

**ODAŞ ELEKTRİK ÜRETİM
SANAYİ TİCARET A.Ş. AND
IT'S SUBSIDIARIES
CONSOLIDATED FINANCIAL
STATEMENTS AND
EXPLANATORY NOTES FOR
THE PERIOD ENDING MARCH
31, 2023**

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.

Consolidated Financial Statements and Footnotes for the Accounting Period 1 January 2023 – 31 March 2023

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**ODAŞ ELEKTRİK ÜRETİM
SANAYİ TİCARET A.Ş.
CONSOLIDATED STATEMENT OF
FINANCIAL POSITION
FOR THE PERIOD ENDED MARCH 31,
2023**

(Currency is TRY unless otherwise is indicated.)

		Current Period Not Audited Consolidated	Previous Period Audited Consolidated
ASSETS	NOTES	31.03.2023	31.12.2022
Current Assets			
Cash and cash equivalents	53	342.420.694	1.476.322.438
Trade Receivables	6-7	2.288.676.771	536.048.258
<i>Trade receivables from related parties</i>	6	25.036.432	25.015.444
<i>Trade receivables from third parties</i>	7	2.263.640.339	511.032.814
Other Receivables	6-9	50.374.032	55.016.893
<i>Other Receivables from Related Parties</i>	6	21.395.197	30.963.763
<i>Other Receivables from Third Parties</i>	9	28.978.835	24.053.130
Derivative Instruments	46	--	--
Inventories	10	726.857.043	615.435.867
Prepaid Expenses	12	56.020.096	63.286.906
Assets Related to Current Term Tax	40	68.932.058	269.723.440
Other Current Assets	29	282.632.927	1.214.753.609
SUBTOTAL		3.815.913.621	4.230.587.411
Fixed Assets Classified for Sale	39	596.312	599.148
TOTAL CURRENT ASSETS		3.816.509.933	4.231.186.559
Non-current Assets			
Other receivables	6-9	702.050	711.339
<i>Other receivables from related parties</i>	6	--	--
<i>Other receivables from third parties</i>	9	702.050	711.339
Investments Valued by Equity Method	4	200.000	200.000
Tangible Fixed Assets	14	6.548.883.812	6.434.704.135
Intangible fixed assets	17-18	98.908.343	91.258.397
<i>Other Intangible Assets</i>	17	82.926.382	82.658.049
Right of Use Assets	20	4.504.582	5.591.637
Prepaid Expenses	12	2.960.417	15.696.674
Deferred Tax Assets	40	636.635.663	501.494.366
Other Non-Current Assets	29	99.078.777	168.084.804
TOTAL NON-CURRENT ASSETS		7.391.873.644	7.217.741.352
TOTAL ASSETS		11.208.383.577	11.448.927.911

Consolidated financial statements have been approved by the Board of Directors Decision dated 10.05.2023 and numbered 2023/5 for the period ending on 31.03.2023

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 MARCH 31, 2023**
(Currency is TRY unless otherwise is indicated.)

		Current Period Not Audited Consolidated	Previous Period Audited Consolidated
LIABILITIES	NOTES	31.03.2023	31.12.2022
Short Term Liabilities			
Short Term Loans	47	43.388.660	14.588.378
Short Term Finance Lease Liabilities	47	2.642.289	2.857.141
Short Terms Part of Long-Term Loans	47	368.215.627	363.549.346
Other Financial Liabilities	47	3.638.561	4.786.532
Trade Payables	6-7	977.538.754	688.144.125
<i>Trade Payables to Related Parties</i>	6	5.095.617	2.304.122
<i>Trade Payables to Third Parties</i>	7	972.443.137	685.840.003
Payables within the Scope of Employee Benefits	27	30.539.927	15.769.733
Other Payables	6-9	623.915.021	594.562.165
<i>Other payables to related parties</i>	6	219.909.853	136.127.505
<i>Other payables to third parties</i>	9	404.005.168	458.434.660
Deferred Income	12	1.331.968	342.805.286
Period Profit in Tax Liability	40	38.666.272	245.756.510
Short-term Provisions	25-27	15.052.375	14.844.403
<i>Short term provisions from employee benefits</i>	27	12.331.127	12.887.806
<i>Other Short-Term Provisions</i>	25	2.721.248	1.956.597
Other Short-Term Liabilities	29	1.390.500.608	665.664.594
TOTAL SHORT-TERM LIABILITIES		3.495.430.062	2.953.328.213
Long Term Liabilities	47	2.085.690.280	1.994.608.223
Long Term Finance Lease Liabilities	47	1.843.563	2.516.212
Other Payables	6-9	20.949.768	23.400.143
<i>Other Payables to Related Parties</i>	6	-	-
<i>Other Payables to Third Parties</i>	9	20.949.768	23.400.143
Long Term Provisions	25-27	7.206.783	5.508.353
<i>Long term provisions for employee benefits</i>	27	7.002.501	5.305.755
<i>Other Long-Term Provisions</i>	25	204.282	202.598
Deferred Tax Liabilities	40	16.093.568	14.101.890
Other Long-Term Liabilities	29	792.180	1.440.607
TOTAL LONG-TERM LIABILITIES		2.133.614.278	2.042.613.564

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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 MARCH 31, 2023**
(Currency is TRY unless otherwise is indicated.)

		Current Period Not Audited Consolidated	Previous Period Audited Consolidated
LIABILITIES	NOTES	31.03.2023	31.12.2022
EQUITY			
Equity of Parent Company		4.882.948.511	5.938.547.698
Paid-in Share Capital	30	1.400.000.000	1.400.000.000
Shares Related Discount/Premium	30	73.518.274	258.850.762
Not to be reclassification of profit or loss accumulated other comprehensive income or expenses	30	2.853.147.071	2.857.248.593
<i>Gains/Losses Related Revaluation and Measurement</i>		2.909.823.590	2.913.330.320
<i>Effects of combination of entities or businesses under common control</i>	30	(56.676.519)	(56.081.727)
Reclassification of profit or loss accumulated other comprehensive income or expenses	30	(666.201.128)	(472.659.059)
<i>Foreign Currency Conversion Differences</i>		271.271.119	296.308.837
<i>Hedging Gains/Losses</i>		(937.401.381)	(766.181.663)
<i>Revaluation and Classification Gains/Losses</i>			
<i>Other Gain/Loss</i>	30	(70.866)	(2.786.233)
Reserves on Retained Earnings	30	42.647.145	15.340.077
Other Equities	30	21.868.966	21.868.966
Profit or Loss of Previous Years	30	837.066.099	(493.286.234)
Net Profit or Loss	41	320.902.084	2.351.184.593
Non-controlling Shares	30	696.390.726	514.438.436
TOTAL EQUITY		5.579.339.237	6.452.986.134
TOTAL LIABILITIES		11.208.383.577	11.448.927.911

Consolidated financial statements have been approved by the Board of Directors Decision dated 10.05.2023 and numbered 2023/5 for the period ending on 31.03.2023

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

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
CONSOLIDATED PROFIT OR LOSS AND COMPREHENSIVE INCOME STATEMENT
FOR THE PERIOD BETWEEN 01.01.2023-31.03.2023 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Not Audited Consolidated	Previous Period Not Audited Consolidated
STATEMENT OF PROFIT/LOSS	NOTES	01.01 - 31.03.2023	01.01 - 31.03.2022
Revenue	31	1.626.827.926	1.070.976.680
Cost of Goods Sold (-)	28-31	(1.262.549.630)	(538.553.863)
Gross profit/loss from commercial activities		364.278.296	532.422.817
GROSS PROFIT/LOSS		364.278.296	532.422.817
General administrative expenses (-)	33	(38.278.228)	(20.634.514)
Marketing expenses (-)	33	(17.503.250)	(253.675)
Other Income from Operating Activities	34	29.675.238	7.215.594
Other Expenses from Operating Activities (-)	34	(32.131.225)	(15.991.399)
OPERATING PROFIT/LOSS		306.040.831	502.758.823
Income from investing activities	35	18.767.995	41.412
Expenses from Investment Activities (-)	35	--	(545.668)
Shares from gains/losses of Investments Valued by Equity Method	16	--	(10.758.260)
FINANCING EXPENSE BEFORE OPERATING PROFIT/LOSS		324.808.826	491.496.307
Financial income	37	184.503.217	281.082.280
Financial expenses (-)	37	(121.481.985)	(267.184.957)
PROFIT/LOSS FROM CONTINUING OPERATIONS BEFORE TAX		387.830.058	505.393.630
Tax Expense/Income from Ongoing Operations		69.015.385	(24.921.659)
Period Tax Income/Loss	40	(21.140.254)	(368.486)
Deferred Tax Income/Loss	40	90.145.192	(24.553.173)
PROFIT/LOSS FROM ONGOING OPERATIONS		456.834.996	480.471.971
PROFIT/LOSS FROM DISCONTINUED OPERATIONS	39	(2.836)	(154.773)
PROFIT/LOSS FOR THE PERIOD		456.832.160	480.317.198
Profit/loss distribution for the period			
Non-controlling Shares	30	135.930.076	92.572.556
Parent Company Shares	30	320.902.084	387.744.642
Earnings Per Share			
Earnings per share from continuing operations	41	0,229216	0,395038
Not to be Reclassified as profit or loss	38	2.715.367	207.062
Increases/Decreases in Revaluation of Tangible Assets		--	--
Actuarial losses and earnings calculated under employee benefits	38	3.394.209	268.912
Vergi Etkisi	40	(678.842)	(61.850)
To be Reclassified as Profit or Loss		(171.219.718)	(133.852.857)
Cash Flow Hedging Gains/Losses	46	(214.024.647)	(167.019.231)
Deferred Tax Expense/Income	40	42.804.929	33.166.374
OTHER COMPREHENSIVE INCOME		(168.504.351)	(133.645.795)
TOTAL COMPREHENSIVE INCOME		288.327.809	346.671.403
DISTRIBUTION OF TOTAL COMPREHENSIVE INCOME			-
Non-controlling shares		(39.875.173)	(30.793.208)
Parent company shares		328.202.982	377.464.611

Consolidated financial statements have been approved by the Board of Directors Decision dated 10.05.2023 and numbered 2023/5 for the period ending on 31.03.2023
The accompanying notes are an integral part of these financial statements.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD BETWEEN 01.01.2023-31.03.2023
(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	Foreign Currency Conversion Differences	Hedging Gains / Losses	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	Equity
Balance on January 1, 2022	1.400.000,00	21.868.966	(42.101.138)	258.850.762	10.297.714	(425.193.010)	(987.418)	639.252	2.915.589.353	(514.466.010)	38.892.536	3.663.391.007	2.241.844	3.665.632.851
Other Comprehensive Income/Expense	--	--	--	--	(16.326.649)	--	207.062	-	4.688.346	--	--	(11.431.241)	--	(11.431.241)
Minority Share	--	--	--	--	--	--	--	--	--	--	--	--	4.050	4.050
Transfers	--	--	--	--	--	--	--	--	--	38.892.536	(38.892.536)	--	--	--
Cash Flow Hedge Gains (Losses)	--	--	--	--	--	(133.852.857)	--	--	--	--	--	(133.852.857)	--	(133.852.857)
Increase/Decrease Due to Change in Share Share Ratio Change in Subsidiaries - Not Resulting in Loss of Control	--	--	--	--	--	--	--	--	(5.703.909)	--	--	(5.703.909)	--	(5.703.909)
Net Profit/Loss for The Period	--	--	--	--	--	--	--	--	--	--	387.744.642	387.744.642	92.572.556	480.317.198
Balance on March 31, 2022	1.400.000,000	21.868.966	(42.101.138)	258.850.762	(6.028.935)	(559.045.867)	(780.356)	639.252	2.914.573.790	(475.573.474)	387.744.642	3.900.147.642	94.818.450	3.994.966.092
Balance on January 1, 2023	1.400.000,000	21.868.966	(56.081.727)	258.850.762	296.308.837	(766.181.663)	(2.786.233)	15.340.077	2.913.330.320	(493.286.234)	2.351.184.593	5.938.547.698	514.438.436	6.452.986.134
Other Comprehensive Income/Expense	--	--	--	--	(25.037.718)	--	2.715.367	--	(3.506.730)	--	--	(25.829.081)	--	(25.829.081)
Share Ratio Change in Subsidiaries - Not Resulting in Loss of Control	--	--	(594.792)	--	--	--	--	--	--	888.302	--	293.510	(1.286.201)	(992.691)
Minority Share	--	--	--	--	--	--	--	--	--	--	--	--	10.592.689	10.592.689
Transfers	--	--	--	(185.332.488)	--	--	--	27.307.068	--	2.472.494.288	(2.351.184.593)	(36.715.725)	36.715.725	--
Other Adjustments	--	--	--	--	--	--	--	--	--	(1.143.030.258)	--	(1.143.030.258)	--	(1.143.030.258)
Cash Flow Hedge Gains (Losses)	--	--	--	--	--	(171.219.718)	--	--	--	--	--	(171.219.718)	--	(171.219.718)
Net Profit/Loss for The Period	--	--	--	--	--	--	--	--	--	--	320.902.084	320.902.084	135.930.076	456.832.160
Balance on March 31, 2023	1.400.000,000	21.868.966	(56.676.519)	73.518.274	271.271.119	(937.401.381)	(70.866)	42.647.145	2.909.823.590	837.066.099	320.902.084	4.882.948.511	696.390.726	5.579.339.237

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 01.01.2023-31.03.2023 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Not Audited Consolidated	Previous Period Not Audited Consolidated
	NOTES	01.01- 31.03.2023	01.01- 31.03.2022
A. CASH FLOWS FROM OPEARING ACTIVITIES		481.853.179	(97.068.260)
Profit/Loss for The Period		387.744.642	(190.753.838)
Profit/Loss from Continuing Operations	30	387.899.415	(190.767.897)
Profit/Loss from Discontinued Operations	39	(154.773)	14.059
Adjustments To Reconcile Net Profit/Loss for The Period		(192.304.184)	126.397.185
Adjustments related to amortization and depreciation expenses	14-17-28-33-36	68.487.997	52.549.020
Adjustments Related to Impairment/Revocation in Receivables	7	(297.921)	(135.259)
Adjustments Regarding Impairment Reversal of Tangible Fixed Assets	14	(3.506.730)	(1.015.563)
Adjustments Related to Employees Benefits Provision (Cancellation)	27	4.653.787	2.415.636
Other Adjustments Regarding Provision (Cancellation)	29	(1.143.030.258)	--
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	25	2.721.248	2.051.582
Adjustments Regarding (Cancellation) of Provisions Set aside in accordance with Sectoral Requirements	25	1.684	4.389
Deferred Financing Expense from Forward Purchases	34	5.313.212	2.745.366
Unearned Finance Income from Futures Sales	34	(5.920.211)	(7.859.894)
Adjustments Regarding Interest Expenses and Currency Differences	37	1.390.500.608	79.195.980
Adjustments Related to Interest Income	37	(78.921.518)	(406.597.409)
Adjustments for Unrealized Currency Translation Differences		88.172.965	152.058.556
Adjustments for Fair Value Loss/Gains	8	(196.257.436)	(150.179.506)
Adjustments Regarding Tax Expenses/Income	40	(133.149.619)	(8.839.649)
Related to Fair Value Loss (Gains) of Derivative Financial Instruments.	30	293.510	(1.274.039)
Minority Shares	30	145.236.565	92.576.606
Changes In Business Capital		(1.446.926.697)	286.205.659
- Adjustments Regarding Increase/Decrease in Stocks	10	(111.421.176)	(30.458.957)
Decrease (Increase) in Trade Receivables from Related Parties		(20.988)	(22.728.970)
Decrease (Increase) in Trade Receivables from Unrelated Parties	7	(1.752.686.927)	7.290.201
Decrease (Increase) in Other Receivables from Related Parties	6	9.568.566	(4.985.754)
Decrease (Increase) in Other Receivables from Unrelated Parties	9	(9.852.305)	972.279
-Decrease (Increase) in Other Assets Related to Activities	29	1.280.842.445	141.286.274
Increase (Decrease) in Trade Payables to Related Parties		2.791.495	(5.974.474)
Increase (Decrease) in Trade Payables to Non-Related Parties	7	286.640.379	46.488.388
Decrease (Increase) in Prepaid Expenses	12	20.003.067	(59.002.024)
Increase (Decrease) in Payables within the Scope of Employee Benefits	27	10.116.407	786.520
Increase (Decrease) in Other Payables Related to Operations to Related Parties	6	83.782.348	15.037.919
Increase (Decrease) in Other Payables Related to Operations to Non-Related Parties	9	(50.996.902)	37.744.003
Increase (Decrease) in Deferred Revenues	12	(341.473.318)	215.800.512
Increase (Decrease) in Other Liabilities Related to Operations	27-29	(874.219.789)	(56.050.256)
Cash Flows from activities		(981.726.729)	481.646.117
Other gain/loss	30	2.715.367	207.062
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		(189.230.565)	(121.593.293)
Cash Inflows Arising from the Sale of Tangible Fixed Assets	14	7.322.450	2.214.441
Cash Outflows Arising from the Purchase of Tangible Fixed Assets	14	(186.373.909)	(121.664.796)
Cash Outflows Arising from the Purchase of Intangible Assets	17	(11.266.161)	(2.619.071)
Cash Outflows from Right-to-Use Assets		1.087.055	476.132
C. CASH FLOWS FROM FINANCING ACTIVITIES		34.340.183	(176.334.328)
Cash Inflows from Loans	37	86.950.913	149.517.915
Cash Inflows for Debt Payments Arising from Rental Agreements	20	177.409	57.221
Cash Inflows from Other Financial Debt Payments	37	23.002	--
Cash Outflows Related to Loan Repayments	37	(50.594.376)	(326.375.061)
Cash Outflows Related to Debt Payments Arising from Rental Agreements	20	(1.329.265)	(612.115)
Cash Outflows from Other Financial Debt Payments	37	--	(66.847)
Cash Outflows Related to Debt Payments Arising from Financial Leasing Agreements	37	(887.501)	1.144.559
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE IMPACT OF FOREIGN CURRENCY CONVERSION DIFFERENCES		(1.133.901.744)	183.925.558
D. THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES ON CASH AND CASH EQUIVALENTS		--	--
NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS		(1.133.901.744)	183.925.558
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	53	1.476.322.438	173.258.224
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	53	342.420.694	357.183.782

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
Explanatory Notes to the Consolidated Financial Statements
For the Period Ended at March 31, 2023

(Currency is “TRY” (Turkish Lira) 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 on September 28, 2010.

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

As of March 31, 2023, and December 31, 2022 group’s capital and share percentages are given below;

Shareholder	31.03.2023		31.12.2022	
	Amount	Rate	Amount	Rate
A. Bahattin Özal	68.199.226	%4,87	68.199.226	%4,87
Burak Altay	221.397.488	%15,81	221.397.488	%15,81
BB Enerji Yatırım San.ve Tic.A.Ş.	39.619.143	%2,83	39.619.143	%2,83
Müjgan Özal - Heritage (*)	5.347.275	%0,38	5.347.275	%0,38
Fatimetüz Zehra Özal - Heritage (**)	3.208.365	%0,23	3.208.365	%0,23
Hafize Ayşegül Özal	2.708.365	%0,19	2.708.365	%0,19
Mustafa Ali Özal	2.435.865	%0,17	2.435.865	%0,17
Hafize Büşra Özal	1.069.455	%0,08	1.069.455	%0,08
Public Shares	1.056.014.818	%75,43	1.056.014.818	%75,43
Total Capital	1.400.000.000	%100	1.400.000.000	%100

(*) Due to the death of Ms. Müjgan Özal on 22.05.2018, the shares in the amount of TRY 5,347,275 at the rate of 0,89% have been unanimously transferred to Abdulkadir Bahattin Özal, Mustafa Ali Özal, Fatimetüz Zehra Özal, Hafize Ayşegül Özal, Mehmet Fatih Özal, Korkut Enes Özal and Hafize Büşra Özal legally.

The distribution list is as follows.

Shareholder	ShareAmount	Share Rate
Fatimetüz Zehra Özal Mirasçıları	1.069.455	%0,076
Hafize Ayşegül Özal	1.069.455	%0,076
Mustafa Ali Özal	1.069.455	%0,076
Abdulkadir Bahattin Özal	1.069.455	%0,076
Mehmet Fatih Özal	356.485	%0,025
Korkut Enes Özal	356.485	%0,025
Hafize Büşra Özal	356.485	%0,025
Total	5.347.275	%0,38

(**) Due to the death of Mr. Fatimetüz Zehra Özal on 04.12.2018, the share amount of 0,30% of 4.277.820 TRY was transferred to Gökçe Koşay and Ayşenur Koşay Erbay under the co-ownership.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (CONTINUED)

The distribution is as follows:

Shareholder	Share Amount	Share Rate
Gökçe Koşay	2.138.910	%0,15
Ayşenur Koşay Erbay	2.138.910	%0,15
Total	4.277.820	%0,30

As of March 31,2023 in Group’s structure, 996 average personnel employed (December 31, 2022: 1040).

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

Barbaros Mahallesi Başak Cengiz 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 Başak Cengiz 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 March 31, 2023, the capital of the company is TRY 25.000.000 and the shareholding structure is as follows:

	March 31, 2023	December 31, 2022
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; Barbaros Mahallesi Başak Cengiz Sokak Varyap Merdian Sitesi No:1D Ataşehir / İstanbul.

As of March 31, 2023, the capital of the company is TRY 615.000 and the shareholding structure is as follows:

	March 31, 2023	December 31, 2022
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%50	%50
Ogma SSH FZ LLC	%50	%25
MSC Makine İnşaat Enerji San. Ve Tic. A.Ş	--	%25

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (CONTINUED)

Subsidiaries (Continued)

Hidro Enerji Elektrik Üretim Sanayi A.Ş. : (Continued)

Odaş Enerji CA:

Odaş Enerji CA is the sole member and 100% shareholder of the company Hidro Enerji Elektrik Üretim Sanayi A.Ş. The Company was established on 02.02.2021 with the tax identification number 308150820 and the registration number 945636 on 03.02.2021 by the decision taken on 02.02.2021. The main activity of the company is the production of electrical energy, the provision of generated electrical energy and its power to customers and users.

In accordance with the energy purchase agreement concluded between Odaş Enerji CA and the Ministry of Energy of Uzbekistan, a 25-year state currency purchase guaranteed energy facility with an installed capacity of 174 mw will be established in Korezem, Uzbekistan. A total of 174 mw of the installed capacity of 140 mw will be provided by moving Odaş Elektrik's plant in Şanlıurfa.

Its headquarters are located in Gullanbog village, Yangiarik district, Khwarezm region, within the borders of the Republic of Uzbekistan.

As of March 31, 2023, Odaş Enerji CA has a capital of 450,000,000.00 (four hundred and fifty million) Uzbekistan Soms, and the members' shares are equal to one hundred percent (100%) of the registered capital of 450,000,000.000.00 Uzbekistan Soms.

The company's partnership structure is as follows:

	March 31, 2023	December 31, 2022
Hidro Enerji Elektrik Üretim Sanayi A.Ş.	% 100	% 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.

Suda Stratejik Metal Dış Ticaret A.Ş. obtained a supply license from EMRA on 15.09.2022 with the number ETS/11204-26/05242 to trade electrical energy and/or capacity for 20 years.

Company centre address is Barbaros Mahallesi Başak Cengiz Sokak Varyap Merdian 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 also the Company is holded in consolidation.

As of March 31, 2023, capital of Suda Stratejik Metal Dış Ticaret A.Ş. is TRY 12.600.000 and the shareholding structure is as follows:

	31.03 2023	31.12.2022
Suda Maden A.Ş.	% 100	% 100

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (CONTINUED)

Subsidiaries (Continued)

Ena Elektrik Üretim Ltd. Şti. :

Odaş 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 March 31, 2023, the shareholding structure of Ena Elektrik Üretim Ltd. Şti. is as follows:

	31.03.2023	31.12.2022
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 actualised yet. After the production license is obtained, the share transfer process will take place.

As of 31.03.2023, Ena Elektrik has been classified as assets held for sale in the consolidated financial statements.(Note:39)

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 center address Barbaros Mahallesi Başak Cengiz 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 holded in consolidation.

As of March 31, 2023, scope of Yel Enerji Elektrik Üretim Sanayi Ticaret A.Ş. has a capital of TRY 6.000.000 and its shareholding structure is as follows:

	31.03.2023	31.12.2022
Çan2 Termik A.Ş.	%100	%100

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (CONTINUED)

Subsidiaries (Continued)

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. Share rate of %9,98 was taken by Voytron Enerji Elektrik Perakende Satış A.Ş. in April 2022.

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.Ş. 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 Başak Cengiz 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 March 31, 2023, the capital of Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. is TRY 4.312.000 and the shareholding structure is as follows:

	31.03.2023	31.12.2022
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%90,02	%90,02
Tahsin Yazan	--	%9,98
Voytron Enerji Elektrik Perakende Satış A.Ş.	%9,98	--

Çan2 Termik A.Ş. :

The company purchased at the rate of %92 share of Odaş Elektrik Üretim San. Tic. A.Ş. as of September 9, 2013, and Çan2 Termik is included in consolidation. As of March 31, 2023 Odaş Elektrik Üretim San. Tic. A.Ş.'s share is %76,77.

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

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.

Çan2 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 Çan2 Termik A.Ş. on January 28, 2016.

The acceptance of the Ministry of the Çan-2 Thermal Power Plant was made on 01.08.2018. In addition, with regard to the thermal power plant, the Industrial Registration Certificate dated 10.08.2020 and numbered 720480 and a capacity report valid until 29.07.2022, dated 28.07.2020 and numbered 79 were obtained.

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

As of 31 March 2023, Çan2 Termik A.Ş. has a capital of TRY 320.000.000 and its shareholding structure is as follows:

	31.03.2023	31.12.2022
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%76,77	%76,77
Public Shares	%23,23	%23,23

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (CONTINUED)

Subsidiaries (Continued)

The title of the company was changed to Çan2 Thermal Anonim Şirketi after the registration of the Extraordinary General Assembly held on January 19, 2021 with the Istanbul Trade Registry Office on January 21, 2021. This amendment was published January 26, 2021 and the date Turkey Trade Registry Gazette 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 Başak Cengiz Sokak Varyap Merdian 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 March 31, 2023, the capital of Yel Enerji Elektrik Üretim Sanayi A.Ş. is TRY 10.000 and its shareholding structure is as follows:

	31.03.2023	31.12.2022
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 Köyü Cumhuriyet Mevkii Maden Sk. No: 9A/A Dodurga/Çorum “YS Madencilik San. ve Tic. Ltd. Şti. Branch of Dodurga” was established.

With the registration made on 31.10.2017, Değirmendere Mahallesi Değirmendere Sokak No: 17 / - Balya / Balıkesir Address at YS Madencilik San. and Tic. Ltd. Şti. Branch of Balya ”was established.

With the registration made on 02.01.2018, Kızılırmak Mahallesi Ufuk Üniversitesi Cad. No: 11 B / 3 Address at Çankaya / Ankara Ç YS Madencilik San. and Tic. Ltd. Şti. Branch of Ankara ”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 Başak Cengiz Sokak Varyap Merdian Sitesi No:1D Ataşehir / İstanbul.

As of March 31, 2022, the capital of Anadolu Export Maden Sanayi ve Ticaret A.S. is TRY 50.000 and its shareholding structure is as follows:

	31.03.2023	31.12.2022
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%96	%96
Burak Altay	%4	%4

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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Subsidiaries (Continued)

Anadolu Export Maden Sanayi ve Ticaret A.Ş. : (Continued)

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 licenses, namely gold and gold + nickel, operating under license 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 ore.

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

As of March 31, 2023, the capital of Suda Maden A.Ş. is TRY 44.900.000 and its shareholding structure is as follows:

	31.03.2023	31.12.2022
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 21.02.2018, Yaya Köyü Çan2 Termik A.Ş. Sit. No: 90 / Çan / Çanakkale address Suda Maden A.Ş. Çanakkale Branch was established.

TS Anadolu Metal Maden Üretim A.Ş. :

As of 22 December 2021 the company of TS Anadolu Metal Maden Üretim A.Ş. is included the consolidation with %80 rate of share as co-founder.

TS Anadolu Metal Maden Üretim A.Ş. engages in importing, exporting or internal trade of metals obtained by extraction and/or processing in ores of sought-after minerals.

Company center adress is Barbaros Mahallesi Başak Cengiz Sokak Varyap Meridian Sitesi No:1D Ataşehir/İstanbul

As of March 31, 2023, the capital of TS Anadolu Metal Maden Üretim A.Ş. is TRY 250.000 and its shareholding structure is as follows:

	31.03.2023	31.12.2022
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%100	%80
Onur Yıldız	--	%20

Onur Mining Maden Üretim A.Ş. :

Onur Mining Maden Üretim A.Ş. was founded in 13 October 2021. Share rate of %50 of the company was bought by Odaş Elektrik Üretim Sanayi Ticaret A.Ş. and the company is included the consolidation.

Onur Mining Maden Üretim A.Ş. engages in importing, exporting or internal trade of metals obtained by extraction and/or processing in ores of sought-after minerals.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (CONTINUED)

Subsidiaries (Continued)

Company center adress is Mustafa Kemal Mahallesi Dumlupınar Bulvarı No:274/6 İç Kapı No:1 Çankaya/Ankara

As of March 31, 2023, the capital of Onur Mining Maden Üretim A.Ş. is TRY 1.500.000 and its shareholding structure is as follows:

	31.03.2023	31.12.2022
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	% 100	--
Onur Yıldız	--	%50
Burak Altay	--	%50

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 Başak Cengiz Sokak Varyap Merdian Sitesi No:1D Ataşehir / İstanbul.

As of March 31, 2023, the capital of CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. is TRY 50.000 and the shareholding structure is as follows:

	31.03.2023	31.12.2022
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	% 100	% 100

Çan 2 Trakya Kömür Maden A.Ş. :

Çan2 Termik A.Ş. On 18.06.2019, it became a 100% shareholder in Çan 2 Trakya Kömür Maden A.Ş. as the founding partner and was included in the consolidation.

Çan 2 Trakya is engaged in the purchase, sale, manufacture, assembly, import and export of all kinds of natural stones and ores as finished and semi-finished products.

Çan 2 Trakya Kömür Maden A.Ş.'s capital is 550.000 TRY as of March 31, 2023, and its partnership structure is as follows:

	31.03.2023	31.12.2022
Çan2 Termik A.Ş.	% 100	% 100

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (CONTINUED)

Subsidiaries (Continued)

Zenn Yatırım Otelcilik İnşaat Anonim Şirketi:

Zenn Yatırım Otelcilik İnşaat Anonim Şirketi was bought with share rate of %50 by CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. and included the consolidation as co-founder.

Zenn Yatırım Otelcilik İnşaat Anonim Şirketi is engaged in the activities of hotels and similar accommodation places, the construction of residential buildings, and the activities of real estate agencies.

Company Center adress is Yanıklar Mahallesi Muğla (ynk) Cad. No:1 Fethiye / Muğla

Zenn Yatırım Otelcilik İnşaat Anonim Şirketi's capital is 20.000.000 TRY as of March 31, 2023, and its partnership structure is as follows:

	31.03.2023	31.12.2022
CR Proje Geliştirme Yatırım San. ve Tic. A.Ş.	%50	%50
Fethiye Çiftlik Turizm Ticaret Anonim Şirketi	%50	%50

Parent Company and consolidated subsidiaries EMRA license information as of March 31, 2023 is as follows :

License Owner	License Type	Licence No	Effective Date	License Duration
VOYTRON ENERJİ	Supply	ETS/2461-2/1599	11.03.2010	20 Years
VOYTRON ENERJİ	Import Licence	DİT/10022-1/500	11.02.2021	30 Years
ODAŞ DOĞALGAZ	Natural Gas Wholesale	DTS/4318-4/291	20.03.2013	30 Years
ÇAN2 TERMİK	Production	EÜ/6083-2/03428	28.01.2016	17 Years
ENA ELEKTRİK	Production	EÜ/9813-16/04743	17.12.2020	49 Years
SUDA STRATEJİK	Supply	ETS/11204-26/05242	15.09.2022	20 Years

Parent Company and consolidated subsidiaries licenses information as of March 31, 2023 is as follows :

License Owner	License Group	License Type	License No	Effective Date	Due Date
SUDA MADEN	IV. Group	OPERATING	34412	04.04.2014	04.04.2034
SUDA MADEN	IV. Group	OPERATING	43169	13.04.2015	13.04.2025
SUDA MADEN	IV. Group	OPERATING	201200931	03.02.2022	03.02.2032
SUDA MADEN	IV. Group	OPERATING	201200932	18.02.2022	18.02.2032
SUDA MADEN	IV. Group	EXPLORATION	202100452	31.05.2021	31.05.2028
YEL ENERJİ	IV. Group	OPERATING	17517	05.01.2015	05.01.2025
YEL ENERJİ	IV. Group	EXPLORATION	201900443	09.04.2019	09.04.2026
ANADOLU EXPORT	IV. Group	OPERATING	85899	24.12.2020	24.12.2025
ODAŞ ENERJİ CA	ELECTRICITY GENERATION	OPERATING	000675	30.12.2021	30.12.2026
YS MADENCİLİK	IV. Group	EXPLORATION	202101618	27.10.2021	27.10.2028
YS MADENCİLİK	IV. Group	EXPLORATION	202101617	27.10.2021	27.10.2028
TS ANADOLU	IV. Group	EXPLORATION	202101561	15.10.2021	15.10.2028

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

a. Basis of Presentation

Accounting Policies Applied

The accompanying consolidated financial statements are subject to Public Surveillance in accordance with the provisions of the Capital Markets Board's ("CMB") "Communiqué on Principles Regarding Financial Reporting in the Capital Markets" ("Communiqué") No. II-14.1 published in the Official Gazette dated 13.06.2013 and numbered 28676. Accounting and Auditing Standards Board ("UPS") that have been put into force by Turkey Financial Reporting Standards ("IFRS" s) as appropriate. TFRSs; By UPS Turkey Accounting Standards ("TAS"), Turkey Financial Reporting Standards comprise standards and interpretations published by TAS Reviews and TFRIC names.

Consolidated financial statements are presented in accordance with the TFRS Taxonomy developed on the basis of the financial statement samples specified in the Financial Statement Examples and User Guide published by the POA in the Official Gazette dated 07.06.2019 and numbered 30794.

Functional and Presentation Currency

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

As of March 31, 2023 released by the Central Bank of the Republic of Turkey U.S. dollar exchange rate of 1 U.S. dollar 19,1532 TRY, (31.12.2023: 18,6983 TRY), EURO purchasing rate 20,8450 TRY (31.12.2023: 19,9349 TRY), GBP purchasing rate 23,6602 TRY. (31.12.2022: 22,4892 TRY). As of March 31, 2023 released by the Central Bank of the Republic of Turkey U.S. dollar selling rate of 1 U.S. dollar 19,1878 TRY, (31.12.2022: 18,7320 TRY), EURO selling rate 20,8825 TRY.(31.12.2022: 19,9708 TRY). GBP selling rate 23,7836 TRY.(31.12.2022: 22,6065 TRY).

Adjusting financial tables in hyperinflation periods

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

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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

- Subsidiary income, expenses and dividends including all balances and transactions are eliminated. Profits and loss which are added to inventory or cost of current and non-current assets due to transactions in subsidiaries are eliminated. Loss in group can show an impairment which should be in account in assets section of consolidated financial reports. The differences which rise during elimination of loss and profits which resulted by transactions in group apply in accordance with TAS 12 “Income Taxes” standard.
- Necessary adjustments are made during preparation of consolidated financial statements when one of subsidiaries needs to use different accounting principles for similar transactions or events.
- The consolidated financial reports of the partnership and subsidiaries are prepared at the same time with financial statements. Accounting policies are accepted for consolidated financial reports, same transactions, and transactions in same condition.

Base of Consolidation (Continued)

- All income and expenses of a subsidiary take in account consolidated financial reports after acquisition date according to TFRS 3 and this situation continues till the date of partnership lose its control power on subsidiary. When subsidiary sold; the difference between the income resulted by this transaction and the book value of subsidiary will be shown as loss or profit in consolidated comprehensive income statement. About this transaction if there is a currency translation loss or profits which are related directly to equity consider in accordance with “TAS 21 Currency Change Effects”.
- Minority interest can be shown at equities section in consolidated statement of financial position separately from equities amount of partnership. The Group’s loss or profit amount for minority interest should be shown also separately on financial statements.

Comparative Information and Restatement of Prior Period Financial Statements

Group has presented the consolidated statement of financial position as of March 31, 2023 comparatively with the date of 31 December 2023. Consolidated profit or loss and other comprehensive income statement and the consolidated cash flow statement for 1 January-31 March 2023 period presented comparatively with consolidated profit or loss and other comprehensive income, consolidated statement of cash flow for 1 January-31 March 2022 period. Consolidated changes in equity statement for the 1 January – 30 June 2023 period presented comparatively with 1 January – 31 March 2022 period.

b. Changes and Errors in Accounting Estimates

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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Significant Accounting Evaluations, Estimates and Assumptions (Continued)

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

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

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

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

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

Facility, machinery, and devices are reflected in the financial statements with their fair values determined in the valuation studies 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.

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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

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 the preparation of the financial statements for the year ended December 31, 2022, were based on the new and amended IFRS standards and IFRIC interpretations that were effective as of January 1, 2021, consistent with those used in the previous year, except for the following:

a) New standards in effect as of March 31, 2023, and changes and interpretations made to existing previous standards.

- The comprehensive amendments in TMS 1, Application Notification 2, and TMS 8 are applicable to annual reporting periods beginning on or after January 1, 2023. These changes aim to enhance accounting policy disclosures and assist financial statement users in distinguishing between changes in accounting estimates and changes in accounting policies.

- The amendment related to deferred tax concerning assets and liabilities arising from a single transaction in TMS 12 is applicable to annual reporting periods beginning on or after January 1, 2023. These changes require the recognition of deferred tax accounting for taxable and deductible temporary differences arising in equal amounts from transactions when they are initially recognized in the financial statements.

- TFRS 17, 'Insurance Contracts', is effective for annual reporting periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which currently allows for various practices. TFRS 17 will fundamentally change the accounting for insurance contracts and investment contracts with discretionary participation features for all entities.

- The amendment related to long-term obligations with contractual terms in TMS 1 is applicable to annual reporting periods beginning on or after January 1, 2024. These changes clarify how the classification of an obligation is affected by conditions that the entity must comply with within twelve months after the reporting period.

- TFRS 16, 'Sale and Leaseback Transactions', is effective for annual reporting periods beginning on or after January 1, 2024. These changes include the sale and leaseback provisions in TFRS 16 that explain how an entity accounts for a sale and leaseback transaction after the transaction date. Sale and leaseback transactions involving variable lease payments that are not indexed to a rate or an index are likely to be affected.

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)

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Related Parties

The company 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.

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2.BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Financial Assets (Continued)

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 aim 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 led 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.

The subsequent valuation of financial assets, the difference in fair value of which is reflected in other comprehensive income, is carried out 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. Difference in fair value financial assets reflected in other comprehensive income if they are disposed of, the value formed in the equity accounts as a result of the application of fair value is reflected in the profit /loss for the period.

Recognition and derecognition of financial assets

The Group reflects the financial assets or liabilities on its consolidates 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 contractual rights to which the assets are subject. The Group removes financial obligations from the register only if the obligation defined in the contract is eliminated, canceled, or expires.

Impairment of financial assets/ provision for expected loss

At each reporting date, it is evaluated whether there has been a significant increase in the credit risk of the financial instrument covered by the 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 considered. The expected loss provision forecast is unbiased, weighted by probability and contains supportable information about past events, current conditions, and forecasts for future economic conditions.

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

The increase in the fair value of equity instruments reflected in other comprehensive income at fair value after impairment is recognized directly in equity.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Trade Receivable

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

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

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

Financial Liabilities

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

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 Fixed Assets

In accordance with TAS 16 “Tangible Fixed Assets” standard, the Group has decided on September 30, 2018 based on the reasonable values determined in the valuation studies performed by an independent valuation company accredited to the CMB for land and land, underground and surface improvements, buildings, machinery, plant, and equipment. It has adopted the “Revaluation model”.

“Precedent Comparison Method” and “Cost Approach” were used to determine the fair value of the properties owned by Suda Maden, Çan2 Thermal, and one of the subsidiaries, and “Income Approach” was used to determine the fair values of Odaş Elektrik and Çan2 Thermal facilities. In choosing this approach, it was effective to find reasonable estimates of the amount and timing of future income related to the asset being valued, since the asset's ability to generate income is a very important element affecting the value. Revaluations are carried out regularly in such a way as not to cause the amount to be found using fair value to differ significantly from the book value as of the end of the reporting period. The frequency of revaluations depends on changes in the fair values of the items of tangible fixed assets subject to revaluation.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

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

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

	<u>Years</u>
Thermal Power Plant	30
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

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

Maintenance and repair expenses of tangible assets are normally recorded as expense. However, in exceptional cases, if the maintenance and repair results in an expansion or significant improvement in assets, these costs can be capitalized and depreciated over the remaining useful life of the associated tangible asset (Note: 14).

Intangible Assets

Intangible assets include acquired rights, information systems, computer software, development activities and leasehold improvements. They are recorded at acquisition cost and depreciated on a straight-line basis over their estimated useful lives from the date of acquisition.

Evaluation of research expenses and development costs within the scope of Articles 52 to 67 of the provisions of TAS 38 “Intangible Assets”

Planned activities carried out in order to obtain new technological information or findings are defined as research and expenses are recorded when the research expenses incurred at this stage are realized.

Research findings or other knowledge of new or significantly improved products, processes, systems or services is defined as development and implementation of a plan prepared to produce all of the following conditions in the presence of an intangible asset arising from development are included in the financial statements.

Intangible assets created in-house as a result of development activities (or the development stage of an in-house project) are recorded only when all of the following conditions are met;

- It is technically possible to complete the intangible asset in order to make it ready for use or ready for sale
- Having the intention to complete, use or sell an intangible asset
- An intangible asset can be used or sold, it is clear in what way the asset will provide a possible economic benefit going forward
- To complete the development of the intangible asset, to have the appropriate technical, financial and other resources to use or sell the asset in question
- The fact that the development cost of an intangible asset can be reliably measured during the development process

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Intangible Assets (Continued)

The amount of intangible assets created in-house is the total amount of expenses incurred from the moment when the intangible asset meets the above-mentioned accounting requirements. When intangible assets created in-house cannot be recorded, development expenditures are recorded as expenses in the period in which they were formed. After initial accounting, intangible assets created in-house are also shown at the amount after deducting accumulated depreciation and accumulated impairment from cost values, such as intangible assets purchased separately.

The Company acquires a part of certain intangible assets in accordance with paragraphs 27 and 32 of IAS 38. In this context, it capitalizes the costs obtained separately from the outside and directly related to the asset. In particular, the costs incurred within the framework of paragraph 28 of TAS 38 are capitalized.

The estimated useful lives of these intangible assets are as follows:

	<u>Years</u>
Rights	3-49
Computer Programs	3
Preparation and Development Activities	The License Period or the Duration of the Royalty Agreement

In case of impairment, the book value of intangible assets is reduced to their recoverable value. The recoverable value is the higher of the current value in use and the net selling price of the related intangible asset (Note: 17).

Leasing Operations

Group in case of tenant

The Group evaluates the situation where a contract is a lease agreement at the beginning of the contract or includes the terms of the lease. Group short-term leases (leases with a lease term of 12 months or less) and low-value assets of the lease, except for the right of use asset and related lease contracts for all tenant reports its interests in the lease obligation.

In the absence of another systematic basis that better reflects the timing structure in which the economic benefits from the leased assets are used, for these leases, the Group pays rent in a linear manner throughout the lease period as an operating expense.

In the first accounting, the lease obligations are discounted at the rental rate of the lease payments that were not paid on the start date of the contract and are paid at their present value. If this rate is not specified in advance, the Group uses an alternative borrowing rate that it will determine on its own.

The lease payouts included in the measurement of the lease obligation consist of the following;

- The amount obtained by deducting all kinds of rental incentives from fixed rent payments (fixed payouts in essence),
- Variable rent payouts based on an index or rate, the first measurement of which is made using an index or rate on the date when the lease actually starts,
- The amount of debt expected to be paid by the tenant under residual value guarantees,
- The application price of the paying options in cases where the payee will reasonably apply the paying options and
- Paying a penalty for cancellation of the lease if there is a right to cancel the lease during the rental period.

The lease obligation is presented as a separate item in the consolidated statements of financial position.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Lease liabilities are measured by increasing the net book value to reflect the interest on the subsequent lease obligation (using the effective interest method) and reducing the net book value to reflect the paid lease. The Group re-measures its lease liability in the following cases (and makes appropriate changes to the relevant right-of-use asset);

- When a change occurs in the evaluation of the implementation of the lease period or a purchase option, the lease obligation is re-measured by discounting the revised lease payouts using the revised discount rate.
- Index changes in the rate of commitment to change or a change occurs in the residual value expected in the payment when due rent payments, lease payments are discounted using the discount rate of the lease obligation first revised and re-measured (revised if changes in variable interest rates stems from the change in the lease payments the discount rate is used).
- When a lease agreement is changed and the lease change is not accounted for as a separate lease, revised lease payouts are discounted using the revised discount rate and the lease obligation is reorganized.

The Group has not made any such changes during the periods presented in the consolidated financial statements.

he right-of-use assets cover the initial measurement of the corresponding lease obligation, lease payments paid on or before the actual start of the lease, and other direct initial costs. These assets are measured at cost value by deducting the accumulated depreciation and impairment losses.

In cases where the Group incurs the necessary costs to disassemble and eliminate a leasing asset, restore the area on which the asset is located, or restore the main asset in accordance with the terms and conditions of the lease, a provision is recognized in accordance with TAS 36. These costs are included in the relevant right-to-use asset, unless they are incurred for the production of inventory.

Right-of-use assets are depreciated in accordance with the lease term and useful life of the main asset, which is shorter. When the ownership of the main asset is transferred in the lease or the Group plans to exercise a purchase option based on the cost of the right-to-use asset, the associated right-to-use asset is depreciated over the useful life of the main asset. Depreciation begins on the date of the actual commencement of the lease.

In the case of the lessor, the Group

As a lessor, the Group signs lease agreements for some of its own investment properties.

Leases held by the Group as a lessor are classified as financial leases or operating leases. If, according to the terms of the lease, all property risks and returns are significantly transferred to the lessee, the contract is classified as a financial lease. All other leases are classified as operating leases.

If the Group is the lessor of the vehicle, it accounts for the main lease and sub-lease as two separate contracts. A sub-lease is classified as a financial lease or operating lease in relation to the right-to-use asset arising from the main lease.

Rental income from operating leases is recognized by the linear method during the relevant lease period. The direct initial costs incurred in the realization and negotiation of the operating lease are included in the cost of the leased asset and amortized over the lease period by the linear method.

Financial lease receivables from tenants are recognized as receivables in the amount of the Group's net investment in leases.

Cash flow hedging operations

The Group defines transactions that provide protection against changes in the cash flows of a registered asset or liability or transactions that may be associated with a certain risk and are likely to occur on the date of the derivative agreement as protection against cash flow risk that may affect profit/(loss) arising from a certain risk.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

The Group shows its gains and losses related to an effective financial hedging transaction under “hedging gains (losses)” in equity. The inactive part is defined as profit or loss in the period's profit. If a financial hedged commitment or a possible future transaction becomes an asset or liability, the gains or losses related to these transactions tracked between equity items are Decoupled from these items and included in the acquisition cost or carrying amount of this asset or liability. Otherwise, the amounts recognized under the equity items are transferred to the income statement and reflected as profit or loss in the period when the probable future transaction protected from financial risk affects the income statement.

The sale of the hedging instrument, the conditions for hedge accounting does not provide financial hedging termination or committed or likely to happen in the future or in the process of the situations where one is not expected to occur should occur, committed, or likely to happen in the future will continue to be classified separately in equity until the transaction occurs. The accumulated gains or losses related to the transaction are recognized as profit or loss in the consolidated financial statements when the committed or likely to occur in the future transaction occurs, or if it is foreseen that it will not occur (Note 30, 46).

Facilitating Applications

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

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.

Borrowing Costs

The Group reflects borrowing costs to the profit/loss statement as financing cost during the loan period. The financing cost arising from the loans is recorded in the profit/loss statement when incurred.

Depending on the circumstances, power generation facilities can be considered as qualifying assets. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the relevant qualifying asset. Businesses recognize other borrowing costs as expenses in the period they are incurred.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are included in the cost of the asset. Such borrowing costs are capitalized as part of the cost of the qualifying asset if they can be measured reliably and are likely to provide future economic benefits to the entity. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are borrowing costs that would not have arisen if the expenses associated with the qualifying asset were not incurred.

If an entity is specifically borrowed to acquire a qualifying asset, then the amount of borrowing cost to be capitalized; It is determined by deducting the income obtained from the temporary remuneration of the said funds from the borrowing costs incurred in relation to the said borrowing during the relevant period.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Where a portion of the funds borrowed by an entity for a general purpose is used to finance a qualifying asset; The amount of borrowing cost that can be capitalized is determined with the help of a capitalization rate to be applied to the expenditures made on the related asset. This capitalization rate is the weighted average of borrowing costs related to all liabilities of the enterprise during the relevant period, excluding borrowings made for the purchase of qualifying assets. The amount of borrowing costs capitalized during a period cannot exceed the amount of borrowing costs incurred during the relevant period.

When all the necessary operations to make an asset available for intended use or sale have been completed in principle, the capitalization of borrowing costs is terminated. Construction of a qualifying asset are completed and the construction of the pieces of the other parts while still each piece is available in cases where a certain piece of substantially complete and ready for its intended use or sale when is the capitalisation of borrowing costs in relation to the relevant parts.

TAS-23 “borrowing costs” under the standard, the group to be able to finance the construction of qualifying assets that they had used earlier in the year of 2019 and the amounts of the loans TRY loans might be used as the main currency exchange differences are used with the assumption that the base interest rate by taking loans in history where TRY, TRY capitalization of interest cost of assets that are considered corresponding to the difference of the asset to the amount added. In the calculation made, the base interest rate is based on the representative interest rate at the date of conclusion of contracts signed and renewed in the current period for all investment loans used if the same loans are used as TRY with the same conditions.

Provisions, Contingent Liabilities and Assets

Provisions

Provisions are recognized when the Group has a present and past legal or structural obligation as of the statement of financial position, it is highly probable that an outflow of resources that provide economic benefits to settle the obligation and a reliable estimate of the amount of the obligation can be made.

In cases where there is more than one similar liability, the probability of outflow of resources providing economic benefits that may be required is evaluated by considering all liabilities of the same nature. Provisions are made for any of the obligations of the same nature, even if the probability of a resource outflow is low. No provision is made for future operational losses. Where the effect of the time value of money is material, the amount of the provision; It is determined as the present value of the expenses expected to be necessary to settle the obligation.

Contingent Liabilities and Assets

Possible assets and liabilities arising from past events and the realization of which is not completely under the control of the Group in the future, depending on the presence or absence of one or more events, are considered contingent assets and liabilities.

The Group does not include contingent assets and liabilities in its records. Contingent liabilities are disclosed in the footnotes of the financial statements unless the possibility of a related economic benefit outflow is remote, while contingent assets are only if the inflow of economic benefits is strongly likely.

Employee Benefits

a) Defined Benefit Plan

Provision for severance pay is reflected on the basis of actuarial work in accordance with TAS 19 ‘Employee Benefits’.

Liability for severance pay represents the value of the estimated total provision for the future probable liabilities arising from the retirement of the Group's personnel in accordance with the Turkish Labor Law or the termination of the employment contract due to the reasons specified by the relevant law, as of the date of the statement of financial position.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

The Group calculates the severance pay based on the information arising from the Company's own experience regarding the dismissal or termination of staff and anticipating that the benefits to be entitled to be recorded at a reduced net worth and reflected in the financial statements.

b) Defined Contribution Plans

The Group pays a social insurance premium to the Social Insurance Institution on a mandatory basis. As long as the Group pays these premiums, it has no other obligations. These premiums are reflected in the personnel expenses during the period when they are accrued.

Revenue

Revenues are measured at the fair value of the number of receivables that have been or will be collected. Estimated customer refunds, discounts and provisions are deducted from this amount.

Sales Income

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

- The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The company 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 realized. 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

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Effects of Exchange Rate Differences

Transactions in foreign currencies are translated to the respective functional currencies of Company 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.

Taxes calculated on the institution gain and deferred tax

As Turkish Tax legislation does not allow the parent company and its subsidiary to produce consolidated tax returns, tax provisions are calculated separately on each business basis, as reflected in consolidated financial statements.

Income tax expense consists of the sum of current tax and deferred tax expense.

Current tax

Current year tax liability is calculated on the taxable portion of the period profit. Tax-subject profit differs from profit or loss table, as it excludes taxable or tax-deductible items and items that cannot be taxed or deducted from tax in other years. The current tax obligation of the Group has been calculated using a legally or substantially legalized tax rate as of the reporting period.

Deferred tax

The deferred tax liability or existence is determined by calculating the tax impact based on the balance sheet method based on the balance sheet method of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the legal tax matrix account.

While the deferred tax obligations are calculated for all taxable interim differences, delayed tax assets consisting of downloadable temporary differences are calculated on the condition that it is highly possible to benefit from such differences in the future by acquiring tax-free profit. The wager is not accountable if the subject comes from the initial financial statements (other than business mergers) of temporary difference, honor or other assets and liabilities relating to transactions that do not affect assets and liabilities, commercial or financial profit/(loss).

The deferred tax obligations are calculated for all taxable temporary differences associated with investments in affiliates and shareholders in affiliates, except when the Group can control the elimination of temporary differences and in the near future are unlikely to eliminate this difference. The delayed tax assets arising from temporary taxable differences associated with such investments and shares are calculated under the circumstances that it is likely that in the near future, the benefits of such differences are likely to be benefited by acquiring sufficient taxable profit.

The recorded value of the deferred tax asset is reviewed as of each reporting period. The recorded value of the deferred tax asset is reduced to the extent that it is unlikely to generate a financial profit that would allow the benefit of some or all of it to be achieved.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Deferred tax assets and liabilities are calculated from tax rates (tax regulations), which are expected to be valid at the time of the realization of assets or fulfillment of obligations and are legalized or substantially legalized as of the reporting date

During the calculation of deferred tax assets and liabilities, The tax results of the methods that the Group estimates to restore the value of their assets or fulfill their obligations are taken into account as a result of the reporting period.

Deferred tax assets and liabilities are deducted if you have a legal right to deduct current tax assets and current tax obligations, or if such assets and liabilities are associated with the income tax collected by the same tax authority or if the Group has a payment intent by clarifying current tax assets and liabilities.

Current period and deferred tax

Deferred tax for the period, except for the first record of business mergers or the first record of the business mergers, which is associated with items that are to be borrowed or deferred in direct equity (in this case, the deferred tax for the relevant items is also accounted for directly in equity), it is accounted for as expense or income in the profit or loss table. Tax impact is taken into account in the calculation of business mergers, the calculation of goodwill, or the determination of the portion of the purchase cost of the share that the purchaser of the acquired subsidiary has achieved in the fulfillable value of the identifiable asset, liability and its subsidiary debts.

Earning per Share

Earnings per share presented at the bottom of the 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 Company 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. In TAS 33, this issue is mentioned as follows;

Ordinary shares may be issued without any change in resources or the number of existing ordinary shares may be reduced.

E.g:

- (a) Capitalization or issuance of bonus shares (sometimes also called dividends issued as shares);
- (b) The presence of a bonus element in another issue; for example, the bonus element in an issue that includes new rights to existing shareholders;
- (c) The division of shares and
- (d) Consolidation of shares by increasing the nominal value (consolidation of shares).

In a capitalization or bonus issue or split, ordinary shares are issued without any additional payment to existing shareholders. Therefore, the number of ordinary shares outstanding increases without an increase in resources. The number of ordinary shares outstanding prior to the transaction is adjusted for the proportional change in the number of ordinary shares outstanding had the transaction occurred 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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Statement of Cash Flow

In the cash flow statement, cash flows for the period are classified and reported on the basis of operating, investing and financing activities. Cash flows from operating activities represent the cash flows from the Company's activities. Cash flows related to investment activities show the cash flows used and obtained by the Company in investment activities (fixed asset investments and financial investments). Cash flows related to financing activities show the resources used by the Group in financing activities and the repayments of these resources. Cash and cash equivalents include cash and bank deposits and short-term, highly liquid investments with a maturity of 3 months or less that can be easily converted into cash.

Determination of Fair Value

The Group's various accounting policies and disclosures require the determination of the fair value of both financial and non-financial assets and liabilities. If applicable, additional information on the assumptions used in determining fair values is presented in the asset or liability-specific footnotes.

The valuation methods according to the levels are listed as follows.

Level 1 : Quoted (unadjusted) prices in the active market for Identical Assets or Liabilities;

Level 2: Observable data directly (through prices or indirectly (derived from prices) in terms of assets or liabilities other than the registered prices contained in Level 1;

Level 3: Data that is not based on observable market data on assets or liabilities (data that is not observable).

3. BUSINESS COMBINATIONS

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

Goodwill amounting to TRY 56.676.519 arising from the acquisition of businesses under common control has been shown in the “Effect of Mergers Including Joint Controlled Enterprises or Businesses” account as an offsetting account under shareholders' equity, since business combinations under common control are accounted for using the combination of rights method and therefore goodwill cannot be included in the financial statements.

4. JOINT VENTURES

The Company has purchased 200.000 corporate shares for 200.000 TRY in order to become a founding partner in EPIAŞ Enerji Piyasaları İşletim A.Ş). The total capital of the enterprise whose establishment is a shareholder is 61.572.570 TRY, corresponding to 61.572.570 shares, and the total acquired shares correspond to 0,0032% of the total capital. The partnership is for the sole purpose of having a say in the energy market and is shown in the financial statements with the historical cost value of 200.000 TRY (31.12.2022: 200.000 TRY).

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5. SEGMENT REPORTING

As of March 31, 2023 and December 31, 2022 segment reporting :

	31.03.2023				
	Republic of Turkey	Uzbekistan	Total Amount	Elimination Effect	Consolidated Total
Current Assets	10.121.787.842	122.606.231	10.244.394.073	(6.427.884.140)	3.816.509.933
Fixed Assets	6.434.562.486	1.478.149.622	7.912.712.108	(520.838.464)	7.391.873.644
Total Assets	16.556.350.328	1.600.755.853	18.157.106.181	(6.948.722.604)	11.208.383.577
Short-Term Liabilities	8.528.796.767	1.192.689.533	9.721.486.300	(6.226.056.237)	3.495.430.062
Long-Term Liabilities	2.131.834.448	1.779.830	2.133.614.278	--	2.133.614.278
Total Liabilities	10.660.631.214	1.194.469.363	11.855.100.577	(6.226.056.237)	5.629.044.340
Equity	5.895.719.115	406.286.490	6.302.005.604	(722.666.367)	5.579.339.237

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5. SEGMENT REPORTING (CONTINUED)

01.01.2023 - 31.03.2023					
	Uzbekistan	Turkey	Total Amount	Elimination Effect	Consolidated Total
PROFIT OR LOSS					
Revenue	195.738.097	1.616.515.588	1.812.253.685	(185.425.759)	1.626.827.926
Cost of Sales (-)	(120.349.930)	(1.327.428.789)	(1.447.778.719)	185.229.089	(1.262.549.630)
GROSS PROFIT/LOSS	75.388.167	289.086.798	364.474.966	(196.670)	364.278.296
General Administrative Expenses (-)	(2.007.820)	(36.319.340)	(38.327.160)	48.932	(38.278.228)
Marketing Expenses (-)	--	(17.503.250)	(17.503.250)	--	(17.503.250)
Other Real Operating Income	--	42.846.724	42.846.724	(13.171.486)	29.675.238
Other Real Operating Expenses (-)	--	(48.463.757)	(48.463.756)	16.332.532	(32.131.225)
OPERATING PROFIT/LOSS	73.380.348	229.647.175	303.027.524	3.013.309	306.040.831
Revenues from Investment Activities	--	18.767.995	18.767.995	--	18.767.995
PROFIT/LOSS BEFORE FINANCE EXPENSES	73.380.348	248.415.170	321.795.519	3.013.309	324.808.826
Financing Income	3.911.341	322.160.825	326.072.166	(141.568.949)	184.503.217
Financing Expenses (-)	(10.671.410)	(249.215.644)	(259.887.053)	138.405.067	(121.481.985)
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS	66.620.280	321.360.351	387.980.632	(150.573)	387.830.058
Continuing Activity Profit/Loss	(9.818.925)	78.823.863	69.004.938	--	69.004.938
Term Tax Expense/Revenue	(11.707.960)	(9.432.294)	(21.140.254)	--	(21.140.254)
Deferred Tax Expense/Revenue	1.889.034	88.256.158	90.145.192	--	90.145.192
CONTINUING ACTIVITY PROFIT/LOSS	56.801.355	400.184.214	456.985.570	(150.573)	456.834.996
DISCONTINUING ACTIVITY PROFIT/LOSS	--	(2.836)	(2.836)	--	(2.836)
CURRENT YEAR PROFIT/LOSS	56.801.355	400.181.378	456.982.734	(150.573)	456.832.160

31.12.2022

	Republic of Turkey	Uzbekistan	Total Amount	Elimination Effect	Consolidated Total
Current Assets	10.175.907.592	56.174.928	10.232.082.521	(6.000.895.962)	4.231.186.559
Fixed Assets	6.264.306.333	1.461.165.747	7.725.472.080	(507.730.727)	7.217.741.352
Total Assets	16.440.213.925	1.517.340.675	17.957.554.600	(6.508.626.689)	11.448.927.911
Short Term Liabilities	7.611.052.708	1.141.346.401	8.752.399.109	(5.799.070.896)	2.953.328.213
Long Term Liabilities	2.042.312.009	301.555	2.042.613.564	-	2.042.613.564
Total Liabilities	9.653.364.717	1.141.647.956	10.795.012.673	(5.799.070.896)	4.995.941.777
Equity	6.786.849.208	375.692.720	7.162.541.927	(709.555.793)	6.452.986.134

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5. SEGMENT REPORTING (CONTINUED)

01.01.2022 - 31.03.2022					
	Uzbekistan	Republic of Turkey	Total Amount	Elimination Effect	Consolidated Total
PROFIT OR LOSS					
Revenue	8.256.507	1.119.689.173	1.127.945.680	(56.969.000)	1.070.976.680
Cost of Sales (-)	(6.535.787)	(588.917.515)	(595.453.302)	56.899.439	(538.553.863)
GROSS PROFIT/LOSS	1.720.720	530.771.658	532.492.378	(69.561)	532.422.817
General Administrative Expenses (-)	(1.589.264)	(19.114.809)	(20.704.073)	69.559	(20.634.514)
Marketing Expenses (-)	--	(253.675)	(253.675)	--	(253.675)
Other Real Operating Income	--	16.773.900	16.773.900	(9.558.306)	7.215.594
Other Real Operating Expenses (-)	--	(28.260.127)	(28.260.126)	12.268.728	(15.991.399)
OPERATING PROFIT/LOSS	131.457	499.916.946	500.048.404	2.710.419	502.758.823
Revenues from Investment Activities	--	41.412	41.412	--	41.412
Expenses from Investment Activities (-)	--	(545.668)	(545.668)	--	(545.668)
Shares from Profit/loss of Investments valued by Equity method	--	(10.758.260)	(10.758.260)	--	(10.758.260)
PROFIT/LOSS BEFORE FINANCE EXPENSES	131.457	488.654.431	488.785.888	2.710.419	491.496.307
Financing Income	--	297.022.125	297.022.125	(15.939.845)	281.082.280
Financing Expenses (-)	(88.182)	(280.171.425)	(280.259.608)	13.074.650	(267.184.957)
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS	43.275	505.505.130	505.548.405	(154.776)	505.393.630
Continuing Activity Tax Profit/Loss	--	(24.921.660)	(24.921.659)	--	(24.921.659)
Term Tax Expense/Revenue	--	(368.486)	(368.486)	--	(368.486)
Deferred Tax Expense/Revenue	--	(24.553.173)	(24.553.173)	--	(24.553.173)
CONTINUING ACTIVITY PROFIT/LOSS	43.275	480.583.470	480.626.746	(154.776)	480.471.971
DISCONTINUING ACTIVITY PROFIT/LOSS	--	(154.773)	(154.773)	--	(154.773)
CURRENT YEAR PROFIT/LOSS	43.275	480.428.697	480.471.973	(154.776)	480.317.198

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6. RELATED PARTIES

i) Balances of the Company with its' related parties as of March 31, 2023 and December 31, 2022:

a) Trade receivables from related parties :

	31.03.2023	31.12.2022
Hidro Kontrol Elektrik Üretim A.Ş	19.208.594	19.208.594
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	7.463.312	7.312.766
Kısrakdere Maden A.Ş.	--	272.906
Batı Trakya Madencilik A.Ş.	--	17.500
TOTAL	26.671.906	26.811.766
Deduction: Unaccrued financial incomes	(1.635.474)	(1.796.322)
TOTAL	25.036.432	25.015.444

b) Other receivables from related parties:

	31.03.2023	31.12.2022
Abdulkadir Bahattin Özal	10.330.920	10.343.420
Süleyman Sarı	2.393.386	2.393.230
Müjgan Özal	1.930.784	1.930.784
Mustafa Ali Özal	1.547.759	1.547.759
Fatimetüz Zehra Özal	1.545.470	1.545.470
Hafize Ayşegül Özal	1.544.409	1.544.409
Mehmet Fatih Özal	528.815	528.815
Korkut Enes Özal	524.503	524.503
Hafize Büşra Özal	483.946	483.946
Batı Trakya Madencilik A.Ş.	400.000	--
Tahsin Yazan	100.000	106.200
Tron Enerji Yatırım San. Ve Tic.A.Ş.	47.008	47.008
Bb Enerji Yatırım San.Tic.A.Ş.	44.074	--
Rey Bilişim Hizmetleri Tic. Ltd. Şti.	5.900	936
Burak Altay	--	8.131.124
Onur Yıldız	--	1.829.720
Akra Madencilik San. Ve Tic. A.Ş	--	10.971
TOTAL	21.426.974	30.968.295
Deduction: Unaccrued financial expenses	(31.777)	(4.531)
TOTAL	21.395.197	30.963.764

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6. RELATED PARTIES (CONTINUED)

c) Trade payables to related parties :

	31.03.2023	31.12.2022
Batı Trakya Madencilik A.Ş.	3.004.537	--
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	2.304.122	2.304.122
TOTAL	5.308.659	2.304.122
Deduction: Unaccrued financial incomes	(213.041)	-
TOTAL	5.095.618	2.304.122

d) Other payables to related parties :

	31.03.2023	31.12.2022
Ogma Ssh Fz Llc	138.806.059	135.560.291
Burak Altay	80.502.876	15.000
Ena Elektrik Üretim Ltd.Şti	526.165	526.165
Kısrakdere Maden A.Ş.	78.179	--
Esin Ersan	20.000	20.000
Hidro Kontrol Elektrik Üretim A.Ş	9.515	9.515
Hidayet Büküm	3.673	3.673
Rey Bilişim Hizmetleri Tic. Ltd. Şti.	1.474	--
Abdulkadir Bahattin Özal	--	12.500
Bb Enerji Yatırım San.Tic.A.Ş.	--	12.248
Fethiye Çiftlik Tur. A.Ş.	--	9.814
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	--	478
TOTAL	219.947.941	136.169.684
Deduction: Unaccrued financial incomes	(38.088)	(42.180)
TOTAL	219.909.853	136.127.504

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

Purchases from related parties

	January 01 - March 31, 2023	Januar 01 - March 31, 2022
Batı Trakya Madencilik A.Ş.	8.271.562	--
Rey Bilişim Hizmetleri Tic. Ltd. Şti.	161.301	--
Arsın Enerji Elektrik Üretim San. Tic. A.Ş	--	166.840
TOTAL	8.432.863	166.840

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6. RELATED PARTIES (CONTINUED)

Sales to related parties

	January 01 - March 31, 2023	Januar 01 - December 31, 2022
Batı Trakya Madencilik A.Ş	812.076	397.275
Arsin Enerji Elektrik Üretim San. Tic. A.Ş	150.546	373.510
Akra Madencilik San. Ve Tic. A.Ş	4.235	--
Kısrakdere Maden A.Ş	--	778.200
Hidro Kontrol Elektrik Üretim A.Ş	--	997.434
TOTAL	966.857	2.546.419

Total amount of salary and alike benefits in 3-month fiscal period provided to top management in 2022 is as follows:

- Short Term Benefits to Employees:** Total amount of salary and alike benefits in 3-month fiscal period provided to top management in 2023 is TRY 8.860.811 (2022 : TRY 25.976.867)
- 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

	31 March 2023	31 December 2022
Trade Receivables	2.280.470.867	526.111.595
-Trade Receivables from Related Parties	26.671.906	26.811.766
- Trade Receivables from Third Parties (*)	2.253.798.961	499.299.829
Notes Receivables	18.173.932	17.973.096
Doubtfull Receivables	24.000.444	24.298.365
Provision of Doubtful Receivables (-)	(24.000.444)	(24.298.365)
	2.298.644.799	544.084.691
<i>Deduction: Unaccrued financial expenses</i>	<i>(9.968.028)</i>	<i>(8.036.433)</i>
<i>-Receivables from related parties</i>	<i>(1.635.474)</i>	<i>(1.796.322)</i>
<i>-Other receivables</i>	<i>(8.332.554)</i>	<i>(6.240.111)</i>
TOTAL	2.288.676.771	536.048.258

(*)The amount included in trade receivables includes a sum of 1,579,709,889 Turkish Lira, which represents the amount withdrawn from the collateral accounts by EPIAŞ (Energy Stock Market) based on the notification dated 13.01.2023 issued by EPDK (Energy Market Regulatory Authority). This withdrawal was made in accordance with the changes in the Regulation on the Determination and Implementation of the Resource-Based Support Price, published on March 30, 2022, which legally declared that bilateral agreement amounts are exempt.

At the request of EPIAŞ, the Company reported both the bilateral agreement amounts and the portions indirectly sold to the final consumers, which were significantly lower, under the exemption scope. Following the guidelines set forth in the Regulation, EPIAŞ applied the exemption based on the bilateral agreement amounts, not the quantities sold to the final consumers.

On September 30, 2022, a change was made to Article 7 of the Regulation by adding the phrase "(up to the final consumer)" by EPDK. However, EPIAŞ intends to apply this change, which is directed by EPDK, retroactively against the principles of fundamental rights and legal rules. In response to this, the Company has filed an administrative action with the Ankara 10th Administrative Court for the annulment of the administrative procedure. The case is currently ongoing, and the trial continues on its merits.

Provision for doubtful receivables as of March 31, 2023 and as of December 31, 2022. The movement is as follows:

	31 March 2023	31 December 2022
Opening Balance	24.298.365	22.021.320
Additional provisions	(297.921)	2.277.045
TOTAL	24.000.444	24.298.365

Trade Payables

	31 March 2023	31 December 2022
Trade Payables	989.741.820	695.251.220
-Trade payables from related parties	5.308.659	2.304.122
-Trade payables from third parties	984.433.161	692.947.098
Notes Payables	--	3.746.399
Other Trade Payables	1.185.489	1.176.653
	990.927.309	700.174.272
<i>Deduction: Unaccrued financial income</i>	<i>(13.388.555)</i>	<i>(12.030.147)</i>
<i>-Trade payables to related parties</i>	<i>(213.041)</i>	<i>--</i>
<i>- Trade payables to third parties</i>	<i>(13.175.514)</i>	<i>(12.030.147)</i>
TOTAL	977.538.754	688.144.125

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8. FINANCIAL INVESTMENTS

None (31 December 2022 : None).

9. OTHER RECEIVABLES AND PAYABLES

Short-Term Other Receivables

	31 March 2023	31 December 2022
<i>Other receivables from related parties</i>	21.426.974	30.968.295
Other receivables	23.652.078	19.054.270
Deposits and guarantees given	5.334.748	5.002.297
Other doubtful receivables	4.068.367	4.068.367
Provision for other doubtful receivables(-)	(4.068.367)	(4.068.367)
TOTAL	50.413.800	55.024.862
Deduction: Unaccrued finance expenses	(39.768)	(7.969)
-Other receivables from related parties	(31.777)	(4.531)
-Other receivables	(7.991)	(3.438)
TOTAL	50.374.032	55.016.893

Provision for doubtful receivables as of March,31, 2023 and as of December 31, 2022. The movement is as follows;

	31 March 2023	31 December 2022
Opening Balance	4.068.367	1.855.446
Additional Provisions	--	2.212.921
TOTAL	4.068.367	4.068.367

Long-Term Other Receivables

	31 March 2023	31 December 2022
Deposits and guarantees given	702.050	711.339
TOTAL	702.050	711.339

Short-Term Other Payables

	31 March 2023	31 December 2022
Due to Related Parties	219.947.941	136.169.684
Other Payables	3.324.514	2.795.954
Taxes and Funds Payables	271.676.988	333.185.086
Deposits and Guarantees Taken	10.000	10.000
Publicly Deferred or Installment Debts	114.396.482	115.959.376
Received Advances	14.614.295	6.499.275
	623.970.220	594.619.375
<i>Deduction: Unaccrued Financial Income</i>	(55.199)	(57.210)
- Due to related parties	(38.088)	(42.180)
- Other payables	(17.112)	(15.031)
TOTAL	623.915.021	594.562.165

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9. OTHER RECEIVABLES AND PAYABLES (CONTINUED)

Details of taxes and funds payables are as follows:

	31 March 2023	31 December 2022
TRT Share	764.076	764.076
Municipality Consumption Tax	1.321.547	1.324.106
Energy Fund	313.176	313.176
Wage Income Tax Deduction	11.912.383	10.382.836
Value Added Tax	225.600.085	129.058.131
Other Tax Liabilities	31.765.721	191.342.761
TOTAL	271.676.988	333.185.086

Long-Term Other Payables

	31 March 2023	31 December 2022
Deposits and guarantees received	18.192.473	18.336.684
Publicly Deferred or Installment Debts (*)	2.757.295	5.063.459
TOTAL	20.949.768	23.400.143

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

10. INVENTORIES

	31 March 2023	31 December 2022
Raw materials and supplies	17.431.268	17.696.163
Semi-finished	450.774.802	362.018.394
Finished goods	197.545.618	182.296.946
Trade goods	1.079.816	1.792.989
Other inventories	60.025.539	51.631.375
TOTAL	726.857.043	615.435.867

(*) The amount 392.293.351 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 41.339.293 of the semi-finished products consists of Tuvenan coal extracted from the mine by YS Maden, which is included in the consolidation

(**) TRY 190.986.117 of the Group's products consists of gypsum, ash and cruf obtained by Çan2 Termik from electricity generation.

(***) The amount of TRY 39.012.302 of the other stocks of the group consists of thermal power plant spare parts of Çan2 Termik included in the consolidation, and TRY 11.388.375 of it consists of mineral coal stocks of Ys Madencilik included in the consolidation.

11. BIOLOGICAL ASSETS

None (31 December 2022 None).

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12. PRE-PAID EXPENSES AND DEFERRED INCOME

Short-Term Prepaid Expenses

	31 March 2023	31 December 2022
Advances given for purchases (*)	31.994.618	32.885.726
Prepaid expenses for future months	24.025.478	30.401.180
TOTAL	56.020.096	63.286.906

(*) 17.582.893 TRY of the order advances given consists of the advances given by Çan 2 Termik A.Ş and TRY 12.462.804 of order advances related to producing activities are given by Çan2 Trakya A.Ş.

Long-Term Prepaid Expenses

	31 March 2023	31 December 2022
Expenses for the future years	2.960.417	15.696.674
TOTAL	2.960.417	15.696.674

(*)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

	31 March 2023	31 December 2022
Income for the next months	593.220	593.220
Advances received	738.748	342.212.066
TOTAL	1.331.968	342.805.286

13. INVESTMENT PROPERTY

None (31 December 2022 None.)

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14. TANGIBLE FIXED ASSETS

	01.01.2023	Addition	Disposal	Transfer	Revaluation Difference	31.03.2023
Cost						
Lands	300.141.462	9.820.575	--	--	--	309.962.037
Land improvements	150.000	--	--	--	--	150.000
Buildings	2.358.550	--	--	--	--	2.358.550
Plant, machinery and equipment	6.396.482.256	30.090.165	(839.484)	--	--	6.425.732.937
Vehicles	78.198.731	8.585.287	(11.986.039)	--	2.740	74.800.719
Furniture and fixtures	24.974.387	6.544.378	--	--	--	31.518.765
Construction in progress	153.343.931	131.647.922	--	--	--	284.991.853
Research expenses	167.381	10.440	--	--	--	177.821
Total	6.955.816.698	186.698.766	(12.825.523)	--	2.740	7.129.692.681
Accumulated Depreciation						
Land improvements	(150.000)	--	--	--	--	(150.000)
Buildings	(348.194)	(15.848)	--	--	--	(364.042)
Plant, machinery and equipment	(494.488.588)	(60.208.165)	668.418	--	--	(554.028.335)
Vehicles	(16.994.252)	(3.562.090)	4.507.788	--	(731)	(16.049.285)
Furniture and fixtures	(9.131.528)	(1.085.679)	--	--	--	(10.217.207)
Total	(521.112.562)	(64.871.782)	5.176.206	--	(731)	(580.808.869)
Net Book Value	6.434.704.136	121.826.984	(7.649.317)	--	2.009	6.548.883.812

	01.01.2022	Addition	Disposal	Transfer	Revaluation Difference	31.12.2022
Cost						
Lands	168.253.153	131.888.309	-	--	--	300.141.462
Land improvements	150.000	--	-	--	--	150.000
Buildings	2.358.550	--	-	--	--	2.358.550
Plant, machinery and equipment	5.251.421.846	1.442.833.022	(6.672.953)	(291.099.659)	--	6.396.482.256
Vehicles	30.125.131	48.566.218	(626.836)	--	134.218	78.198.731
Furniture and fixtures	12.838.854	12.158.194	(22.661)	--	--	24.974.387
Construction in progress	398.151.830	62.553.057	(600.128.337)	291.099.659	1.667.722	153.343.931
Research expenses	167.381	--	-	--	--	167.381
Total	5.863.466.745	1.697.998.800	(607.450.787)	--	1.801.940	6.955.816.698
Accumulated Depreciation						
Land improvements	(150.001)	--	-	--	--	(150.001)
Buildings	(293.551)	(54.643)	-	--	--	(348.194)
Plant, machinery and equipment	(284.907.706)	(211.234.468)	1.653.586	--	--	(494.488.588)
Vehicles	(5.762.565)	(11.256.296)	135.408	--	(110.798)	(16.994.252)
Furniture and fixtures	(6.793.058)	(2.355.478)	17.011	--	--	(9.131.528)
Total	(297.906.881)	(224.900.885)	1.806.004	--	(110.798)	(521.112.563)
Net Book Value	5.565.559.864	1.473.097.914	(605.644.783)	--	1.691.142	6.434.704.135

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14. TANGIBLE FIXED ASSETS (CONTINUED)

Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş., an independent valuation company licensed by CMB, for land and lands, buildings, machinery, plant and equipment in accordance with TAS 16 “Tangible Fixed Assets” standard. has adopted the “Revaluation model” starting from September 30, 2018, based on the reasonable values determined in the valuation studies carried out by the Company.

In the valuation report of Çan2 Termik's thermal power plant dated October 11, 2018, prepared as of September 30, 2018, the value of the investment was determined as TRY 1.961.836.045 according to the income method (INA). In the valuation report dated 10.02.2020 prepared by an authorized valuation institution as of 31 December 2019, the value of the investment was determined as 2.085.175.474 TRY according to the income management (INA). As of the date of 31 December 2021 you can assign the asset value of investment securities asset valuation 2 Thermal Power Plant, according to the study conducted by the capital market Board on April 11, 2019 21/500 out of date and the valuation of real estate assets in accordance with the resolution of the general principles to be followed in asset valuation report prepared in accordance with International Valuation Standards and the values are shown in the Financial Statements dated in over 12.01.2022. According to the income method (INA), the asset value of Çan 2 Thermal Power Plant has been determined as TRY 4.684.505.558 by authorized appraisers.

In the valuation report of Odaş Elektrik's Natural Gas Cycle Power Plant dated October 4, 2018, which was prepared as of September 30, 2018, the value of the investment was determined as TRY 233.765.243 according to the income method (INA). As of 31 December 2019, the value of the facility according to the income method (INA) in the report dated 17.02.2020 prepared by an authorized valuation institution in accordance with the decision of the Capital Market Board dated April 11, 2019 and numbered 21/500, in accordance with the general principles to be followed in the valuation of non-real estate assets and International Valuation Standards. It was determined as 208.473.938 TRY.

As of the period ending on March 31, 2023, the activation process of the Odaş Ca Uzbekistan Natural Gas Combined Cycle Power Plant has been completed, and depreciation of 1.059.080.410 Turkish Lira has commenced over a period of 25 years.

“Peer Comparison Method” and “Cost Approach” were used in the determination of the fair value of the real estates belonging to Suda Maden and Çan2 Termik, which are subsidiaries, and “Income Capitalization INA analysis” and “Cost Approach” were used to determine the fair values of the facilities belonging to Odaş Elektrik and Çan2 Termik companies.

The said valuations have been made by an appraisal company authorized by the CMB, in accordance with the International Valuation Standards (UDES).

The total investment expenditure amounts as of March 31,2023 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	53.458.311
Çan2 Termik	Modernization	113.967.677
Odaş Enerji CA	Natural Gas Power Plant	98.119.963
Zenn Yatırım	Other	8.805.571
TOTAL		284.991.853

15. RESTORATION AND ENVIRONMENTAL REHABILITATION FUNDS FROM INTEREST ON RIGHTS

None (31 December 2022 None).

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16. INVESTMENTS VALUED BY EQUITY METHOD

The Shares of the Profit / Loss of Investments Valued by Equity Method for the periods 1 January – 31 March 2023 and 1 January – 31 March 2022 are as follows;

	01 January – 31 March 2023	01 January – 31 March 2022
Shares of Profit / Loss of Investments by Equity Method	--	(10.758.260)
TOTAL	--	(10.758.260)

Consists of profit/(loss) shares of Kısırakdere Kömürleri Maden A.Ş., YS Maden is founding shareholder of company, YS Maden is subsidiary within the scope of full consolidation.

17. INTANGIBLE FIXED ASSETS

	01.01.2023	Addition	Disposal	Transfer	31.03.2023
Cost					
Rights	18.162.287	49.709	--	--	18.211.996
Other Intangible Assets	7.385.206	143.287	--	--	7.528.493
Preparation and Development Expenses	103.538.626	11.073.165	--	--	114.611.791
Total	129.086.119	11.266.160	--	--	140.352.280
Accumulated Amortization					
Rights	(7.908.739)	(502.699)	--	--	(8.411.438)
Other Intangible Assets	(728.926)	(76.938)	--	--	(805.864)
Preparation and Development Expenses	(29.190.056)	(3.036.579)	--	--	(32.226.635)
Total	(37.827.722)	(3.616.216)	--	--	(41.443.937)
Net Book Value	91.258.397	7.649.944	--	--	98.908.343

	01.01.2022	Addition	Disposal	Transfer	31.12.2022
Cost					
Rights	13.478.753	4.937.535	(254.000)	--	18.162.287
Other Intangible Assets	6.582.851	802.355	--	--	7.385.206
Preparation and Development Expenses	90.023.629	13.530.522	(15.526)	--	103.538.626
Total	110.085.233	19.270.412	(269.526)	--	129.086.119
Accumulated Amortization					
Rights	(6.315.608)	(1.645.350)	52.219	--	(7.908.739)
Other Intangible Assets	(641.322)	(87.604)	--	--	(728.926)
Preparation and Development Expenses	(20.470.254)	(8.719.802)	--	--	(29.190.056)
Total	(27.427.184)	(10.452.757)	52.219	--	(37.827.722)
Net Book Value	82.658.049	8.817.655	(217.307)	--	91.258.397

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17. INTANGIBLE FIXED ASSETS (CONTINUED)

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.

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 22.198.133 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 56.676.519 TRY (31 December 2022: 56.081.727 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 March 31, 2023 the total development expenditure capitalized amount on the basis of the subsidiaries are as follows:

Subsidiaries	The Amount of Preparation and Development Expenditures
Yel Enerji	8.366.752
Çan2 Termik	3.025.247
Çan2 Trakya	42.330.232
Anadolu Export	28.316.667
Suda Maden	6.187.185
Ys Madencilik	22.198.133
TS Anadolu	4.187.575
Total	114.611.791

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20. RIGHTS OF USE ASSETS

	01.01.2023	Addition	Disposal	Transfer	31.03.2023
Cost – Vehicles					
Right of Use Asset	11.466.610	--	--	--	11.466.610
Total	11.466.610	--	--	--	11.466.610
Accumulated Depreciation - Vehicles					
Right of Use Asset	(5.874.973)	(1.087.055)	--	--	(6.962.028)
Total	(5.874.973)	(1.087.055)	--	--	(6.962.028)
Net Book Value	5.591.637	--	--	--	4.504.582
	01.01.2022	Addition	Disposal	Transfer	31.12.2022
Cost – Vehicles					
Right of Use Assets	7.223.474	4.247.924	(4.788)	--	11.466.610
Total	7.223.474	4.247.924	(4.788)	--	11.466.610
Accumulated Depreciation - Vehicles					
Right of Use Assets	(3.391.795)	(2.483.178)	--	--	(5.874.973)
Total	(3.391.795)	(2.483.178)	--	--	(5.874.973)
Net Book Value	3.831.679	--	--	--	5.591.637

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 (31 December 2022: None).

22. IMPAIRMENT OF ASSETS

As of March 31,2023 and December 31,2022, the Group has a decrease in its trade receivables and the impairment amounts are shown in the relevant financial statement items (Note 7).

As of March 31,2023 and December 31,2022, the Group has a decrease in its tangible and intangible fixed assets and the impairment amounts are shown in the relevant financial statement items (Note 14,17).

23. GOVERNMENT INCENTIVES

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

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

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23. GOVERNMENT INCENTIVES (CONTINUED)

In addition, an investment incentive certificate with document number 510216 and ID 1013731, dated 08.04.2020, issued by the Ministry of Industry and Technology of the Republic of Turkey. The support class is Regional-Priority investment and the support elements are VAT exemption, Interest Support, Tax Reduction, Employer’s Insurance Premium Share and Investment Place Allocation. The investment subject is to modernization of a domestic coal-based electricity generation power plant with an installed power of 340 MW, and the incentive certificate is 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 license 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 (31 December 2022: None).

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Other Short Term Provisions

	31 March 2023	31 December 2022
Balance at the beginning of the period	1.956.597	1.965.068
Additional provision/(payment) (-) (Note 34)	764.651	(8.471)
Period-end balance	2.721.248	1.956.597

Other long-term provisions

	31 March 2023	31 December 2022
Other payable and expense provisions	204.282	202.598
TOTAL	204.282	202.598

(*) 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.

Accordingly, in the evaluation made by the project manager and the technical team; Mining activities in Çanakkale Province Çan District Yayaköy Licence no: 17448 field will be operated both closed and open operation. Extension projects including this scope were submitted to Migem for approval. There will be no stripping work on the surface during the closed operation periods.

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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.

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.

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Mine Restoration Provision

	31 March 2023	31 December 2022
Balance at beginning of period	202.598	185.044
Additional Provision / Payment (-)	1.684	17.554
Balance at the end of the period	204.282	202.598

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 204.282.

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 and Mortgages

Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. A share pledge agreement has been signed in favor of Kozyatağı Commercial Branch, which pledges all the shares of the partners in Çan2 Termik A.Ş. In addition, Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. In return for the loan debt in the General Loan Agreement signed between Çan2 Termik A.Ş. and the Assignment of Receivables and the Movable Pledge Agreement without surrendering the possession. The total amount included in the contract for the Movable Pledge is 244.800.000 Euros and 1.000.000.000 TRY.

Yapı Kredi Bankası A.Ş. and Türkiye Halkbank A.Ş. mortgage has been established. The total amount of mortgages is 2.614.500.000 TRY and 558.900.000 Euros.

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

The commercial enterprise and its elements, subject to the Commercial Enterprise Pledge, on which the pledge is established, are also subject to machine breakage, loss of profit, fire, etc. It is protected by insurance policies that guarantee risks.

Guaranty

Odaş Elektrik Üretim Ticaret A.Ş. Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. has been a guarantor in favor of Kozyatağı Commercial Branch.

Odaş Elektrik Üretim Ticaret A.Ş. In addition, it can be a guarantor for the cash loans required for the short-term working capital needs of the group companies that are in the position of subsidiaries and for all non-cash loans.

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25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

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 EPIAŞ by ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. on behalf of Alternatifbank A.Ş. The conveyances signed totally TRY 450.000.000 and the period is 28.04.2026

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

Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. EPIAŞ Receivables Assignment Agreement was signed in favor of Kozyatağı Commercial Branch. The amount of the assignment is 13.000.000.000 TRY and the period is 2029.

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

Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. General Loan Agreement signed between Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch is the assignment given based on the electricity appearance dated 24.12.2020 between the selected Çan2 Termik A.Ş and EÜAŞ.

Guarantees

Given guarantees by the group are as follow:

GUARANTEES, PLEDGES, HYPOTHECS	31.03.2023	31.12.2022
A) Total amount of TRI was given for its own legal entity	456.358.924	13.051.614
B) Partnerships includes scope of full consolidation	20.367.626.500	19.665.031.960
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	20.823.985.424	19.678.083.574

The ratio of guarantees, pledges and hypothecs to equity is 3,73 (December 31, 2022 : 3,05).

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25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Received guarantees by the group are as follow:

	31.03.2023	31.12.2022
Received Guarantee Letters	292.606.513	282.450.646
Received Guarantee Cheques	3.575.000	--
Received Guarantee Note	--	--
	296.181.513	282.450.646

26. COMMITMENTS

None (31 December 2022: None).

27. EMPLOYEES BENEFIT OBLIGATIONS

a. Short Term

Liabilities for employee benefit

	31 March 2023	31 December 2022
Due to personnel	21.824.797	9.777.312
Social security premium payables	8.590.607	5.916.059
Other payables	124.523	76.362
TOTAL	30.539.927	15.769.733

The salaries of the employees and their employers, which are to be paid by the end of the month and which are to be declared at the end of the following month and which have been accrued on the payroll basis as of the relevant dates, Premium debts.

Provision for vacation

Provision for vacation as of March 31, 2023 - December 31, 2022 are as follows:

	31 March 2023	31 December 2022
Transfer	12.887.806	5.253.619
Provision for the period	(556.679)	7.634.187
Total	12.331.127	12.887.806

b. Long term

Provision for Severance Payment

The Company and its subsidiaries has to make a certain severance payment to its personnel who fires from company for several reasons like retirement after working at least one year at company except reassignment and bad behavior. Compensation which company has to pay is at amount of one month salary for each servicing year and this amount is limited to TRY 19.983 (31 December 2022: 17.904 TRY)

It needs a calculation which can be doing with some assumptions for calculation of company’s liabilities in accordance with TAS 19 (Benefits Provided to Personnel). Company is calculated severance payment based on completion of personnel service time in past years at company and experience about having rights to have severance pay, by using projection method in accordance with TAS 19 and Company is reflected this amount to its financial statements.

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27. EMPLOYEES BENEFIT OBLIGATIONS (CONTINUED)

Provisions for severance payment allocates after calculating present value of potential liability which Company will pay to its personnel in case of retirement. As related to this, assumptions, which are used to calculate the liability amount between of March 31, 2023 and December 31, 2022 are depicted below:

	March 31 , 2023	December 31, 2022
Discount rate	%21,44	%21,44
Estimated increase rate	%17,78	%17,78

The movement of the severance pay provision account between 31.03.2023 and 31.12.2022 is presented below:

	March 31 , 2023	December 31, 2022
Carry-Over Balance	5.305.755	2.256.336
Payment	6.185.995	1.766.738
Interest cost	160.983	490.284
Current service cost	(1.256.023)	(1.543.726)
Actuarial gain/(loss)	(3.394.209)	2.336.123
Balance	7.002.501	5.305.755

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28. EXPENSES ACCORDING TO THEIR QUALIFICATIONS

The details of the cost of sales for the periods 1 January - 31 March 2023 and 1 January - 31 December 2022 according to their qualifications are as follows;

	01 January - 31 March 2023	01 January - 31 March 2022
EPIAS Support Price (*)	335.563.352	--
Coal Usage Cost	221.715.307	136.819.111
Intraday Market Debt Amount (**)	154.367.076	96.531.497
Natural Gas Usage	108.917.145	--
Purchase Amount in the Day-Ahead Market System (***)	64.586.359	43.259.249
Depreciation and Amortization Expense Share	62.785.705	47.789.205
Energy Imbalance Amount (****)	57.660.694	49.406.473
Personnel Expense Share	48.396.446	20.909.993
Coal Sales Cost	42.709.423	10.675.248
Maintenance and Repair Expense	33.235.037	7.730.187
System Usage and Operation Fee (*****)	25.772.341	10.758.588
Antimony Sales Cost (-)	21.327.256	5.728.503
Distribution Companies System Usage Cost	16.387.202	12.468.538
Cost of Goods Sold from Production	11.989.914	7.527.278
TEIAS/EPIAS Other Expenses	11.322.775	1.048.463
Other Expenses	9.468.436	46.951.132
Diesel Usage Cost	8.438.381	9.326.558
DGP Debt Amount (*****)	6.441.946	2.301.115
Fuel Oil Usage Cost	6.330.451	5.304.731
Insurance Expenses	6.144.608	15.606.418
Leasing Expense	6.038.552	1.262.637
Limestone Usage Cost	2.426.214	1.443.349
Consultancy Expenses	525.010	231.438
TEIAS/EPIAS Yekdem Credit Balance	--	5.474.152
TOTAL	1.262.549.630	538.553.863

(*) EPIAŞ Support Price: It is used to support low-cost producers and ensure supply security and/or support consumers. In the calculations for electricity generation facilities, the maximum reconciliation price set for the main source is taken into account. Generally, it is calculated on an hourly basis by multiplying the difference between the Maximum Price for Imbalance (PTF) and Maximum Reconciliation Price (AUF) with the production quantity.

(**) Intraday Market Debt Amount : It is the debt amount calculated based on the sales transactions in the Intraday Market for the relevant organization's respective invoice period.

(***) Purchase Amount in the Day-Ahead Market System : It is the payment amount calculated based on the purchase transactions in the Day-Ahead Market for the relevant organization's respective invoice period.

(****) Energy Imbalance Amount: The imbalance amount is calculated on a monthly basis for each responsible group based on transactions in the day-ahead market, intraday market, and balancing power market, bilateral agreement volumes, and realized delivery/withdrawal values.

(***** System Usage and Operation Fee: It is the amount calculated annually by TEİAŞ (Turkish Electricity Transmission Corporation) and approved by EPDK (Energy Market Regulatory Authority) based on the income caps reflected according to the installed capacity of the market participant who has signed the system usage agreement with TEİAŞ for using the transmission system.

(***** DGP Debt Amount: It is the debt amount calculated based on the purchase transactions in the Balancing Power Market for the relevant organization's respective invoice period.

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29. OTHER ASSETS AND LIABILITIES

Other Current Assets

	31 March 2023	31 December 2022
Income accruals	78.921.518	1.051.464.324
Deferred VAT	82.849.106	86.881.550
Work advances	11.102.479	10.552.223
Advances given to personnel	325.244	306.693
Advances given to suppliers	106.865.805	63.162.476
Other various current assets	2.568.775	2.386.343
TOTAL	282.632.927	1.214.753.609

The details of income accrual are as follows:

	31 March 2023	31 December 2022
Accrued electricity sales income	62.332.758	147.397.904
Natural gas sales revenue accruals	--	34.432
Other accrued income	16.588.759	3.200.000
TOTAL	78.921.517	150.632.336

Other Tangible Fixed Assets

	31 March 2023	31 December 2022
Given advances (*)	99.078.777	168.084.804
TOTAL	99.078.777	168.084.804

(*) As of 31 March 2023, it consists of order advances given by the Group regarding its ongoing investments. Related advances have been given for the thermal power plant construction and will be transferred to tangible assets in the following periods. TRY 42.964.737 of the advances given consists of advances given to contractors and suppliers for investment materials and service procurement for Çan2 Thermal Power Plant in previous periods, TRY 53.084.299 consists of advances given by Odaş CA for the construction of thermal power plant.

Other short term liabilities

	31 March 2023	31 December 2022
Expense Accruals	1.390.500.608	665.664.594
TOTAL	1.390.500.608	665.664.594

Accrued expenses details are as follows:

	31 March 2023	31 December 2022
Accrued electricity purchase cost	49.603.286	49.271.239
Accrued distribution company cost	-	17.378
Other accrued expenses (*)	1.340.897.322	4.792.067
Total	1.390.500.608	54.080.684

(*) Other expense accruals include the provision amount allocated for the amount withdrawn from the collateral accounts by EPIAŞ in accordance with the notification dated 13.01.2023 by EMRA. Since the related provision amount is related to the 2022 period, it is associated with retained earnings/losses. On March 30, 2022, with the amendment in the Procedures and Principles for the Determination and Implementation of the Resource Based Support Fee published on March 30, 2022, it is legally stated that the bilateral agreement amounts are within the scope of exemption. Upon EPIAŞ's request regarding this exemption, the Company notified EPIAŞ of both its bilateral agreements and the portions sold indirectly to final consumers, which are

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29. OTHER ASSETS AND LIABILITIES (CONTINUED)

much lower than this amount. On September 30, 2022, EMRA amended the Procedures and Principles and added the phrase "(up to the end consumer)" to Article 7. However, EPIAŞ, with EMRA's guidance, wants to apply the amendment to the Procedures and Principles retroactively, contrary to fundamental rights and rules of law. The Company filed a lawsuit with the Ankara 10th Administrative Court for the annulment of the administrative action. The case is currently being heard on the merits.

Other Long Term Liabilities

	31 March 2023	31 December 2022
Expense Accruals (*)	792.180	1.440.607
Total	792.180	1.440.607

(*) It consists of the interest of the group's insurance and tax debt restructuring installments.

30. EQUITY, RESERVES AND OTHER EQUITIES

Paid-in Capital

Paid-in Capital structure of the Group between March 31, 2023 and December 31, 2022 given on the following table:

Nominal capital of the company is TRY 1.400.000.000 and the upper limit of registered capital is TRY 3.000.000.000. The company's application to registration of capital system is accepted by Capital Market Board.

Shareholder	31.03.2023		31.12.2022	
	Share Amount	Rate	Share Amount	Rate
A. Bahattin Özal	68.199.226	%4,87	68.199.226	%4,87
Burak Altay	221.397.488	%15,81	221.397.488	%15,81
BB Enerji Yatırım San. ve Tic. A.Ş.	39.619.143	%2,83	39.619.143	%2,83
Müjgan Özal Mirası (*)	5.347.275	%0,38	5.347.275	%0,38
Fatimetüz Zehra Özal Mirası (**)	3.208.365	%0,23	3.208.365	%0,23
Hafize Ayşegül Özal	2.708.365	%0,19	2.708.365	%0,19
Mustafa Ali Özal	2.435.865	%0,17	2.435.865	%0,17
Hafize Büşra Özal	1.069.455	%0,08	1.069.455	%0,08
Public Share	1.056.014.818	%75,43	1.056.014.818	%75,43
Paid-in Capital	1.400.000.000	%100	1.400.000.000	%100

(*) Due to the death of Ms. Müjgan Özal on 22.05.2018, 0.89% of the shares amounting to 5.347.275 TRY were jointly owned by Abdulkadir Bahattin Özal, Mustafa Ali Özal, Fatimetüz Zehra Özal, Hafize Ayşegül Özal, Mehmet Fatih Özal, It was legally passed to Korkut Enes Özal and Hafize Büşra Özal. The list regarding the distribution is as follows;

Shareholder	Share Amount	Rate
Fatimetüz Zehra Özal (**)	1.069.455	%0,076
Hafize Ayşegül Özal	1.069.455	%0,076
Mustafa Ali Özal	1.069.455	%0,076
Abdulkadir Bahattin Özal	1.069.455	%0,076
Mehmet Fatih Özal	356.485	%0,025
Korkut Enes Özal	356.485	%0,025
Hafize Büşra Özal	356.485	%0,025
Paid-in Capital	5.347.275	%0,38

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30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

(**) Due to the death of Ms. Fatimetüzzehra Özal on 04.12.2018, 0.30% of the shares amounting to 4.277.820 TRY were transferred to Gökçe Koşay and Ayşenur Koşay Erbay legally, with co-ownership. The list regarding the distribution is as follows;

Shareholder	Share Amount	Rate
Gökçe Koşay	2.138.910	%0,15
Ayşenur Koşay Erbay	2.138.910	%0,15
Total	4.277.820	%0,30

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 is divided into a total of 1.400.000.000 shares, with a nominal value of 1 (one) TRY each, of which amount of 8.555.640 nominative (A) Group and amount of 1.391.444.360 nominative (B) Group.

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 valid 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 TTK 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 cannot be restricted.

Stock Issue Premium

The transactions regarding the increase of the Company's issued capital of 600.000.000 TRY to 1.400.000.000 TRY by an increase of 800.000.000 TRY were completed on August 23, 2021. Shares with a nominal value of 31.203.426,19 TRY 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 TRY 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 TRY, a total of 13.424.201 TRY 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 TRY. The amount of 185.332.488 TRY remaining after the netting of the public offering expenses, resulting from the sale of 6.759.000 existing shares of the Company during the public offering at a price higher than the nominal value of 1 TRY, is recognized as share issue premiums. accounted for.

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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 TRY 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 TRY, 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.

	March 31, 2023	December 31, 2022
Share Premium	73.518.274	258.850.762
TOTAL	73.518.274	258.850.762

Actuarial gain / loss of funds

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

	Marc 31, 2023	December 31, 2022
Beginning period balance	(2.786.233)	(987.418)
Current year actuarial gains / (losses)	2.715.367	(1.798.815)
TOTAL	(70.866)	(2.786.233)

Previous Years' Profit/Loss

Retained gains/(losses) other than net profit for the period are netted off and presented in this item.

Retained earnings	March 31, 2023	December 31, 2022
Retained earnings/(loss)	(493.286.234)	(514.466.010)
Increase/(decrease) due to change in ownership interest in subsidiaries not resulting in loss of control	888.303	(3.011.937)
Transfers	121.309.695	(14.700.825)
Provisions of the previous period (*)	(1.143.030.258)	-
Period profit/(loss)	2.351.184.593	38.892.538
TOTAL	837.066.099	(493.286.234)

(*) The amount of provisions related to the prior period includes the provision amount allocated to the amount withdrawn from the collateral accounts by EPIAŞ in accordance with the letter dated 13.01.2023 notified by EMRA. Since the related provision amount is related to the 2022 period, it is associated with retained earnings/losses. On March 30, 2022, with the amendment in the Procedures and Principles for the Determination and Implementation of the Resource Based Support Fee published on March 30, 2022, it is legally stated that the bilateral agreement amounts are within the scope of exemption. Upon EPIAŞ's request regarding this exemption, the Company notified EPIAŞ of both its bilateral agreements and the portions sold indirectly to final consumers, which are much lower than this amount. On September 30, 2022, EMRA amended the Procedures and Principles and added the phrase "(up to the end consumer)" to Article 7. However, EPIAŞ, with EMRA's guidance, wants to apply the amendment to the Procedures and Principles retroactively, contrary to fundamental rights and rules of law. The Company filed a lawsuit with the Ankara 10th Administrative Court for the annulment of the administrative action. The case is currently being heard on the merits.

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30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

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 contracts or based on dividend distribution policies. Dividend can be paid in fixed or varying instalments, if agreed during the general meeting.

As for payments in instalments, 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.

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 March 31, 2023 the amount of restricted reserves is TRY 42.647.145. (31 December 2022: 15.340.077 TRY). This all amount consist of legal reserves.

Capital Advances

None. (31 December 2022 : None.)

Revaluation Increase Fund

Revaluation fund movements are as follows :

31.03.2023	Plant	Building	Land	Total
01.01.2023 Balance	2.762.757.227	1.529.659	149.043.434	2.913.330.320
Revaluation Value Increase (Gross)	--	--	--	--
Revaluation Impairment	--	--	--	--
Deferred Tax	--	--	--	--
Sales (Gross)	(4.383.413)	--	--	(4.383.413)
Sales (Deferred Tax)	876.683	--	--	876.683
Revaluation Amount	2.759.250.496	1.529.659	149.043.434	2.909.823.590
31.12.2022	Plant	Building	Land	Total
01.01.2022 Balance	2.765.016.259	1.529.659	149.043.434	2.915.589.353
Revaluation Value Increase (Gross)	--	--	--	--
Revaluation Impairment	--	--	--	--
Deferred Tax	--	--	--	--
Share change results in subsidiaries (Gross)	(2.823.791)	--	--	(2.823.791)
Change of shares in subsidiaries. results (Deferred Tax)	564.758	--	--	564.758
Revaluation Amount	2.762.757.227	1.529.659	149.043.434	2.913.330.320

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30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

Cash Hedging Gains and Losses

	31.03.2023	31.12.2022
Hedging gains and losses	(937.401.381)	(766.181.663)
Total	(937.401.381)	(766.181.663)

Minority Interest

Details of minority interest are shown below:

Minority Interest	31 March 2023	31 December 2022
Capital	85.465.360	75.270.568
Retained earnings/(loss)	474.995.290	(69.547.616)
Period profit/(loss)	135.930.076	508.715.484
TOTAL	696.390.726	514.438.436

Effect of Mergers Involving Entities Under Common 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 56.676.519 (31.12.2022: TRY 56.676.519) 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;

	31 March 2023	31 December 2022
Effect of Joint Ventures or Associations under Joint Control	56.676.519	56.081.727
Total	56.676.519	56.081.727

Other Equity

	31 March 2023	31 December 2022
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 IFRS 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 recognized at equities.

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31. REVENUE AND COST OF GOODS SOLD

Revenue:

	01 January - 31 March 2023	01 January - 31 March 2022
Domestic Sales	1.599.145.801	1.063.153.696
Electricity Sales income	1.539.773.837	996.968.200
Income from Mining Sales	42.307.656	41.620.779
Other Income	17.237.198	24.663.952
Sales Returns	(172.890)	(99.235)
Overseas Sales	27.682.125	7.822.984
Antimony Export Sales	27.682.125	7.822.984
Total	1.626.827.926	1.070.976.680

32. CONSTRUCTION CONTRACTS

None. (31 December 2022: None.).

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

Marketing, Sales and Distribution Expenses

The details of marketing, sales, and distribution expenses for the periods 1 January– 31 March 2023 and 1 January – 31 March 2022 are as follows:

	01 January - 31 March 2023	01 January - 31 March 2022
Transportation Expenses	16.709.346	111.731
Customs Expenses	646.728	--
Other	147.176	130.616
Consultancy Expense	--	3.245
Export Expenses	--	8.083
TOTAL	17.503.250	253.675

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General Administration Expenses

Details of general administration expenses according to their nature 1 January – 31 March 2023 and 1 January – 31 March 2022, periods are as below:

	01 January - 31 March 2023	01 January - 31 March 2022
Personnel Expenses	21.488.730	10.764.070
Consultancy Expenses	3.796.763	2.310.769
Insurance Expenses	2.385.163	36.986
Rental Expenses	2.324.056	450.722
Depreciation Expenses	1.795.720	2.469.448
Litigation Provision Expenses	853.687	395.012
Membership Fees Expense	524.764	209.080
Travel Expenses	329.083	32.743
Tax Expenses	133.221	1.239
Notary Expenses	109.639	47.653
Fuel Expenses	101.374	57.112
Representation and Entertainment Expenses	87.262	40.069
Declaration and Contract Stamp Tax	84.464	35.630
Cargo Expenses	29.377	11.465
Capital Increase/IPO Expenses	--	194.378
Other Expenses	4.234.925	3.578.138
TOTAL	38.278.228	20.634.514

Fees for Services Obtained from Independent Auditor/Independent Audit Firm

The Group's disclosure regarding the fees for services provided by independent audit firms, prepared in accordance with the Board Decision of POA published in the Official Gazette dated March 30, 2021 and based on the POA letter dated August 19, 2021, is as follows.

The independent audit fee for the reporting period January 1 - December 31, 2023 is TL 350.000. (31.12.2022 : TL 230.000).

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34. OTHER OPERATIONAL INCOME AND EXPENSE

Other Operational Income

	01 January - 31 March 2023	01 January - 31 March 2022
Exchange Rate Income	22.660.589	2.404.138
Rediscount Interest Income	4.935.889	2.069.436
Other Income and Profits Related to Operations	75.881	1.646.190
Prior Year Revenues and Profits	1.023.915	425.555
Provision No Longer Required	219.320	348.925
Other Extraordinary Income	759.644	321.350
TOTAL	29.675.238	7.215.594

Other Operational Expense

	01 January - 31 March 2023	01 January - 31 March 2022
Exchange rate expense	9.619.624	242.861
Prior Period Expenses and Losses	626.827	7.746.433
Other Extraordinary Expenses and Losses	4.315.143	3.690.011
Rediscount Interest Expense	3.220.957	904.170
Idle Capacity Expenses and Losses	11.330.393	820.723
Provision Expenses	150.835	22.220
Other Ordinary Expenses and Losses	205.438	248.194
TOTAL	32.131.225	15.991.399

35. EXPENDITURES AND REVENUES FROM INVESTING ACTIVITIES

Expenditures and revenues from investment activities for the periods 1 January – 31 March 2023 and 1 January – 31 March 2022 are as follows:

	01 January -31 March 2023	01 January -31 March 2022
Investing Activity Revenue	18.767.995	41.412
Investment Activity Expenses	--	(545.668)
Share of Profits/Losses from Investments Valued by the Equity Method.	--	(10.758.260)
TOTAL	18.767.995	(11.262.516)

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36. EXPENSES CLASSIFIED BY PRINCIPLE TYPES

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

Amortization Expenses	01 January - 31 March 2023	01 January - 31 March 2022
Cost of Sales	62.785.705	47.789.205
General Administration Expenses	1.795.720	2.469.448
Idle Capacity Expenses and Losses	2.362.148	261.452
Transferred to Product Cost (*)	1.544.424	2.028.915
TOTAL	68.487.997	52.549.020

Personnel Expenses	01 January - 31 March 2023	01 January - 31 March 2022
Cost of sales	48.396.446	20.909.993
General operating expenses	21.488.730	10.764.070
TOTAL	69.885.176	31.674.063

Insurance Expenses	01 January - 31 March 2023	01 January - 31 March 2022
Cost of sales	6.144.608	15.606.418
General administration expenses	2.385.163	36.986
TOTAL	8.529.771	15.643.404

Danışmanlık Giderleri	01 January - 31 March 2023	01 January - 31 March 2022
Marketing, sales, and distribution expenses	--	3.245
Cost of sales	525.013	--
General administration expenses	3.796.763	2.310.769
TOTAL	4.321.776	2.314.014

37. FINANCIAL EXPENSE AND INCOME

Financial Income

	01 January - 31 March 2023	01 January - 31 March 2022
Foreign exchange profit	172.026.307	274.315.324
Interest income	11.884.005	5.834.112
Rediscount interest income	377.323	675.930
Marketable securities sales revenue	215.582	256.914
TOTAL	184.503.217	281.082.280

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37. FINANCIAL EXPENSE AND INCOME (CONTINUED)

Financial Expenses

	01 January - 31 March 2023	01 January - 31 March 2022
Foreign exchange losses	46.979.114	204.736.718
Interest and commission expense	74.465.519	57.809.303
Rediscount interest expense	37.245	4.638.936
Loss on sale of marketable securities	107	--
TOTAL	121.481.985	267.184.957

38. ANALYSIS OF OTHER COMPREHENSIVE INCOME

The Group's other comprehensive income / (expense) breakdown as of 31 March 2023 and 31 March 2022 is as follows:

Not reclassified on gain/(loss)	01 January - 31 March 2023	01 January - 31 March 2022
Revaluation Increases/Decreases	--	--
Actuarial gains/(loss) (Note 27)	3.394.209	268.912
Deferred tax revenue/(expense) (Note 40)	(678.842)	(61.850)
TOTAL	2.715.367	207.062

Not reclassified on gain/(loss)	01 January - 31 March 2023	01 January - 31 March 2022
Cash Flow Hedging Gains/Losses	(214.024.647)	(167.019.231)
Deferred tax revenue/(expense) (Note 40)	42.804.929	33.166.374
TOTAL	(171.219.718)	(133.852.857)

39. FIXED ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The share transfer agreement regarding the sale of all of the shares of Ena Elektrik Üretim Ltd.Şti which is included in the group portfolio and which has an 80% share included in the consolidation was signed on 29 June 2015. The transfer of shares has not yet taken place and will take place after the licensing transactions with EPDK. As of 30.06.2015, Ena Elektrik has been classified as assets held for sale in the Consolidated Financial Statements. As of March 31, 2023 the net asset Ena Elektrik TRY 596.312 (31 December 2022: 599.148 TRY).

The sale transaction is accounted for as a discontinued operation in accordance with TFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" and the net profit / loss after the operations of Ena Elektrik Üretim Ltd.Şti on March 31, 2022 about 01 January-31 March 2022 profit or loss in the consolidated and income from discontinued operations in the other comprehensive income statement.

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

	01 January-31 March 2023	01 January-31 March 2022
Incomes	4.717	10.220
Expenses (-)	(8.120)	(208.495)
Period income before tax	(3.403)	(198.275)
Tax (-)	567	43.502
Period Net Profit/Loss	(2.836)	(154.773)

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

Tax income / expenses in the income statement for the period between 01 January – 31 March 2023 and 01 January – 31 March 2022 are summarized below:

	01 January - 31 March 2023	01 January - 31 March 2022
Tax expense for the period	(21.140.254)	(368.486)
Deferred tax income/ expense	90.145.192	(24.553.173)
Deferred tax reflected in equity (*)	42.126.088	33.104.524
TOTAL	111.131.026	8.182.865

Current Tax

Corporate tax rate is 20% in Turkey. This rate can be applied to the amount after addition of expenses which are not accepted to discount according to Turkish law to company’s operating income and deduction of exceptions in tax law like subsidiary income and discounts like investment discount from company’s operating income.

As of December 31, 2003, there was an act which predicted to change in Tax Procedure Law, Income Tax Law and Corporate Tax Law (“Act numbered as 5024”), it predicts that income and corporate taxpayer, who determines its profit according to statement of financial position base, keep their financial statements with inflation adjustment starting after January 1, 2004. These taxpayers also have to make inflation adjustment for their financial statements at December 31, 2003. It is an obligation that taxpayers, who have to make inflation adjustment according to the general declaration published by Ministry of Finance as of February 28, 2004, have to make adjustments in their statement of financial position after January 1, 2004 if there is the case which obligates adjustment.

Company will calculate tax amount for the period according to declaration numbered 338 if there are conditions (such as increase in price index in last 12 periods at 100% and 10% for current period) needs for adjustments in the direction of 5024 numbered Law and mentioned declarations.

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%. Adding profit to capital cannot be count as distribution of dividend and applied for withholding tax.

The corporate tax rate of 2021 was increased from 20% to 25% in accordance with the “Law on the Collection Procedure of Public Receivables and Amendments to Some Laws” No. 7316 published in the Official Gazette No. 31462 dated April 22, 2021. for 2021, this rate will be applied from the date of the 2.Temporary tax return. For 2022, the corporate tax rate applied at 23%. Corporate tax rate will be applied at %20 for 2023.

Current Period Tax Assets:

As at 31 March 2023 and 31 December 2022 , the details of current period tax assets are as follows:

	31 March 2023	31 December 2022
Prepaid taxes and funds	68.932.058	269.723.440
TOTAL	68.932.058	269.723.440

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

Current Period Tax Expense:

	31 March 2023	31 March 2022
Prepaid taxes and other legal liabilities	38.666.272	245.756.510
Tax Expense For The Period	38.666.272	245.756.510

Deferred Tax

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

20% tax rate stated in the first paragraph of Article 32 of the Corporate Tax Law no. 5520 shall be applied as 22% for corporate profits of taxation periods of 2018, 2019 and 2020 with provisional article added with Law No. 7061 "Amendments to Certain Tax Laws and Some Other Laws" accepted on 28 November 2017. But 20% tax rate stated in the first paragraph of Article 32 of the Corporate Tax Law no. 5520 shall be applied as 22% for corporate profits of taxation periods of 2018, 2019 and 2020 with provisional article added with Law No. 7061 "Amendments to Certain Tax Laws and Some Other Laws" accepted on 28 November 2017. In accordance with the provisional Article 13 of the Corporate Tax Code No. 5520, it will be applied at a rate of 25% for corporate earnings in 2021 and 23% for corporate earnings in 2022, and %20 for the following years.

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

The deferred assets and deferred tax liabilities in the consolidated financial statements are reflected as of March 31, 2022 and 31 December 2022 in the following manner.

	31.03.2022	31.12.2022
Deferred Tax Assets	636.635.663	501.494.366
Deferred Tax Liabilities	(16.093.568)	(14.101.890)
Total	620.542.095	487.392.476

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

The breakdown of cumulative temporary differences and the resulting deferred tax assets / (liabilities) provided at 31 March 2023 and 31 December 2022 using the applicable tax rates is as follows:

Deferred Tax Assets / (Liabilities)	Accumulated Temporary Differences		Deferred Tax Assets / (Liabilities)	
	31.03.2023	31.12.2022	31.03.2023	31.12.2022
Other Deferred Tax Assets/Liabilities	8.700.779	9.219.558	2.001.179	2.120.498
Revaluations	(2.987.789)	(3.515.613)	(687.191)	(808.591)
Doubtful Trade Receivables	606.941	606.941	139.596	139.596
Inventories	(867.386)	(247.940)	(199.499)	(57.026)
Other Liabilities and Expense Provisions	148.770.407	147.662.958	34.217.194	33.962.480
Depreciation Differences on Tangible and Intangible Fixed Assets	264.345.248	231.466.905	60.799.407	53.237.388
Incorporation and Organizational Expenses	2.124	3.050	489	702
Severance Pay and Leave Provision	13.203.000	17.516.666	3.036.690	4.028.833
Tax Deduction Due to Capital Increase in Cash (*)	-	--	20.454.079	20.454.079
Investment Incentive, Tax Advantage for Natural Persons (**)	-	--	951.048.781	868.065.893
Revaluation Effects on Tangible Fixed Assets	-	--	(717.785.350)	(718.463.166)
Gains/Losses from Cash Flow Hedging	-	--	267.516.719	224.711.790
TOTAL			620.542.095	487.392.476

(*) A tax advantage of TRY 66.912.712 has been provided within the scope of the incentives related to the capital increases realized by the Group in the previous periods. The unused portion is subject to deferred tax amounting to TL 20.454.079.

(**) Group's investment in thermal power plant II. It is located in the region, but it is stated in the Special Conditions section of the Special Conditions of the YTB that the investment subject to the document is among the priority investments and will benefit from the 5th region supports. Accordingly, the Investment Contribution Rate is 40% and the Reduced Corporate Tax Rate is 80%. Accordingly, it will be possible to benefit from the reduced corporate tax application regarding the income obtained from the investment of TRY 320.715.946 which is 40% of the total investment of TRY 801.789.865. As of March 31, 2023, the indexed remaining investment allowance amount is TL 819.329.691.

In addition, an investment incentive certificate dated 08.04.2020 with document number 510216 and ID number 1013731 was issued by the Ministry of Industry and Technology of the Republic of Turkey. The support class is Regional-Priority Investment and the support elements are VAT Exemption, Interest Support, Tax Reduction, Insurance Premium Employer's Share and Investment Place Allocation. Accordingly, the Investment Contribution Rate is 40% and the Reduced Corporate Tax Rate is 80%. Accordingly, 40% of the total investment amounting to TL 329.297.725, which is 40% of the total investment amounting to TL 131.719.090 will be able to benefit from the reduced corporate tax application regarding the earnings from the investment. The related amount is subject to deferred tax.

41. EARNING PER SHARE

	01 January - 31 March 2023	01 January- 31 March 2022
Net profit loss	320.902.084	387.744.642
Weighted average number of ordinary share	1.400.000.000	981.538.462
Profit/(loss) per share with nominal value of 1 TRY	0,229216	0,395038

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42. SHARE-BASED PAYMENT

None. (None, December 31, 2022.)

43. INSURANCE CONTRACTS

None. (None, December 31, 2022.)

44. THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATE

None. (None, December 31, 2022.)

45. FINANCIAL REPORTING IN HYPERINFLATION ECONOMIES

Prepared financial tables before the period of January 01,2005, to show change of purchasing power of TRY, inflations adjustments were made using general wholesale price index under TAS 29. In this standard, financial tables prepared with currency on the high inflation periods, conditioning using adjustment coefficient, financial statements of Money expressed in terms of current purchasing power is predicted.

CMB took a decision on March 17, 2005, with this decision, companies who operate in Turkey and prepare financial table in accordance with accounting and reporting principles which are adopted by CMB (CMB Financial Reporting Standard) proclaimed unnecessary application of inflation accounting as of 01.01.2005. Therefore, conditioning with started on 01.01.2005, Financial Reporting on the high inflation economies standard (TAS 29) that is published by IASC, were not applied.

46. DERIVATIVE INSTRUMENTS

CASH FLOW HEDGE ACCOUNTING FOR HIGH PROBABILITY ESTIMATED TRADING CURRENCY RISK

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

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

Within the scope of the Company's foreign currency risk management strategy, the Company applies hedge accounting to hedge the foreign currency risk component of the highly probable forecast transaction cash flow risk and parks the foreign exchange rate fluctuations that have occurred on the hedging instrument, whose effectiveness has been mathematically proven in accordance with TFRS 9 and not yet realized, in the statement of comprehensive income by withdrawing them from the income statement and aims to present a healthier income statement.

The Company strives to maintain a hedge ratio of 100% and hedge effectiveness between 70% and 130% within the scope of the hedge accounting established, and as of March 31, 2023, the hedge ratio is 95% and hedge effectiveness is 103% .

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46. DERIVATIVE INSTRUMENTS (CONTINUED)

TRY	March 31, 2023
Cumulative exchange rate difference on the hedged item (current part)	177.947.503
Cumulative exchange rate difference on the hedged item (non-current portion)	960.157.106
Cumulative exchange rate difference on the hedging instrument (current part)	(225.727.903)
Cumulative exchange rate difference on the hedging instrument (non-current portion)	(946.023.823)
The rate of effectiveness of hedging	103%
The inactive part left in the income statement	--

Turkish Lira	March 31, 2023
The total amount of future cash flows of the hedged item	2.667.756.229
The total amount of future cash flows of the instrument used for hedging purposes	2.822.097.541
Hedging Rate	95%

47. FINANCIAL INSTRUMENTS

Short-Term Financial Liabilities

	31 March 2023	31 December 2022
Bank loans	43.388.660	14.588.378
Financial leasing liabilities	3.376.910	3.747.651
Deferred financial leasing costs (-)	(734.621)	(890.510)
Installments of principal and interest of loans	368.215.627	363.549.346
Other Financial Liabilities	3.638.561	4.786.532
Short-Term Financial Liabilities - Net	417.885.137	385.781.397

Long-Term Financial Liabilities

	31 March 2023	31 December 2022
Bank loans	2.085.690.280	1.994.608.223
Financial leasing liabilities (*)	2.008.307	2.821.264
Deferred financial leasing costs (-) (**)	(164.744)	(305.052)
Long-Term Financial Liabilities - Net	2.087.533.843	1.997.124.435

(*) Financial leasing liabilities: Renters and that those who lease term debt exceeding one year are followed.

(**) Deferred financial leasing costs (-): Financial leasing liabilities at the date of lease rental payments on the leased asset represents the difference between the present value of lease borrow.

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47. FINANCIAL INSTRUMENTS (CONTINUED)

As of March 30, 2023, and December 31, 2022 as of the repayment schedule of long-term loan obligations are as follows:

Long-Term Loans Liabilities	31 March 2023	31 December 2022
2024	484.460.488	486.047.455
2025	421.002.897	397.107.166
2026	350.749.345	330.334.391
2027	305.112.358	287.320.534
2028	264.101.079	248.673.391
2029	227.520.532	214.207.450
2030	32.743.581	30.917.836
Total	2.085.690.280	1.994.608.223

Long-Term Loans Liabilities	31 March 2023	31 December 2022
1-2 Years	--	486.047.455
2-3 Years	484.460.488	397.107.166
3-4 Years	421.002.897	330.334.391
4-5 Years	350.749.345	287.320.534
5 Years and Longer	829.477.550	493.798.677
Total	2.085.690.280	1.994.608.223

As of 31 March 2023, the repayment schedule of long-term leasing obligations is as follows:

	Payables from Financial Leasing Transactions	Deferred Leasing Costs
2024	2.008.307	(164.744)
Total	2.008.307	(164.744)

	31 March 2023	31 Aralık 2022
Other financial liabilities (*)	3.638.561	4.786.532
Total	3.638.561	4.786.532

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47. FINANCIAL INSTRUMENTS (CONTINUED)

Grup’un kredi borçlarının vade ve faiz tutarlarının detayı aşağıdaki gibidir :

	<u>Annual interest rate %</u>		<u>Currency value</u>		<u>TRY</u>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022	31 March 2023	31 December 2022
TRY Loans	7,5-18%	7,5-18%	--	--	43.388.660	14.588.378
EURO Loans	6%-8,5%	6%-8,5%	--	--	--	--
Short-term Loans					43.388.660	14.588.378
EURO Loans	6%-8,5%	6%-8,5%	11.781.378	11.586.248	235.283.535	231.386.636
TRY Loans	7,5-18%	7,5-18%	--	--	132.932.092	132.162.710
Short-term payments and interests of loans					368.215.627	363.549.346
Total short-term loans					411.604.287	378.137.724
EURO Loans	6%-8,5%	6%-8,5%	93.424.750	102.531.484	1.865.766.993	1.835.486.271
TRY Loans	7,5-18%	7,5-18%	--	--	219.923.287	159.121.952
Total long-term loans					2.085.690.280	1.994.608.223

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 minis 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. Previously mentioned 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 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.

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

31.03.2023	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) *	25.036.432	2.263.640.339	21.395.197	29.680.885	290.201.033	--	205.944.588
- Guarantee of maximum risk, etc. the part secured with	--	--	--	6.036.797	--	--	--
A. Net value of financial assets neither due nor impaired	25.036.432	2.263.640.339	21.395.197	23.644.088	290.201.033	--	205.944.588
B. Conditions renegotiated, otherwise to be classified as past due or impaired	--	--	--	--	--	--	--
C. Past due but not impaired	--	--	--	--	--	--	--
D. Net book value of Impaired assets	--	24.000.444	--	4.068.367	--	--	--
- Past due (gross book value)	--	(24.000.445)	--	(4.068.367)	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Part covered by guarantees	--	--	--	--	--	--	--
- Undue (gross book value)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Part covered by guarantees	--	--	--	--	--	--	--
E. Off-balance sheet items with credit risk	--	--	--	--	--	--	--

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

31.12.2022	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) *	44.739.829	190.825.534	17.332.891	29.597.951	156.205.584	--	194.713.548
- Guarantee of maximum risk, etc. the part secured with	25.015.444	511.032.814	30.963.763	24.764.469	1.448.909.811	--	231.247.280
A. Net value of financial assets neither due nor impaired	--	--	--	5.713.637	--	--	--
B. Conditions renegotiated, otherwise to be classified as past due or impaired	25.015.444	511.032.814	30.963.763	19.050.832	1.448.909.811	--	231.247.280
C. Past due but not impaired	--	--	--	--	--	--	--
D. Net book value of Impaired assets	--	--	--	--	--	--	--
- Past due (gross book value)	--	24.298.365	--	4.068.367	--	--	--
- <i>Impairment (-)</i>	--	(24.298.365)	--	(4.068.367)	--	--	--
- <i>Part covered by guarantees</i>	--	--	--	--	--	--	--
- Undue (gross book value)	--	--	--	--	--	--	--
- <i>Impairment (-)</i>	--	--	--	--	--	--	--
- <i>Part covered by guarantees</i>	--	--	--	--	--	--	--
E. Off-balance sheet items with credit risk	--	--	--	--	--	--	--

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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 computable 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 the Group's foreign currency monetary and non-monetary assets and liabilities as of the balance sheet date is as follows:

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

FOREIGN CURRENCY POSITION					
	31.03.2023				
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	UZS
1. Trade Receivables	124.550.835	2.400.600	5.458	--	46.701.129.805
2a. Monetary financial assets (including cash and cash equivalents)	125.772.447	963.762	4.830.257	212	3.941.440.003
2b. Non-monetary financial assets	107.077.062	632.580	1.915.519	55	32.756.450.884
3. Other	--	--	--	--	--
4. Current Assets (1+2+3)	357.400.343	3.996.941	6.751.233	267	83.399.020.692
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)	357.400.343	3.996.941	6.751.233	267	83.399.020.692
10. Trade payables	(149.827.605)	(5.554.324)	(733.425)	--	(16.628.931.943)
11. Financial Liabilities	(253.685.897)	(400.000)	(11.781.378)	--	--
12a. Monetary financial liabilities	(154.874.820)	(8.009.872)	--	--	(704.160.000)
12b. Non-monetary financial liabilities	(2.179.013)	(88.708)	--	--	(283.871.803)
13. Short Term Liabilities (10+11+12)	(560.567.335)	(14.052.904)	(12.514.803)	--	(17.616.963.747)
14. Trade Payables	--	--	--	--	--
15. Financial Liabilities	(1.950.942.332)	--	(93.424.750)	--	--
16a. Monetary financial liabilities	(1.371.885)	(64.533)	(6.400)	--	--
16b. Non-monetary financial liabilities	--	--	--	--	--
17. Long Term Liabilities (14+15+16)	(1.952.314.218)	(64.533)	(93.431.150)	--	--
18. Total Liabilities (13+17)	(2.512.881.553)	(14.117.436)	(105.945.952)	--	(17.616.963.747)
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)	(2.155.481.210)	(10.120.495)	(99.194.719)	267	65.782.056.945
21. Net asset/liabilities position of foreign currency monetary items. (=1+2a+5+6a-10-11-12a-14-15-16a)	(2.259.007.373)	(10.599.834)	(101.103.838)	212	33.309.477.865
22. Fair Value of Financial Instruments used for foreign Exchange Hedge	--	--	--	--	--
23. Export	29.209.679	1.318.500	190.000	--	--
24. Import	--	--	--	--	--

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

FOREIGN CURRENCY POSITION					
	31.12.2022				
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	UZS
1. Trade Receivables	73.328.700	1.824.614	5.458	--	--
2a. Monetary financial assets (including cash and cash equivalents)	1.092.561.585	6.648.739	27.769.463	240	2.932.000.000
2b. Non-monetary financial assets	123.533.143	566.117	2.546.535	55	--
3. Other	--	--	--	--	--
4. Current Assets (1+2+3)	1.289.423.429	9.039.470	30.321.456	295	2.932.000.000
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)	1.289.423.429	9.039.470	30.321.456	295	2.932.000.000
10. Trade payables	(791.903.629)	(1.227.513)	(2.477.521)	--	--
11. Financial Liabilities	(321.793.849)	-	(15.384.128)	--	--
12a. Monetary financial liabilities	(7.695.273)	(345.000)	--	--	--
12b. Non-monetary financial liabilities	(2.807.727)	--	--	--	--
13. Short Term Liabilities (10+11+12)	(1.124.200.477)	(1.572.513)	(17.861.648)	--	--
14. Trade Payables	--	--	--	--	--
15. Financial Liabilities	(1.835.486.267)	-	(91.908.500)	--	--
16a. Monetary financial liabilities	(1.355.096)	(65.518)	(6.400)	--	--
16b. Unmonetary financial liabilities	--	--	--	--	--
17. Long Term Liabilities (14+15+16)	(1.836.841.364)	(65.518)	(91.914.900)	--	--
18. Total Liabilities (13+17)	(2.961.041.841)	(1.638.031)	(109.776.548)	--	--
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)	(1.671.618.412)	7.401.439	(79.455.092)	295	--
21. Net asset/liabilities position of foreign currency monetary items. (=1+2a+5+6a-10-11-12a-14-15-16a)	(1.790.988.732)	6.900.840	(81.995.227)	240	2.932.000.000
22. Fair Value of Financial Instruments used for foreign Exchange Hedge	--	--	--	--	--
23. Export	62.253.166	3.283.743	42.776	--	--
24. Import	--	--	--	--	--

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				
31.03.2023				
	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	(213.223.856)	213.223.856	--	--
2 - Amount hedged for USD risk (-)	--	--	--	--
3- Net Effect of U.S. Dollar (1+2)	(213.223.856)	213.223.856	--	--
Change in 10% of the EURO against TRY;				
4 - Net asset / liability of EUR	(2.278.577.098)	2.278.577.098	--	--
5 - Amount hedged for EUR risk (-)	--	--	--	--
6- Net Effect of EURO (4+5)	(2.278.577.098)	2.278.577.098	--	--
Change in 10% of the GBP against TRY;				
7- Other foreign currency net asset / liability	6.956	(6.956)	--	--
8-Part of hedged protected from other currency risk (-)	--	--	--	--
9- Net Effect of GBP (7+8)	6.956	(6.956)	--	--
Change in 10% of the UZS against TRY;				
10- Net asset / liability of other exchange	121.565.241	(121.565.241)	--	--
11- Amount hedged for other exchange risk (-)	--	--	--	--
12- Net Effect of UZS (7+8)	121.565.241	(121.565.241)	--	--
TOTAL (3+6+9+12)	--	--	--	--

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.

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Sensitivity Analysis of Foreign Exchange Position				
31.12.2022				
	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	152.233.767	(152.233.767)	--	--
2 - Amount hedged for USD risk (-)	--	--	--	--
3- Net Effect of U.S. Dollar (1+2)	152.233.767	(152.233.767)	--	--
Change in 10% of the EURO against TRY;				
4 - Net asset / liability of EUR	(1.745.459.924)	1.745.459.924	--	--
5 - Amount hedged for EUR risk (-)	--	--	--	--
6- Net Effect of EURO (4+5)	(1.745.459.924)	1.745.459.924	--	--
Change in 10% of the GBP against TRY;				
7- Other foreign currency net asset / liability	7.306	(7.306)	--	--
8- Part of hedged protected from other currency risk(-)	--	--	--	--
9- Net Effect of GBP (7+8)	7.306	(7.306)	--	--
Change in 10% of the UZS against TRY;				
10- Other foreign currency net asset / liability	(700.027.272)	700.027.272	--	--
11- Part of hedged protected from other currency risk(-)	--	--	--	--
12- Net Effect of UZS (10+11)	(700.027.272)	700.027.272	--	--
Change in 10% of the JPY against TRY;				
13- Other foreign currency net asset / liability	455.723.985	(455.723.985)	--	--
14- Part of hedged protected from other currency risk(-)	--	--	--	--
15- Net Effect of UZS (13+14)	455.723.985	(455.723.985)	--	--
TOTAL (3+6+9+12+15)	(1.837.522.137)	1.837.522.137	--	--

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).

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

Fair Value

Fair value is the price at which an asset is traded between willing parties in a current transaction.

Financial assets and liabilities denominated in foreign currencies are translated at exchange rates approximating their market prices at the balance sheet date.

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

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 aplicated from stock price traded in active market for similar assets and liabilities.
- **Second Level:** Financial assets and liabilities are aplicated 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 aplicated 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.

31.03.2023

	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	--	342.420.694	--	--	342.420.694	53
Trade receivables	--	2.288.676.771	--	--	2.288.676.771	6-7
Other receivables	--	51.076.082	--	--	51.076.082	6-9
Financial Liabilities						
Financial payables	--	--	--	2.505.418.980	2.505.418.981	47
Trade payables	--	--	--	977.538.754	977.538.754	6-7
Other payables	--	--	--	644.864.789	644.864.789	6-9

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

31.12.2022

	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	--	1.476.322.438	--	--	1.476.322.438	53
Trade receivables	--	536.048.258	--	--	536.048.258	6-7
Other receivables	--	55.728.232	--	--	55.728.232	6-9
Financial Liabilities						
Financial payables	--	--	--	2.382.905.832	2.382.905.832	47
Trade payables	--	--	--	688.144.125	688.144.125	6-7
Other payables	--	--	--	617.962.308	617.962.308	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 STATEMENT

None. (December 31,2022: None.)

52. FIRST IMPLEMENTATION OF TURKEY ACCOUNTING STANDARDS

None. (December 31,2022: None.)

53. EXPLANATION TO CASH FLOW STATEMENT

Cash and Cash Equivalentents

	31 March 2023	31 December 2022
Cash	42.623.423	27.388.160
Bank	290.201.033	1.448.909.811
-Demand deposit	132.933.499	552.737.121
-Time deposit	157.267.533	896.172.690
Other Current Assets	9.596.239	24.468
TOTAL	342.420.694	1.476.322.438

As of March 31, 2023 there is no blocked deposits of the Group (None, December 31, 2022)

53. EXPLANATION TO CASH FLOW STATEMENT (CONTINUED)

Amount of time deposits as of March 31, 2023 concerning the details are as follows:

Currency Time Deposits	Maturity	Interest rate	31.03.2023	31.03.2023
			Foreign Currency	TRY
TRY	03.04.2023	20,50%	52.682.099	52.682.099
TRY	03.04.2023	20,50%	26.121.031	26.121.031
TRY	03.04.2023	11,00%	13.600.000	13.600.000
TRY	03.04.2023	13,00%	12.741.910	12.741.910
TRY	03.04.2023	9,38%	12.138.963	12.138.963
TRY	03.04.2023	14%	10.000.000	10.000.000
TRY	03.04.2023	14,50%	6.500.000	6.500.000
TRY	03.04.2023	4,75%	5.877.546	5.877.546
TRY	03.04.2023	17,00%	5.000.000	5.000.000
TRY	03.04.2023	11,00%	3.600.000	3.600.000
TRY	03.04.2023	9,50%	2.122.330	2.122.330
USD	03.04.2023	0,01%	49.553	949.103
TRY	03.04.2023	11,00%	700.000	700.000
TRY	03.04.2023	4,75%	631.957	631.957
TRY	03.04.2023	9,38%	619.024	619.024
TRY	03.04.2023	11,00%	500.000	500.000
TRY	03.04.2023	9,38%	352.017	352.017
TRY	03.04.2023	9,38%	345.641	345.641
TRY	03.04.2023	9,38%	343.894	343.894
TRY	03.04.2023	9,38%	337.857	337.857
TRY	03.04.2023	9,38%	330.764	330.764
TRY	03.04.2023	9,38%	311.416	311.416
TRY	03.04.2023	9,38%	304.491	304.491
TRY	03.04.2023	9,38%	289.829	289.829
TRY	03.04.2023	11,00%	211.000	211.000
TRY	03.04.2023	9,38%	147.457	147.457
TRY	03.04.2023	3,80%	124.146	124.146
TRY	03.04.2023	9,38%	113.327	113.327
TRY	03.04.2023	9,50%	98.625	98.625
TRY	28.04.2023	14,58%	79.718	79.718
TRY	03.04.2023	9,38%	58.737	58.737
TRY	03.04.2023	21,24%	22.536	22.536
TRY	02.05.2023	5,00%	6.686	6.686
TRY	24.04.2023	12,00%	4.153	4.153
TRY	14.04.2023	14,70%	1.261	1.261
TRY	03.04.2023	9,38%	17	17
			157.267.533	157.267.533

53. EXPLANATION TO CASH FLOW STATEMENT (CONTINUED)

Amount of time deposits as of December 31, 2022 concerning the details are as follows:

Currency Time Deposits	Maturity	Interest rate	31.12.2022 Foreign Currency	31.12.2022 TRY
EURO	02.01.2023	0,10%	13.000.000	259.153.700
TRY	03.03.2023	12,00%	127.624.900	127.624.900
EURO	02.01.2023	1,25%	6.004.331	119.695.742
EURO	02.01.2023	0,10%	4.000.000	79.739.600
USD	16.01.2023	3,00%	3.000.000	56.094.900
USD	02.01.2023	1,85%	2.801.809	52.389.064
TRY	02.01.2023	19,00%	31.900.000	31.900.000
TRY	02.01.2023	10,00%	30.000.719	30.000.719
TRY	02.01.2023	15,00%	20.000.000	20.000.000
TRY	02.01.2023	12,00%	18.565.000	18.565.000
TRY	02.01.2023	12,00%	16.500.000	16.500.000
TRY	02.01.2023	13,00%	15.000.000	15.000.000
TRY	02.01.2023	14,75%	12.000.000	12.000.000
TRY	01.01.2023	21,75%	11.027.433	11.027.433
TRY	02.01.2023	20,00%	10.000.000	10.000.000
TRY	06.03.2023	12,00%	9.817.300	9.817.300
TRY	02.01.2023	12,00%	5.185.000	5.185.000
TRY	02.01.2023	15,16%	5.004.471	5.004.471
TRY	02.01.2023	13,00%	4.391.562	4.391.562
TRY	02.01.2023	10,24%	2.278.148	2.278.148
TRY	15.02.2023	13,50%	1.938.090	1.938.090
TRY	02.01.2023	10,24%	1.321.464	1.321.464
TRY	02.01.2023	12,00%	920.000	920.000
TRY	02.01.2023	10,24%	906.626	906.626
TRY	02.01.2023	12,00%	645.000	645.000
TRY	02.01.2023	12,00%	631.000	631.000
TRY	02.01.2023	10,24%	606.178	606.178
TRY	02.01.2023	10,24%	367.682	367.682
TRY	02.01.2023	10,24%	344.712	344.712
TRY	02.01.2023	10,24%	338.499	338.499
TRY	02.01.2023	10,24%	336.788	336.788
TRY	02.01.2023	10,24%	323.900	323.900
TRY	02.01.2023	10,24%	304.953	304.953
TRY	02.01.2023	10,24%	283.814	283.814
TRY	02.01.2023	10,24%	155.967	155.967
TRY	02.01.2023	4,00%	122.979	122.979
TRY	02.01.2023	10,24%	110.975	110.975
TRY	20.01.2023	14,58%	77.253	77.253
TRY	02.01.2023	10,24%	57.518	57.518
TRY	16.01.2023	12,50%	6.481	6.481
TRY	09.01.2023	10,00%	4.060	4.060
TRY	08.01.2023	13,87%	1.212	1.212
				896.172.690

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. EXPLENATIONS RELATED TO THE CASH FLOW STATEMENT

The cash flow movements that do not generate cash inflows or outflows in the cash flow statement over the years are as follows :

		Current Period Not Audited Consolidated	Previous Period Not Audited Consolidated
	NOTES	01.01- 31.03.2023	01.01- 31.03.2022
		(979.011.362)	481.853.179
A. CASH FLOWS FROM OPEARING ACTIVITIES		320.902.084	387.744.642
Profit/Loss for The Period	30	320.904.920	387.899.415
Profit/Loss from Continuing Operations	39	(2.836)	(154.773)
Profit/Loss from Discontinued Operations		144.297.884	(192.304.184)
Adjustments To Reconcile Net Profit/Loss for The Period	14-17-28-33-36	68.487.997	52.549.020
Adjustments related to amortization and depreciation expenses	7	(297.921)	(135.259)
Adjustments Related to Impairment/Revocation in Receivables	14	(3.506.730)	(1.015.563)
Adjustments Regarding Impairment Reversal of Tangible Fixed Assets	27	4.653.787	2.415.636
Adjustments Related to Employees Benefits Provision (Cancellation)	29	(1.143.030.258)	-
Other Adjustments Regarding Provision (Cancellation)	25	2.721.248	2.051.582
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	25	1.684	4.389
Adjustments Regarding (Cancellation) of Provisions Set aside in accordance with Sectoral Requirements	34	5.313.212	2.745.366
Deferred Financing Expense from Forward Purchases	34	(5.920.211)	(7.859.894)
Unearned Finance Income from Futures Sales	37	1.390.500.608	79.195.980
Adjustments Regarding Interest Expenses and Currency Differences	37	(78.921.518)	(406.597.409)
Adjustments Related to Interest Income		88.172.965	152.058.556
Adjustments for Unrealized Currency Translation Differences	8	(196.257.436)	(150.179.506)
Adjustments for Fair Value Loss/Gains	40	(133.149.619)	(8.839.649)
Adjustments Regarding Tax Expenses/Income	30	293.510	(1.274.039)
Related to Fair Value Loss (Gains) of Derivative Financial Instruments.	30	-	-
Minority Shares	30	145.236.565	92.576.606
Changes In Business Capital		(1.446.926.697)	286.205.659
- Adjustments Regarding Increase/Decrease in Stocks	10	(111.421.176)	(30.458.957)
Decrease (Increase) in Trade Receivables from Related Parties		(20.988)	(22.728.970)
Decrease (Increase) in Trade Receivables from Unrelated Parties	7	(1.752.686.927)	7.290.201
Decrease (Increase) in Other Receivables from Related Parties	6	9.568.566	(4.985.754)
Decrease (Increase) in Other Receivables from Unrelated Parties	9	(9.852.305)	972.279
-Decrease (Increase) in Other Assets Related to Activities	29	1.280.842.445	141.286.274
Increase (Decrease) in Trade Payables to Related Parties		2.791.495	(5.974.474)
Increase (Decrease) in Trade Payables to Non-Related Parties	7	286.640.379	46.488.388
Decrease (Increase) in Prepaid Expenses	12	20.003.067	(59.002.024)
Increase (Decrease) in Payables within the Scope of Employee Benefits	27	10.116.407	786.520
Increase (Decrease) in Other Payables Related to Operations to Related Parties	6	83.782.348	15.037.919
Increase (Decrease) in Other Payables Related to Operations to Non-Related Parties	9	(50.996.902)	37.744.003
Increase (Decrease) in Deferred Revenues	12	(341.473.318)	215.800.512
Increase (Decrease) in Other Liabilities Related to Operations	27-29	(874.219.789)	(56.050.256)
Cash Flows from activities		(981.726.729)	481.646.117
Other gain/loss	30	2.715.367	207.062

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

Explanatory Notes to the Consolidated Financial Statements

For the Period Ended at March 31, 2023

(Currency is “TRY” (Turkish Lira) unless otherwise is indicated.)

56. 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.