaged contracts-Contract fulfillment costs

POA made changes in TAS 37 Provisions, Contingent Liabilities and Contingent Assets standard in July 2020. The amendment to TAS 37, which will be applied for the annual accounting periods starting from 1 January 2022 and after, has been made to determine the costs to be taken into account when evaluating whether a contract is economically "disadvantaged" or "losing" and includes the application of the approach to be. The changes should be applied retrospectively for contracts in which the entity does not fulfill all its obligations at the beginning of the annual reporting period when the changes are first applied (first application date). Early application is allowed.

The effects of these changes on the Company's financial position and performance are being evaluated.

TFRS 17 - New Insurance Contracts Standard

In February 2019, the POA published TFRS 17, a comprehensive new accounting standard covering accounting and measurement, presentation and disclosure for insurance contracts. TFRS 17 introduces a model that enables both the measurement of the liabilities arising from insurance contracts with current balance sheet values and the recognition of the profit during the period in which the services are provided. Some changes in future cash flow estimates and risk adjustment are also accounted for during the period in which the services are provided. Businesses may choose to recognize the effects of changes in discount rates in profit or loss or other comprehensive income. The standard contains specific guidance for the measurement and presentation of insurance contracts with participation features. TFRS 17 will enter into force in annual accounting periods beginning on or after January 1, 2023, and early application is permitted for businesses that implement TFRS 9 Financial Instruments and TFRS 15 Revenue from Customer Contracts on or before that date. The effects of this standard on the financial position and performance of the Company are being evaluated.

Changes in TAS 1 - Classification of liabilities as short and long term

On March 12, 2020, POA made changes in the standard of "TAS 1 Presentation of Financial Statements". These amendments, which will be effective in the annual reporting periods starting on or after January 1, 2023, bring explanations to the criteria for long and short term classification of liabilities. The changes should be applied retrospectively in accordance with TAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Early application is allowed.

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

Annual Improvements - 2018-2020 Period

"Annual Improvements to TFRS standards / 2018-2020 Period" was published by the POA in July 2020, including the following changes:

- TFRS 1- First Application of International Financial Reporting Standards - Participation as First Implementing: The amendment allows a subsidiary to measure accumulated foreign currency translation differences using amounts reported by the parent company. The amendment also applies to the affiliate or joint venture.
- TFRS 9 Financial Instruments - Fees considered in the '10% test for derecognition of financial liabilities: The amendment clarifies the fees an entity takes into account when assessing whether new or changed financial liability terms differ significantly from the original financial liability terms. These fees include only fees paid or received between the debtor and the lender, including the fees paid by the parties on behalf of each other.
- TAS 41 Agricultural Activities - Taxation in determining the fair value: With the amendment made, the provision in paragraph 22 of TAS 41 for not taking into account the cash flows made for taxation in determining the fair value of the assets of the companies within the scope of TAS 41.

All of the improvements made will be applied for the annual accounting periods starting from 1 January 2022 and after. Early application is allowed.

The effects of these improvements on the Company's financial position and performance are being evaluated.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

New and revised standards and interpretations published by the international accounting standards authority (IASB) but not published by POA

The new standards, interpretations and amendments to the existing IFRS standards listed below have been published by IASB but have not yet entered into force for the current reporting period. However, these new standards, interpretations and amendments have not yet been adapted/published by the POA to the TFRS and therefore do not form part of the TFRS. The Company will make the necessary changes to the financial statements and footnotes after these standards and interpretations come into force in TFRS.

Amendments to IAS 8 - Definition of accounting estimates

In February 2021, IASB published amendments to IAS 8 introducing a new definition for "accounting estimates". The amendments published for IAS 8 are valid for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. It also clarifies how businesses will use measurement techniques and inputs to improve their accounting estimates. The amended standard clarifies that the effects of a change in the input or a change in a measurement technique on the accounting forecast are changes in the accounting estimates, if they are not caused by the correction of previous period errors. The previous definition of a change in accounting estimates stated that changes in accounting estimates may be caused by new information or new developments. Therefore, such changes are not considered correction of errors. This aspect of the definition has been preserved by the IASB.

The effects of these improvements on the Company's financial position and performance are being evaluated.

Amendments to IAS 1 and IFRS application statement 2 – Presentation of accounting policies

In February 2021, IASB published amendments to IAS 1 and IFRS Implementation Statement 2 providing guidance and examples for Making Materiality Estimates to help businesses apply materiality estimates to their accounting policy statements. The amendments published in IAS 1 are effective for annual periods beginning on or after 1 January 2023. Due to the fact that there is no definition of the term "significant" in IFRS, the IASB has decided to replace this term with the term "significant" in the context of disclosure of accounting policy information. 'Significant' is a term defined in IFRS and is largely understood by users of financial statements according to UMSK. When assessing the importance of accounting policy information, enterprises need to take into account both the size of transactions, other events or circumstances, and their nature. In addition, examples of situations in which an entity may consider accounting policy information to be important have been added.

The effects of these improvements on the Company's financial position and performance are being evaluated.

Amendments to IAS 12 - Deferred tax on assets and liabilities arising from a single transaction

In May 2021, the IASB published amendments to IAS 12 that narrow the scope of the first accounting exception and thus ensure that the exception is not applied to transactions that cause temporary differences that are equally taxable and deductible. Amendments to IAS 12 are effective for annual periods beginning on or after 1 January 2023. Changes for tax purposes can be downloaded payments on an obligation in cases where such reductions are recognized in the financial statements of obligation (interest and charges) or related entity component (interest and charges) can be associated for tax purposes (whether considering current tax law) clarifies that is a matter of judgment. This reasoning is important in determining whether there is any temporary difference in the inclusion of assets and liabilities in the financial statements for the first time.

The effects of these improvements on the Company's financial position and performance are being evaluated.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Important Accounting Policies

Cash and Cash Equivalents

Cash can be implied as cash in the group and cash equivalent can be implied as short term investments which have unimportant risk to lose value, higher liquidity and can be converted easily to cash.

Cash equivalents are assets which are used for investment purpose, kept for short term cash liabilities and they cannot be used for other purposes. (Note:53)

Related Parties

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

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

Financial assets

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

Financial assets at fair value through profit or loss

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

Financial assets measured at amortized cost

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

Financial assets at fair value through other comprehensive income

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Fair value difference subsequent valuation of financial assets reflected in other comprehensive income is made at their fair value. However, if their fair value cannot be determined reliably, are measured at amortized cost using the internal rate of return method for those with a fixed term; a fixed term fair value are measured using pricing models or discounted cash flow techniques for non.

The difference of the fair value of financial assets arising from changes in fair value reflected in other comprehensive income and amortized cost and fair value of securities computed by expressing the difference between the effective interest method, unrealized profits or losses in equity items “in value of financial assets increase / decrease Fund” under the account are shown. Fair value difference if financial assets reflected in other comprehensive income are disposed of, the value generated in equity accounts as a result of fair value application is reflected in profit/loss for the period.

Registration and derecognition of financial assets

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

Impairment / expected loss provision in financial assets

At each reporting date, it is evaluated whether there has been a significant increase in the credit risk of the financial instrument within the scope of impairment since it was first included in the consolidated financial statements. While making this assessment, the change in the default risk of the financial instrument is taken into account. The expected loss allowance estimate is unbiased, weighted according to probabilities, and includes supportable information about past events, current conditions and predictions of future economic conditions.

Except for trade receivables whose registered value is reduced by using a provision account, the impairment of all financial assets is deducted directly from the registered value of the relevant financial asset. If the commercial receivables cannot be collected, the amount in question is deleted from the reserve account. Changes in the allowance account are recognized in the period profit and loss. Except for equity instruments whose fair value difference is reflected in other comprehensive income, if the impairment loss decreases in the next period and is attributable to an event that occurred after the impairment loss was recognized, the previously recognized impairment loss on the date when the impairment is reversed, the investment has never been impaired. It is canceled in the consolidated income statement so as not to exceed the amortized cost amount it will reach.

The increase in the fair value of equity instruments whose fair value difference is reflected in the consolidated other comprehensive income after the impairment is directly accounted in equity.

Trade Receivables

Trade receivables arising as a result of providing products or services to the buyer are recognized over the amortized value of the amounts to be obtained in the following periods of the receivables recorded at the original invoice value, using the effective interest method. Short-term receivables with no determined interest rate are shown from the invoice amount, if the effect of the original effective interest rate is not too great.

The “simplified approach” is applied within the scope of the impairment calculations of trade receivables that are accounted at amortized cost in the consolidated financial statements and do not contain a significant financing component (with a maturity of less than 1 year). With this approach, in cases where the trade receivables are not impaired for certain reasons (except for the realized impairment losses), the loss allowance for trade receivables is measured at an amount equal to "lifetime expected credit losses".

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Financial Liabilities

At the time of its initial accounting, a financial liability is measured at its fair value. During the initial accounting of financial liabilities whose fair value difference is not reflected in profit or loss, the transaction costs directly associated with the undertaking of the relevant financial liability are also added to the said fair value. Financial liabilities are accounted at amortized cost using the effective interest method together with the interest expense calculated over the effective interest rate in the following period.

Inventories

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

In cases where impairment of inventories are no longer valid or net realizable value is increased, impairment of inventories which was recorded as loss in previous comprehensive income statement will be a provision no longer required. The amount of provision no longer required is limited with the amount of provision which was allocated in previous periods. (Note: 10)

Tangible Assets

The Group, in accordance with TAS 16 "Tangible Fixed Assets" standard, based on the fair values determined in the valuation studies carried out by the independent valuation company accredited to the CMB for land and plots, underground and above ground land improvements, buildings, machinery, facilities and devices. It has adopted the "revaluation model" starting from 30 September 2018.

The "Precedent Comparison Method" and "Cost Approach" have been used in determining the fair value of the real estate belonging to the Suda Maden, Çan2 Termik and Küçük Enerji from the subsidiaries. Odaş Elektrik, Çan2 Termik and Küçük Enerji "Analysis of Income Capitalization" and "Cost Method" are used in determining the fair values of the facilities

In Tangible assets, the increases incurred as a result of such revaluation are recorded after the deferred tax effect is clared on the revaluation fund account in the equity group in the balance sheet. The difference between depreciation and amortization (the depreciation reflected in the profit or loss table) and the depreciation and redemption shares calculated on the costs of obtaining these assets is calculated from the values of the revalued assets. After the year deferred tax effect is clear, the revaluation funds are transferred to the accumulated profit/loss. The same application applies to tangible asset outputs.

There is no applicable amortization method for land in the report because of their nature and useful life is unlimited. Tangible fixed assets are amortized with rates below according to their economic useful life.

	<u>Years</u>
Natural Gas Power Plant	40
Thermal Power Plant	30
Land Improvements	8-50
Buildings	50
Plant, Machinery and Equipment	4-15
Motor Vehicles	5
Furniture and Fixtures	3-15
Special Costs	lease term (in days) or the less than useful life

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

The loss or profit from sales of tangible asset determine with comparison of arranged amounts and collected amounts and it is reflected to income and expense accounts in related period.

Maintenance or repair cost of tangible asset can be recorded as expense under normal conditions. However, in exceptional cases if maintenance and repair are resulted with improvement in tangible assets, the cost in question can be recorded as asset and it will be counted in amortization of related asset with remaining useful life.(Note: 14)

Intangible Assets

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

	<u>Years</u>
Rights	3-49
Computer programs	3
Preparation and Development Activities	License or Royalty Contract Duration

In case of decrease in value, the book value of intangible assets can be discounted to its recovered value. Recovered value is the value that whichever is higher between useful value and net selling price. (Note:17)

TFRS 16 “Leases” (as lessee)

At the beginning of a contract, the Group evaluates whether the contract is a lease or whether it contains a lease. If the contract delegates the right to control the use of an asset defined for a price for a specified period, this contract is a lease contract or includes a lease.

The Group considers the following conditions when evaluating whether a contract delegates its right to control the use of a defined asset for a specified period of time:

- The contract contains a defined asset (an asset is defined explicitly or tacitly in the contract),
- A functional part of the asset is physically separate or represents nearly all of the asset's capacity (the asset is not defined if the supplier has a substantial right to substitute the asset for the duration of its use and provides economic benefits from it),
- have the right to receive almost all of the economic benefits from the use of the defined asset,
- The right to manage the use of the identified asset. The group has the right to manage the use of the asset in the presence of any of the following:
 - a) The Group has the right to manage and change how and for what purpose the asset will be used during its lifetime, or
 - b) The decisions regarding how and for what purpose the asset will be used are predetermined.
 - i. The Group has the right to operate the asset (or to direct others to operate the asset as determined by itself) throughout its lifetime and the supplier has no right to change these operating instructions; or
 - ii. The Group has designed the asset (or certain features of the asset) to predetermine how and for what purpose the asset will be used during its lifetime.

After the above-mentioned evaluations, the Group reflects a right of use and a lease obligation in the combined financial statements at the date when the lease actually begins.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Right of use assets

The Group measures the asset's right to use asset at its cost at the date when the rent actually begins. The cost of the right of use asset includes:

- a) The first measurement amount of the lease obligation,
- b) The amount obtained by deducting all lease incentives received from all lease payments made before or before the lease actually started,
- c) The costs incurred by the Group in relation to the initial direct costs incurred by the Group and the restoration of the underlying asset to bring it to the condition required by the terms and conditions of the lease.

While applying the group cost method, the existence of the right to use:

- a) Accumulated depreciation and accumulated impairment losses are deducted and
- b) Measures over the corrected cost of the lease obligation.

The Group applies depreciation provisions in TAS 16 "Property, Plant and Equipment" while depreciating its asset. In order to determine whether the right of use asset has been impaired and to account for any impairment loss, TAS 36 "Impairment in Assets" standard is applied.

At the date when the rent actually started, the Group measures its rent obligation at the present value of the lease payments not realized at that time. Rent payments, if the implicit interest rate in the lease can be easily determined, using this rate; If the implied interest rate cannot be determined easily, the tenant is discounted using the alternative borrowing interest rate. The lease payments included in the measurement of the lease obligation of the Group and not realized on the date when the lease actually started consists of:

- a) The amount obtained by deducting all kinds of rental incentive receivables from fixed payments,
- b) Rent payments made using an index or rate on the date when the first measurement is actually started, which is based on an index or rate,
- c) If the tenant shows that the tenant will use an option to terminate the lease, penalties for termination of the lease.

After the lease actually starts, the Group measures the lease obligation as follows:

- a) Increases the carrying value to reflect the interest on the lease obligation,
- b) Reduces the book value to reflect the rent payments made; and
- c) Re-measures the book value to reflect re-evaluations and reconstructions, if any. The Group reflects the re-measurement amount of the lease obligation to its combined financial statements as a correction in the presence of the right to use.

Facilitating applications

Short-term rental contracts with a rental period of 12 months or less and information technology equipment leases determined by the group as low value (mainly printers, laptops, mobile phones, etc.) related contracts, TFRS 16 Leases are evaluated within the scope of the exception recognized by the standard, and payments related to these contracts continue to be accounted for as expenses during the period in which they are formed.

Investment Properties

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Borrowing Costs

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

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

Acquiring, constructing, or borrowing costs that can be directly related to producing of a specialty asset is added to cost of the asset. This kind of borrowing costs is capitalized as a part of specialty asset's cost for a dependable measure and for a possible situation that it can make an economic contribution to company. Acquiring, constructing, or borrowing costs that can be directly related to producing of a specialty asset are borrowing costs that will not appear in case that there will be no expense done related to specialty asset.

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

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

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

In accordance with TAS 23 "borrowing costs", the group has added the principal exchange rate differences of the loans used to finance the construction of the qualifying asset to the capitalization rate of the assets that are considered to be qualifying assets by taking into consideration the base interest rates prevailing on the date of the borrowings being used as TRY. In the calculation made, the base interest rate was based on the representative interest rate at the date of the renewal of the contracts signed in the current period for all investment credits used if the same loans are used in TRY under the same conditions.

Provisions, Contingent Liabilities and Assets

Provisions

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Contingent Liabilities and Assets

Assets and liabilities which are related to the cases whether it will or will not realize one or more than one cases, which are not entirely in group's control to realize in future, and which are sourced from past, can be accepted as contingent liabilities and assets.

Group does not reflect assets and liabilities related to condition to its records. Contingent liabilities are explained in explanatory notes of financial statements during the possibility of exit for an economic profit is not far and contingent assets are explained in explanatory notes of financial statements if the possibility of enter for economic profit is high.

Employee Benefits

a) Defined Benefit Plan

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

Liability of severance benefit means value of estimated total provisions for possible liabilities which will occur in future cause of ending the agreement between group and its personnel for defined reasons according to Turkish Labour Law or retirement of personnel according to related law as of statement of financial position date.

Group calculates severance benefit by predicting discounted net value of deserved benefits or based on the information from group's experience about fire a personnel or quit of the personnel and reflects to its financial statements.

b) Defined Contribution Proportions

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

Revenue

Revenue is recognized on accrual basis at the fair value of the amount received or to be received. Net sales are calculated after the sales returns and sales discounts.

Sales Income

Revenue from sale of goods is recognized when all the following conditions are satisfied:

- The group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of transactions can be measured reliably.

Income is fair value that is the amount which is taken or will be taken when electricity delivery realised. According to accrual basis, income is recorded in the period that the amounts to be invoiced. Net sales are shown in the amount on invoiced electricity delivery after deduction from sales commission and taxes. Obtained from transmission fee revenue is shown by net off related costs in the financial statements.

TEİAŞ Electricity Sales Revenue

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Free Consumer Electricity Sales

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

Bilateral Agreements Electricity Sales

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

Energy Imbalance

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

Interest Revenue

Interest revenues are recorded as income on accrual basis.

Rent Revenues

Rent revenues are recorded as income on periodical accrual basis.

Effects of Change in Exchange Rate

Transactions in foreign currencies are translated to the respective functional currencies of group entities at exchange rates occurred Turkish Republic Central Bank at the dates of the transactions. Monetary assets and liabilities based on foreign currency were valued with exchange rates at the end of the period. Exchange gains or losses arising from settlement and translation of monetary foreign currency items have been included in the financial income, net in the accompanying comprehensive income statements.

Calculated Taxed on Corporation Revenue

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

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

The corporate tax rate in Turkey is 25% for 2021. This rate is applied to the tax base that will be found as a result of adding expenses that are not considered deductible in accordance with tax laws to corporate commercial earnings, deducting exceptions (such as the subsidiary earnings exception) and deductions (such as an investment deduction) contained in tax laws. If the profit is not distributed, no other taxes are paid.

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

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

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Earnings per Share

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

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

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

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

Subsequent Events

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

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

Statement of Cash Flow

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

Determination of Fair Value

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

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

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

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

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

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3. BUSINESS COMBINATIONS

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

Since the business combinations subject to joint control are accounted by the combination of rights method, goodwill cannot be included in the financial statements, the amount of TRY 43.688.798 goodwill arising from the acquisition of the companies subject to joint control has been shown in the account "The Effect of the Enterprises Subject to Joint Control or Mergers Including the Enterprises" as an account that balances under equity.

4. JOINT VENTURES

The company has purchased 200.000 entity shares of EMOC (Energy Market Operating Corporation) with the cost of TRY 200.000 in order to be founding partners as shareholders. The total capital of the company to become a partner organization TRY 61.572.570 shares, equivalent to TRY 61.572.570. The total shares acquired is equivalent to 0,0032% of the total capital. Partnership is only meant to have say in the energy market, is shown with historical cost amounting to TRY 200.000 in the financial statement. (31.12.2020: TRY 200.000)

YS Maden, Kısrakdere Kömürleri Maden A.Ş., one of the subsidiaries covered by the full consolidation. ‘ it has been a founding partner. Kısrakdere Kömürleri Maden A.Ş. is engaged in coal extraction activities. In the financial statements, the amount of TRY 36.297.040, which is the cost of equity, is shown. (31.12.2020: TRY 27.064.636)

5. SEGMENT REPORTING

The classification in Segment reporting is as follow;

Mining Companies		Energy Product Companies	
Suda Maden A.Ş.		Odaş Elektrik Üretim Sanayi A.Ş.	
YS Madencilik San. ve Tic. Ltd. Şti.		Küçük Enerji Üretim ve Ticaret Ltd. Şti.	
Anadolu Export Maden Sanayi ve Ticaret A.Ş.		Çan2 Termik A.Ş.	
Yel Enerji Elektrik Üretim Sanayi A.Ş.		Odas Enerji CA	
Suda Stratejik Metal Dış Ticaret A.Ş.			
Çan2 Trakya Kömür Maden A.Ş.			
Energy Trade Companies		Other Companies	
Voytron Enerji Elektrik Perakende Satış A.Ş.		Hidro Enerji Elektrik Üretim Sanayi A.Ş.	
Odaş Doğalgaz Toptan Satış San. Ve Tic. A.Ş.		CR Proje Geliştirme Yatırım San. Ve Tic. A.Ş.	

Segment reporting as of September 30, 2021 and December 31, 2020:

30.09.2021

	Mine	Energy Product	Energy Trade	Other	Total	Elimination Effect	Consolidated Total
Current Assets	247.884.517	1.762.739.997	87.713.265	143.901.504	2.242.239.284	(1.165.249.942)	1.076.989.341
Fixed Assets	247.554.650	3.150.949.357	1.071.210	296.999	3.399.872.217	(453.132.647)	2.946.739.570
Total Assets	495.439.167	4.913.689.355	88.784.474	144.198.502	5.642.111.500	(1.618.382.590)	4.023.728.911
Short Term Liabilities	451.649.128	1.245.029.685	240.535.141	143.710.498	2.080.924.452	(1.145.535.730)	935.388.722
Long Term Liabilities	32.227.237	1.348.559.416	15.362.311	37.576	1.396.186.541	--	1.396.186.541
Total Liabilities	483.876.365	2.593.589.101	255.897.451	143.748.074	3.477.110.992	(1.145.535.730)	2.331.575.263
Equity	11.562.802	2.320.100.250	(167.112.977)	450.428	2.165.000.504	(472.846.856)	1.692.153.648

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5. SEGMENT REPORTING (CONTINUED)

01.01.2021 - 30.09.2021							
	Mine	Energy Product	Energy Trade	Other	Total	Elimination Effect	Consolidated Total
PROFIT OR LOSS							
Revenue	96.890.189	838.520.475	119.225.237	374	1.054.636.277	(42.754.099)	1.011.882.178
Cost of Sales (-)	(78.439.680)	(615.484.743)	(117.579.566)	--	(811.503.990)	42.754.099	(768.749.891)
Gross Profit/Loss	18.450.510	223.035.732	1.645.672	374	243.132.287	-	243.132.287
General Administrative Expenses (-)	(3.202.918)	(24.173.075)	(872.618)	(29.952)	(28.278.562)	--	(28.278.562)
Marketing Expenses (-)	(7.362.257)	(146.338)	(119.357)	--	(7.627.953)	--	(7.627.953)
Other Real Operating Income	4.844.256	34.729.950	2.552.479	90.168	42.216.853	--	42.216.853
Other Real Operating Expenses (-)	(38.999.481)	(72.116.628)	(21.751.342)	(37.912)	(132.905.363)	47.659.402	(85.245.961)
OPERATING PROFIT/LOSS	(26.269.890)	161.329.641	(18.545.167)	22.678	116.537.262	47.659.401	164.196.664
Income From Investment Activities	365.998	73.272.304	--	--	73.638.301	(73.220.896)	417.405
Expenses From Investment Activities (-)	--	(25.424)	--	--	(25.424)	--	(25.424)
Shares from Profit/loss of Investments valued by Equity method	9.232.405	--	--	--	9.232.405	--	9.232.405
PROFIT/LOSS BEFORE FINANCE EXPENSES	(16.671.487)	234.576.521	(18.545.167)	22.678	199.382.544	(25.561.495)	173.821.050
Financing Income	35.568.667	200.113.639	9.385.709	4.123.605	249.191.621	(86.188.396)	163.003.225
Financing Expenses (-)	(30.641.299)	(527.770.818)	(24.423.275)	(2.929.346)	(585.764.738)	38.528.994	(547.235.744)
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS	(11.744.119)	(93.080.657)	(33.582.734)	1.216.937	(137.190.573)	(73.220.897)	(210.411.469)
Continuing Activity Profit/Loss	(6.300.097)	56.730.843	(1.772.852)	(256.077)	48.401.817	--	48.401.817
Term Tax Expense/Revenue	(416.802)	--	--	(239.023)	(655.825)	--	(655.825)
Deferred Tax Expense/Revenue	(5.883.295)	56.730.843	(1.772.852)	(17.053)	49.057.642	--	49.057.642
CONTINUING ACTIVITY PROFIT/LOSS	(18.044.216)	(36.349.814)	(35.355.586)	960.860	(88.788.756)	(73.220.897)	(162.009.652)
DISCONTINUING ACTIVITY PROFIT/LOSS	--	113.085	--	--	113.085	--	113.085
CURRENT YEAR PROFIT/LOSS	(18.044.216)	(36.236.729)	(35.355.586)	960.860	(88.675.671)	(73.220.897)	(161.896.567)
31.12.2020							
	Mine	Energy Product	Energy Trade	Other	Total	Elimination Effect	Consolidated Total
Current Assets	215.124.035	732.618.163	86.435.977	103.366	1.034.281.541	(518.173.430)	516.108.111
Fixed Assets	237.346.550	3.036.384.778	333.041	--	3.274.064.369	(384.089.784)	2.889.974.585
Total Assets	452.470.585	3.769.002.941	86.769.018	103.366	4.308.345.910	(902.263.214)	3.406.082.696
Short Term Liabilities	379.834.777	1.023.721.617	197.881.357	593.278	1.602.031.029	(498.346.135)	1.103.684.894
Long Term Liabilities	42.792.855	1.450.753.985	20.645.049	20.522	1.514.212.411	--	1.514.212.411
Total Liabilities	422.627.632	2.474.475.602	218.526.406	613.800	3.116.243.440	(498.346.135)	2.617.897.305
Equity	29.842.952	1.294.527.340	(131.757.388)	(510.435)	1.192.102.469	(403.917.078)	788.185.391

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5. SEGMENT REPORTING (CONTINUED)

PROFIT OR LOSS	01.01.2020 - 30.09.2020				Total	Elimination Effect	Consolidated Total
	Mine	Energy Product	Energy Trade	Other			
Revenue	62.943.513	615.626.455	157.389.839	-	835.959.807	(130.567.299)	705.392.508
Cost of Sales (-)	(52.678.519)	(445.164.060)	(157.999.396)	-	(655.841.975)	130.567.299	(525.274.676)
GROSS PROFIT/LOSS	10.264.993	170.462.395	(609.557)	-	180.117.832	-	180.117.832
General Administrative Expenses (-)	(2.496.967)	(19.123.210)	(594.692)	(16.092)	(22.230.961)	236.430	(21.994.530)
Marketing Expenses (-)	(6.096.027)	(4.159.163)	(195.286)	-	(10.450.477)	-	(10.450.477)
Research and Development Expenses (-)	-	-	-	-	-	-	-
Other Real Operating Income	5.419.340	28.027.832	1.564.290	361	35.011.823	(233.568)	34.778.255
Other Real Operating Expenses (-)	(18.975.507)	(47.916.541)	(21.867.190)	(41.274)	(88.800.513)	25.514.503	(63.286.009)
OPERATING PROFIT/LOSS	(11.884.168)	127.291.312	(21.702.435)	(57.005)	93.647.704	25.517.365	119.165.071
Income From Investment Activities	-	368.270	-	-	368.270	-	368.270
Expenses From Investment Activities (-)	-	-	-	-	-	-	-
Shares from Profit/loss of Investments valued by Equity method	12.658.963	36.662	-	-	12.695.625	-	12.695.625
PROFIT/LOSS BEFORE FINANCE EXPENSES	774.795	127.696.244	(21.702.435)	(57.005)	106.711.599	25.517.365	132.228.966
Financing Income	32.963.289	137.402.323	21.360.834	64.284	191.790.730	(114.354.038)	77.436.692
Financing Expenses (-)	(54.642.476)	(729.389.215)	(28.084.667)	(37.181)	(812.153.540)	88.839.535	(723.314.005)
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS	(20.904.392)	(464.290.648)	(28.426.268)	(29.902)	(513.651.211)	2.862	(513.648.347)
Continuing Activity Profit/Loss	(1.234.969)	1.119.086	(647.072)	(6.082)	(769.037)	-	(769.037)
Term Tax Expense/Revenue	(672.607)	-	-	-	(672.607)	-	(672.607)
Deferred Tax Expense/Revenue	(562.362)	1.119.086	(647.072)	(6.082)	(96.430)	-	(96.430)
CONTINUING ACTIVITY PROFIT/LOSS	(22.139.361)	(463.171.562)	(29.073.340)	(35.984)	(514.420.248)	2.862	(514.417.384)
DISCONTINUING ACTIVITY PROFIT/LOSS	-	2.862	-	-	2.862	-	2.862
CURRENT YEAR PROFIT/LOSS	(22.139.361)	(463.168.700)	(29.073.340)	(35.984)	(514.417.386)	2.862	(514.414.522)

6. RELATED PARTIES

i) Balances of the Company with its' related parties as of September 30, 2021 and December 31, 2020:

a) Other receivables from related parties:

	30.09.2021	31.12.2020
Süleyman Sarı	2.389.182	2.389.180
Müjgan Özal	1.720.843	1.575.677
Mustafa Ali Özal	1.379.832	1.263.717
Fatimetüz Zehra Özal	1.377.543	1.261.428
Hafize Ayşegül Özal	1.376.483	1.260.367
Tahsin Yazan	1.302.388	552.388
Kerem Emir Yazan	1.258.755	1.243.369
Mehmet Fatih Özal	472.839	434.134
Korkut Enes Özal	468.527	429.822
Hafize Büşra Özal	447.970	409.265
Abdulkadir Bahattin Özal	211.290	211.290
Kısrakdere Maden A.Ş.	128.491	603.875
Burak Altay	71.480	71.480
Bb Enerji Yatırım San.Tic.A.Ş.	65.597	107.482
Hidro Kontrol Elektrik Üretim A. Ş	59.067	53.407
Eylül Elektromekanik Enerji San ve Ltd Şti	50.710	57.690
Tron Enerji Yatırım San. Ve Tic.A.Ş.	43.424	43.424
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	29.251	29.251
Batı Trakya Madencilik A.Ş.	15.589	20.635
Rey Bilişim Hizmetleri Tic. Ltd. Şti.	936	--
TOTAL	12.870.197	12.017.881
<i>Deduction: Unaccrued financial expenses</i>	(19.346)	(87.346)
TOTAL	12.850.851	11.930.535

b) Trade receivables from related parties:

	30.09.2021	31.12.2020
Hidro Kontrol Elektrik Üretim A.Ş	13.079.468	12.015.059
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	12.804.280	11.160.692
Batı Trakya Madencilik A.Ş.	11.059.495	127.912
Öztay Enerji Elektrik Üretim Sanayi A.Ş	10.822.634	9.404.839
Kısrakdere Maden A.Ş.	--	161.896
TOTAL	47.765.877	32.870.398
<i>Deduction: Unaccrued financial expenses</i>	(5.543.765)	(3.974.482)
TOTAL	42.222.112	28.895.916

6. RELATED PARTIES (CONTINUED)

c) Other payables to related parties:

	30.09.2021	31.12.2020
Ogma Ssh Fz Llc	30.171.787	--
Bb Enerji Yatırım San.Tic.A.Ş.	1.560.360	1.253.371
Kerem Emir Yazan	462.615	384.018
Öztay Enerji Elektrik Üretim San. A.Ş.	323.195	323.188
Abdulkadir Bahattin Özal	93.177	93.177
Kısrakdere Maden A.Ş.	54.968	55.418
Akra Petrol San.Tic.A.Ş.	24.221	20.526
Hafize Ayşegül Özal	20.000	20.000
Esin Ersan	20.000	20.000
Burak Altay	15.634	86.943.198
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	7.178	7.179
Batı Trakya Madencilik A.Ş.	5.221	281.897
Bahattin Özal&Burak Altay Adi Ortaklık	4.700	4.700
Hidayet Büküm	3.673	3.673
Hidro Kontrol Elektrik Üretim A.Ş	1.893	2.071
Ena Elektrik Üretim Ltd.Şti	--	526.164
TOTAL	32.768.622	89.938.580
<i>Deduction: Unaccrued financial expenses</i>	(127.050)	(86.049)
TOTAL	32.641.572	89.852.531

d) Trade receivables from related parties:

	30.09.2021	31.12.2020
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	5.320.502	4.734.708
Öztay Enerji Elektrik Üretim Sanayi A.Ş	775.976	700.794
Batı Trakya Madencilik A.Ş.	544.758	--
Kısrakdere Maden A.Ş.	--	474.706
TOTAL	6.641.236	5.910.209
<i>Deduction: Unaccrued financial expenses</i>	(666.551)	(634.820)
TOTAL	5.974.685	5.275.388

6. RELATED PARTIES (CONTINUED)

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

Purchases from Related Parties

	01 Jan. - 30 Sep. 2021	01 Jan. - 30 Sep. 2020	01 July - 30 Sep. 2021	01 July - 30 Sep. 2020
Akra Petrol San.Tic.A.Ş.	--	10.253	--	--
Arsin Enerji Elektrik Üretim San. Tic. A.Ş	585.794	375.982	189.497	245.008
Batı Trakya Madencilik A.Ş	--	2.396.655	--	75.870
Hidro Kontrol Elektrik Üretim A.Ş	--	12.327	--	12.327
Kısrakdere Maden A.Ş	20.117.330	37.520	793.680	--
Öztay Enerji Elektrik Üretim Sanayi A.Ş	75.493	123.486	18.173	49.482
TOTAL	20.778.617	2.956.223	1.001.350	382.687

Sales to Related Parties

	01 Jan. - 30 Sep. 2021	01 Jan. - 30 Sep. 2020	01 July - 30 Sep. 2021	01 July - 30 Sep. 2020
Hidro Kontrol Elektrik Üretim A.Ş	1.672.074	720.750	524.242	98.688
Arsin Enerji Elektrik Üretim San. Tic. A.Ş	1.643.588	563.789	531.681	51.112
Öztay Enerji Elektrik Üretim Sanayi A.Ş	1.297.105	929.010	421.641	389.272
Batı Trakya Madencilik A.Ş	719.454	199.599	461.004	73.835
Müjgan Özal	145.167	96.974	46.960	36.590
Fatimetüz Zehra Özal	116.115	77.935	37.562	52.052
Hafize Ayşegül Özal	116.115	77.568	37.562	29.268
Mustafa Ali Özal	116.115	77.935	37.562	29.635
Hafize Büşra Özal	38.705	24.238	12.521	8.138
Korkut Enes Özal	38.705	24.238	12.521	8.138
Mehmet Fatih Özal	38.705	24.238	12.521	8.138
Burak Altay	--	6.052	--	6.052
Eylül Elektromekanik Enerji San ve Ltd Şti	--	15.514	--	5.276
HK Yatırım Elektrik Üretim San.Tic.Ltd.Şti	--	25.613	--	--
Kısrakdere Maden A.Ş	--	247.219	--	10.804
Mustafa Koncagül	--	229.371	--	--
TOTAL	5.941.848	3.340.043	2.135.777	806.998

Total amount of salary and alike benefits in 9-month fiscal period provided to top management in 2021 is as follows:

- Short Term Benefits to Employees:** Total amount of salary and alike benefits in 9-month fiscal period provided to top management in 2021 is TRY 10.350.038 (2020: TRY 11.071.899)
- Post-separation benefits:** Severance payment is made to personnel in case of earning it according to applicable law. There is no extra payment other than Labor Law.
- Other Long term Benefits:** None.
- Benefits due to Dismissal:** None.
- Share-based Payments:** None.

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7. TRADE RECEIVABLES AND PAYABLES

Trade receivables	September 30, 2021	December 31, 2020
Trade receivables	160.121.766	169.520.407
-Trade Receivables from Related Parties	47.765.877	32.870.398
-Trade Receivables from Unrelated Parties	112.355.888	136.650.009
Notes Receivables	33.134.603	28.592.877
Doubtful Receivables	19.708.750	17.762.295
Provision of Doubtful Receivables (-)	(19.708.750)	(17.762.295)
	193.256.370	198.113.285
<i>Deduction: Unaccrued financial expenses</i>	(8.925.809)	(9.511.399)
-Receivables from related institutions	(5.543.765)	(3.974.482)
-Other receivables	(3.382.044)	(5.536.917)
TOTAL	184.330.560	188.601.886

(*) As of 30.09.2021, the maturity date of the notes receivable amounting to TRY 33.134.603 (USD 3.032.98 and TRY 6.206.269 equivalent) is 10.04.2022.

Provision for doubtful receivables as of September 30, 2021 and as of December 31, 2020. The movement is as follows:

	September 30, 2021	December 31, 2020
Opening Balance	17.762.295	13.012.855
Additional provisions (Note 34)	1.969.460	4.821.105
Payments (-)	(23.005)	(71.665)
TOTAL	19.708.750	17.762.295

Trade Payables	September 30, 2021	December 31, 2020
Trade Payables	221.174.892	180.132.875
-Trade Payables from Related Parties	6.641.236	5.910.209
-Trade Payables from Unrelated Parties	214.533.656	174.222.666
Notes Payables	49.607.749	121.110.811
	270.782.641	301.243.686
<i>Deduction: Unaccrued financial income</i>	(9.419.575)	(20.553.918)
-Trade Payables from Related Parties	(666.551)	(634.820)
-Trade Payables from Unrelated Parties	(8.753.024)	(19.919.098)
TOTAL	261.363.067	280.689.768

Maturity distributions for debt securities are as follows;

	September 30, 2021	December 31, 2020
0-3 month	34.016.645	69.072.996
3-6 month	11.063.304	30.351.635
6-12 month	4.527.800	18.749.980
1-5 years	--	2.936.200
TOTAL	49.607.749	121.110.811

8. FINANCIAL INVESTMENTS

None. (31.12.2020: None)

9. OTHER RECEIVABLES AND PAYABLES

Short-term Other Receivables

	September 30, 2021	December 31, 2020
<i>Other receivables from related parties</i>	12.870.197	12.017.882
Other receivables	18.430.453	20.172.561
Deposits and guarantees given	4.792.487	1.432.590
Other Doubtful Receivables	1.855.446	1.968.298
Provision for other doubtful receivables(-)	(1.855.446)	(1.968.298)
TOTAL	36.093.137	33.623.033
<i>Deduction: Unaccrued finance expenses</i>	(36.047)	(1.210.767)
<i>-Other receivables from related parties</i>	(19.346)	(87.346)
<i>-Other receivables</i>	(16.701)	(1.123.421)
TOTAL	36.057.090	32.412.266

(*) TRY 16.604.424 of other receivables includes the incentives provided by Migem for YS Madencilik underground employees.

Provision for doubtful receivables as of September 30, 2021 and as of December 31, 2020. The movement is as follows;

	September 30, 2021	December 31, 2020
Opening Balance	1.968.298	--
Additional Provisions	--	1.968.298
Payments (-)	(561.852)	--
TOTAL	1.855.446	1.968.298

Long-term Other Receivables

	September 30, 2021	December 31, 2020
Deposits and guarantees given	1.201.799	1.352.461
TOTAL	1.201.799	1.352.461

Short-term Other Payables

	September 30, 2021	December 31, 2020
<i>Due to Related Parties</i>	32.768.621	89.938.580
Other Payables	1.401.040	745.144
Taxes and Funds Payables	24.111.388	16.409.545
Deposits and Guarantees Taken	103.742	103.742
Publicly Deferred or Installment Debts	9.487.678	5.708.270
Received Advances	921.083	764.149
	68.793.552	113.669.430
<i>Deduction: Unaccrued Financial Income</i>	(138.634)	(134.528)
<i>- Due to related parties</i>	(127.050)	(86.049)
<i>- Other payables</i>	(11.585)	(48.479)
TOTAL	68.654.918	113.534.903

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9. OTHER RECEIVABLES AND PAYABLES (CONTINUED)

Details of taxes and funds payables are as follows:

	30.09.2021	31.12.2020
TRT Share	1.822.569	1.516.405
Municipality Consumption Tax	1.333.070	1.812.200
Energy Fund	562.697	3.093.384
Wage Earners Income Tax Deduction	3.394.575	6.328.848
Value Added Tax	15.155.557	2.981.770
Other Tax Liabilities	1.842.920	676.938
TOTAL	24.111.388	16.409.545

Long-term Other Payables

	September 30, 2021	December 31, 2020
Deposits and guarantees received	1.735.445	982.618
Publicly Deferred or Installment Debts(*)	15.784.421	11.345.113
TOTAL	17.519.866	12.327.731

(*) It includes the long-term portion of the Group's Tax Office and Insurance debt restructuring installments.

10. INVENTORIES

	September 30, 2021	December 31, 2020
Raw materials and supplies	7.029.875	5.267.735
Semi-finished (*)	114.903.986	84.649.344
Finished goods (**)	88.768.075	54.142.172
Trade goods	3.980.476	4.613.342
Other inventories (***)	48.428.041	45.039.650
TOTAL	263.110.453	193.712.243

(*) The amount TRY 87.323.894 of the group's semi-finished products consist of coal and fuel oils used by Çan2 Termik for electricity production, which is included in the consolidation.

The amount of TRY 15,267,368 of the semi-finished products consists of Tuvenan coal extracted from the mine by YS Maden, which is included in the consolidation.

(**) A portion of 82,729,284 TL of the products of the group consists of gypsum, ash and cruf obtained by Çan2 Termik from electricity generation.

(***) The amount of TRY 12.287.018 of the other stocks of the group consists of thermal power plant spare parts of Çan2 Termik included in the consolidation, and TRY 27.698.345 of it consists of mineral coal stocks of Ys Mining included in the consolidation.

11. BIOLOGICAL ASSETS

None. (None, December 31, 2020).

12. PRE-PAID EXPENSES AND DEFERRED INCOME

Short-term Pre-paid Expenses

	September 30, 2021	December 31, 2020
Advances given for purchases	8.985.026	13.768.896
Expenses related to the upcoming months	5.062.883	6.349.472
TOTAL	14.047.909	20.118.368

Long-term Pre-paid Expenses

	September 30, 2021	December 31, 2020
Expenses for the future years(*)	9.487.099	4.679.123
TOTAL	9.487.099	4.679.123

(*) The group follows the expenses of the insurance that it has made in the prepaid expenses account in accordance with the principle of periodicity.

Deferred Income

	September 30, 2021	December 31, 2020
Advances Received (*)	78.088.635	49.912.503
TOTAL	78.088.635	49.912.503

(*)The amount of 61,190,599 TL is related to the advances received from EPIAŞ. In the following period, it was closed by offsetting the trade receivables.

13. INVESTMENT PROPERTY

None. (None, December 31, 2020).

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14. TANGIBLE FIXED ASSETS

	01.01.2021	Addition	Disposal	30.09.2021
Cost				
Lands	56.918.004	2.086.643	--	59.004.647
Land improvements	150.000	--	--	150.000
Buildings	1.143.325	--	--	1.143.325
Plant, machinery and equipment	2.606.711.523	14.872.634	(1.247.522)	2.620.336.635
Vehicles	10.103.930	2.436.344	(65.869)	12.474.405
Furniture and fixtures	10.698.061	1.568.703	--	12.266.764
Construction in progress	75.535.877	46.495.449	--	122.031.326
Research expenses	--	167.381	--	167.381
Total	2.761.260.720	67.627.154	(1.313.391)	2.827.574.483
Accumulated Depreciation				
Land improvements	(150.001)	--	--	(150.001)
Buildings	(261.428)	(29.935)	--	(291.363)
Plant, machinery and equipment	(229.815.170)	(62.476.698)	504.127	(291.787.741)
Vehicles	(4.583.496)	(1.291.680)	65.869	(5.809.307)
Furniture and fixtures	(5.365.047)	(1.046.483)	--	(6.411.529)
Total	(240.175.141)	(64.844.797)	569.996	(304.449.942)
Net Book Value	2.521.085.578	2.782.357	(743.395)	2.523.124.541

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

"Precedent Comparison Method" and "Cost Approach" have been used in determining the fair value of the real estate belonging to the Suda Maden, Çan2 Termik and Küçük Enerji from subsidiaries. "Analysis of Income Capitalization" and "Cost Method" are used in determining the fair values of the facilities belonging to the Odaş Elektrik, Suda Maden, Çan Kömür, Küçük Enerji and Ys Maden.

These valuations were made according to International Valuation Standards (IVSC) by the valuation company authorized by the CMB.

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14. TANGIBLE FIXED ASSETS (CONTINUED)

	01.01.2020	Addition	Disposal	Transfer	31.12.2020
Cost					
Lands	56.250.579	667.425	--	--	56.918.004
Land improvements	150.000	--	--	--	150.000
Buildings	1.143.325	--	--	--	1.143.325
Plant, machinery and equipment	2.523.505.711	83.205.812	--	--	2.606.711.523
Vehicles	8.958.379	1.478.859	(333.308)	--	10.103.930
Furniture and fixtures	8.302.429	2.396.588	(956)	--	10.698.061
Construction in progress	30.067.703	45.468.174	--	--	75.535.877
Research expenses	709.260	--	(709.260)	--	-
Total	2.629.087.386	133.216.858	(1.043.524)	--	2.761.260.720
Accumulated Depreciation					
Land improvements	(132.813)	(17.188)	--	--	(150.001)
Buildings	(221.514)	(39.914)	--	--	(261.428)
Plant, machinery and equipment	(142.854.067)	(86.961.103)	--	--	(229.815.170)
Vehicles	(3.036.924)	(1.750.348)	203.776	--	(4.583.496)
Furniture and fixtures	(4.301.055)	(1.064.893)	901	--	(5.365.047)
Total	(150.546.373)	(89.833.446)	204.677	--	(240.175.142)
Net Book Value	2.478.541.013	43.383.412	(838.847)	--	2.521.085.578

The total investment expenditure amounts as of 30.09.2021 and the investment project on the subsidiary related to the ongoing investments of the Group are given below.

Company /Subsidiary	Investment Details	Amount
YS Madencilik	Coal Mine Plant	10.640.331
Suda Maden	Enrichment Plant	55.784.320
Çan2 Termik	Modernization	44.805.023
Odaş Enerji CA	Natural Gas Power Plant	10.801.652
TOTAL		122.031.326

Revaluation fund movements are as follows :

30.09.2021	Plant	Building	Land	Total
January 01,2021 Balance	2.192.582.710	920.811	53.581.676	2.247.085.197
Revaluation Value Increase (Gross)	--	--	--	--
Revaluation Impairment	--	--	--	--
Deferred Tax (*)	--	--	--	--
Revaluation Amount	2.192.582.710	920.811	53.581.676	2.247.085.197

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14. TANGIBLE FIXED ASSETS (CONTINUED)

31.12.2020	Plant	Building	Land	Total
January 01,2019 Balance	2.192.582.710	920.811	53.581.676	2.247.085.197
Revaluation Value Increase (Gross)	--	--	--	--
Revaluation Impairment	--	--	--	--
Deferred Tax (*)	--	--	--	--
Revaluation Amount	2.192.582.710	920.811	53.581.676	2.247.085.197

15. RESTORATION AND ENVIRONMENTAL REHABILITATION FUNDS FROM INTEREST ON RIGHTS

None. (None, December 31, 2020).

16. INVESTMENTS VALUED BY EQUITY METHOD

The Shares of the Profit / Loss of Investments Valued by Equity Method for the periods 1 January - 30 September 2021 and 1 January – 30 September 2020 are as follows;

	01.01 -30.09 2021	01.01 -30.09 2020	01.07 – 30.09 2021	01.07 – 30.09 2020
Shares of Profit / Loss of Investments by Equity Method	9.232.405	12.695.625	3.725.060	3.264.981
TOTAL	9.232.405	12.695.625	3.725.060	3.264.981

(*) Consists of the profit/loss shares of Kısırakdere Kömürleri Maden A.Ş. as part of full consolidation.

17. INTANGIBLE FIXED ASSETS

	01.01.2021	Addition	Disposal	30.09.2021
Cost				
Rights	10.192.546	612.751	(148.808)	10.656.489
Other Intangible Assets	6.571.329	11.525	--	6.582.854
Preparation and Development Expenses	82.427.497	7.255.926	(256.067)	89.427.355
Total	99.191.371	7.880.201	(404.875)	106.666.698
Accumulated Amortization				
Rights	(5.453.603)	(557.960)	50.015	(5.961.549)
Other Intangible Assets	(624.686)	(14.841)	-	(639.528)
Preparation and Development Expenses	(12.513.738)	(5.965.125)	-	(18.478.865)
Total	(18.592.027)	(6.537.926)	50.015	(25.079.942)
Net Book Value	80.599.342	1.342.275	(354.860)	81.586.756

17.INTANGIBLE FIXED ASSETS (CONTINUED)

	01.01.2020	Addition	Disposal	Transfer	31.12.2020
Cost					
Rights	10.028.606	163.940	--	--	10.192.546
Other İntangible Assets	6.571.329	--	--	--	6.571.329
Preparation and Development Expenses	56.454.549	25.972.948	--	--	82.427.497
Total	73.054.484	26.136.888	--	--	99.191.372
Accumulated Amortization					
Rights	(4.545.425)	(908.178)	--	--	(5.453.603)
Other İntangle Assets	(598.404)	(26.282)	--	--	(624.686)
Preparation and Development Expenses	(7.753.107)	(4.760.631)	--	--	(12.513.738)
Total	(12.896.936)	(5.695.091)	--	--	(18.592.027)
Net Book Value	60.157.548	20.441.796	--	--	80.599.342

The Group's capital expenditures for the preparation and development of existing mineral resources (drilling operations, valuation and topographical, geological studies) were capitalized as intangible fixed assets.

At Yel Enerji, IR:4327 (17517) license of the coal mine has been realized on 15.07.2015 and the amortization has started when the intangible asset is ready for use (as of the date of transfer of the license), ie the position required for the management to operate as intended and when it comes to the situation.

Amounts incurred as development expenses in Çan2 Termik are as follows: The amount that is paid as development expenses is related to the operation rights agreement of the mining coal area in Yayaköy Village in Canakkale province with permit number 17448 and Çan2 Termik has been capitalized as expense development expenses such as pre-operated mine field measurement, testing and drilling, architectural engineering, land damages, work machine leasing service, and it has begun to amortized according to royalty agreement duration.

Preparation and Development Expenses which have been capitalized at Suda Maden consist of expenditures related to drilling, sampling and mining development studies on antimony sites regarding operating licenses numbered 34412 and 43169.

Preparatory and Development Expenses that have been capitalized at Anadolu Export are the amounts related to gold-silver mine drilling in Kütahya Karaağaç, analysis and geophysical values. Sounding studies are ongoing and will commence when the amortization process reaches the position and condition necessary for the intangible asset to operate as intended by the management.

Preparation and development work amounting to TRY 22.213.659 was carried out regarding YS Maden Corum Dodurga mine plant closed operation. Since the beginning of April 2018, the closed-pit operation has started and the depreciation process has started due to the commencement of the coal extraction process.

18. GOODWILL

Since goodwill cannot be included in the financial statements due to the fact that business combinations subject to joint control are accounted by the combination of rights method, the goodwill amount of TRY 44.104.489 (31.12.2020: 41.404.830 TRY) arising from the acquisition of the enterprises subject to joint control is shown in the account "The Effect of the Enterprises Subject to Joint Control or Mergers Including the Enterprises" as an offsetting account under equity (Note 30).

19. EVALUATING AND RESEARCHING OF MINE RESOURCES

Expenditures made for the preparation and development of the Group's already existing mineral resources are capitalized as Intangible Assets.

As of 30.09.2021 the total development expenditure capitalized amount on the basis of the subsidiaries are as follows:

<u>Subsidiaries</u>	<u>The Amount of Preparation and Development Expenditures</u>
Yel Enerji	3.051.240
Çan2 Termik	3.025.247
Çan2 Trakya	29.992.308
Anadolu Export	25.113.333
Suda Maden	6.031.568
Ys Madencilik	22.213.659
Total	89.427.355

Amounts related to amortization of capitalized amounts and net book value amounts as preparation and development expense are included in Note:17.

At Yel Enerji, the capitalized amount of TRY 3.051.240 as development expenditures is regarding the amount of drilling activities for coal mine license which is IR:17517 number and 1.205,11 hectares located in Bayramiç district in Çanakkale.

Transferring of mine license has realized at July 15, 2015 and preparation and development expenditures have been activated in accordance with the TAS-38 Intangible Assets standard and the accounting policy applied by the Group. Amortization process will be began when intangible assets is ready to use (taken over the license) means required conditions available for management's aim. Therefore development expenses is capitalized and mortization begun to be calculated.

The amount of preparation and development expenses recorded to assets of Çan2 Termik consist of land measure, test and drilling, engineering and architectural works, property damage fees, construction equipment rental fees in July 09, 2013. Development costs belong to coal mining area located in Çanakkale, Çan District, Yaylaköy Village with license number IR 17448. The operating rights of coal mining (existed before) obtained by operating agreement called 'royalty agreement'. Total expenditures for coal mining activities are amount of TRY 3.025.247 as of 30.09.2021.

Suda Maden has 2 exploration license and 2 operating license. Regarding 34412 and 43169 numbered operating license, the total expenditures such as drilling, mapping, shaft drilling is TRY 6.031.568 as of 30.09.2021. Calculated amortisation expenses are associated with production costs of animony mine.

Preparation and Development Expenses of TRY 25.113.333 costing capital activated in Anadolu Export are the amounts related to gold-silver mine drilling in Kütahya Karaağaç, analysis and geophysical values. Drilling works are ongoing and will commence when the amortization process reaches the necessary position and condition for the intangible asset to operate as intended by the management.

Preparation and development works at YS Maden with amount of TRY 22.213.659 consist of Preparation and Development Expenses related to underground coal mine at Çorum Dodurga. As of April 2018, Company started to calculate amortization expense for these expenses due to the start of mining operation.

19. EVALUATING AND RESEARCHING OF MINE RESOURCES (CONTINUED)

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

20. RIGHT OF USE ASSETS

	1.01.2021	Addition	Disposal	Transfer	30.09.2021
Cost – Vehicles					
Right of Use Asset	6.077.623	961.227	--	--	7.038.850
Total	6.077.623	961.227	--	--	7.038.850
Accumulated Depreciation - Vehicles					
Right of Use Asset	(1.467.764)	(1.433.940)	--	--	(2.901.703)
Total	(1.467.764)	(1.433.940)	--	--	(2.901.703)
Net Book Value	4.609.858				4.137.147

	01.01.2020	Addition	Disposal	Transfer	31.12.2020
Cost – Vehicles					
Right of Use Asset	2.144.285	3.933.337	--	--	6.077.622
Total	2.144.285	3.933.337	--	--	6.077.622
Accumulated Depreciation - Vehicles					
Right of Use Asset	(169.393)	(1.298.371)	--	--	(1.467.764)
Total	(169.393)	(1.298.371)	--	--	(1.467.764)
Net Book Value	1.974.892	2.634.966	--	--	4.609.858

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

21. SERVICE CONCESSION ARRANGEMENTS

None. (None, December 31, 2020).

22. IMPAIRMENT OF ASSETS

As of 30.09.2021 and 31.12.2021, the Group has a decrease in its trade receivables and the impairment amounts are shown in the relevant financial statement items (Note 7).

23. GOVERNMENT INCENTIVES

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

23. GOVERNMENT INCENTIVES (CONTINUED)

Investment Incentive Certificate is given for the full new investment carried out in Çanakkale (Çan 2nd region) and covers the period between 13.08.2014-12.02.2019. With the certificate, employer's share of insurance premiums support, interest support, tax discount rate support, VAT exception and exemption from customs duty incentives are benefited. Total amount of the investment is TRY 801.789.866 based on incentive certificate. With the letter of the Ministry of Industry and Technology dated 10.08.2020 dated 401.06, the closing of the Incentive Certificate has been completed. (Completion visa granted)

In addition, the regulation by the Republic of Turkey Ministry of Industry and Technology, dated 08.04.2020, 510216 document number and 13731 IDs were considered. The support class is Regional-Priority Investment and the support elements are VAT Exemption, Interest Support, Tax Reduction, Employer's Insurance Premium Share and Investment Place Allocation. The investment subject to the document is the modernization of a domestic coal-based electricity generation power plant (Çan 2 Thermal Power Plant) with an installed capacity of 340 MW, and the system certificate was issued in accordance with EMRA's Generation License dated 28.01.2016 and numbered UE/6083-2/03428.

Suda Maden A.Ş. Republic of Turkey Ministry of Economy and Foreign Capital General Directorate of Incentives and Implementation, organized by date 06/10/2017, No. 132950 investment incentive certificates are available. Investments on the subject "Antimony ore Enrichment Facility" regulated with regard to licence numbered IR:34412.

The investment incentive certificate was issued for the modernization investment carried out in the 4th district of Kütahya Gediz and covers the periods of 08.09.2017-08.09.2020. The certificate utilizes Employer's Share Support, Interest Support, Tax Discount Rate Support and VAT exemption incentives. Total amount of investment is TRY 14.500.000.

YS Madencilik San. ve Tic.Ltd.Şti. Republic of Turkey Ministry of Economy and Foreign Capital General Directorate of Incentives and Implementation, organized by dated 07/24/2017, No. 131389 investment incentive certificates are available. The documentary investment "Pit Coal Mining" : was regulated with regard to licence numbered IR:80272.

The investment incentive certificate Çorum Dodurga is given for the new investment in Section 4 and covers the period of 16.06.2017-16.06.2020. VAT exemption, Customs Tax Exemption, Insurance Premium Employer Income Support, Interest Support and Tax Discount incentives are benefited from the document.

24. BORROWING COSTS

None. (None, December 31, 2020).

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Other long-term provisions

	30 September 2021	31 December 2020
Other payable and expense provisions	185.044	185.044
TOTAL	185.044	185.044

(*) At 11th paragraph of TFRS 6 stated: When a company assume the investigation and evaluation of mine resources, it reflects removal and restoration liabilities resulting in given period at financial statement according to TAS 37 - Provisions, Contingent Liabilities and Contingent Assets standard.

Within the scope of the Çan 2 thermal power plant, the area to be picked up in the open operation will be used as an ash storage area as stated in the EIA report. After completing the economic life of the site, it will be organized with the following location study and afforestation will be done. After open operation, closed operation will be started. There will be no pickling work on the ground during closed operating periods.

Within the scope of the Çan 2 thermal power plant, the area to be picked up in the open operation will be used as an ash storage area as stated in the EIA report. After completing the economic life of the site, it will be arranged with a subsequent location study and afforestation will be abandoned. The estimated cost for terraces and trees will be around TRY 300.000.

25.PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

About 150.000 acres will be stripped. Because of the extension project, 100 tree is needed per acres. Due to regional soil structure, the cost of plantation is expected around 2.000 TRY per acres. The total cost for 150 acres is calculated as 150* TRY 2.000 = TRY 300.000.

Mine Restoration Provision

	30 September 2021	31 December 2020
Balance at beginning of period	185.044	185.044
Additional Provision / Payment (-)	--	--
Balance at the end of the period	185.044	185.044

This work will be done after completion of the open operating economic life and will be estimated at the end of 20 years.

Reduced amount of TRY 300.000 total cost to present value is TRY 185.044.

Yel Enerji and Suda Mine, it is foreseen that no pickling work will be done on the evaluation made by the technical team. For this reason no provisions have been made.

Pledges

As the guarantee of the loan on the General Loan Agreements signed between Yapı Kredi Bank and Kucuk Enerji Uretim ve Tic Ltd Sti, Kucuk Enerji Uretim's partners' signed a Pledge Agreement in Yapı Kredi Bank's benefit. The total value of the pledged amount is 2.650.000 shares with a nominal value of TRY 1. Share pledge agreement stays valid until the obligations under guarantee by the pledge agreements are paid in full.

In accordance with the Commercial Enterprise Agreement signed between Küçük Enerji Üretim ve Ticaret Limited Şirketi and Yapı Kredi Bankası A.Ş., a Commercial Operation Pledge was established in the first place and in the first degree in favor of Yapı Kredi Bankası A.Ş. for the Köprübaşı Hydroelectric Power Plant. The pledge amount is TRY 74.000.000.

In addition, a mortgage was established in favor of Yapı Kredi Bankası A.Ş and Turkish Halkbank A.Ş. as credit guarantees on the real estates owned by Çan2 Termik ve İnşaat A.Ş. within the scope of the loan agreement. The total amount of mortgages is 2.374.500.000 TRY and 546.900.000 Euros.

Within the scope of the loan agreements signed between Suda Maden A.Ş and Pasha Yatırım Bankası A.Ş., a mortgage was established in favor of Pasha Yatırım Bankası A.Ş on the operating licenses of Gabriel and Oğurluca Mine Sites. The total value of mortgages is USD 42,000,000. The amounts of the operating manager are TRY 450.000.000.

In accordance with the Commercial Enterprise Agreement signed between Odaş Elektrik Üretim Sanayi Ticaret A.Ş. and Alternatifbank A.Ş. In the favor of the Urfa Natural Gas Power Plant, first and foremost, the Commercial Operating Permit was established.

The subject of the Commercial Business Directory is the commercial enterprise and its elements that have been pledged on the machine breakdown, profit loss, fire and so on. risks are taken under protection with insurance policies.

- Shares Pledge Agreement Signed With The Consortium of Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch.:

In accordance with General Loan Contracts signed between the consortium of Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch and Çan2 Termik ve İnşaat A.Ş., as an assurance of borrowings given, pledge of share agreements are made over all shares of Çan2 Termik ve İnşaat A.Ş.'s shareholders on behalf of Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch. The total value of the amount pledged 2.524.100 shares with a nominal value of TRY 100. Agreements are valid until liabilities are wholly paid in accordance with pledge of share agreements.

25.PROVISIONS,CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Additionally, with the General Loan Agreement signed between Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik ve İnşaat A.Ş., the Assignment of Receivables Agreement and the Movable Pledge Agreement has been signed with Çan2 Termik ve İnşaat A.Ş. without the delivery of possession, in return for the loan debt. The amount included in the contract for the movable pledge is 244.800.000 Euro in total.

Warranty

According to General Loan Contracts signed between the consortium of Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik ve İnşaat A.Ş., as an assurance of borrowings given, Yapı Kredi Bankası A.Ş. as the guarantee of the loan given in accordance with the General Loan Agreement signed between Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch has become a voucher in favor.

The Credit Agreement signed between Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Küçük Enerji Üretim ve Ticaret Ltd. Şti and As a guarantee of the loan given in accordance with the Tadili Contract dated in 26.01.2016, Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch Voytron Enerji Elektrik Perakende Satış A.Ş. has been a guarantor of legal personality.

The loan contract signed between Pasha Yatırım Bankası A.Ş. and Suda Maden A.Ş. given according to dated amendment Odaş Elektrik Üretim Sanayi ve Ticaret A.Ş. has been a guarantor of Pasha Investment Bank as a legal entity.

Odaş Elektrik Üretim Ticaret AŞ can also be a guarantor for all non-cash loans with the cash loans required for short-term operating capital needs of group companies which are in the status of subsidiary.

Conveyances

Transfer of claim between Alternatifbank A.Ş and PMUM;

According to General Loan Agreement made between Alternatifbank A.Ş. and ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş., as an assurance of given borrowings, conveyances are signed about transferring of income from energy sales to TEİAŞ by ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. on behalf of Alternatifbank A.Ş. The conveyance amount is TRY 450.000.000 and the term is 28.04.2026.

Transfer of claim between Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and EPIAŞ ;

Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası AŞ Kozyatağı Commercial Branch to Çan2 Termik ve İnşaat AS will receive all the rights and revenues for the benefit of Yapı Kredi Bankası AŞ and Halk Bankası AS as a guarantee of the loan given in accordance with the General Loan Agreements signed between Yapı Kredi Bank and Halk Bank The contract is signed. The amount of the conveyance is TRY 78.000.000. The loan period is 05.01.2026.

Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bank A.Ş. Kozyatagi Commercial Branch Consortium and Çan2 Termik ve İnşaat A.Ş. signed the EPIAŞ Credit Transfer Agreement in favor of Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bank A.Ş. Kozyatagi Commercial Branch as the guarantee of the loan issued in accordance with the General Loan Agreement signed between Çan2 Termik ve İnşaat A.Ş. The amount of the loan is TRY 13.000.000.000 and its duration is 2029.

25.PROVISIONS,CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Guarantees

Given guarantees by the group are as follow:

GUARANTEES, PLEDGES, HYPOTHECS	30.09.2021	31.12.2020
A) Total amount of TRI was given for its own legal entity	7.212.112	7.803.638
B) Partnerships includes scope of full consolidation	12.672.540.327	10.077.972.265
C) Total amount of TRI was given in order to conduct ordinary business and to guarantee third parties debt	--	--
D) Total Amount of TRI was Other Given	--	--
i) Total amount of TRI was given on behalf of main partner	--	--
ii) Total amount of TRI was given to companies except B and C article	--	--
iii) Total amount of TRI was given to third parties except C article	--	--
TOTAL	12.679.752.439	10.085.775.903

The ratio of guarantees, pledges and hypothecs to equity is 7,49. (31.12.2020 : 12,67).

Received guarantees by the group are as follow:

	30.09.2021	31.12.2020
Received Guarantee Letters	9.299.180	8.258.849
Received Guarantee Cheques	2.091.174	1.782.509
Received Guarantee Bills	2.859.266	2.859.266
	14.249.620	12.900.624

The details of the guarantees received by the Group are as follows:

	30.09.2021	31.12.2020
Received Guarantee Letters	9.299.180	8.258.849
Voytron	7.599.500	4.828.500
Çan2 Termik	829.160	3.430.349
Received Guarantee Notes	870.520	--
Çan2 Termik	2.091.174	1.782.509
Received Guarantee Bonds	2.091.174	1.782.509
Çan2 Termik	2.859.266	2.859.266
Ys Maden	2.509.266	2.509.266
Received Guarantee Letters	350.000	350.000
	14.249.620	12.900.624

25.PROVISIONS,CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Favorable Cases:

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

With the letter dated 28.06.2019, the tax office was informed that the tax refund amounting to TRY 3.857.725 and the tax loss penalty amounting to TRY 2.893.294, which was accounted by Çan2 Termik A.Ş. sent a tax/penalty notice. The deduction was canceled on the grounds that power plants are not within the scope of the manufacturing industry. The principal amount of the debt related to the canceled deduction is included in the taxes and funds payable in the other payables account (Note 8). Çan2 Termik A.Ş. has filed a lawsuit against the tax office in the tax court for the cancellation of these notices. The case was concluded in favor of the group in June 2021, and the relevant Tax Office appealed. It has been utilized within the scope of the “Law No. 7326 on Restructuring Some Receivables and Amending Some Laws” published in the Official Gazette dated 9 June 2021 and numbered 31506.

Unfavorable Cases:

As of 30.09.2021, there are various trade debt lawsuits and personnel lawsuits filed against the Group.

TRY12,673,734 of the lawsuits filed against the Group consists of loss and theft fees, transmission fees, distribution fees, meter reading fees collected from customers to whom Voytron Enerji Elektrik Perakende Satış A.Ş. No provision has been made for the lawsuit, since in any case, the amounts of the lawsuits filed by the customers regarding the loss and theft costs will be reflected to the distribution companies.

All of the trade receivable lawsuits filed against the Group require cancellation of the objections made by the Group in the enforcement proceedings initiated against the Group in accordance with Article 67 of the Execution and Bankruptcy Law ("İKK"). These lawsuits are counter-debt lawsuits filed against suppliers, and TRY 1.111.203 provision for litigation expenses has been set aside for commercial debt lawsuits. A provision of TRY 558,017 was canceled for the cases that were concluded.

As of 30.09.2021, the Group has set aside TRY 1.306.514 for litigation expense, considering that the probability of losing the lawsuits related to personnel lawsuits will be high.

	30 September 2021	31 December 2020
Balance per period	2.465.575	1.150.340
Additional Provision / Payment (-)	(601.044)	1.315.235
Balance period	1.864.531	2.465.575

26. COMMITMENTS

None.(December,31 2020: None).

27. EMPLOYEES BENEFIT OBLIGATIONS

a. Short-Term

Liabilities within the Scope of Employee Benefits

	30 September 2021	31 December 2020
Due to personnel	4.807.820	3.510.786
Social security premium payables	3.539.667	2.038.013
Other payables	85.071	33.471
Total	8.432.558	5.582.269

27. EMPLOYEES BENEFIT OBLIGATIONS (CONTINUED)

The balance of the debts account to the personnel consists of wages and similar debts to the personnel who have accrued but have not yet been paid, and the balances of social security deductions to be paid are accrued by payroll as of the relevant dates and consist of social security premium liabilities belonging to the employee and employer, which will be declared on the twenty-three of the following month and paid by the end of the month.

Provision for Vacation

Between 30.09.2021 and 31.12.2020, the transaction of the provision for vacation is presented below:

	September 30, 2021	December 31, 2020
Cycles	4.045.253	2.892.631
Provision Allocated During the Period	970.748	1.152.622
TOTAL	5.016.001	4.045.253

b. Long Term

Provision for Severance Pay

In accordance with the existing labor law, companies are obliged to pay a certain amount of severance pay to personnel who leave their jobs due to retirement after serving for at least one year or are terminated for reasons other than resignation and misconduct. The compensation to be paid is the amount of one month's salary for each year of service and as of 30.09.2021, this amount is limited to TRY 8.284,51 (31.12.2020: TRY 7.117,17).

In accordance with TAS 29 (Employee Benefits), a calculation with actuarial assumptions is required to calculate the obligations of the Group. Using the "Projection Method" in accordance with TAS 29, the Group calculated and reflected the severance pay on the basis of the Group's experience in completing the personnel service period in the past years and qualifying for severance.

The provision for severance is separated by calculating the present value of the possible liability that will have to be paid in the event of the retirement of the employees. Accordingly, actuarial assumptions used to calculate liability as of 30.09.2021 and 31.12.2020 are as follows:

	September 30, 2021	December 31, 2020
Discount rate	% 12,31	% 12,31
Estimated increase rate	% 9	% 9

Employees benefit obligations movements as of September 30, 2021 - December 31, 2020 are as follows:

	September 30, 2021	December 31, 2020
Transfer	1.275.937	648.281
Payment	930.259	717.162
Interest cost	112.115	80.984
Current service cost	(612.688)	(643.031)
Actuarial gain/(loss)	203.931	472.542
Balance	1.909.554	1.275.937

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
Explanatory Notes to the Consolidated Financial Statements
for the Period January 01, 2021 – September 30, 2021
(Currency is TRY unless otherwise is indicated.)

28. EXPENSES ACCORDING TO THEIR QUALIFICATIONS

The details of the cost of sales for the periods January 01 – September 30, 2021 and January 01 – September 30, 2020 are as follows:

	January 01 – September 30, 2021	January 01 – September 30, 2020	July 01 – September 30, 2021	July 01 – September 30, 2020
Cost of Coal Usage	225.274.450	134.362.257	80.145.828	40.799.430
The amount of debt of GIB	85.044.408	43.147.520	32.089.644	13.607.949
Imbalance energy amount	83.735.133	46.441.876	38.533.264	9.298.721
Depreciation and amortization	63.804.082	59.433.720	20.552.010	19.539.994
Göp system purchase	61.495.755	36.514.317	28.488.621	14.814.288
Staff expense share	41.025.930	33.918.122	14.457.505	11.480.914
Other Expenses	27.578.405	10.245.706	23.553.114	5.123.290
Coal Sales Cost	26.896.491	18.314.853	10.829.435	12.767.234
TEİAŞ/EPIAŞ Yek credit amount	23.396.320	11.612.789	9.031.912	4.585.853
Cost of use of distribution companies system	20.689.126	7.286.566	10.845.966	3.202.942
Antimuon Sales Cost (-)	17.316.815	13.199.071	13.164.944	5.726.511
Market operating fee	15.149.723	3.539.118	4.683.098	363.917
System Usage Fee	13.728.219	20.092.237	4.752.066	5.778.888
Product Sales Cost From Production	11.313.759	7.254.676	3.615.028	5.274.237
DGP Debit Amount	9.256.581	4.437.749	4.397.414	1.029.440
Fuel Oil Cost Use	8.833.530	4.765.526	4.451.390	1.585.129
Bilateral Agreements Energy Trade Goods Cost	8.132.555	10.305.116	1.572.554	442.975
Insurance expenses	6.998.225	3.779.759	2.282.827	883.971
Cost of use motoring	6.768.192	2.564.947	1.559.514	755.983
Maintenance and repair expense	4.843.436	1.995.441	2.822.562	1.282.070
Limestone Usage Cost	3.161.909	2.620.486	844.759	833.910
Natural gas use	1.521.887	41.336.134	25.333	8.641.937
Group Companies Imbalance	1.452.531	40.628	(883.903)	--
TEİAŞ/Epiaş other expenses	886.344	6.247.826	404.369	1.457.786
Cost of Reactive Capacitive Goods (-)	342.915	134.668	175.910	82.691
Retroactive Adjustment Amount	103.170	43.314	19.348	2.366
System operating fee	--	913.442	(436.969)	232.125
Distribution Companies Other Expenses	--	524.412	(302.645)	166.785
Other Cost Fee	--	96.250	--	--
Provision for Severance Pay	--	106.150	--	106.150
TOTAL	768.749.891	525.274.676	311.674.896	169.867.486

29. OTHER ASSETS AND LIABILITIES

Other Current Assets

	September 30, 2021	December 31, 2020
Income accruals (*)	114.635.183	41.836.562
Deferred VAT	14.205.118	13.592.939
Work advances	5.683.380	4.629.386
Advances given to personnel	70.826	123.185
Advances given to suppliers	111.489.190	3.052.163
Other Various Current Assets	19.776.873	1.661.525
TOTAL	265.860.570	64.895.761

The details of income accruals are as follows:

	September 30, 2021	December 31, 2020
Accrued electricity sales income	108.750.842	37.596.630
Time deposit account interest income accruals	327.816	--
Other interest income accruals	2.356.405	--
Accrued natural gas sales income	--	1.039.932
Other accrued interest income	3.200.120	3.200.000
TOTAL	114.635.183	41.836.562

Other Tangible Fixed Assets

	September 30, 2021	December 31, 2020
Given advances (*)	69.794.260	78.912.655
TOTAL	69.794.260	78.912.655

(*) TRY 68.111.487 of the advances given in the past periods consist of advance amounts given to contractors and suppliers for the purchase of investment materials and services for the Çan2 Thermal Power Plant.

Other short term liabilities

	September 30, 2021	December 31, 2020
Accrued expenses	57.656.434	39.996.040
TOTAL	57.656.434	39.996.040

Expense accrual details are as follows:

	September 30, 2021	December 31, 2020
Electricity purchase expense accruals	52.128.714	35.000.916
Distribution companies expense accruals	476.890	324.981
Other expense accruals	5.050.830	2.630.190
Natural Gas Purchase Costs	--	2.039.953
TOTAL	57.656.434	39.996.040

29. OTHER ASSETS AND LIABILITIES (CONTINUED)

Other long term liabilities

	September 30, 2021	December 31, 2020
Expense accruals (*)	4.276.729	1.796.551
TOTAL	4.276.729	1.796.551

(*) Consists of the interests of insurance and tax debt restructuring installments belonging to the Group.

30. EQUITY, RESERVES AND OTHER EQUITIES

Paid-in Capital

Paid-in Capital structure of the Company between September 30, 2021 and December 31, 2020 given on the following table:

The nominal capital of the company is TRY 1.400.000.000 and the registered capital ceiling is TRY 3.000.000.000. Details of the group's capital structure are presented below.

Shareholder	30.09.2021		31.12.2020	
	Share Amount	Rate	Share Amount	Rate
A. Bahattin Özal	68.199.226	%4,87	33.198.318	%5,53
Burak Altay	217.397.488	%15,53	93.170.353	%15,53
BB Enerji Yatırım San.ve Tic.A.Ş.	39.619.143	%2,83	16.979.633	%2,83
Müjgan Özal Mirası (*)	5.347.275	%0,38	5.347.275	%0,89
Fatimetüz Zehra Özal Mirası (**)	3.208.365	%0,23	3.208.365	%0,53
Hafize Ayşegül Özal	2.708.365	%0,19	2.708.365	%0,45
Mustafa Ali Özal	2.708.365	%0,19	2.708.365	%0,45
Mehmet Fatih Özal	--	--	1.470.919	%0,25
Korkut Enes Özal	--	--	1.470.919	%0,25
Hafize Büşra Özal	1.069.455	%0,08	1.069.455	%0,18
Halka Açık Kısım	1.059.742.318	%75,70	438.668.033	%73,11
Paid-in Capital	1.400.000.000	%100	600.000.000	%100

(*) Due to the death of Mrs. Müjgan Özal on 22.05.2018, the share amounts of TRY 5.347.275 of shares amounting to 0,89% have been transferred to Abdulkadir Bahattin Özal, Mustafa Ali Özal, Fatimetruz Zehra Özal, hafize Ayşegül Özal, Mehmet Fatih Özal, Korkut Enes Özal and hafize Büşra Özal with the property of the company. The distribution list is as follows:

Shareholder	Share Amount	Rate
Fatimetüz Zehra Özal (**)	1.069.455	%0,18
Hafize Ayşegül Özal	1.069.455	%0,18
Mustafa Ali Özal	1.069.455	%0,18
Abdulkadir Bahattin Özal	1.069.455	%0,18
Mehmet Fatih Özal	356.485	%0,06
Korkut Enes Özal	356.485	%0,06
Hafize Büşra Özal	356.485	%0,06
TOTAL	5.347.275	%0,89

(**)Due to the death of Mr. Fatimetüzzebra Özal on 04.12.2018, the share amount of 0.71% of TRY 4.277.820 was transferred to Gökçe Koşay and Ayşenur Koşay Erbay under the partnership ownership. The list regarding the distribution is as follows:

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

Shareholder	Share Amount	Rate
Gökçe Koşay	2.138.910	%0,36
Ayşenur Koşay Erbay	2.138.910	%0,36
TOTAL	4.277.820	%0,72

The company's issued capital is TRY 1.400.000.000 and in question issued capital is paid in cash and fully by means free collusion.

This capital has been divided into a total of 1.400.000.000 shares, each with a nominal value of 1 (one) TRY, 8.555.640 Group (A) registered shares, 1.391.444.360 Group (B) registered shares.

In the framework of this agreement's 7,8, and 10 articles (The Board of Directors, nominate to the Board, president and vice president elected, representing the company and right to vote in the General Assembly), (A) group shares has the right of determination of board member and use of the right to vote in the General Assembly. (B) group shares has no special rights and privileges.

In capital increases, to represent the increased capital (A) Group shares ratio to (A) Group share and (B) Group shares ratio (B) Group share will be issued. In capital increases, when board of directors decided to issue only (B) group, right to receive shares is given to (A) group the ratio of its capital.

The Board of Directors is authorized to take decisions to increase the issued share capital , limiting the right to buy new shares to be issued ,preference shares to be issued and The issue of share issue premium by issuing new shares of (A) and / or (B) group up to the registered capital in accordance with Capital Market Law and Capital Market Board's regulations between the years 2020-2024. The shares representing the capital are monitored in records within the framework of dematerialization principles.

Authority to restrict the right to buy new shares is not used in a manner to cause inequality among shareholders. New shares cannot be issued unless issued shares are fully sold.

When shares representing five per cent or more of the Company's capital with direct or indirect acquisition by a natural or legal person or as a result of the acquisition of shares that does not exceed five percent of the share capital of the entities belonging to a common or transfer of shares results of falling below ratio compared to above belonging to one common share EMRA approval will be received each time and required disclosures will be stated in accordance with the Capital Market Legislation. This provision also valids if the voting rights is acquisitioned. Board of Directors is authorized to take decisions for not given approval to transfer and refusing from registration in the share register while transferring (A) group share within the framework of TCC 493 showing reason for carrying out company's goal and protection of independency of company. To transfer (B) group share will be traded in stock market can not be restricted.

Share Premium

The transactions regarding the increase of the Company's issued capital of 600,000,000 TL to 1,400,000,000 TL by an increase of 800,000,000 TL were completed on 23.08.2021. Shares with a nominal value of 31,203,426,19 TL remaining in the capital increase are transferred to Borsa İstanbul A.Ş. for 2 business days between 25-26 August 2021. A total of 44,627,458.03 TL of fund inflow was obtained from its sale in the Primary Market. Since the remaining shares in question were offered to the public at a price higher than the nominal value of 1 TL, a total of 13,424.201 TL was accounted for as share issue premium.

After the capital increase (public offering) of Çan2 Termik A.Ş., one of the subsidiaries of the Group, on 21-22 April 2021, 67.590.000 shares are sold in Borsa İstanbul A.Ş. at a price higher than the nominal value of 1 TL. The amount of 185,339,488 TL remaining after the netting of the public offering expenses, which occurred due to the fact that 6,759,000 existing shares of the Company were sold during the public offering at a price higher than the nominal value of 1 TL, is recognized as share issue premiums. accounted for.

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

After the capital increase on 21 January – 04 February 2020, the total nominal value of the unused shares corresponding to the right to purchase new shares is 24,998,629 shares on Borsa İstanbul A.Ş. In the Primary Market, Borsa İstanbul A.Ş. The difference of TL 31,833,566 resulting from the sale of 24,998,629 shares offered for sale at the price to be formed in the Primary Market and offered to the public at a price higher than their nominal value, has been accounted for as share issue premiums.

After the capital increase on 08-23 January 2019, the total nominal value of the shares corresponding to the unused new share purchase rights was 43,506,439,11 shares on 24-25 January 2019 by Borsa İstanbul A.Ş. In the Primary Market, Borsa İstanbul A.Ş. The difference of 28.260.507 TL, which occurred due to the sale of 43,506,439,11 shares, which were offered for sale at the price to be formed in the Primary Market, at a price higher than the nominal value, was accounted for as share issue premiums.

	September 30, 2021	December 31, 2020
Share Premium	258.857.762	60.094.073
TOTAL	258.857.762	60.094.073

Actuarial gain / loss of funds

Actuarial gain / loss of movement of funds are as follows.

	September 30, 2021	December 31, 2020
Beginning period balance	(645.109)	(276.526)
Current year actuarial gains / (losses)	(157.027)	(368.583)
TOTAL	(802.136)	(645.109)

Previous Years' Profit/Loss

Accumulated profit/loss except net profit for the period is shown like below.

Previous Years' Profit/Loss	September 30, 2021	December 31, 2020
Previous Years' Profit/Loss	(326.903.703)	(127.047.540)
Share Percentage Not Resulting in Loss of Control in Subsidiaries. Related Increase / Decrease	27.075.375	(12.169.690)
Period profit/(loss)	(246.670.717)	(187.686.473)
TOTAL	(546.499.045)	(326.903.703)

Dividend Distribution

Publicly trading companies distribute its dividends according to the regulations that came into force by the CMB on February 1st, 2014, dividend notification code II-19.1

The partners distribute their profits according to the profit distribution policy and legislative provisions determined by the general assembly. A minimum distribution rate under the declared notification has not been determined. Companies pay dividends based on their contacts or based on dividend distribution policies. Dividend can be paid in fixed or varying installments, if agreed during the general meeting.

As for payments in installments; dividend notification No. II-19.1 of the provisions contained in Article 5 shall be complied with. In addition to that, partnerships whose shares are traded in the stock exchange can distribute cash dividends in advance, according to their earnings obtained on their interim financial statements.

According to the TCC, as long as the reserves to be set aside and the dividend rate stated in the real agreement or dividend distribution policy are not separated; another reserve cannot be set aside, any profit cannot be transferred to the following year, and the usufruct of their prospective owners, board members, partners and everyone else other than shareholders will not be given any dividends from the obtained profit, just as well as if the shareholders are not paid their determined dividend fully in cash.

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

Legal Reserves

According to Turkish Commercial Code, legal reserves divided into two; I. and II. Legal Reserves. According to Turkish Commercial Code, primary reserve is 5% of statutory profit until reached 20% of paid capital. Secondary reserve is 10% of distributed profit which exceeds 5% of paid capital. According to Turkish Commercial Code, until legal reserves doesn't exceed 50% of paid capital, can be used just to clarify losses. There is no possibility to use in another way.

As of September 30, 2021, the amount of restricted reserves is TRY 639.252. (31.12.2020: TRY 639.252) This all amount consist of legal reserves.

Capital Advances

None. (31.12.2020: None.)

Minority Interest

Details of minority interest are shown below:

Minority Interest	September 30, 2021	December 31, 2020
Capital	75.046.896	282.204
Retained earnings/(loss)	(34.996.626)	(5.477.068)
Period profit/(loss)	(40.144.457)	(2.444.180)
TOTAL	(94.187)	(7.639.044)

The Effect of Consolidations Involving Companies Subject to Joint Control

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

Goodwill amounting to TRY 44.104.489 (31.12.2020: TRY 41.404.830) arising from the acquisition of entities subject to common control has been shown under the account of "Effect of Associations Including Enterprises or Enterprises Subject to Joint Control" as a balancing account, since the financial statements cannot be used for the recognition of entities under common control subject to jointly controlled entities.

Below are the amounts due to the merger of entities subject to joint control, which are included in the "Effect of Joint Ventures or Associations under Joint Control" account:

Corporate Name	Actual Cost	Acquired Equity Share Value	The Impact of Associations Including Enterprises or Enterprises Subject to Joint Control
Voytron	23.342.950	729.287	24.072.237
Hidro Enerji	150.490	(51.398)	99.092
Suda Stratejik Metal	70.000	(20.616)	49.384
Küçük Enerji	2.065.876	(44.768)	2.021.108
Yel Enerji	--	96.256	96.256
Anadolu Export	--	2.753	2.753
Çan2 Termik	17.347.968	--	17.347.968
Çan2 Trakya	127.787	--	127.787
Odas Enerji CA	148.500	--	148.500
Yel Enerji	139.404	--	139.404
TOTAL	43.392.975	711.514	44.104.489

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30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

Other Equity

	September 30, 2021	December 31, 2020
Other Equity	21.868.966	21.868.966
TOTAL	21.868.966	21.868.966

The Suda Maden purchase is evaluated within the scope of TFRS 3 Business Combinations-standard. This process has been determined an acquisition rather than a business combination transaction. The total amount paid for the asset and the difference amount consists of the between assets and liabilities are calculated by taking the book values of the company's into account, the difference amount of TRY 21.868.966 is recognised at equities.

31. REVENUE AND COST OF GOODS SOLD

Revenue:

	January 01 – September 30, 2021	January 01 – September 30, 2020	July 01 – September 30, 2021	July 01 – September 30, 2020
Domestic sales	1.000.843.861	693.447.178	406.712.722	215.611.811
Free Consumer Electricity Sales	72.085.723	28.774.961	32.321.493	13.529.068
Electricity Sales income from TEİAŞ/Epiaş/EÜAŞ	442.994.150	362.476.103	194.139.878	83.483.033
Bilateral Agreements Electricity Sales	431.795.952	263.757.739	151.926.124	91.524.420
Solar Energy Sales	267.800	281.585	103.886	113.163
Income from Natural Gas Sales	16.135	895.674	(10)	254.012
Income from Mining Sales	12.987.703	25.633.662	4.336.287	16.094.400
Product Sales From Production	31.290.234	9.108.890	20.932.370	7.105.687
Other Incomes	9.569.354	4.963.294	3.357.441	3.737.173
Sales return	(163.190)	(2.444.729)	(404.746)	(229.144)
Sales Discounts	--	--	--	--
Overseas Sales	11.038.318	11.945.330	6.472.576	11.168.923
Maden Satış Gelirleri	11.038.318	11.945.330	6.472.576	11.168.923
Total	1.011.882.178	705.392.508	413.185.298	226.780.734

	January 01 – September 30, 2021	January 01 – September 30, 2020	July 01 – September 30, 2021	July 01 – September 30, 2020
Cost of goods sold (production)	630.973.449	413.441.362	252.174.608	136.507.329
Cost of goods sold (trade)	137.776.442	111.736.370	59.500.288	33.359.463
Other costs	--	96.944	--	694
TOTAL	768.749.891	525.274.676	311.674.896	169.867.486

32. CONSTRUCTION CONTRACTS

None (31.12.2020: None).

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33. GENERAL OPERATING EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

There are no research and development expenses for the periods 01 January – 30 September 2021 and 1 January – 30 September 2020.

	January 01 – September 30, 2021	January 01 – September 30, 2020	July 01 – September 30, 2021	July 01 – September 30, 2020
Marketing, sales and distribution expenses	7.627.953	10.450.477	3.830.979	9.004.452
General Administrative Expenses	28.278.562	21.994.530	9.910.567	7.156.287
TOTAL	35.906.516	32.445.007	13.741.546	16.160.739

Marketing, sales and distribution expenses

The details of marketing, sales and distribution expenses for the periods January 01 – September 30, 2021 and January 01 – September 30, 2020 are as follows:

	January 01 – September 30, 2021	January 01 – September 30, 2020	July 01 – September 30, 2021	July 01 – September 30, 2020
Costs of Transport	5.793.697	7.786.033	2.802.141	6.478.584
Other expenses	967.758	784.600	843.660	779.955
Customs Expense	494.444	1.614.523	46.170	1.614.523
Consulting Expense	257.731	--	44.627	--
Electricity sales commission expense	92.599	188.620	90.866	128.620
Annual license costs	19.724	4.465	3.515	1.485
Personnel expense	--	70.035	--	--
Cargo expense	--	2.201	--	1.285
TOTAL	7.627.953	10.450.477	3.830.979	9.004.452

General Administration Expenses

Details of general administration expenses according to their nature January 01 – September 30, 2021 and January 01 – September 30, 2020, periods are as below:

	January 01 – September 30, 2021	January 01 – September 30, 2020	July 01 – September 30, 2021	July 01 – September 30, 2020
Personnel expense	14.980.964	9.772.458	5.886.844	3.180.511
Amortization expense	4.189.094	3.462.963	1.481.417	1.206.045
Capital Increase/IPO Expenses	2.103.573	--	873.346	--
Consultancy expense	1.881.165	1.965.871	599.123	878.500
Declaration and Agreement Stamp Tax	1.695.414	1.421.187	24.231	31.559
Case Provision expense	974.676	107.894	189.765	4.130
Other expenses	944.866	1.405.975	380.728	637.242
Tax expenses	460.122	529.091	77.713	145.667
Travel expenses	253.428	45.020	77.578	18.059
Dues contribution share	163.209	297.042	(5.130)	46.065
Representation and hospitality expenses	160.271	15.046	90.110	3.555
Insurance expense	142.508	94.901	65.522	69.540
Office rent expense	130.006	1.445.450	106.827	467.484
Fuel expense	100.126	113.989	40.385	62.192
Notary expense	73.437	105.357	16.859	37.296
Shipping expense	25.703	18.660	5.249	10.229
Expenses for unused leave	--	1.042.164	--	332.729
Severance pay provision expenses	--	151.462	--	25.484
TOTAL	28.278.562	21.994.530	9.910.567	7.156.287

34. OTHER OPERATIONAL INCOME AND EXPENSES

Other operating income

	01 January - 30 September 2021	01 January- 30 September 2020	01 July –30 September 2021	01 July –30 September 2020
Exchange Rate Difference Income	19.187.767	9.770.865	12.570.832	2.368.015
Income and Profit for the Previous Period	9.626.087	1.307.735	1.892.644	23.815
Other Income and Profits Related to the Activity	4.250.641	102.037	4.176.117	15.570
Discounted Interest Income	3.425.000	18.108.836	(2.038.008)	3.563.801
Non-Current Provisions	782.504	--	(704.208)	--
Compensation and Penalty Revenues	--	2.862	--	2.862
Other Unusual Incomes	4.944.854	5.488.782	2.864.430	234.898
TOTAL	42.216.853	34.781.117	18.761.807	6.208.961

Other Operating Expenses

	01 January - 30 September 2021	01 January- 30 September 2020	01 July –30 September 2021	01 July –30 September 2020
Expenses and Losses for the Previous Period	35.876.417	17.923.913	28.985.503	195.923
Expenses and Losses of the Non-Working Part (*)	18.133.522	5.747.293	8.323.096	3.481.766
Exchange Rate Difference Expense	12.746.982	17.297.053	5.322.694	6.895.357
Other Unusual Expenses and Damages	5.122.066	4.678.866	1.693.669	252.824
Discount Expenses	9.383.273	14.646.151	8.600.072	180.004
Other Ordinary Expenses and Losses	2.014.242	1.125.691	888.874	1.125.691
Provision Expenses	1.969.459	1.867.042	--	1.867.042
An Outstanding Provision	--	--	--	(1.867.042)
Compensation Penalties and Expenses	--	2.862	--	2.862
TOTAL	85.245.961	63.288.871	53.813.908	12.134.427

(*) In the period of 01.01.2021 – 30.09.2021, there is a depreciation expense of 4.032.444 TL in the expenses and losses of the inoperative part

35. EXPENDITURES AND REVENUES FROM INVESTING ACTIVITIES

Income and Expenses from Investment Activities for the periods 1 January – 30 September 2021 and 1 January – 30 September 2020 are as follows;

	01 January - 30 September 2021	01 January- 30 September 2020	01 July –30 September 2021	01 July –30 September 2020
Income from investment activities	417.405	368.270	25.424	316.575
Investment activity expenses	(25.424)	--	(25.424)	--
TOTAL	391.981	368.270	--	316.575

36. EXPENSES CLASSIFIED BY PRINCIPLE TYPES

The breakdown of the Group's expenses classified by type is as follows:

Depreciation Expenses	01 January - 30 September 2021	01 January- 30 September 2020	01 July –30 September 2021	01 July –30 September 2020
The Cost of Sales	63.804.082	59.433.720	20.552.010	19.539.994
The Cost of Selling Coal and Antimony	--	5.047.793	--	1.878.719
General Administrative Expenses	4.189.094	3.462.963	1.481.417	1.206.045
Expenses and Losses of the Non-Working Part	4.032.444	429.092	1.353.056	147.268
Expenses and Losses for the Previous Period	--	--	(41.975)	--
Transferred to the Cost of Finished Products (*)	791.045	524.786	665.923	152.925
TOTAL	72.816.664	68.898.354	24.010.431	22.924.951

(*) There is a depreciation expense of TL 791,045 remaining in the finished product account, which is transferred to the cost of the finished product but is not sent to the cost of sales.

Personnel Expenses	01 January - 30 September 2021	01 January- 30 September 2020	01 July –30 September 2021	01 July –30 September 2020
The Cost of Sales	41.025.930	33.918.122	14.457.505	11.480.914
General Administrative Expenses	14.980.964	10.966.087	5.886.844	3.538.724
Marketing, Sales and Distribution Expenses	--	70.035	--	--
TOTAL	56.006.894	44.954.245	20.344.349	15.019.638

Insurance Expenses	01 January - 30 September 2021	01 January- 30 September 2020	01 July –30 September 2021	01 July –30 September 2020
The Cost of Sales	6.998.225	3.779.759	2.282.827	883.971
General Administrative Expenses	142.508	94.901	65.522	69.540
TOTAL	7.140.734	3.874.660	2.348.349	953.511

Consultancy Expenses	01 January - 30 September 2021	01 January- 30 September 2020	01 July –30 September 2021	01 July –30 September 2020
Marketing, Sales and Distribution Expenses	257.731	--	44.627	--
General Administrative Expenses	1.881.165	1.965.871	599.123	878.500
TOTAL	2.138.897	1.965.871	643.750	878.500

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37. FINANCE INCOME/EXPENSE

Finance Income

	01 January -30 September 2021	01 January -30 September 2020	01 July -30 September 2021	01 July -30 September 2020
Foreign exchange profits	120.886.656	25.821.778	76.138.491	6.006.986
Profits from the sale of securities	20.789.575	--	201.230	--
Interest income	20.084.025	8.960.397	11.132.781	3.157.311
Discounted interest income	1.242.969	42.401.012	(1.640.939)	(1.736.793)
Other	--	253.505	--	80
TOTAL	163.003.225	77.436.692	85.831.563	7.427.584

Finance Expense

	01 January -30 September 2021	01 January -30 September 2020	01 July -30 September 2021	01 July -30 September 2020
Foreign exchange losses	326.444.669	497.820.407	67.693.711	260.019.658
Interest and commission expenses	215.447.016	182.098.602	58.795.883	70.745.073
Discounted interest expenses	4.653.551	43.110.321	3.369.239	144.460
Expenses from the sale of securities	690.508	--	151.356	--
Other	--	284.675	--	52
TOTAL	547.235.744	723.314.005	130.010.189	330.909.243

38. ANALYSIS OF OTHER COMPREHENSIVE INCOME

The breakdown of the Group's other comprehensive income/(expense) as of September 30, 2021 and September 30, 2020 is as follows:

Profit or Loss Not to be classified	01 January -30 September 2021	01 January -30 September 2020	01 July -30 September 2021	01 July -30 September 2020
Actuarial Gain/Loss (Note:27)	(203.931)	(224.801)	(422.334)	164.034
Deferred Tax Expense/Income (Note:40)	46.904	49.456	97.137	(36.087)
TOTAL	(157.027)	(175.345)	(325.197)	127.947

39. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUING OPERATIONS

A share transfer agreement was signed with FERRIT SRO (Czech Republic) on 29 June 2015 for the sale of all shares of Ena Elektrik Üretim Ltd.Şti, which is 80% of the shares in the Group portfolio and included in the consolidation. The transfer of share certificates has not yet taken place, and will take place after the licensing procedures at EMRA. As of 30.06.2015, Ena Elektrik has been classified as an asset held for sale in the consolidated financial statements. As of 30.09.2021, Ena Elektrik's net asset value is 710.004 TL (31.12.2020: 596.919 TL).

The said sale transaction has been evaluated as a discontinued operation in accordance with TFRS 5 "Fixed Assets Held for Sale and Discontinued Operations" standard and the net profit/loss resulting from the activities of Ena Elektrik Üretim Ltd.Şti on 30.09.2021 is dated 01 January-30 September 2021. Income from discontinued operations is classified as expenses in the consolidated statement of profit or loss and other comprehensive income.

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39. FIXED ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

The comparative income statement of Ena Elektrik Üretim Ltd.Şti is as follows:

	01 January -30 September 2021	01 January -30 September 2020	01 July - 30 September 2021	01 July - 30 September 2020
Income	143.457	143.939	(136.327)	58.890
Expenses (-)	(8.688)	(138.171)	148.562	(26.667)
Profit for the Period Before Tax	134.769	5.768	12.235	32.223
Tax (-)	(21.684)	(2.905)	34.001	(7.138)
Net Profit/Loss for the Period	113.084	2.862	46.236	25.085

40. TAXATION ON INCOME (INCLUDES DEFERRED TAX ASSETS AND LIABILITIES)

The tax income/expenses included in the income statement for the accounting periods of 01 January – 30 September 2021 and 01 January – 30 September 2020 are summarized below:

	01 January - 30 September 2021	01 January - 30 September 2020	01 July - 30 September 2021	01 July - 30 September 2020
Tax Expense for the Period	(655.825)	(672.607)	(392.452)	(378.107)
Deferred Tax Income/Expense	49.057.642	(96.430)	47.356.491	(2.111.333)
Deferred Tax Reflected in Equity	46.904	49.456	97.137	(36.087)
TOTAL	48.448.721	(719.581)	47.061.176	(2.525.528)

(*) It is the deferred tax amount calculated for the actuarial gain/loss within the scope of TAS 19 Employee benefits standard (Note: 38).

Current Tax

In Turkey, the corporate tax rate is 20%. This rate is applied to the tax base to be found as a result of adding the expenses that are not accepted as a deduction in accordance with the tax laws to the commercial income of the corporations, and using the exemptions (such as the participation earnings exception) and discounts (such as investment discount) in the tax laws.

The Law on Amending the Tax Procedure Law, Income Tax Law and Corporate Tax Law (“5024 Law”), published in the Official Gazette on 30 December 2003, published the financial statements of income or corporate taxpayers who determine their earnings on the basis of balance sheet on 1 January. It envisages that it will be subject to inflation adjustment starting from 2004. Taxpayers are also obliged to subject their balance sheets dated 31 December 2003 to inflation adjustment in accordance with the principles set forth in the said law. Balance sheets dated December 31, 2003 With the Law No. 5024 and the General Communiqué published by the Ministry of Finance on February 28, 2004, taxpayers who had to make inflation adjustments were obliged to adjust only their balance sheets from the financial statements they would prepare after January 1, 2004, in case the adjustment conditions were met.

In the current period, the Group will calculate the tax base in accordance with the Law No. 5024 and the procedures and principles in the said communiqués, in case the correction conditions declared with the Communiqué of Tax Procedure Law No. 338 occur (100% in the last twelve accounting periods of the price index increase, 10% in the current accounting period).

There is no withholding tax on profit shares (dividends) paid to institutions that generate income through a workplace or permanent representative in Turkey and to institutions residing in Turkey. Dividend payments made to those other than these are subject to a 15% withholding tax. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied.

The corporate tax rate of 2021 was increased from 20% to 25% in accordance with the Law No. 7316 “On the Procedure for Collection of Public Receivables and Amendments to Some Laws” published in the Official Gazette No. 31462 dated April 22, 2021. for 2021, this ratio is 2. It will be applied from the date of the temporary tax return. for 2022, the corporate tax rate will be applied at 23%.

40. TAXATION ON INCOME (INCLUDES DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)

Assets Related to Current Period Tax:

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

	30 September 2021	31 December 2020
Taxes and funds paid in advance	871.415	339.428
TOTAL	871.415	339.428

Current Period Tax Expense :

	30 September 2021	31 December 2020
Pre-tax profit/(loss)	2.643.286	2.043.842
Expenses that are not accepted by law	214.525	1.828.458
Loss for the previous year to be offset	(234.510)	(218.826)
Corporate Tax Base	2.623.301	3.653.474
Tax expense	655.825	803.764
Taxes and other legal obligations paid in advance	--	--
Tax Expense for the Period	655.825	803.764

Deferred Tax

The Group calculates its deferred income tax assets and liabilities by taking into account the effects of temporary differences between the recorded values of the balance sheet items and the Tax Procedure Law.

These temporary differences generally arise from the recognition of income and expenses in different reporting periods in accordance with the CMB Communiqué and tax laws. The rate to be applied for the deferred tax receivables and liabilities calculated according to the liability method over the temporary differences that will occur after 31 December 2008 has been applied as 20%. However, the 20% tax rate specified in the first paragraph of Article 32 of the Corporate Tax Law No. 5520, with the Law No. 7061 on "Amendment to Some Tax Laws and Some Other Laws" adopted on 28 November 2017, is applied to the corporate earnings of the 2018, 2019 and 2020 taxation periods. The provision of 22% applicable was added with a provisional article. In accordance with the temporary article 13 of the Corporate Tax Law No. 5520, it will be applied at the rate of 25% for corporate earnings for 2021 and 23% for corporate earnings for 2022.

Turkish tax legislation does not allow the parent company to file a tax return over the consolidated financial statements of its subsidiaries and affiliates. Therefore, deferred tax positions of companies with deferred tax assets and companies with deferred tax liabilities have not been netted and disclosed separately.

As of 30 September 2021 and 31 December 2020, the deferred asset and deferred tax liability are reflected in the consolidated financial statements as follows:

	30.09.2021	31.12.2020
Deferred Tax Assets	220.910.928	171.470.932
Deferred Tax Liabilities	(10.995.907)	(10.655.111)
TOTAL	209.915.021	160.815.821

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40. TAXATION ON INCOME (INCLUDES DEFERRED TAX ASSETS AND LIABILITIES) (CONTINUED)

The breakdown of the accumulated temporary differences and deferred tax assets and liabilities that are subject to deferred tax as of 30 September 2021 and 31 December 2020, using the applicable tax rates, is as follows:

Deferred Tax Assets / Liabilities	Accumulated Temporary Differences		Deferred Tax Assets / (Liabilities)	
	30.09.2021	31.12.2020	30.09.2021	31.12.2020
Tax Deduction Due to Increase in Cash Capital (*)	--	--	45.540.116	38.596.815
Differences in Depreciation of Tangible and Intangible Assets	(46.654.965)	(135.881.915)	(10.730.642)	(29.894.021)
Provision for Severance Pay and Leave	4.987.667	4.396.313	1.147.164	967.189
Discounts	(510.136)	(9.855.877)	(115.854)	(2.168.293)
Investment Incentive, Reduced Corporate Tax Right Arising from (**)	--	--	354.596.461	354.596.461
Doubtful Trade Receivables	9.971.279	3.518.507	2.293.394	774.072
Establishment and Organization Expenses	3.950	3.949	908	869
Accumulated Financial Losses	--	759.068	54.329.474	166.995
Other Debt and Expense Provisions	(164.076.332)	(13.738.998)	(37.737.556)	(3.022.579)
Tas21 Effects of Exchange Rate Changes	(898.944)	--	(206.757)	--
Revaluation	--	--	(199.201.687)	(199.201.687)
TOTAL			209.915.021	160.815.821

(*) Provided a tax advantage of TL 45,540,116 within the scope of incentives related to the Group's capital increases in previous periods..

(**) Group's investment related to thermal power plant II. It is located in the region, but it is stated in Article 5 of the Special Conditions section of YTB that it will benefit from the support of the 5th Region since the investment subject to the document is among the priority investments. Accordingly, the Investment Contribution Rate is 40% and the Discounted Corporate Tax Rate is 80%. Accordingly, a reduced corporate tax application will be available for the income obtained from the investment of 320,715,946 TL, which is 40% of the total investment amounting to 801.789.865 TL.

According to the incentive certificate received within the scope of hard coal mining, the Investment Contribution Rate is 40% and the reduced corporate tax rate is 80%. Accordingly, the reduced corporate tax application will be available for the income of 90,286,925 TL, which is 40% of the total investment amounting to 227,050,000 TL and remaining after tax deduction. 30,296,753 TL of this amount is subject to deferred tax.

According to the incentive certificate received within the scope of the Antimony Ore Enrichment Facility Investment, the Investment Contribution Rate is 40% and the reduced corporate tax rate is 80%. Accordingly, the reduced corporate tax application will be applicable for the income of 3,583,762 TL, which is 40% of the total investment amounting to 14,500,000 TL and remaining after tax deduction..

As of September 30, 2021 and December 31, 2020, the distribution of accumulated financial losses and exhaustion periods by years is as follows:

Expiry Date	30 September 2020		31 December 2020	
	Registered Part	Unrecorded Part	Registered Part	Unrecorded Part
2020	--	--	--	6.795.798
2021	--	9.623.397	--	9.682.273
2022	--	16.301.712	--	16.301.712
2023	--	123.789.577	--	123.847.003
2024	--	123.075.668	--	124.269.542
2025	--	436.172.734	--	--

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

As of the balance sheet date, the Group's subsidiaries have unused financial losses that can be deducted from their profits in the following periods (within the following 5 years) and are shown in the table above. Deferred tax assets on financial losses that are not foreseen to be used are not recorded.

Çan 2 Termik, one of the subsidiaries, has received the details of "23. There is a Discounted Corporate Tax that can be used depending on the investment Incentive Certificate given in the "Government Incentives and Aids" section.

Çan 2 Termik's investment II. It is located in the region, but in Article 5 of the Special Conditions section of YTB, it is stated that the investment subject to the document is among the priority investments, so it will benefit from the support of the 5th Region. Accordingly, the Investment Contribution Rate is 40% and the Discounted Corporate Tax Rate is 80%. This means that the reduced corporate tax application will be available for the income obtained from the investment amounting to $801.789.866 * 40\% = 320.715.946$ TL, which is 40% of the total investment amount. In the event that it is used as an advance, up to 80% of the total amount can be used until the investment is finished.

YS Madencilik's investment IV. It is in the area. The Investment Contribution Rate is 40% and the Discounted Corporate Tax Rate is 80%. This means that the reduced corporate tax application will be available for the income obtained from the investment amounting to $227.050.000 * 40\% = 90.820.000$ TL, which is 40% of the total investment amount. In the event that it is used as an advance, up to 80% of the total amount can be used until the investment is finished.

Suda Maden's investment IV. It is in the area. The Investment Contribution Rate is 40% and the Discounted Corporate Tax Rate is 80%. This means that the discounted corporate tax application will be available for the income obtained from the investment amounting to $14.500.000 * 40\% = 5.800.000$ TL, which is 40% of the total investment amount. In the event that it is used as an advance, up to 80% of the total amount can be used until the investment is finished.

41. EARNING PER SHARE

	01 January - 30 September 2021	01 January - 30 September 2020	01 July - 30 September 2021	01 July - 30 September 2020
Net profit/ (loss)	(121.752.110)	(510.217.533)	49.671.051	(298.044.861)
Weighted average number of ordinary shares	702.564.103	542.068.005	702.564.103	542.068.005
Profit / (loss) per share with a nominal value of 1 TL	(0,173297)	(0,941243)	0,070700	(0,549829)

42. SHARE-BASED PAYMENTS

None. (December 31,2020: None)

43. INSURANCE CONTRACTS

None. (December 31,2020: None)

44. THE EFFECT OF CHANGE IN FOREIGN EXCHANGE RATES

None. (December 31,2020: None)

45. FINANCIAL REPORTING IN HYPERINFLATION ECONOMIES

In order to show the difference of the purchasing power of Turkish Lira, the financial tables prepared before 01.01.2005, are adjusted to inflation by using the WPI in accordance to TAS 29. In the stated standard, it is predicted that the financial tables which are prepared in high inflation periods, would be presented in a way that they would reflect the current purchasing power of the currency by eliminating the impact of the currency's purchasing power differences on financial tables by using adjustment multiplier.

45.FINANCIAL REPORTING IN HYPERINFLATION ECONOMIES(CONTINUED)

With a decision taken by CMB on 17.03.2005, inflation accounting for companies operating in Turkey and preparing financial statements in accordance with the accounting and reporting principles accepted by CMB ("CMB Financial Reporting Standards"), effective from 01.01.2005. declared it not necessary. Therefore, starting from 01.01.2005, the standard No. 29 "Financial Reporting in High Inflation Economies" ("TAS 29") published by the POA has not been applied in the financial statements.

46.DERIVATIVE INSTRUMENTS

None. (December 31,2020: None)

47.FINANCIAL INSTRUMENTS

Short-Term Financial Liabilities

	30 September 2021	31 December 2020
Bank credits	80.336.958	100.638.111
Liabilities from leasing transactions	--	7.941.746
Deferred leasing costs (-)	--	(304.208)
Principal installments and interest rates on loans	369.307.778	420.115.199
Other Financial Liabilities	4.012.017	78.263.971
Short-Term Financial Liabilities - Net	453.656.753	606.654.819

Long- Term Financial Liabilities

	30 September 2021	31 December 2020
Bank credits	1.361.299.441	1.487.422.249
Liabilities from leasing transactions	--	561.879
Deferred leasing costs (-)	--	(12.090)
Long-Term Financial Liabilities - Net	1.361.299.441	1.487.972.037

(*) Liabilities from financial leasing transactions: Payables of lessees to financial leasing companies and whose maturity exceeds 1 year are followed.

(**) Deferred financial leasing costs (-): Financial leasing borrowing costs that have not been paid yet, which shows the difference between the debts arising from the lease transactions and the present value of the lease payments related to the leased asset, at the date of the financial leasing are followed.

As of September 30, 2021 and December 31, 2020, the repayment schedule of long-term loan obligations is as follows:

Long-Term Loan Obligations	30 September 2021	31 December 2020
2022	126.924.906	336.273.100
2023	287.029.762	267.192.743
2024	229.134.972	212.228.653
2025	184.792.611	164.903.076
2026	150.979.076	128.605.092
2027	135.243.184	113.456.679
2028	121.159.169	99.894.794
2029	108.585.882	87.871.912
2030	17.449.879	76.996.200
TOTAL	1.361.299.441	1.487.422.249

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47.FINANCIAL INSTRUMENTS (CONTINUED)

Long-Term Loan Obligations	30 September 2021	31 December 2020
1-2 Years	-	-
2-3 Years	126.924.906	336.273.100
3-4 Years	287.029.762	267.192.743
4-5 Years	229.134.972	212.228.653
5 Years and above	718.209.801	671.727.753
TOTAL	1.361.299.441	1.487.422.249

	30 September 2021	31 December 2020
Other Financial Liabilities (*)	4.012.017	78.263.971
TOTAL	4.012.017	78.263.971

(*) As of 30.09.2021, 62.898 TL consists of company credit card debts and 3.949.119 TL consists of lease borrowings within the scope of TFRS-16.

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47. FINANCIAL INSTRUMENTS (CONTINUED)

The maturity of the Group's loans and interest rates are as follows:

	<u>Annual interest rate %</u>		<u>Exchange Value</u>		<u>TRY</u>	
	October 30, 2021	December 31, 2020	October 30, 2021	December 31, 2020	October 30, 2021	December 31, 2020
TRY Loans	7,5-24%	7,5-29%	--	--	34.299.154	100.638.111
EURO Loans	5,5%-7%	5,5%-7%	4.464.575	--	46.037.804	--
Short-term Loans					80.336.958	100.638.111
EURO Loans	5,5%-7%	5,5%-7%	19.637.868	27.109.187	202.501.771	244.196.843
USD Loans	6,5 - 8%	6,5 - 8%	3.306.616	2.774.918	29.410.696	20.369.285
TRY Loans	7,5-24%	7,5-29%	--	--	137.395.312	155.549.071
Short-term payments and interests of loans					369.307.778	420.115.199
Total short-term loans					449.644.738	520.753.310
EURO Loans	5,5%-7%	5,5%-7%	106.829.254	128.412.019	1.101.601.899	1.156.722.629
USD Loans	6,5 - 8%	6,5 - 8%	657.567	2.173.646	5.848.732	15.955.646
TRY Loans	7,5-24%	7,5-29%	--	--	253.848.811	314.743.974
Total long-term loans					1.361.299.441	1.487.422.249

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a) Capital Risk Management

While group tries to ensure the continuity of its activities , on the other hand, aims to increase its profitability by using the optimization of the debt and equity balance.

The capital structure of the group consist of; borrowings includes financial payables stated at note:47, cash and cash equivalents stated at note:53 and equity instruments contain prepaid capital, capital reserves, profit reserves and retained earnings at note:30.

The risks associated with each class of capital with the capital cost are evaluated by senior management. The management aims to balance structure of capital via obtain new payable or repayment of existing debt or dividend payments, issued new shares based on its evaluation.

Group used long-term USD and EURO loan for investments. Group is trying to minimize short-term loan liability by equivalent debt structure to holding period of existing investment. Regarding used EURO and USD loan if it is used as TRY , the risks are recorded as stated note:37.

Group analyses equity according to leverage ratio which is consistent with other companies. Aforesaid ratio is calculated by dividing net debt to total equity. Net debt (the current and non-current loan as shown in the balance sheet) is obtained by subtracting cash and cash equivalents from total loans.

Group management aims to reach a higher level profit and equity in order to manage existing debts.

Group's current period capital risk management strategy does not differ compared to previous periods .

b) Financial Risk Factors

Group is exposed to market risk (exchange rate risk, fair value interest rate risk, cash flow interest rate risk and price risk) credit risk and liquidity risk due its operations. The Group's overall risk management program focus on the minimize the impact of uncertainty in financial markets on group's potential financial performance.

b.1) Credit risk

The risk of financial loss to group due to default of agreement of one of the parties is defined as credit risk. The Group has operations only dealing with creditworthy counterparties and try to reduce the risk of credit by obtaining sufficient collateral where possible. Credit risk and customers credit ratings that group exposure to them are continuously monitored.

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk exposure as types of financial instruments are shown in the table below.

30.09.2021	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
As at reporting date maximum amount of credit risk exposed (A+B+C+D+E) *	42.222.112	142.108.448	12.850.851	24.408.038	283.295.801	--	181.283.450
- Maximum amount of risk exposed							
- Part of the risk covered by guarantees	--	--	--	5.994.286	--	--	--
A. Net value of financial assets neither due nor impaired	42.222.112	137.559.919	12.850.851	18.413.752	283.295.801	--	181.283.450
B. Conditions renegotiated, otherwise to be classified as past due or impaired	--	--	--	--	--	--	--
C. Past due but not impaired	--	4.548.529	--	--	--	--	--
D. Net book value of Impaired assets	--	19.708.751	--	--	--	--	--
-Past due (gross book value)	--	(19.708.751)	--	--	--	--	--
-Impairment (-)	--	--	--	--	--	--	--
- Part covered by guarantees	--	--	--	--	--	--	--
- Undue (gross book value)	--	--	--	--	--	--	--
-Impairment (-)	--	--	--	--	--	--	--
- Part covered by guarantees	--	--	--	--	--	--	--
E. Off-balance sheet items with credit risk	--	--	--	--	--	--	--

* In determining the amount, the increase in credit reliability such as guarantees received are not taken into account.

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Aging of assets that is overdue but is not impairment as follows:

30.09.2021	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
Overdue 1-30 days	--	--	--	--	--	--	--
Overdue 1-3 months	--	973.269	--	--	--	--	--
Overdue 3-12 months	--	3.575.260	--	--	--	--	--
Overdue 1-5 years	-	--	--	--	--	--	--
Overdue above 5 years	--	--	--	--	--	--	--
Part covered by guarantees	--	--	--	--	--	--	--
Total	--	4.548.529	--	--	--	--	--

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONNTINUED)

31.12.2020	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
As at reporting date maximum amount of credit risk exposed (A+B+C+D+E) *	28.895.916	159.705.970	11.930.535	21.834.192	13.455.893	--	95.733.714
- Maximum amount of risk exposed							
- Part of the risk covered by guarantees	--	--	--	2.785.051	--	--	--
A. Net value of financial assets neither due nor impaired	28.895.916	155.093.892	11.930.535	19.049.141	13.455.893	--	95.733.714
B. Conditions renegotiated, otherwise to be classified as past due or impaired	--	--	--	--	--	--	--
C. Past due but not impaired	--	4.612.078	--	--	--	--	--
D. Net book value of Impaired assets	--	17.762.295	--	--	--	--	--
-Past due (gross book value)	--	(17.762.295)	--	--	--	--	--
-Impairment (-)	--	--	--	--	--	--	--
- Part covered by guarantees	--	--	--	--	--	--	--
- Undue (gross book value)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Part covered by guarantees	--	--	--	--	--	--	--
E. Off-balance sheet items with credit risk	--	--	--	--	--	--	--

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Aging of assets that is overdue but is not impairment as follows;

31.12.2020	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Trade Receivables				
	Related Parties	Third Parties	Related Parties	Third Parties			
Overdue 1-30 days	--	1.106.847	--	--	--	--	--
Overdue 1-3 months	--	177.068	--	--	--	--	--
Overdue 3-12 months	--	3.328.163	--	--	--	--	--
Overdue 1-5 years	-	--	--	--	--	--	--
Overdue above 5 years	--	--	--	--	--	--	--
Part covered by guarantees	--	--	--	--	--	--	--
Total	--	4.612.078	--	--	--	--	--

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Risk control for customers are not secured by collateral, financial position for the customers, past experience and other factors, taking into account, individual limits are determined results from customer credit quality of the evaluation and the use of credit limit is regularly monitored.

b.2) Liquidity Risk

Main responsibility relevant with liquidity risk management belongs to Board of Directors. The board short of the Group management has built an appropriate liquidity risk management for medium and long term funding and liquidity requirements. The Group manages liquidity risk by following forecast and actual cash flows regularly and ensuring the continuation of adequate of funds and reserves by matching the maturity profiles of financial assets and liabilities.

In this context, taken care to compatible maturity of receivables and payables, net working capital management objectives are being put in order to protect short-term liquidity and kept at a certain level of balance sheet ratios.

Medium and long- term liquidity management is done according to the group's cash flow projections based on the dynamics of financial markets and industry, cash flow cycle is monitored and tested according to various scenarios.

b.3) Market Risk

Market is risk is the risk of fluctuations of fair value of financial liabilities due to changes occurring in market prices or future cash flows will adversely affect the business.

These, foreign currency risk, interest rate risk and financial instruments or commodity price changes risk.

In the current year, there is no change on market risk that group exposure or methods that management or measurement of exposure risk.

b.3.1) Foreign Currency Risk Management

Transactions denominated in foreign currencies causes exchange rate risk. These risks are monitored and classified by analysis of foreign currency position.

The distribution of monetary and non-monetary assets and liabilities in terms of foreign currency are as follow:

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

	Currency Position					
	30.09.2021					
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	PLN	UZS
1. Trade Receivables	45.713.350	5.114.617	29.458	--	--	--
2a. Monetary financial assets (including cash and cash equivalents)	27.929.589	2.834.740	97.921	255	189	2.108.405.389
2b. Non-monetary financial assets	130.898.942	1.108.992	2.040.856	31.977	--	120.077.746.069
3. Other	--	--	--	--	--	--
4. Current Assets (1+2+3)	204.541.880	9.058.349	2.168.236	32.232	189	122.186.151.458
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	1.954.590	550.100	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	--	--	--	--	--	--
8. Non-current assets (5+6+7)	--	1.954.590	550.100	--	--	--
9. Total Assets (4+8)	204.541.880	11.012.939	2.718.336	32.232	189	122.186.151.458
10. Trade payables	(60.271.821)	(4.167.992)	(1.904.584)	--	--	(4.289.068.677)
11. Financial Liabilities	(277.950.271)	(3.306.616)	(24.102.443)	--	--	--
12a. Monetary financial liabilities	(119.359.445)	(1.100.000)	--	--	--	(132.018.668.495)
12b. Non-monetary financial liabilities	--	--	--	--	--	--
13. Short Term Liabilities (10+11+12)	(457.581.537)	(8.574.608)	(26.007.027)	--	--	(136.307.737.172)
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	(1.101.883.753)	(657.567)	(106.829.254)	--	--	--
16a. Other Monetary Liabilities	--	(31.689)	--	--	--	--
17. Long Term Liabilities (14+15+16)	(1.101.883.753)	(689.256)	(106.829.254)	--	--	--
18. Total Liabilities (13+17)	(1.559.465.290)	(9.263.864)	(132.836.280)	--	--	(136.307.737.172)
19. Off-balance Sheet Derivatives Net Asset/Liabilities Position (19a-19b)	--	--	--	--	--	--
19a. Amount of Hedge Total Asset	--	--	--	--	--	--
19b. Amount of Hedge Total Liabilities	--	--	--	--	--	--
20. Net Foreign Currency asset/ (liabilities) Position (9-18+19)	(1.354.923.410)	1.749.075	(130.117.945)	32.232	189	(14.121.585.714)
21. Net asset/liabilities position of foreign currency monetary items. (=1+2a+5+6a-10-11-12a-14-15-16a)	(1.485.822.351)	671.772	(132.158.801)	255	189	(134.199.331.784)
22. Fair Value of Financial Instruments used for foreign Exchange Hedge	--	--	--	--	--	--
23. Export	11.038.318	1.306.169	--	--	--	--
24. Import	421.942	43.824	9.487	--	--	--

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency Position					
	31.12.2020				
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	PLN
1. Trade Receivables	30.161.598	4.108.930	--	--	--
2a. Monetary financial assets (including cash and cash equivalents)	344.725	18.986	22.411	319	189
2b. Non-monetary financial assets	41.528.563	1.049.116	3.743.831	10.405	--
3. Other	--	--	--	--	--
4. Current Assets (1+2+3)	72.034.886	5.177.032	3.766.242	10.724	189
5. Trade Receivables	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--
7. Other	--	--	--	--	--
8. Non-current assets (5+6+7)	--	--	--	--	--
9. Total Assets (4+8)	72.034.886	5.177.032	3.766.242	10.724	189
10. Trade payables	(79.570.116)	(3.929.690)	(5.439.252)	(173.775)	--
11. Financial Liabilities	(312.418.045)	(2.774.918)	(32.421.403)	--	--
12a. Monetary financial liabilities	(734.050)	(100.000)	--	--	--
12b. Non-monetary financial liabilities	--	--	--	--	--
13. Short Term Liabilities (10+11+12)	(392.722.211)	(6.804.608)	(37.860.655)	(173.775)	--
14. Trade Payables	--	--	--	--	--
15. Financial Liabilities	(1.173.228.064)	(2.173.646)	(128.473.053)	--	--
17. Long Term Liabilities (14+15+16)	(1.173.228.064)	(2.173.646)	(128.473.053)	--	--
18. Total Liabilities (13+17)	(1.565.950.275)	(8.978.254)	(166.333.708)	(173.775)	--
19. Off-balance Sheet Derivatives Net Asset/Liabilities Position (19a-19b)	--	--	--	--	--
19a. Amount of Hedge Total Asset	--	--	--	--	--
19b. Amount of Hedge Total Liabilities	--	--	--	--	--
20. Net Foreign Currency asset/ (liabilities) Position (9-18)	(1.493.915.389)	(3.801.222)	(162.567.466)	(163.051)	189
21. Net asset/liabilities position of foreign currency monetary items. (=1+2a+5+6a-10-11-12a-14-15-16a)	(1.535.443.953)	(4.850.338)	(166.311.299)	(173.456)	189
22. Fair Value of Financial Instruments used for foreign Exchange Hedge	--	--	--	--	--
23. Export	16.540.521	2.200.075	--	--	--
24. Import	--	--	--	--	--

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The Group is mainly exposed to USD and EURO exchange rate risk.

The table below shows the Group's US dollar and Euro exchange rate and a 20% increase in sensitivity to a decrease. 20% rate is the rate used by senior management when reporting foreign currency risk the expected rate in question refers to a possible change in foreign exchange rates. The sensitivity analysis covers only the period at the end of the open foreign currency denominated monetary items and shows the effects of changes in exchange rates of 20% at the end of the period of aforesaid items. Stated positive increase in Positive value , profit / loss and other equity items.

Sensitivity Analysis of Foreign Exchange Position

Sensitivity Analysis of Foreign Exchange Position				
30.09.2021				
	Profit / Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
Change in 10% of the U.S. Dollar against TRY;				
1 - Net asset / liability of USD	1.923.983	1.574.168	--	--
2 - Amount hedged for USD risk (-)	--	--	--	--
3- Net Effect of U.S. Dollar (1+2)	1.923.983	1.574.168	--	--
Change in 10% of the EURO against TRY;				
4 - Net asset / liability of EUR	(143.129.739)	(117.106.150)	--	--
5 - Amount hedged for EUR risk (-)	--	--	--	--
6- Net Effect of EURO (4+5)	(143.129.739)	(117.106.150)	--	--
Change in 10% of the GBP against TRY;				
7- Other foreign currency net asset / liability	35.455	29.009	--	--
8- Part of hedged protected from other currency risk (-)	--	--	--	--
9- Net Effect of GBP (7+8)	35.455	29.009	--	--
Change in 10% of the PLN against TRY;				
10- Other foreign currency net asset / liability	208	170	--	--
11- Part of hedged protected from other currency risk (-)	--	--	--	--
12- Net Effect of PLN (7+8)	208	170	--	--
Change in 10% of the UZS against TRY;				
13- Other foreign currency net asset / liability	(15.533.744.286)	(12.709.427.143)	--	--
14- Part of hedged protected from other currency risk (-)	--	--	--	--
15- Net Effect of UZS (7+8)	(15.533.744.286)	(12.709.427.143)	--	--

Other Issues

Mobility and fluctuations in exchange rates cause the company to be exposed to currency risk. With the commencement of the activity of the Çan Thermal Power Plant, the problems to be experienced in own resources due to the exchange rate risk are expected to be eliminated.

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Sensitivity Analysis of Foreign Exchange Position				
31.12.2020				
	Profit / Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
Change in 20% of the U.S. Dollar against TRY;				
1 - Net asset / liability of USD	(4.561.466)	4.561.466	--	--
2 - Amount hedged for USD risk (-)	--	--	--	--
3- Net Effect of U.S. Dollar (1+2)	(4.561.466)	4.561.466	--	--
Change in 20% of the EURO against TRY;				
4 - Net asset / liability of EUR	(195.080.961)	195.080.961	--	--
5 - Amount hedged for EUR risk (-)	--	--	--	--
6- Net Effect of EURO (4+5)	(195.080.961)	195.080.961	--	--
Change in 20% of the GBP against TRY;				
7- Other foreign currency net asset / liability	(195.661)	195.661	--	--
8- Part of hedged protected from other currency risk (-)	--	--	--	--
9- Net Effect of GBP (7+8)	(195.661)	195.661	--	--
Change in 20% of the PLN against TRY;				
7- Other foreign currency net asset / liability	227	(227)	--	--
8- Part of hedged protected from other currency risk (-)	--	--	--	--
12- Net Effect of PLN (7+8)	227	(227)	--	--

b.3.2) Interest rate risk management

Leading to fluctuations in the fair value of financial instruments or future cash flows by changes in market interest rates cause the necessity of dealing with interest rate risk of the Group.

Hedging is evaluated as regular in order to be compatible with interest rate expectations and defined risk. Thus, it is aimed that the creation of optimal hedging strategy, reviewing of the balance sheet and keeping interest expenses under control at different interest rates.

b.3.3) Price Risk

Because there are no share certificates as classified trading financial assets at group's financial statement, price is not available. (31.12.2020: None).

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49. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATION AND PROTECTION OF FINANCIAL HEDGE ACCOUNTING EXPLANATION)

Fair Value

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

Financial assets and liabilities in foreign currency are converted to market prices at statement of financial position date.

Methods and assumptions below are used to predict fair value of each financial instrument in case when it is possible to determine fair value of these instruments.

Financial Assets

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

Financial Liabilities

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

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

- *First Level:* Financial assets and liabilities are appreciated from stock price traded in active market for similar assets and liabilities.
- *Second Level:* Financial assets and liabilities are appreciated from inputs used determining observable price in the market as direct or indirect with the exception of the price is stated in first level.
- *Third Level:* Financial assets and liabilities are appreciated from inputs based on unobservable data in the market in determining the fair value of an asset or liability.

Level classification of financial instruments with fair value is as follows;

Because there are no financial assets with its fair value, are not included level classification table.

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49. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATION AND PROTECTION OF FINANCIAL HEDGE ACCOUNTING EXPLANATION) (CONTINUED)

30.09.2021

	Financial Assets with Fair Value	Loans and Receivables (Includes Cash and Cash Equivalent)	Financial Assets Available for Sale	Financial Liabilities with Amortized Value	Book Value	Notes
Financial Assets						
Cash and Cash Equivalent	--	312.001.340	--	--	312.001.340	53
Trade receivables	--	184.330.560	--	--	184.330.560	6-7
Other receivables	--	37.258.889	--	--	37.258.889	6-9
Financial Liabilities						
Financial payables	--	--	--	1.814.956.194	1.814.956.194	47
Trade payables	--	--	--	261.363.067	261.363.067	6-7
Other payables	--	--	--	86.174.784	86.174.784	6-9

31.12.2020

	Financial Assets with Fair Value	Loans and Receivables (Includes Cash and Cash Equivalent)	Financial Assets Available for Sale	Financial Liabilities with Amortized Value	Book Value	Notes
Financial Assets						
Cash and Cash Equivalent	--	15.431.240	--	--	15.431.240	53
Trade receivables	--	188.601.886	--	--	188.601.886	6-7
Other receivables	--	33.764.727	--	--	33.764.727	6-9
Financial Liabilities						
Financial payables	--	--	--	2.094.626.856	2.094.626.856	47
Trade payables	--	--	--	280.689.768	280.689.768	6-7
Other payables	--	--	--	125.862.634	125.862.634	6-9

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

Derivative Financial Instruments (Futures Agreements)

The Group does not engage in derivative transactions in the foreign exchange markets.

50.SUBSEQUENT EVENTS

None.

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

None. (31 December 2020: None.)

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52.FIRST IMPLEMENTATION OF TURKEY ACCOUNTING STANDARTS

None. (31 December 2020: None.)

53.EXPLANATION TO CASH FLOW STATEMENT

Cash and Cash Equivalentents

	September 30, 2021	December 31, 2020
Cash	6.360.465	1.963.840
Bank	283.295.801	13.455.893
-Demand deposit	14.641.623	7.712.958
-Time deposit	268.654.178	5.742.935
Other Current Assets	22.345.074	11.507
TOTAL	312.001.340	15.431.240

As of September 30, 2021 there is no blocked deposits of the Group (None, December 31, 2020)

Amount of time deposits as of September 30, 2021 concerning the details are as follows:

Currency Time Deposits	Maturity	Interest rate	30.09.2021 USD	30.09.2021 TRY
USD	1.10.2021	0,01%	2.680.000	23.794.380
			2.680.000	23.794.380

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53. EXPLANATION TO CASH FLOW STATEMENT (CONTINUED)

Currency Time Deposits	Maturity	Interest rate	30.09.2021
			TRY
TRY	01.10.2021	18,00%	54.000.000
TRY	01.10.2021	18,00%	45.126.612
TRY	08.11.2021	18,25%	25.000.000
TRY	01.10.2021	17,50%	25.000.000
TRY	01.10.2021	17,00%	22.041.168
TRY	01.10.2021	18,00%	21.327.993
TRY	01.10.2021	17,00%	13.338.775
TRY	01.10.2021	17,50%	9.150.000
TRY	01.10.2021	18,00%	6.393.867
TRY	01.10.2021	16,00%	6.000.000
TRY	01.10.2021	17,15%	5.000.000
TRY	01.10.2021	17,50%	4.996.377
TRY	01.10.2021	18,12%	3.904.439
TRY	01.10.2021	17,50%	1.000.000
TRY	01.10.2021	18,00%	780.000
TRY	01.10.2021	12,50%	750.000
TRY	01.10.2021	18,12%	329.501
TRY	01.10.2021	17,50%	250.000
TRY	01.10.2021	16,00%	220.000
TRY	27.09.2021	16,00%	95.752
TRY	19.10.2021	11,92%	66.372
TRY	01.10.2021	18,12%	49.066
TRY	25.10.2021	5,00%	11.316
TRY	25.10.2021	5,00%	11.199
TRY	01.11.2021	17,00%	10.000
TRY	01.10.2021	18,12%	4.005
TRY	01.10.2021	18,12%	2.099
TRY	05.10.2021	14,46%	1.206
TRY	01.10.2021	18,12%	51
			244.859.798

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53. EXPLANATION TO CASH FLOW STATEMENT (CONTINUED)

Amount of time deposits as of December 31, 2020 concerning the details are as follows:

Currency Time Deposits	Maturity	Interest rate	31.12.2020
			TRY
TRY	04.01.2021	17,00%	3.500.000
TRY	01.01.2021	8,00%	1.750.000
TRY	04.01.2021	17,97%	1.573.478
TRY	04.01.2021	17,97%	302.870
TRY	04.01.2021	17,97%	240.957
TRY	04.01.2021	17,97%	175.548
TRY	04.01.2021	17,97%	172.776
TRY	04.01.2021	17,97%	112.684
TRY	15.03.2021	14,00%	84.028
TRY	01.02.2021	5,25%	61.438
TRY	18.01.2021	12,00%	10.260
TRY	18.01.2021	11,50%	10.260
TRY	18.01.2021	11,50%	7.702
TRY	15.01.2021	9,83%	1.091
			8.003.092

Currency Time Deposits	Maturity	Interest rate	31.12.2020	31.12.2020
			USD	TRY
USD	04.01.2021	0,05%	398.180	2.922.837
			398.180	2.922.837

54. EXPLANATIONS RELATED WITH EQUITY CHANGE TABLE

The company's equity change table is presented as appropriate for explanatory notes and financial tables of basics which are published on June 07, 2013 and with no 2103/19 weekly newsletter by CMB.

Effect of accountant politics changes that explain in note 2, effect of accumulated gains/losses account and effects of accumulated other comprehensive incomes/expenses as profit/loss retrospective which is shown in other comprehensive income are shown that equity change table..

55. INTEREST, TAX, PROFIT BEFORE DEPRECIATION (EBITDA)

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

As the date of September 30, 2021 the amount of interest, tax, profit before depreciation is TRY 275.211.775 (30.09.2020: 215.705.453 TRY).