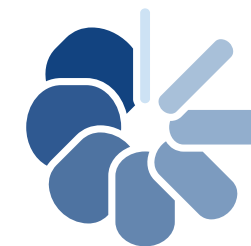




odas

innovative • dynamic • strong



odas

innovative • dynamic • strong



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Registan is a rare example of Central Asian Turkic architecture. Built in the 15th century by Ulugh Beg, the grandson of Emir Timur, this square is nestled in the heart of Samarkand where three distinct madrasas converge, each adorned with beautifully tiled gates.



01
SECTION

**INDEPENDENT AUDIT REPORT
ON THE BOARD OF DIRECTORS'
ANNUAL REPORT**



INDEPENDENT AUDIT REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT

INDEPENDENT AUDIT REPORT ON ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET A.Ş. ANNUAL REPORT FOR AS OF 31.12.2022

To the Board of Directors of ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. and its Subsidiaries

1) Opinion

As part of our independent audit activities, we audited the annual report of Odaş Elektrik Üretim Sanayi Ticaret A.Ş. and its Subsidiaries ("the Group") for the fiscal year ending on 31.12.2022.

In our opinion, the consolidated financial data provided in the annual report of the board of directors and the Board's evaluations on the Group's standing based on the data in the audited consolidated financial statements are consistent with audited full set consolidated financial statements and with the information we gathered during the independent audit and reflect the truth in all material respects.

2) The Basis of Opinion

Our independent audit has been performed in accordance with the Independent Audit Standards (IAS) as part of Turkish Audit Standards published by Public Oversight,

Accounting and Audit Standards Authority (POA). Our responsibilities under these Standards have been described in detail within "the Responsibilities of Independent Auditor concerning Independent Audit of Annual Report" section of our report. Pursuant to the Code of Conduct for Independent Auditors issued by POA and the provisions of ethical conduct stipulated in the regulations on independent auditing, we hereby declare that we are independent from the Group. We have complied with the Code of Conduct and fulfilled other ethical responsibilities under the regulations. We believe that the independent audit evidence acquired during the independent audit constitute an adequate and reliable basis for building our opinion.

3) Our Audit Opinion on Full Set Consolidated Financial Statements

We expressed a positive opinion in our audit report dated 13.03.2023 about the Group's full set consolidated financial statements for the fiscal year 01.01.-31.12.2022

4) Board of Directors' Responsibility for Annual Report

The Group's management is responsible for the following in relation to the annual report, according to the articles 514 and 516 of Turkish Commercial Code (TCC) No. 6102:

a) Prepares the annual report and submits it to the general assembly within the first three months following the balance sheet date.

b) Furnishes the annual report in a way to reflect the group's course of activities in the subject year and every aspect of its financial standing in an accurate, exhaustive, straightforward, realistic and truthful manner. The financial standing in this report is evaluated on the basis of consolidated financial statements. The report also indicates clearly the Group's development and potential risks that it may face. The board of directors' evaluations on these issues are also provided in the report.

c) In addition, the annual report includes the following:

Events of particular importance within the Group that occur after the end of the activity year, The Group's research and development works, Pecuniary benefits such as salary, premium and bonus paid to and allowances, travel, accommodation and representation expenses, provisions in kind and in cash, insurances and similar coverages provided to the members of the board and senior executives.

When preparing the annual report, the board of directors takes into consideration the secondary legislative regulations issued by the Ministry of Customs and Trade and the relevant authorities as well.

5) The Responsibility of Independent Auditor for Independent Audit of Annual Report

Our purpose is to provide an opinion on whether the consolidated financial figures in the annual report and the respective evaluations of the Board of Directors based on the data in the audited consolidated financial statements are consistent with the Group's audited consolidated financial statements and the information we acquired during the independent audit and whether they reflect the truth and to issue a report incorporating our opinion in this respect, pursuant to the provisions of TCC and the Communiqué.

Our independent audit has been performed in accordance with the IAS. These standards require compliance with the ethical provisions and planning and carrying out independent audit in order to obtain a reasonable assurance on whether the consolidated financial figures in the annual report and respective evaluations of the Board of Directors based on the data in the audited consolidated financial statements are consistent with consolidated financial statements and the information acquired during the audit and whether they reflect the truth.

AS Bağımsız Denetim ve YMM AŞ. O.

O. Tuğrul Özsüt
Cap Auditor

İstanbul, 13.03.2023

The walled old city – aka. İçan Kale – is a treasure trove of palaces, mosques, madrasas, and mausoleums. A dedicated conservation program carried out by the Soviets during the 1970s and 80s transformed it into a living museum city. In 1991, the World Heritage List recognized its historical significance.



02
SECTION

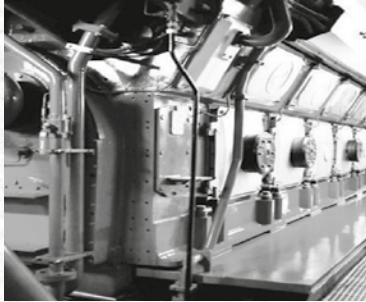
odas
AT A GLANCE

2010

ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. was founded.

2011

The first phase of the Şanlıurfa Natural Gas Combine Cycled Power Plant with an installed capacity of 140 MW was commissioned.



2012

Voytron Enerji Elektrik Perakende Satış A.Ş. was incorporated into ODAŞ Group.

2013

ODAŞ Doğal Gaz Toptan Satış Sanayi Ticaret A.Ş. was founded.

Şanlıurfa Natural Gas Cycle Plant reached an installed capacity of 140 MW.

92% of Çan2 Termik A.Ş. was acquired by ODAŞ Elektrik Üretim A.Ş.

ODAŞ shares were listed on the BIST 100 Index of Borsa İstanbul A.Ş.

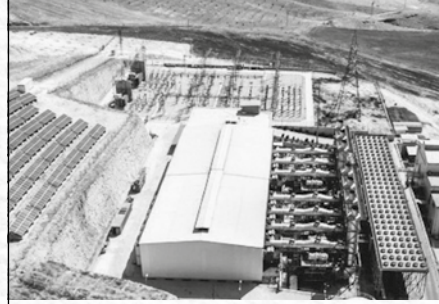


2014

The 0.25 MW Solar Power Plant was commissioned.

Investment in the Çan-2 Thermal Power Plant with an installed capacity of 340 MW was.

The Environmental Impact Assessment (EIA) report for the Çan-2 Thermal Power Plant of Çan2 Termik A.Ş. was approved.



2015

ODAŞ began its activities to operate in the fields of Gold and Antimony mining.

Accordingly, Anadolu Export Maden Sanayi Ticaret A.Ş. is founded to operate in the field of gold mining.

Suda Maden A.Ş., which operates in the field of antimony mining, was wholly acquired by ODAŞ Group.

Köprübaşı Hydroelectric Power Plant with an Installed Capacity of 8,2 MW was commissioned.



2016

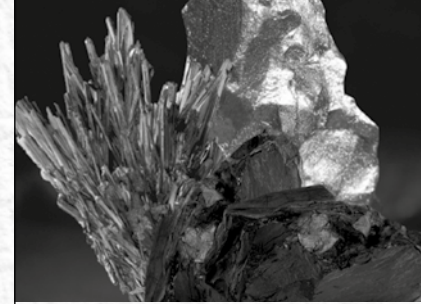
Antimony and Antimony Trioxide production began at Suda Maden A.Ş.

2017

The production capacity in Antimony and Antimony Trioxide mining was doubled.

Prior to gold production planning, an Environmental Impact Assessment (EIA) Report application regarding operations was submitted.

The Group started coal sales in line with its coal production and sales planning.



2018

Çan2 Thermal Power Plant was commissioned.

2019

Çan-2 Thermal Power Plant completed the Ramp-Up process and commenced stable production.

Environmental Permit and License granted.

2020

Initial public process of Çan2 Termik A.Ş. began.



2021

ODAŞ, expanded its activities in the field of energy, by carrying it abroad. It established and activated a natural gas cycle power plant in the Khwarezm region of Uzbekistan.

Çan2 Termik A.Ş.'s initial public offering completed and its shares began trading at Borsa İstanbul Yıldız Market.



2022

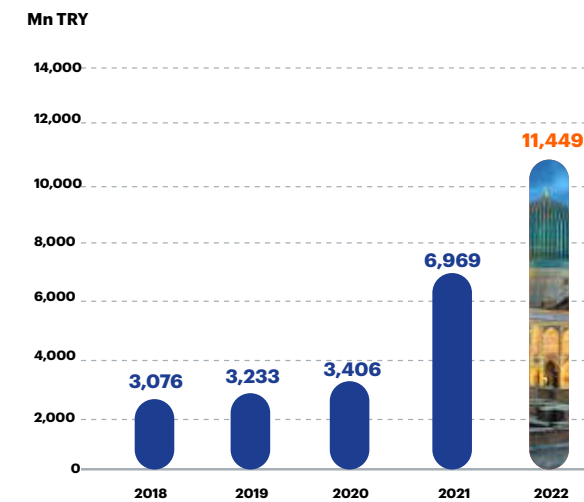
“ODAŞ CA Uzbekistan Natural Gas Cycle Power Plant became operational in a short period of 6 months.



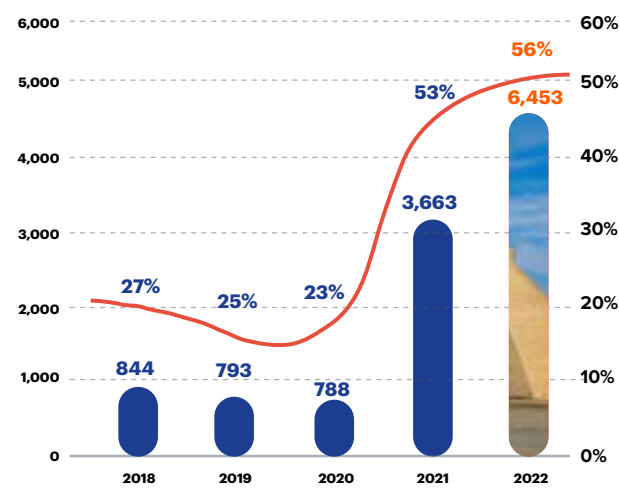
FINANCIAL HIGHLIGHTS

Consolidated Financial Figures (TRY Mn)	2018	2019	2020	2021	2022
Net Sales	886	938	975	1,446	7,641
Net Profit	-251	-187	-247	39	2,351
EBITDA	68	227	284	398	3,317
Cash and Cash Equivalents	7	16	15	173	1,476
Short-Term Financial Liabilities	581	746	607	714	386
Long-Term Financial Liabilities	1,147	1,128	1,488	1,787	1,997
Shareholders' Equity	844	793	788	3,663	6,453
Total Assets	3,076	3,233	3,406	6,969	11,449
Net Debt	1,722	1,858	2,080	2,328	907
KPIs	2018	2019	2020	2021	2022
EBITDA Margin (%)	8%	24%	29%	28%	43%
Net Debt / Shareholders' Equity (x)	2.0	2.3	2.6	0.6	0.1
Net Debt / EBITDA (x)	25.4	8.2	7.3	5.8	0.3
Shareholders' Equity / Total Assets (%)	27%	%25	23%	53%	56%

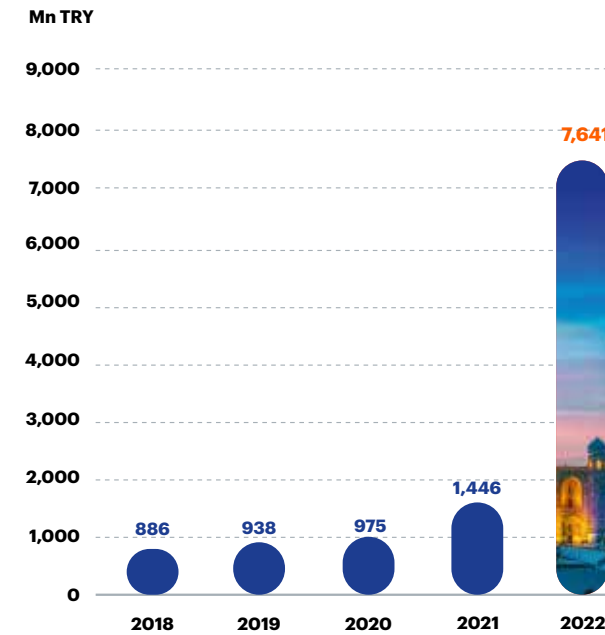
Total Assets



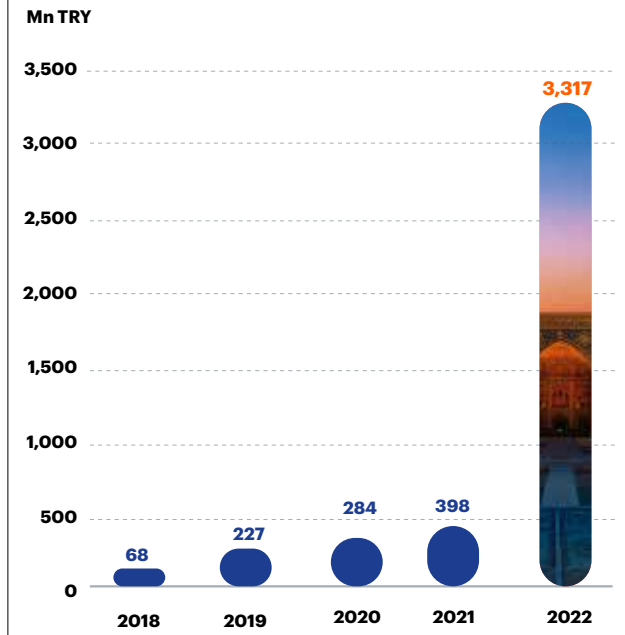
Shareholders' Equity / Total Assets (%)



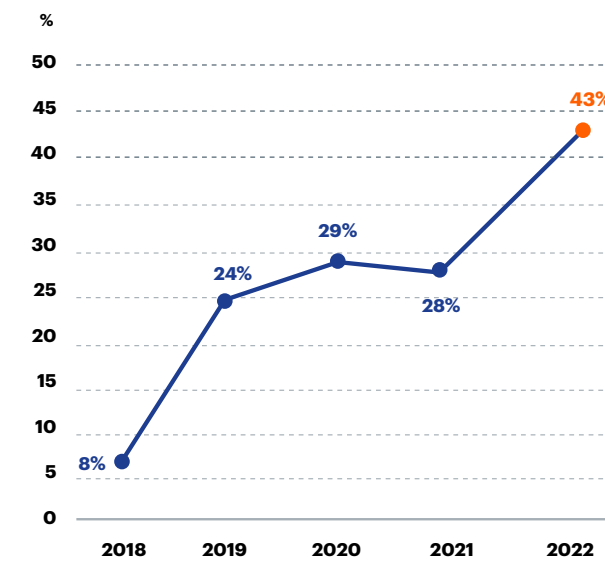
Consolidated Net Sales



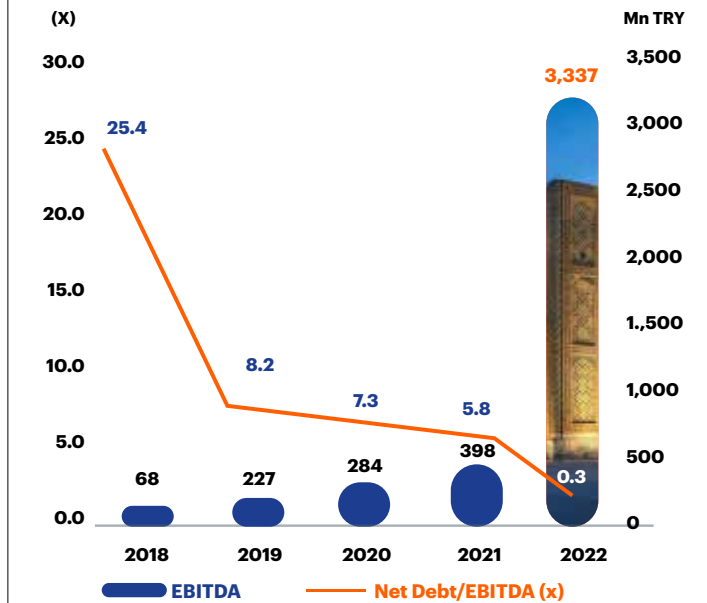
EBITDA



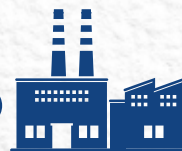
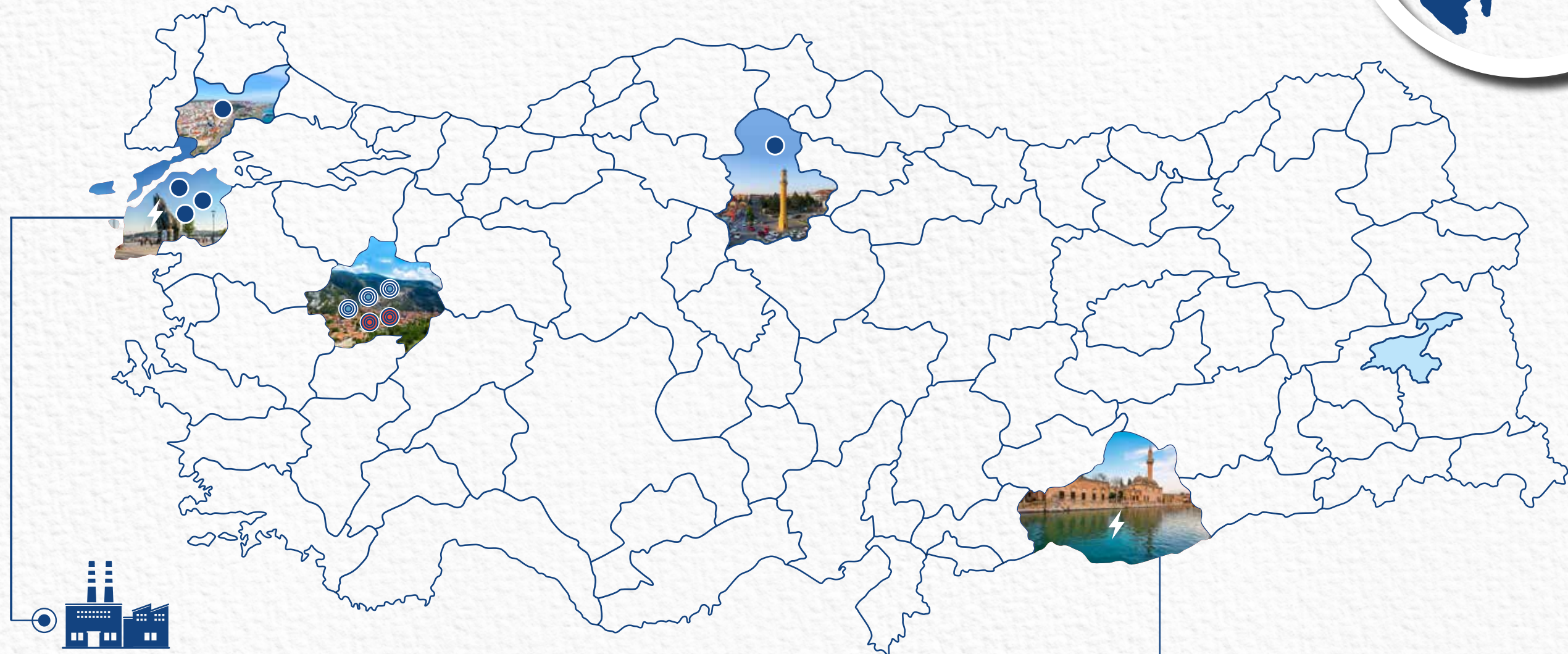
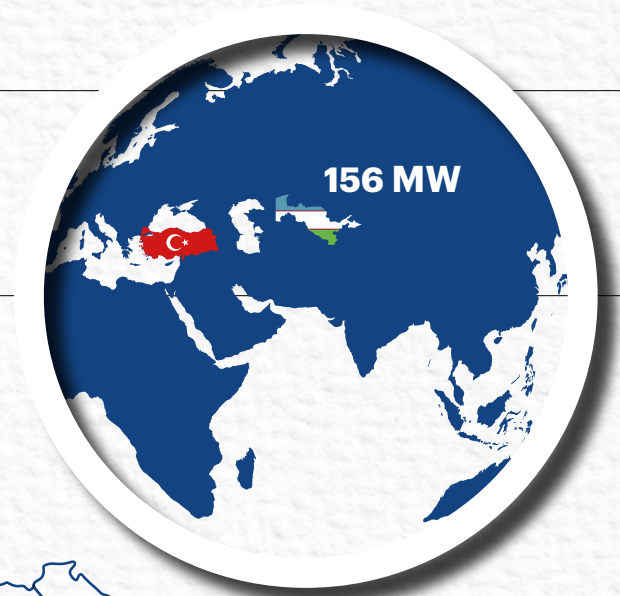
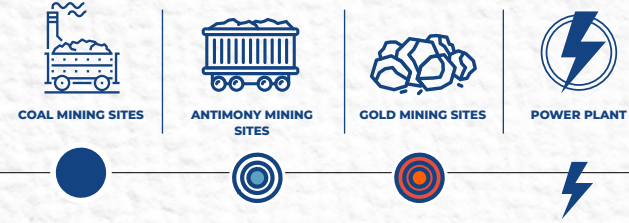
EBITDA Margin



Net Debt / EBITDA



CURRENT OPERATIONS



COAL FIRED POWER PLANT
Çanakkale Çan2
330 MWM / 340 MWm



SOLAR POWER PLANT
Şanlıurfa
0,25 MW

We are in UZBEKISTAN with our knowledge, experience and energy!

Our journey began with the ambitious goal of us taking our energy expertise onto the global stage, and making our mark by investing in a state-of-the-art combined cycle power plant in Uzbekistan. In just six months, we've successfully erected and inaugurated a cutting-edge 174 MW natural gas combined cycle power plant. Under the terms of our agreement with the Uzbek government, the amount of energy the new plant generates is seamlessly integrated into the national electric transmission network, playing a crucial role in meeting the country's ever-growing electricity needs.





The Ulugh Beg Madras –meticulously built between 1417 and 1420 by Ulugh Beg, the fourth sultan of the Timurid Empire– proudly graces the vicinity of Registan Square in Samarkand. Ulugh Beg’s ingenuity extended beyond this madrasa. Nearby, he also built an observatory as well.



03
SECTION

MANAGEMENT



GENERAL INFORMATION ABOUT THE COMPANY

Trade Name	: Odaş Elektrik Üretim Sanayi Ticaret AŞ.
Company's Registered Address	: Barbaros Mah. Başak Cengiz Sk. Varyap Meridian Sitesi No1/D Villa 4 Batı Ataşehir, İstanbul
Affiliated Trade Registry Office	: İstanbul Trade Registry Office
Trade Registry Number	: 748692
Trade Registry Registration Date	: 28.09.2010
Tax Office	: Kozyatağı Tax Office
Tax Number	: 63404170722
Registered Capital Ceiling	: 3.000.000.000 TL
Paid-in Capital	: 1.400.000.000TL



SHAREHOLDING STRUCTURE

As at 31.12.2021, the shareholder structure of our Company, which has a total paid-up capital of 1,400,000,000 TL within the share capital limit of 3,000,000,000 TL, is as follows.

Adı Soyadı / Unvanı	Group A Shares	Group B Shares	Total Share	Share in Capital(%)
Abdulkadir Bahattin Özal	4,277,820	217,119,667	221,397,487	15.81%
Burak Altay	4,277,820	63,921,406	68,199,226	4.87%
BB Enerji Yatırım Sanayi Tic. AŞ.		39,619,143	39,619,143	2.83%
Other		1,070,784,143	1,070,784,143	76.49%
Total	8,555,640	1,391,444,358	1,400,000,000	100.00%

The share groups of our Company are divided into A and B. The Company's Board of Directors consists of at least 5 (five) members, 2 of whom must be elected by the General Assembly from among the candidates nominated by Group (A) shareholders. Group A shares are privileged in terms of the appointment of the members of the Board of Directors, and the exercise of voting rights at the General Assembly, within the framework of Articles 7, 8, 10 of the Articles of Incorporation (Board of Directors, nomination for the Board of Directors, election of the Chairperson and the Deputy Chairperson, representation of the company, and right to vote in the General Assembly). At the Ordinary and Extraordinary General Assembly meetings of the Company, group (A) shareholders are accorded 15 votes for each share, while group (B) shareholders are accorded 1 vote for each share. Group (B) shares are not granted any special rights or privileges.

BOARD OF DIRECTORS AND THE COMMITTEES

The Company shall be represented and administered by a board of directors that is composed of at least 5 (five) members to be elected by the general assembly in accordance with the Turkish Code of Commerce, and the Capital Markets Law and Regulations. The members of the Board of Directors of our Company were elected as follows to serve until 31.12.2022.

Full Name	Title	Term of Office
Abdulkadir Bahattin ÖZAL	Chairperson of the Board	until 31.12.2023
Burak Altay	Deputy Chairperson of the Board	until 31.12.2023
Hafize Ayşegül ÖZAL	Board Member	until 31.12.2023
Zehra Zeynep DERELİ	Independent Board Member	until 31.12.2023
Umut APAYDIN	Independent Board Member	until 31.12.2023

COMMITTEES FORMED UNDER THE BOARD OF DIRECTORS

Audit Committee

Full Name	Role
Umut APAYDIN	Committee President
Zehra Zeynep DERELİ	Committee Member

Corporate Governance Committee

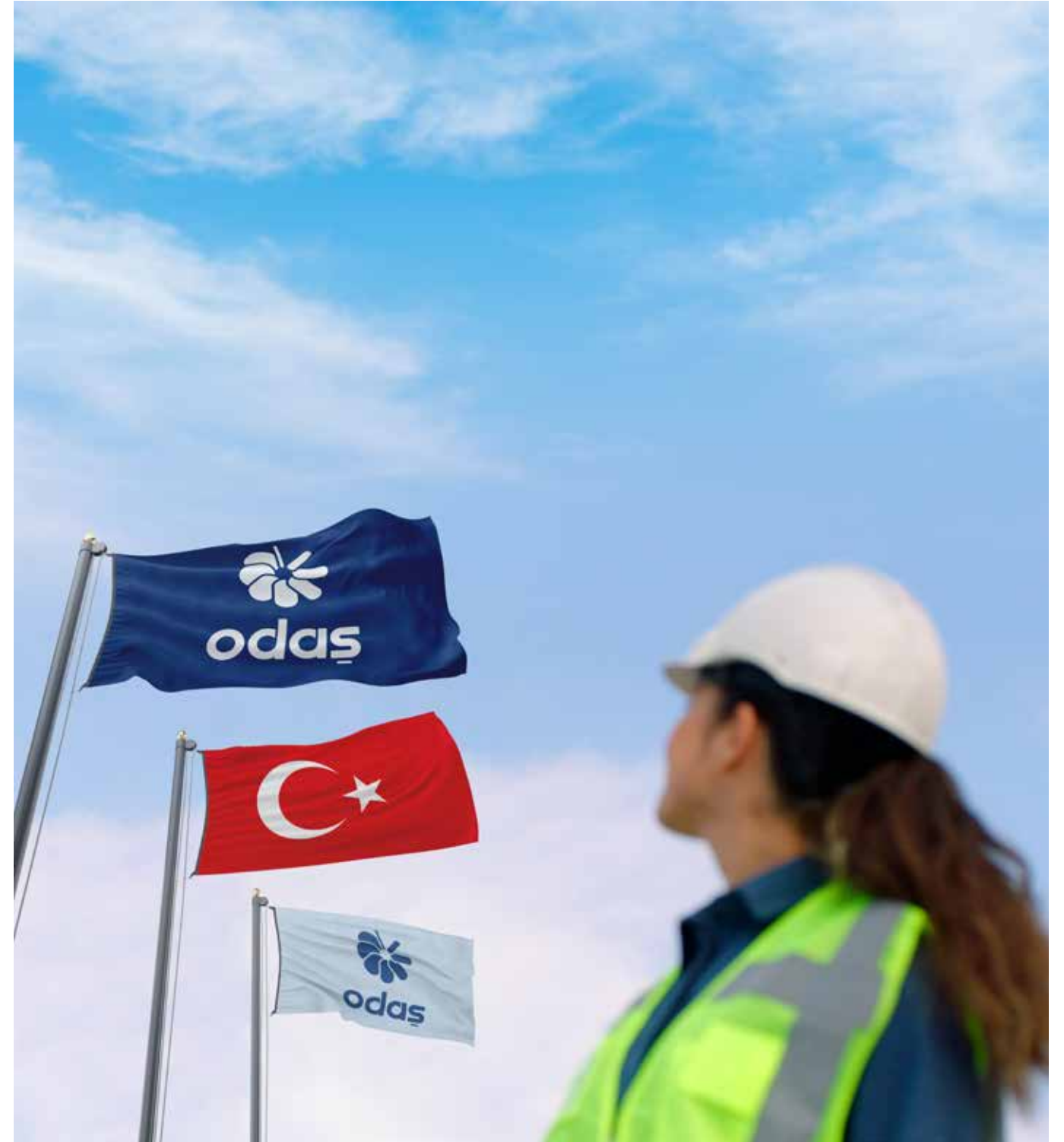
Full Name	Role
Umut APAYDIN	Committee President
Zehra Zeynep DERELİ	Committee Member
Melih YÜCEYURT	Committee Member

Early Detection of Risk Committee

Full Name	Role
Zehra Zeynep DERELİ	Committee President
Umut APAYDIN	Committee Member

MANAGEMENT TEAM

Full Name	Position/Title
Ahmet Göksal CAN	Chief Energy Officer
Ali Kemal Kazancı	Chief Mining Officer
Caner DEMİRAYAK	Strategic Planning Commercial Director
Melih YÜCEYURT	Finance and Investor Relations Director
Adeviye DEMİR PEKMEZCİ	Accounting and Reporting Director
İlknur YILMAZ COŞKUN	Legal Director
İnci UĞURLU ARIKAN	Human Resources Director
Bülent BARUT	Powerplant Manager





The construction of the structure, initiated in 1399 by Timur's grandson Muhammed Sultan Mirza, who was appointed as the heir, was continued by Timur after the death of Muhammed Sultan Mirza in 1404 and was completed in January 1405. Shortly after its completion, Timur, who died on February 18, 1405, was buried in this building. From this date onwards, the complex has been known as Gur-i Emir.



04
SECTION

OUR ACTIVITIES

ODAŞ GROUP COMPANIES



INFORMATION ABOUT SUBSIDIARIES

Title	Share of ODAS in Capital	Ratio of ODAS in Capital	Ratio of ODAS in Capital (%)
Çan2 Termik AŞ.	320.000.000 TL	245.651.000 TL	76,77%
Voytron Elektrik Perakende Satış AŞ.	25.000.000 TL	25.000.000 TL	100%
Suda Stratejik Metal Dış Ticaret AŞ.	12.600.000 TL	12.600.000 TL	100%*
Ena Elektrik Üretim Ltd. Şti.	5.601.000 TL	4.480.800 TL	80%
Hidro Enerji Elektrik Üretim Sanayi AŞ.	615.000 TL	307.500 TL	50%
Odaş Doğal Gaz Toptan Satış Sanayi ve Ticaret AŞ.	4.312.000 TL	3.881.662	90,02%
Suda Maden AŞ.	44.900.000 TL	44.900.000 TL	100%
Anadolu Export Maden Sanayi ve Ticaret AŞ.	50.000 TL	48.000 TL	96%
CR Proje Geliştirme Yatırım Sanayi ve Tic. AŞ.	50.000 TL	50.000 TL	100%
TS Anadolu Metal Maden Üretim AŞ.	250.000 TL	200.000 TL	80%
YS Madencilik Sanayi Ticaret Ltd. Şti.	10.000 TL	5.200 TL	52%
Odaş Enerji CA LLC	450.000.000 UZS	225.000.000 UZS	50%*
Zenn Yatırım Otelcilik İnşaat AŞ.	20.000.000 TL	10.000.000	50%*
Çan-2 Trakya Kömür Maden AŞ.	550.000 TL	422.212 TL	76,77%*
Yel Enerji Elektrik Üretim Sanayi Tic. AŞ.	2.000.000 TL	1.535.400 TL	76,77%*
Onur Mining Maden Üretim AŞ.	1.500.000 TL	750.000 TL	50%

*Indirect Subsidiary



Çan2 Termik AŞ.

Çan2 Termik A.Ş. is one of the main subsidiaries in Odas Group's energy portfolio, which includes a domestic coal-based power generation plant with an installed capacity of 340 MWm/330 Mwe in Çan district of Çanakkale province.

The power plant operating under it started generating electricity after its preliminary acceptance on 01.08.2018 and continues its power generation activities. Çan2 Termik A.Ş. Its shares started trading on the Istanbul Stock Exchange/Stars Market as of April 30, 2021.

Voytron Elektrik Perakende Satış AŞ.

Thanks to the wholesale license received from the Energy Market Regulatory Authority, Voytron Elektrik Perakende Satış A.Ş., a wholly owned subsidiary of ODAS Energy, is able to sell the electricity purchased in the market through bilateral agreements to its customers.

Suda Stratejik Metal Dış Ticaret AŞ.

ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. indirectly owns 100% of the company.

Hidro Enerji Elektrik Üretim Sanayi AŞ.

Hidro Enerji, a 50% subsidiary of ODAS, operates in building, commissioning and renting electric power generation plants, as well as generating electric power and selling generated electric power and/or capacity to customers. The company owns 100% of Odaş Enerji CA, which operates in Uzbekistan.

Ena Elektrik Üretim Ltd. Şti.

The company which is 80% owned by ODAS applied for a generation license for the Hisar Regulator and Hydroelectric Power Plant. It owns our shares in Ena Elektrik Üretim

Limited Şirketi following the completion of the approval procedures at the Energy Market Regulatory Authority and continues its coal mining activities. A "Share Transfer Agreement" was signed.

ODAŞ Doğal Gaz Toptan Satış Sanayi ve Ticaret AŞ.

As of March 2013, ODAŞ Doğal Gaz Toptan Satış Sanayi ve Ticaret A.Ş., a 90% subsidiary of ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. (ODAS Enerji), obtained its Natural Gas Wholesale License from EMRA.

Anadolu Export Maden Sanayi ve Ticaret AŞ.

by ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. holds the Karaağaç gold mining license within the provincial borders of Kütahya and Uşak.

Recent works conducted under this license revealed the existence of 348,150 ounces of gold (Au) (167,486 ounces of which indicated and 180,664 ounces of which inferred) and 2,832,036 ounces of silver (Ag) (1,255,604 ounces indicated and 1,576,432 ounces inferred).

Suda Maden AŞ.

A 100% subsidiary of ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş., the company holds a total of four bussiness licenses in the Kütahya-Uşak region. Precious metal works carried out under these licenses revealed the existence of gold (Au) and antimony (Sb), as well as copper (Cu) and silver (Ag), leading to the inclusion of all these minerals in the prospecting framework. Antimony and Antimony Trioxide are currently produced in the fields owned by Suda Maden A.Ş.

YS Madencilik Sanayi Ticaret Ltd. Şti.

52% of this company which is active in mining is owned by ODAS.

Yel Enerji Elektrik Üretim Sanayi Tic. AŞ.

ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. indirectly owns 76.77% of the company and is active in the mining sector.

TS Anadolu Metal Maden Üretim AŞ.

TS Anadolu Metal Maden Üretim A.Ş. was founded with a focus on importing, exporting, and internally trading metals derived from the extraction and/or processing of mineral ores.

Çan-2 Trakya Kömür Maden AŞ.

ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. indirectly owns 76.77% of the Company and is engaged in the coal mining sector.

Onur Mining Maden Üretim AŞ.

Onur Mining Maden Üretim A.Ş. was established to import, export, and internally trade metals derived from the extraction and/or processing of mineral ores.

Zenn Yatırım Otelcilik İnşaat AŞ.

Zenn Yatırım Otelcilik İnşaat A.Ş. is engaged in various activities– namely managing hotels and similar kinds of accommodation, building residential projects, and running real estate agencies. Notably, ODAŞ Elektrik holds an indirect ownership stake of 50% in this company.

Odaş Enerji CA

100% shareholder of the Company is Hidro Enerji Elektrik Üretim Sanayi A.Ş., our subsidiary. The Company's head office is located in Uzbekistan and its main activity is the generation of electrical energy and the sale of the generated electrical energy.

OPERATIONAL STATUS DURING THE PERIOD

Electricity Generation

Çan-2 Thermal Power Plant (330 MW)

The Çan-2 thermal power plant increased its gross electricity generation by 15% to 2.305 GWh year-on-year in the period from January to December 2022. Between 01.01.2022 – 31.12.2022, the gross capacity utilization rate was 80%. (The gross capacity utilization rate for the period 01.01.2021 – 31.12.2021 was 69%.)

Uzbekistan Natural Gas Combined Cycle Power Plant

Relocation for the natural gas cycle power plant in Uzbekistan is complete. Now testing and commissioning are under way. At present, its installed capacity stands at 158 MW.



SECTOR OVERVIEW

Comparison of Production, Consumption and Installed Capacity:

According to TEİAŞ data, the total installed capacity in the sector was 103.757 MW as of the end of 31.12.2022, with an increase of 3,965 MW compared to 31.12.2021 (after taking into account the plants whose capacity was reduced and closed down). The rate of increase was 4%.

The renewable energy portfolio, on the other hand, maintained its upward trend as of the end of December 2021, as in previous years, with a 5,8% increase in installed capacity compared to the same period of the previous year.

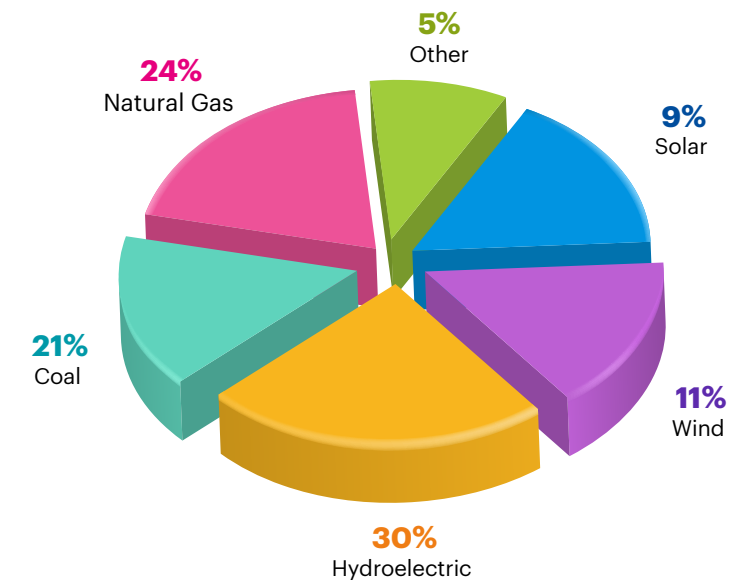
Looking at the installed capacity of thermal power plants, as of the end of 31.12.2022, the capacity of domestic coal power plants increased by 101 MW, the capacity of imported coal power plants increased by 1.380 MW, while the capacity of natural gas

power plants decreased by 233 MW compared to 31.12.2022. In waste heat power plants, there is a decrease of 4 MW.

As of end-December 2022, the highest installed capacity increase in renewable energy was in solar power plants with 1,625 MW, followed by wind power plants with 967 MW. In the same period, capacity increases in hydroelectric, biomass, geothermal were 87 MW, 365 MW, 43 respectively.

As of 31.12.2022, 30% of the total installed capacity consisted of hydroelectric power plant, 24% natural gas, 11% domestic coal, 10% imported coal, 11% wind, 9% solar, 2% geothermal and 3% other energy sources. When the distribution by type of establishment is analyzed, 20,2% of the installed capacity belongs to EÜAŞ and its subsidiaries, 3,3% to Build-Operate-Transfer and plants with transferred operating rights, 68% to independent generation companies and 8,5% to unlicensed plants.

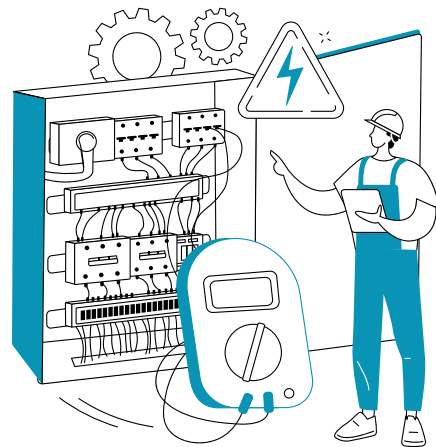
Distribution of Installed Capacity by Resources (31.12.2022 Period)



Electricity Generation and Consumption

According to data from EPIAŞ transparency platform for settlement withdrawals (UEÇM), consumption in 2022 decreased by 0,8% compared to the previous year and decreasing 324 GWh. Peak consumption decreased by 7% in 2022 compared to the previous year, became 52,423,41 Mwh.

According to the EPIAŞ Transparency Platform's real-time consumption data, the resource-based distribution of generation for 2022 is as follows: 23% from natural gas, 21% from hydroelectricity, 20% from imported coal, 16% from domestic coal, 11% from wind, and 9% from other resources. The most significant shift in the year-on-year distribution of power generation is observed in fuel oil, with a remarkable increase at a rate of 106%. Following that is solar energy at 79% (a substantial increase), biomass at 27%, hydroelectricity at 25%, and wind at 12%. During the same period, natural gas production dropped significantly by 33%. In the last quarter of 2021, the average MCP (Market Clearing Price) for 2022 surged to TRY 2,511/MWh, representing a year-on-year increase of 394%– mainly due to rising natural gas and imported coal prices, coupled with fluctuations in the USD/TR



exchange rate. In dollar terms, this figure implies \$147/MWh, marking a massive 165% increase.

Sudden changes in fiscal policy, economic reforms and exchange rate fluctuations combined with interest rate decisions increase uncertainties in natural gas and electricity prices. On the other hand, the dollar price of Brent oil increased by 10% on 31/12/2022 compared to 31/12/2021, reaching \$86,02 per barrel, due to increasing demand and rising exchange rates as the impact of the Covid-19 pandemic faded.

Accordingly, the Botaş tariff for power generation for December 2022 increased by 330% compared to December 2021, reaching 20.625TL/1000Sm³. At the same time, the API2 coal index, an indicator of the cost of imported coal, increased by 40% in dollar terms on 31.12.2022 compared to the same period last year, reaching \$190,80/metric tons on 31.12.2022. Electricity prices also increased due to the rising production costs of imported power plants and increasing demand for electricity. The electricity futures market, which became operational on 1 June 2021, and the natural gas futures market, which became operational on 1 October 2021, aim to reduce future price uncertainties.

Mining Activities

Mining activities In the mining sector, Odas has gold, silver, antimony and coal reserves. Among these reserves, antimony and coal mining operations continue actively and the gold and silver reserves in Karağaç are currently 167,486 Ounces of Indicated Gold and 180,664 Ounces of Inferred Gold, totaling 348,150 Ounces of Gold reserves and 1,255,064 Ounces of Indicated Gold and 1,576,432 Ounces of Inferred Gold, totaling 2,832,036 Ounces of Silver reserves.

RISK MANAGEMENT AND INTERNAL CONTROL MECHANISM OF THE COMPANY

An Early Detection of Risk Committee was established in relation to risk management with its working principles set out and published on the company's website www.odasenerji.com.tr. Independent Board Members Zeynep Zehra Dereli (Committee Chairman) and Umut Apaydın (Committee Member) were elected as members of the Early Detection of Risk Committee.

DIVIDEND DISTRIBUTION POLICY

The "Dividend Distribution Policy" revised under the Capital Markets Board's Communiqué on Dividends numbered II.19.1 was established by resolution of our Board of Directors dated 06.03.2014 and unanimously adopted at the 2013 Annual General Meeting. Our Dividend Policy is available on our Company's website (www.odasenerji.com) in the Corporate Governance section under Investor Relations.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION FOR THE PERIOD 01.01.2022 - 31.12.2022

There are no changes to the Articles of Association during the relevant activity period.

EMPLOYEE INFORMATION

The number of employees of the Company is 1.006 as of 31.12.2022. There is no collective bargaining scheme in our company and all rights and benefits are provided to our personnel and workers within the framework of the Labor Law.

DONATIONS MADE DURING THE PERIOD

During the period of 01.01.2022 - 31.12.2022, a total of 2.127.862 TL was donated by Odas and its Subsidiaries.

COMPANY HISTORY AND DEVELOPMENT

Founded in 2010, ODAŞ is a group of companies primarily focused on energy and mining. Operating globally, they have made significant investments in a natural gas cycle power plant in Uzbekistan, and engage in exporting minerals. They also actively explore investment opportunities in various sectors.

Development of Activities in the Field of Energy

The largest investment and operation in the field of energy is a thermal power plant based on domestic coal with an installed capacity of 340 MW/330Mwe operating under Çan2 Termik A.Ş., a 76,77% subsidiary of Odas. The power plant was commissioned as of the beginning of August 2018 after provisional acceptance. The said investment is one of the few private sector investments that can convert locally-sourced lignite into electricity, replacing imported products such as coal and natural gas.

The Group's second largest power plant in the field of energy production is the natural gas conversion power plant in Urfa with an installed capacity of 140 MW. At the same time, in January 2014, the company completed investment in a solar power plant with an installed capacity of 0.25 MW, increasing its total installed capacity to 140.25 MWe. Until 2020, the Urfa Natural Gas Cycle Power Plant continued its production activities. In order to make the Urfa Natural Gas Cycle Power Plant more profitable and efficient in view of the dynamics of the electricity the investment was started in

2021 to increase the installed capacity of the power plant in question by 174 MW and to start operations in Uzbekistan. Currently, the Uzbekistan centrale is reached to 128 MW and gradually capacity increase efforts are continuing.

Development of Activities in Mining

In the mining sector, Odas has gold, silver, antimony and coal reserves. Among these reserves, antimony and coal mining is actively pursued and Suda Maden Anonim Şirketi has 4 operating licenses. Preparatory work for the mining of precious metals is underway.



HUMAN AND CULTURE

As of 2022, ODAŞ employs a workforce of 905 people. Employee groups consist of individuals who've completed all the necessary professional training in their respective fields of expertise, and who hold certificates of competence

At ODAŞ, we try to align our People and Culture Department's policies with our own organization culture and values, when crafting them. The prospective employee's career aspirations and our own sustainable goals and culture must match up whenever we delineate roles, select suitable candidates, oversee recruitment and hiring procedures, and draft employee development plans. We also take a corporate approach to cultivating dynamic workforce, in which we focus on contributing to our nation and the industry, with a strong emphasis on unity and diversity. Likewise, we do our best to implement the most approachable framework possible for integrating that approach into performance evaluations, career development, and compensation- all to enhance organizational efficiency.

The backbone of ODAŞ's corporate culture, these values guide and unite ODAŞ Group as a cohesive team. They help us make decisions, execute tasks, create projects, collaborate, and shape how our employees behave at all time (hence why everyone is so close knit), and moreover embody the company's overarching objectives, ideals, and standards.

ODAŞ Group's core five values also illuminate the distinctive characteristics that underpin all of our actions. These include: growing together, being dynamic, embracing development, upholding reliability, and caring for people and the environment.

We've set these principles in stone and seamlessly integrated them into everything we do, and harness their power in all our people and culture-based initiatives.

Our ultimate goal is to become a leading practitioner of sustainable profitability, namely through strategic investments in the energy and mining sectors. We're committed to enhancing the quality of life for all of their employees, doing whatever they can to foster a high level of job satisfaction.

As December 2022, ODAŞ employs a workforce of 905 people. Employee groups consist of individuals who've completed all the necessary professional training in their respective fields of expertise, and who hold certificates of competence.

Everyone within works together towards common goals and results. They leverage their resources, knowledge, and experience to achieve the best possible outcomes. They excel at understanding and adapting to new situations, exhibit a strong sense of responsibility, and have a strong appetite for acquiring new skills. They also embrace a system-oriented approach, communicate information accurately and clearly when necessary, and demonstrate a deep sense of ownership. These qualities represent the essential core competencies aligned with ODAŞ's values.

Recruitment Activities

The recruitment process is customized to align with the unique industries and activities of each group company, as well as the distinct criteria for positions that need to be filled.

In the process of finding qualified employees, Odas carries out detailed reference checks through practices such as group interviews, case studies, presentations based on vocational knowledge, competency-based individual interviews, foreign language tests conducted by specialized institutions, and personality tests, involving management level employees throughout

Training and Development Activities

Seeing the professional and individual development of all its employees as one of its primary targets, Odas uses strategic planning to allocate all the resources required for its training programs. On the other hand, performance and competence assessment systems inform the formulation of personal development plans, with feedback from both management and the employees. Accordingly, we commission professional institutions to provide vocational development training for our specialist employees and managers, as well as technical development training for our production employees, especially in the field of occupational safety. We also seek to create individual and professional awareness by encouraging employees to attend seminars and congresses related to their areas of expertise.

Apart from all these applications, thanks to the Odaş Development Platform, which was completed and put into use in the last quarter of 2022, employees have been provided with access to more than 6,000 contents where they can improve their professional and behavioral competencies.

Performance Management

Odas measures its employees' performance during the year with competency-based performance evaluation forms. Following the evaluation process, all results are collated on a company basis and communicated to employees with mutual feedback. Performance assessment results are used in many areas besides determining future wages, such as personal development planning, functional training analysis, determining rotation demands and needs, and identifying potential managers.

Remuneration and Benefits Management

ODAŞ Group ensures that all its employees are provided with a competitive remuneration and fringe benefits policy based on equal and fair management -this especially includes Labor Law provisions and prevailing market conditions. In doing so, we devise comprehensive schemes according several key factors. These include, but are not limited to: the industry/ies our company operates in, the specific regions and conditions of our business operations, best practices followed by similar companies, market research findings, our internal dynamics, and regular market analysis (in line with research by independent consulting firms).

Internal Communications Activities

ODAŞ values all of their employees, and wants them to feel appreciated. By launching the cultural "Good Life Movement," ODAŞ is committed to helping them lead productive and healthy lives beyond the workplace. We ensure timely communication of corporate updates, events, celebrations, and information through our intranet platform. At ODAŞ, one of our goals is to foster a culture openness, innovation, and problem solving. We want everyone to feel included, and to be dedicated to advancing and ensuring the company's sustainable development.



MISSION

To provide products and services that creates value for our country and our shareholders with a fast and flexible approach, sensitive to society and the environment, and high-yielding investments.



VISION

To be a pioneer company in the energy and mining sector that provides sustainable profitability by differentiating with strategic investments.



STRATEGY

ODAŞ aims to achieve additional synergy with the mining sector and income diversification, while continuing its investments that create value in the energy sector with its high internal efficiency.





The city of Samarkand serves as the administrative hub of Samarkand Province, which is one of 12 administrative divisions in Uzbekistan. As the country's second-largest metropolis by population, Samarkand boasts immense historical and socio-cultural importance. With a past spanning over 2,500 years, it ranks among one of the world's oldest cities and has played a prominent role in politics, economics, and culture due to its strategic location at a crucial crossroads along the Silk Road.



05
SECTION

**CORPORATE
GOVERNANCE**

CORPORATE GOVERNANCE COMPLIANCE REPORT

SECTION I

CORPORATE GOVERNANCE COMPLIANCE STATEMENT

ODAŞ applies utmost diligence in compliance with the Capital Markets Board's Corporate Governance Principles, and embraces the concepts of equality, transparency, accountability, and responsibility among those principles while proceeding towards its objectives.

In 2022, ODAŞ complied completely with the mandatory principles under Communiqué No. II- 17.1 on the Identification and Application of Corporate Governance Principles, and presented the best effort to comply with the optional principles. The resolution of CMB dated 10.01.2019 with no.2/49 requires companies to complete Corporate Governance Compliance Report and Corporate Governance Information Form templates through Public Disclosure Platform (KAP), in addition to Corporate Governance Compliance Reporting currently done by companies pursuant to Corporate Governance Communique no. II-17.1. In accordance with this CMB resolution, the templates published in KAP by our Company are also attached at the end of the Corporate Governance Compliance Report.

Based on these grounds, the company started internally its efforts for compliance with corporate governance principles in 2013 and continued them during 2022. These efforts are still maintained through numerous mechanisms built within the company. In the early phase of the efforts, some changes were put in place to

offer an equitable, accountable, responsible and transparent organization to the shareholders. This statement shows ODAŞ's embracement of a transparent and open management style, and its intent to develop a responsible and accountable management perspective with respect to all shareholders, particularly minor shareholders.

Justification for Delays in the Implementation of Certain Corporate Governance Principles

The Corporate Governance Committee of the company continues its efforts to develop corporate governance practices.

The difficulties experienced with certain principles, and ongoing debates in national, as well as international platforms, regarding compliance with certain principles have so far prevented complete compliance with some principles. That said, the principles which have yet to be implemented have not led to any conflicts of interests between stakeholders. Plans are in place to effect the required structural changes and internal arrangements for the implementation of the limited number of optional principles which have not been implemented so far.

Comments on comprehensive work carried out at our company with respect to Corporate Governance Principles, and principles which have yet to be complied with, are noted in the subsequent sections of the report.

- Even though the Articles of Incorporation do not specify so, no one at the company has unlimited decision-making authority.

- According to Article 4.6.5 of the "Corporate Governance Principles", the remuneration and other benefits provided to the members of the Board of Directors and other senior executives are disclosed to the public through the annual report. However, the disclosure does not provide such information with reference to specific individuals, but rather is based on a distinction between the Board of Directors and senior executives.

SECTION II SHAREHOLDERS

Investor Relations Department

At our company, the Investor Relations Department serves to facilitate the exercise of shareholder rights, enabling communications between the Board of Directors and existing and potential shareholders, as well as local and foreign analysts and portfolio managers, and executing required procedures in compliance with the CMB's Corporate Governance Principles. The department reports to the Corporate Governance Committee, as well as to Burak Altay, Deputy Chairperson of the Board of Directors and the Chief Executive Officer.

Investor Relations team and senior executives of the Company together held meetings with 41 local and foreign investors, analysts and portfolio managers in total during the year 2022.

Accordingly, the Investor Relations Department is responsible for;

- Providing information on the Company's current activities, investments and future expectations to existing and potential local and foreign institutional

investors and brokerage houses with a correct understanding of the management's perspective and vision,

- Responding to requests for information from local and foreign institutional investors and analysts except for non-disclosed confidential business information of the company,
- Updating shareholders, local and foreign institutional investors about the company proactively and on a regular basis through conferences and investor meetings,
- Responding to the queries of shareholders with the exception of non-disclosed confidential business information,
- Conducting comparative analyses on the performance of company's shares and of its peers in the same industry,
- Ensuring that General Assembly meetings are carried out in accordance with the Articles of Incorporation and other internal regulations, Preparing documents that shareholders can use as a reference in General Assembly meetings, and publishing such documents on the company website three weeks in advance of the General Assembly for investors' review and information,
- Reviewing on a regular basis the contents of "Investor Relations" section within the company website and updating it as required,
- Preparing presentations and briefings on the company's operations and financial standing for the current period on a quarterly basis,

- Preparing and updating the list of people with access to insider information, as per the Material Event Disclosure Communiqué,
- Management and monitoring all communications and processes with the Capital Markets Board, Borsa İstanbul A.Ş., Merkezi Kayıt Kuruluşu A.Ş., and any other capital markets agencies,
- Ensuring the flow of information both ways, between shareholders and the senior management and the company's Board of Directors.

Exercise of the Shareholders' Right to Information

Every information request submitted to the Investor Relations Department is responded diligently in accordance with the principle of equality and without any discrimination between investors, provided that they do not concern confidential information or trade secrets currently withheld from the public. Accordingly, in 2022, any information

requests submitted by the shareholders on various issues were responded clearly and in detail via telephone and e-mail on a verbal and written basis. Every question was answered to the satisfaction of investors, provided that they did not concern trade secrets. Furthermore, the independent section of "Investor Relations" in the Company's website (www.odasenerji.com) makes available every data for updating the investors in a complete and accurate manner. Any developments that may have an impact on the exercise of shareholder rights were communicated to the investors through material disclosures via Public Disclosure Platform (KAP) and on the company website in 2022.

As the shareholders' right to demand appointment of a special auditor is subject to regulations, the Articles of Incorporation does not stipulate any arrangements regarding the appointment of a special auditor. During the year, no request regarding the appointment of a special auditor was received.

Name	Position
Melih YÜCEYURT	Director of Finance and Investor Relations
Mehmet AYKIN	Investor Relations Manager

E-mail: yatirimciiliskileri@odasenerji.com

Shareholding Structure

The shareholding structure as of 31.12.2022 is as follows.

Full Name / Title	Group A Shares	Group B Shares	Total Shares	Shares in Fund
Burak Altay	4,277,820	217,119,667	221,397,487	15.81%
Abdulkadir Bahattin Özal	4,277,820	63,921,406	68,199,226	4.87%
BB Enerji Yatırım Sanayi Tic. AŞ.	-	39,619,143	39,619,143	2.83%
Other	-	1,070,784,143	1,070,784,143	76.49%
Total	8,555,640	1,400,000,000	1,400,000,000	100.00%

General Assembly Meetings

General Assembly Meetings The General Assembly meetings are carried out in accordance with the Turkish Code of Commerce, the Capital Markets Law, and the Corporate Governance Principles, in a manner that provides adequate information to and the extensive participation by shareholders. The Ordinary General Assembly of the Company convenes at least once a year and discusses and decides on the matters on the agenda drawn up by the Board of Directors in accordance with Article 413 of the Turkish Code of Commerce.

The notices and announcements regarding the general assembly meeting are published through any means of communication including electronic communications, so as to achieve access to the highest number of shareholders, and with the minimum time frames stipulated in Turkish Code of Commerce, the Capital Markets Law, and other regulations in mind.

The Company's 2022 Ordinary General Assembly Meeting was held in the registered office of the company at the address Nidakule Kuzey Ataşehir Barbaros Mahallesi Begonya Sokak No:3 B3 Floor 34746 Ataşehir/ İstanbul under the supervision of the Ministry Representative appointed by T.R. Ministry of Customs and Trade.

The agenda, minutes, and attendance sheet for the meeting are available on the Company's

website. Invitations to General Assembly meetings are extended by the Board of Directors in accordance with the provisions of Turkish Code of Commerce, the Capital Markets Law, and the Articles of Incorporation. The Board of Directors' resolution for the General Assembly meeting is followed immediately by necessary disclosures to inform the public, via KAP and the Electronic General Assembly Meeting System (EGKS). In addition to the procedures set out by the regulations, the calls for general assembly meetings are made on the company website www.odasenerji.com 3 weeks in advance at minimum in order to reach highest number of shareholders possible and the meeting notices are also published in the Turkish Trade Registry Gazette and in the country-wide edition of at least one daily newspaper with high circulation.

Prior to the General Assembly meetings, the disclosure document regarding the items in the agenda is drawn up and announced to the public, in compliance with the legal procedures and regulations regarding all disclosures. Within the framework of the items on the agenda of the General Assembly meeting, financial statements and reports, dividend payment proposals, and independent audit reports including the audited annual report, as well as any proposed amendment texts and justification thereof in case of Articles of Incorporation amendments, the disclosure policy, remuneration policy, dividend policy, personal

backgrounds of all prospective Board members including independent ones, and other documents which are to serve as the basis of the items on the agenda, are made easily available for review by shareholders, at the corporate headquarters and on the website.

The General Assembly meetings are held simultaneously in physical and electronic form, at the company headquarters, and via the Electronic General Assembly Meeting System. The venue for General Assembly meetings is arranged to enable participation by all shareholders.

The agenda of the General Assembly is set clearly to enable the consideration of each proposal under a separate item, so as to prevent different interpretations. At the General Assembly meeting, the agenda items are conveyed to the shareholders in an objective, detailed, clear and understandable way, and the shareholders are given the opportunity to explain their opinions and ask questions under equal conditions.

The questions directed by the shareholders during the general assembly meeting are responded accordingly by the board members and the senior executives of the company. Templates of proxy letters for those who will be represented by a proxy are made available to the shareholders through KAP, newspaper ads and the company's website before general assembly meetings.

The voting procedure applicable at the meeting is presented to shareholders via the website and newspaper ads. The items on the agenda at the General Assembly meetings are voted on by raising hands in an open ballot. Following the General Assembly meeting, the minutes of the meeting are registered in the company's minute book. The meeting minutes are available at KAP, EGKS (Electronic General Assembly System) and the corporate website.

The General Assembly meetings, the attendance sheet, agenda, and announcements are made available for review by all local and foreign investors simultaneously.

The company carried out electronic general assembly meeting preparations for 2021 Ordinary General Assembly in compliance with the statutory regulations as per the article 1527 of Turkish Commercial Code.

The notice of the meeting was published on Public Disclosure Platform (KAP) and Electronic General Assembly System (EGKS) of Merkezi Kayıt Kuruluşu A.Ş. (Central Securities Depository) on 17.11.2021, in the issue no. 10709 of Turkish Trade Registry Gazette dated 22.11.2022 as well as on the company website, as stipulated by the Law and the Articles of Incorporation and including the agenda. The chairperson of the council started the general assembly meeting upon the verification based on the list of attendants that out of 1,400,000,000 shares with nominal value of TRY 1 corresponding to the company's total capital TRY 1,400,000,000, the shares corresponding to total capital of TRY204.226.517,507 were represented, TRY 218.497.571,634 capital shares by proxy and TRY 244.325.216,914 capital shares in person, and therefore the quorum was present as stipulated in the Turkish Commercial Code, Capital Markets Law and Articles of Incorporation.

During the General Assembly Meeting for 2021, the board members were elected to serve until 31.12.2023. Furthermore, during the General Assembly meeting, the shareholders were given the opportunity to address questions and their questions were replied to inform them during the "Wishes and Requests" session, which was the last agenda item. There were no written requests submitted by the shareholders of the corporation for inclusion within specific items in the agenda with respect to the Ordinary General Assembly Meeting for 2021.

Donations and grants worth a total of TRY 803.580,98 during the year were presented to the shareholders' information under a separate agenda item. In addition, the maximum amount of donations and grants was set as TRY 2,500,000 for 2022 pursuant to the 5th paragraph of the article 19 of Capital Markets Law.

The agenda for the General Assembly meeting, as well as the attendance sheet and meeting minutes are made available for review by shareholders at the corporate headquarters. Furthermore, the documents and records of the general assembly meeting were made available in the Investor Relations section of the Company website for review by the shareholders and all stakeholders.

The controlling shareholders, members of the Board of Directors, executive directors and their spouses and family members (both blood and in-law relatives) up to second degree did not engage in any material transaction which may lead to conflicts of interest with.

Voting Rights and Minority Rights

The voting procedure for General Assembly meetings is announced to the shareholders at the beginning of the meeting. Minority rights are exercised pursuant to Turkish Commercial Code.

The Company avoids practices which may complicate the exercise of voting rights. At the Ordinary and Extraordinary General Assembly meetings of the Company, group (A) shareholders are accorded 15 votes for each share, while group (B) shareholders are accorded 1 vote for each share. The shareholders can appoint proxies from both within and outside the shareholders, to represent them at the General Assembly meetings. Proxies who hold shares in their own right as well, are authorized to vote in consideration of the shares of the shareholders they represent, in addition to the shares they themselves hold.

The Board of Directors determines the form of proxy letter in accordance with the regulations of the Capital Markets Board. The proxy appointment letter should be in writing. The proxy is required to cast votes in line with the will of the shareholder who appointed the proxy, provided that such instructions are noted on the proxy appointment letter. The relevant regulations of the Capital Markets Board shall apply with respect to proxy voting.

The votes in General Assembly meetings are cast by raising hands, showing the documents attesting proxy voting, in line with the regulations of the Capital Markets Board.

However, a secret ballot can be employed, upon the request of shareholders who hold one twentieth of the company's capital, among those shareholders present at the meeting.

Group A shares are privileged in terms of the appointment of the members of the Board of Directors, and the exercise of voting rights at the General Assembly, within the framework of Articles 7, 8, and 10 of the Articles of Incorporation (Board of Directors, nomination for the Board of Directors, election of the Chairperson and the Deputy Chairperson, representation of the company, and right to vote in the General Assembly).

Dividend Rights

The Company's dividend payment decisions are made with reference to the Turkish Code of Commerce, Capital Markets Regulations, the Regulations and Decisions by the Capital Markets Board (CMB), Tax Codes, and the provisions of other applicable regulations, as well as the Company's Articles of Incorporation. The dividend payment is based on a balanced and consistent policy between the interests of shareholders, and the interests of the Company, in line with the Principles of Corporate Governance. Each year, the Board of Directors' resolution regarding dividend payments is submitted for the

approval of shareholders at the General Assembly, as a separate item on the agenda. The Company's dividend payment policy is announced in the annual report, as well as on the company website. The Company's Ordinary General Assembly for 2020 discussed the Board of Directors' proposal regarding the dividend payment, and culminated in the decision to withhold dividend payment as no dividends payable arose in the financial statements drawn up for 2020, in accordance with the principles of the Tax Procedure Code.

The Company does not have any preference shares in terms of dividend payment. Every share of the Company is entitled to an equal share of the dividends. The Company can pay out advance dividends to its shareholders within the framework of Article 20 of the Capital Markets Law. The form and timing of dividend payment shall be established by the General Assembly, with reference to the relevant Board of Directors' proposal. The principles of dividend payments shall abide by the provisions of the Capital Markets Board Communiqué No. II-19.1 and other applicable provisions, with reference to the establishment of the responsibilities and the dividend to be paid.

Share Transfers

The approval of the Energy Market Regulatory Board shall be sought for each instance of direct or indirect acquisition of shares representing 5% or more of the Company's capital, by a natural or legal person, and existing shareholders acquiring additional shares to increase their shareholdings above 5% of the legal person's capital, and/or any share transfers causing a fall of the shareholding of an existing shareholder below the above-mentioned limits. The transfer shall be followed by material disclosures required as per the Capital Markets Regulations.

This provision shall also apply in case of acquisition of voting rights. Even if no share transfers occur, the establishment and removal of concessions on existing shares, or the

issuance of dividend shares shall be submitted to the approval of the Energy Market Regulatory Board, regardless of the rates stipulated above.

In the case of transfers of Group (A) shares, the Board of Directors is entitled to withhold approval for the transfer and registration to the share registry, on the grounds of realizing the corporation's objective, and maintaining economic autonomy within the framework of the provision of Article 493 of the Turkish Code of Commerce. No restrictions shall be introduced on the transfer of group (B) shares to be traded at the stock exchange.

In cases where banks and/or financial institutions obtain the control of the company and/or engage in a subsidiary relationship with the company due to default in terms of the requirements of credit agreements within the framework of irrevocable project financing, bringing about a case where the market share limits stipulated in applicable regulations are exceeded, such excess shall be eliminated within the time frame granted to such banks and/or financial institutions by the Energy Market Regulatory Authority. Without prejudice to the provisions above, the transfer of registered shares shall be subject to the applicable provisions of the Turkish Commercial Code, Capital Markets Regulations, and Energy Market Regulatory Authority Regulations.

SECTION III

PUBLIC DISCLOSURE AND TRANSPARENCY

Disclosure Policy

The Corporate Disclosure Policy was established with the Board of Directors' resolution dated 30.12.2013 no. 2013/34, and is published on the website. The Corporate Disclosure Policy was established and is implemented under the authority of the Board of Directors. The Board of Directors reserves the right to

revise the policy at any time, in line with the applicable regulations. The disclosure policy and any revisions thereof shall be published on the Company's website, following the approval of the Board of Directors. The Investor Relations Department is responsible for overseeing and monitoring the Disclosure Policy.

Corporate Website and its Contents

The Company's website address is www.odasenerji.com and the Investor Relations section of the website contains the considerations specified in the CMB's Corporate Governance Principles. The website is set up to provide open, clear, and simultaneous disclosure to shareholders, stakeholders, and the entire public. The information provided on the website is updated continuously. The information provided on the website is presented in English language as well, to enable it to be accessed by international investors.

Annual Report

The Company's annual report is drawn up in line with the details required in the Turkish Commercial Code and the Capital Markets Regulations, so as to provide the shareholders, the public, and all other stakeholders with access to complete and accurate information on the company's operations.

SECTION IV

STAKEHOLDERS

Disclosure of Information to Stakeholders

The website was revised as required to provide disclosure to stakeholders on matters concerning them. Any and all information concerning the Company is presented to stakeholders in line with the Corporate Governance Principles. Stakeholders, investors, and analysts can

access the Company's financial reports, annual reports, and other information, using the Company's website. Furthermore, certain material announcements and messages are conveyed to all employees via e-mail. The Audit Committee is responsible for ensuring and overseeing compliance with the regulations, while the Corporate Governance Committee is responsible for reviewing and concluding the complaints received from the shareholders and stakeholders, on matters of concern from a corporate governance perspective.

Stakeholders' Participation in Management

No model was developed regarding the stakeholders' participation in the company's management.

On the other hand, the requests and proposals voiced in meetings with employees and other stakeholders are taken into consideration by the management, leading to the development of relevant policies and practices.

Human Resources Policy

ODAŞ's Human and Culture policy is valid for all companies within its structure and covers all employees working in the organization.

ODAŞ applies a corporate approach in recruiting each employee in line with the principles of sustainable growth mission. Our purpose is to build a team that adds value to our country and the industry and prioritizes synergy and diversification.

ODAŞ applies a corporate approach in recruiting each employee in line with the principles of sustainable growth mission. Our purpose is to build a team that adds value to our country and the industry and prioritizes synergy and diversification.

• We believe in the power of unity and teamwork across all our endeavors, and celebrate success together as we **grow together**.

- We evaluate new **dynamic** opportunities by drawing on our vast experience. Our flexible structure enables us to respond swiftly to changing circumstances.
- We wholeheartedly embrace **development** as our guiding principle. We champion innovative paths of growth through lifelong learning, and consider our experiences as valuable guides on this journey.
- We place a strong emphasis on **reliability** in all our interactions with stakeholders, investors, and team members, and foster trust through transparent communication.
- We're committed to looking after both **people** and the **environment**, for we consider it our responsibility leave a more sustainable world for future generations.

CODE OF CONDUCT

Code of Conduct and Social Responsibility

The Company's Code of Conduct is drawn up in writing and communicated to the employees. The Code of Conduct is defined, updated, and published by the Board of Directors. ODAŞ Code of Conduct is an integral part of ODAŞ Policies and Values. All employees including the Boards of Directors and the executives are expected to comply with these rules.

ODAŞ Code of Conduct

Honesty

Integrity and honesty are the values that we cherish most in all our business processes and relations.

Equality

Channels of communication are available and open to struggle against any discrimination that may arise on the basis of age, language, religion, race, medical status, gender or marital status. The employees communicate their complaints and suggestions to the Human Resources Department in order to maintain this equality.

Confidentiality

Employees are required to abide by the principles of professional confidentiality stipulated in the law. As ODAŞ Group employees, we take good care of maintaining the privacy and confidentiality of information on our customers, employees, and other persons and entities with whom we deal.

All employees are informed of the mandatory precautions to be taken under the Law on Protection of Personal Data and they are expected to act accordingly in every respect of their remits.

Prevention of Conflicts of Interest

ODAŞ employees are prohibited from abusing any information and power that they gained as part of their positions within the company for gaining any benefits for themselves, their families or relatives.

When performing their duties, employees take care to protect the interests of the company and avoid any act or behavior that may be construed as deriving personal gains for themselves or their relatives.

Accordingly, the employees are expected to avoid competing against the company and to take all necessary measures in this respect.

The employees should exercise due care in their communication with suppliers, customers, organizations or institutions that they are in contact with as part of their jobs and they should avoid any action for the purpose of deriving personal gains. The employees who do not exercise due care in this regard are reported to fail to comply with our code of conduct.

Social Responsibility

The company implemented social responsibility projects in 2019, based on the environmental and social requirements of the society in which we live and within the framework of the Social Responsibility Policy.

SECTION V

BOARD OF DIRECTORS

Composition and Formation of the Board of Directors

The Company shall be represented and administered by a board of directors that is composed of at least 5 (five) members to be elected by the general assembly in accordance with the Turkish Code of Commerce, and the Capital Markets Law and Regulations. The following people were elected as the board members of the Company to hold their office until the next ordinary general assembly meeting for review of 2019 company accounts.

Personal Backgrounds of the Board Members

Abdülkadir Bahattin Özal

Chairperson of the Board

He completed his primary and secondary education in TED Ankara College, and then he graduated from high school in Üsküdar Cumhuriyet High School. Following his graduation from ITU Control and Computer Engineering Department in 1985 and from Boğaziçi University Physics Engineering Department in 1988, he started his career and worked as a manager in various companies in the construction, import-export and energy industries. Mr. Özal is a founding partner of the Company and he

continues to serve as the Chairperson of the Board of the company. Apart from this position, he is also a shareholder and board member in several companies operating in the energy, construction, manufacturing and trade industries.

Burak Altay

Deputy Chairperson of the Board

After his graduation from Koç University Business Administration Department in 1999, he lectured as an assistant in the field of cost accounting in Koç University while he studied for master's degree at the department of financial law at Marmara University. Mr. Altay is a founding partner of the Company and he continues to serve as the Deputy Chairperson of the Board/CEO of the company. Apart from this position, he is also a shareholder and board member in several companies operating in the energy, construction, manufacturing and trade industries.

Hafize Ayşegül Özal

Board Member

Having completed her education in 1972, Ms. Özal began working at Aköz Foundation in 1994, and was appointed as Foundation Director there in 1996. Currently, she is a board member of Aköz Foundation, offering scholarships to 250 students and providing support to many students and people in need. Apart from his position as a board member of the company, Mr. Özal also serves as a member of the board of directors at several companies operating in the energy, construction, manufacturing and trade sectors.

BOARD OF DIRECTORS

Position/Title

ABDULKADİR BAHATTİN ÖZAL

Chairperson of the Board (Non-Executive)

BURAK ALTAY

Deputy Chairperson of the Board (Executive)

HAFİZE AYŞEGÜL ÖZAL

Board Member (Non-Executive)

ZEHRA ZEYNEP DERELİ

Independent Board Member (Non-Executive)

UMUT APAYDIN

Bağımsız Yönetim Kurulu Üyesi (Non-Executive)

Umut Apaydın

Independent Board Member

Mr. Apaydın completed his double major in Mechanical Engineering and Business Administration at the Darmstadt Institute of Technology in Germany in 1998. Immediately following his graduation, he began his career as a Debt Markets Analyst in the New York office of JP Morgan Securities between 1998 and 2009 and continued to work there as a Partner and Vice President for Private Equity, Structured Credit Products and Alternative Investments.

Mr. Apaydın continued his career as General Manager of Investor Relations and Marketing at Sunrise Securities in 2009, where he was involved in the establishment of the MLP Fund, a private equity fund. From 2009 to 2012, he was Global Marketing and Investor Relations Director at the capital investment and advisory firm Indicus Advisors LP. Mr. Apaydın continued his career at Koç Holding between 2012 and 2016, where he was actively involved in strategic planning, mergers and acquisitions in the Tourism, Food and Retail arms of the group.

From 2014 to 2016, he was Business Development Director at Setur A.Ş., Koç Group's tourism venture. From 2016 to 2019, he served as Senior Director for Financial Services and Insurance Services in international product management, international business development, and global sales and portfolio management for the American and Canadian markets at Brightstar Corp. Mr. Apaydın continued his career as a Financial Advisor at Prudential Advisors Miami in 2019 and at Mass Mutual Miami in 2020. He is fluent in German, French, Italian, English and has advanced knowledge of Spanish.

Zehra Zeynep Dereli

Independent Board Member

Zehra Zeynep Dereli holds an MA in Development Economics from SOAS University, as well as both BA in Economics alongside certificates in Mathematics and Middle Eastern Studies, all from Princeton University. She launched into career at the Istanbul-based Dundas ÜNLÜ & Co, in the Mergers & Acquisitions department. Next, she worked for Shell Trading and Shipping in London on the Risk Analysis, Research, and Compliance teams. Upon returning to Türkiye, she joined Shell Türkiye as a Financial and Supply Analyst. Since then, Dereli has furthered her career by taking on roles in various organizations that all have contributed in some way to developing the Turkish economy, and as the director of the Atlantic Council Black Sea Energy and Economic Forum. For a while, she additionally prepared and hosted "Leaders and Decisions," a weekly political program airing on two Turkish TV channels, SKY Türk and CNBC-E. She's also was the General Coordinator of the Turkish Policy Forum, a think tank, at one point as well.

Dereli is the founder and CEO of GLOW Communications and APCO Türkiye, and successfully executed DRUM (Dialogue, Respect, and Understanding through Music), a social responsibility project. In 2021, she was honored with the Female Entrepreneur of the Year award by The Economist magazine for having established Technology and Human Colleges (Tink) – Türkiye's first-ever project dedicated to fostering future technology literates and entrepreneurs, in light of the cultural needs of society. Now, she is an Executive Board member and CEO of several industrial firms at Calinos Holding, as well as participates in several social responsibility

initiatives, namely ITU BMTKAUM Advisory Board, TÜBİSAD, WTech, and Endeavor (which she co-founded). The company's General Manager, Burak Altay, is also its Deputy Chairman of the Board. A report about the prospective independent board members has been submitted for approval from the Board of Directors, upon the recommendation of the Corporate Governance Committee (which carries out the Nomination Committee's duties). Accordingly, Umut Apaydın and Zehra Zeynep Dereli were elected as independent members of the Board, because they both met the independence criteria stipulated in the Corporate Governance Principles of the Capital Markets Board.

The written statements regarding the independence of each Independent Board Member are shared below;

i. That I neither personally, nor through my spouses or relatives by blood or marriage up to third degree, have been involved in the last five years in an executive employment relationship assuming substantial duties and responsibilities, or held, individually or jointly, more than 5% of the capital or voting rights or preferred shares, or engaged in any substantial commercial relationship with any affiliates of ODAŞ Elektrik Üretim ve Ticaret A.Ş. ("ODAŞ Energy") or any corporations in which the company has management control or substantial influence, or shareholders which maintain the company's management control or substantial influence in the company, and legal persons which hold management control of such shareholders,

ii. That I have not been a shareholder (5% or more) or executive with significant

duties and responsibilities, or board member in the companies which have provided or bought significant amounts of services or products within the framework of agreements, including but not limited to the auditing (including tax audits, statutory audits, internal audits), rating, and consulting of the company, during the last five years, in the time frame of such provision or purchase of services or products,

iii. That I have the professional training, expertise and experience to duly perform the duties to be assumed on the grounds of being an Independent Member of the Board of Directors,

iv. That I am not a full-time employee of a government agency or entity,

v. That I am considered a resident of Turkey as per the Income Tax Law,

vi. That I have robust ethical standards, the professional reputation and the experience to enable free decision-making, taking into account the rights of stakeholders, and contributing positively to the operations of ODAŞ Energy, while maintaining impartiality in conflicts of interest which may arise between the shareholders,

vii. I will be able to spare adequate time for the company's affairs, so as to fully perform the requirements of the roles assumed, and to monitor ODAŞ Energy's course of business,

viii. I have not served as a board member of the company for more than six years in the last ten years,

ix. I am not an independent board member for more than three companies where the

Company or its controlling shareholders hold the control of management and/or more than five corporations whose shares are listed in the stock exchange.

During the reporting period, no events to abolish the independent status of the independent board members took place. No restrictions regarding the assumption of duties or positions outside the company are imposed on the board members. The members of the Board of Directors do not currently engage in any business which would lead to any conflicts of interest with the company, and do not engage in operations to compete with the company in the same fields of operation.

The Basis of the Board's Activities

The frequency of the board meetings of the Company, as well as the quorum for meeting and resolution are established in the Articles of Incorporation.

Accordingly, the Board of Directors shall convene with a simple majority of the members, as the company's affairs and operations require.

The Board resolutions are made with the majority of the members present at the meeting. The Board of Directors meetings are held at the company headquarters, or in an available facility in the city where the corporate headquarters is located. The Board of Directors can also convene in another city, on the basis of a board resolution for doing so. The secretariat services for the Board of Directors meetings are provided by the legal department.

The agenda of the Board of Directors is set through consultations the Chairperson has with other members of the board, and with the General Director and/or Chief Executive

Officer. The managers' requests will be taken into consideration when setting the agenda.

In 2022, the Board of Directors convened 22 times in total. No dissenting comment was registered in the resolution minutes against any resolutions made in such meetings. However, should such a dissent arise, all aspects to reflect the dissenting opinion shall be registered in the minutes.

Where the Capital Markets Regulations require so, important resolutions of the Board of Directors are announced to the public through Material Disclosures.

None of the members of the Board of Directors, including the Chairperson, weighted voting rights and/ or veto powers. In the meetings, each member has one vote.

No insurance has yet been procured to cover the losses that the company may incur due to the negligence of the Board members under the article 4.2.8. of Corporate Governance Principles.

Number, Structure and Independence of Committees Formed under the Board of Directors

Two committees, the Audit Committee and the Corporate Governance Committee, were established through the Board of Directors' resolution dated 21.03.2013. Furthermore, Early Detection of Risk Committee was established through the Board resolution dated 25.12.2013. The Corporate Governance Committee have also assumed the authorities, duties, and responsibilities regarding the performance of the duties of the Nomination Committee and the Remuneration Committee. The duties and working principles of the committees

established within the framework of the Corporate Governance Principles, entered into force through the Board of Directors' resolution dated 25.12.2013, and were announced on the Public Disclosure Platform. Furthermore, the Duties and Working

Principles establishing the general procedures regarding the activities to be performed by all committees were updated as of 12.06.2015 and announced to stakeholders on the Public Disclosure Platform and the corporate website.

Audit Committee

The Audit Committee was structured in accordance with the Corporate Governance Principles of the Capital Markets Board. The committee is composed of at least two members. The committee is composed of two non-executive independent board members. Mr. Salih Erez serves as the committee member, while Mr. Umut Apaydin serves as the committee chair. Special attention was paid to ensure that the Committee Chair had previously served in a similar capacity, and has the expertise to analyze financial statements, as well as a strong grasp of accounting standards, and substantial qualifications.

The purpose of the committee reporting to the Board of Directors is to assist the Board of Directors with respect to the company's accounting system, public disclosure of financial data, independent audits, and overseeing the operation and effectiveness of the internal control system in line with the Capital Markets Regulations and the principles stipulated therein, as well as to consider and report to the Board of Directors any issues it observes during its assessments. The arrangement that requires the convening of the committee at least on

a quarterly basis was implemented through the Duties and Working Principles of the Audit Committee.

Corporate Governance Committee

The Corporate Governance Committee is set up to support and assist the Board of Directors by working on monitoring the company's compliance with the corporate governance principles in accordance with the Capital Markets Regulations, implementing the principles, identifying any failure of implementation, working to improve its efficiency, identifying the candidates to be elected to the Board of Directors, establishing the company's perspective, principles, and applications regarding remuneration, assessing the performance and career planning of the board members and executive staff, overseeing investor relations activities, and making applicable proposals to the Board of Directors.

The committee is set up in accordance with the Articles of Incorporation. It is composed of at least two members. If the committee is composed of two members, both shall be appointed among the non-executive board members. In cases where the committee is composed of more than two members, the majority will be non- executive board members. The chief executive officer / managing director of the company cannot be a member of the committee.

The Committee Chair shall be appointed from among the independent Board members. The director of the Investor Relations Department shall be appointed as a member of the Corporate Governance Committee. Furthermore, individuals who are subject matter experts but not Board members, can also be appointed

as members of the Corporate Governance Committee. The Board of Directors appoints the members of the Corporate Governance Committee in the first Board meeting to follow the General Assembly which elected the Board of Directors. The Corporate Governance Committee shall serve until the election of the next Board of Directors.

The Corporate Governance Committee shall convene at least three times per year. Where necessary, the committee shall convene at the corporate headquarters, upon an invitation issued by the Committee Chair through the secretariat of the Board of Directors. The committee shall convene with a simple majority and shall resolve with a majority. Once taken, decisions shall be registered in written form, to be signed by the committee members during the next meeting, and duly archived. The Corporate Governance Committee shall be composed of a total of three members, two independent non-executive board members, and one official of the company.

Members of the Corporate Governance Committee

The Corporate Governance Committee carried out activities for improvement of Investor Relations activities and identification of candidates who were proposed to be elected as board members in 2021.

In this context, the Corporate Governance Committee was informed about the investor meetings organized in the country and abroad for enhancement of the investor profile and about activities in relation to other investor relations practices. Furthermore, the Corporate Governance Committee submitted to the Board of Directors for consideration and for further submission to the approval of the shareholders during 2021 Ordinary

General Assembly the candidates who were deemed to be eligible for Independent Board Membership based on the assessment conducted by the Nomination Committee operating within its scope, in line with the criteria specified under the Corporate Governance Communiqué of Capital Markets Board.

Early Detection of Risk Committee

Early Detection of Risk Committee is composed of at least two non-executive members of the Board. The committee is composed of two independent Board members. Mr. Salih Erez serves as the Committee Chairman, while Mr. Umut Apaydın serves as a Committee Member.

The Early Detection of Risk Committee is set up in line with the Turkish Code of Commerce, the Articles of Incorporation, and the Corporate Governance Principles

Communiqué of the Capital Markets Board, with a view to submitting recommendations to the Board of Directors, with respect to the early detection of risks which could threaten the existence, development, and continuation of the company, as well as the application of the measures regarding identified risks, and the management of the risks. The committee reports to the Board of Directors.

The committee examined and provided its opinion on risk-related activities of Finance, Accounting, Reporting and Human Resources Departments in 2021. The decision was made concerning the improvement of such activities for the upcoming periods. The arrangements regarding the convening of the committee are established in the duties and working principles of the Early Detection of Risk Committee.

Risk Management and Internal Control Mechanism

In line with its nature, ODAŞ issues its financial statements on a consolidated basis in accordance with the regulations. For the operating group covering electricity generation, electricity wholesale, and mining operations, UFRS based financial statements are drawn up on a quarterly basis. At ODAŞ level, on the other hand, transactions between electricity generation and electricity wholesale are written off, with consolidated financial statements being produced.

The periodical financial results and performance of the companies included in the consolidation framework are analyzed, leading to consolidated financial reporting. ODAŞ's internal control operations are executed within the framework of the regulations, under the responsibility of the Audit Committee. In quarterly periods when financial statements are disclosed to the public, the consolidated financial statements are submitted to the Board of Directors of the company, after being checked and approved by the committee for audit.

The new Turkish Code of Commerce which entered into force on July 1, 2012 rendered risk management activities a requirement for publicly traded corporations.

The Early Detection of Risk Committee reporting to the Board of Directors was set up through the Board of Directors' resolution dated 25.12.2013, with a view to submitting comments and recommendations to the Board of Directors, with respect to the early detection of the risks that could threaten the existence, development, and continuation of the company, as well as the application of measures regarding identified risks, and the management of the risks.

Remuneration

In accordance with the Corporate Governance Principles, the "Remuneration Policy" applicable to the members of the Board of Directors and senior executives was developed in written form and approved in the Board of Directors meeting held on 25.12.2013, followed by announcement to shareholders through KAP and publication on the corporate website.

According to the Articles of Incorporation, the monthly salaries and per diem fees for members of the Board of Directors are set by the General Assembly. In the Ordinary General Assembly Meeting for the year 2021 which was held on 16.12.2022,, the decision was taken to pay 40.000 TL net salary to the Board members. The following financial benefits were provided to the board members and senior executives of the company in 2021.

Total Financial Benefits	(TRY)
Board of Directors	3,878,289
Senior Executives	22,098,578

Payments to the Board members cover monthly salaries. The remunerations payable to the Board members are the cash payments set with reference to the company's profitability, performance, and internal positions, and effected regularly and continuously at certain periods of each month.

The payments to senior executives cover monthly salaries. The salaries payable to senior executives are set based on the position and the nature of the work, competence, experience, performance and remuneration policies applied in the same industry for similar positions, the company's internal positions, inflation, and the company's achievement of the financial targets set for the year. When setting the remuneration policies, care is

taken to exclude incentive systems which would harm the interests of the shareholders, employees and customers.

The salaries are reviewed and updated once a year. The Company does not extend any credits or loans to any board members or executives, nor does it extend personal loans through a third party. Furthermore, no guarantees or underwriting is extended for such persons. The salaries are reviewed and updated once a year.

The Company does not extend any credits or loans to any board members or executives, nor does it extend personal loans through a third party. Furthermore, no guarantees or underwriting is extended for such persons

GOVERNMENT SUBSIDIES AND GRANTS

Çan2 Termik A.Ş. Investment Incentive Certificate

The Investment Incentive Certificate was issued for the completely new investment carried out in Çanakkale province's Çan2 area, and covers the period 13.08.2014-12.02.2019. The certificate provides incentives including the Subsidy for Employer Insurance Contributions, Tax Rate Reduction Subsidy, VAT Exemption and Customs Duty Exemption. The total amount of the investment is TRY 801,789,866.

The procedures for the completion of the Incentive Certificate were finalized by the letter no. 401.06 dated 10.08.2020 from the Ministry of Industry and Technology. (Completion Visa granted.) In addition, the Ministry of Industry and Technology issued an investment incentive certificate dated 08.04.2020 with certificate no. 510216 and ID no. 1013731. The subsidy category is Regional-Priority Investment and the incentive elements

include VAT Exemption, Interest Subsidy, Tax Reduction, Employer Insurance Contributions and Allocation of Investment Area. The underlying investment is the modernization of the local coal-based power plant with an installed capacity of 340 MW (Çan2 Thermal Power Plant) and the incentive certificate has been issued as per the Generation License dated 28.01.2016 with no. ÜE/6083-2/03428, which has been granted by Energy Market Regulatory Authority.

YS Madencilik San. Ve Tic. Ltd. Şti.

The company holds an Investment Incentive Certificate dated 24.07.2017 and numbered 131389, issued by the Ministry of Economy's General Directorate of Incentive Implementation and Foreign Investment. Pit coal mining constitutes the subject matter of this document.

The Investment Incentive Certificate was issued for the completely new investment carried out in Corum province's Dodurga district, and covers the period 16.06.2017 - 16.06.2020. The certificate extends the subsidy elements of employer support for insurance premium, interest subsidy, VAT exemption, and customs duty exemption, as well as tax discount. The application, which was made for the Incentive Certificate completion visa on 08.10.2019, is still pending.

Suda Maden AŞ.

The company holds an Investment Incentive Certificate dated 06.10.2017 and numbered 132950, issued by the Ministry of Economy's General Directorate of Incentive Implementation and Foreign Investment.

Sand, clay and stone quarrying is the subject matter of the certificate. The Investment Incentive Certificate was issued for the modernization project carried out in Kutahya province's Gediz district, and covers the period 08.09.2017 - 08.09.2020.

The certificate extends the subsidy elements of employer support for insurance premium, interest subsidy, VAT exemption, and tax discount.

DIVIDEND PAYMENT POLICY

The profits of the company are measured and distributed in accordance with the Turkish Code of Commerce, the Capital Markets Regulations, and widely recognized accounting principles. The net profits established once the amounts the Company is required to pay or set aside, such as overhead expenses and various elements of depreciation, as well as the taxes the company is required to pay as a legal entity, and any and all financial liabilities, are deducted from the revenues identified as of the end of the operating period, as shown in the annual balance sheet, shall be allocated as follows in the respective order, once losses for previous years, if any, are deducted.

Primary Legal Reserves:

5% legal reserves shall be retained as per the applicable provision of the Turkish Commercial Code.

Primary Dividend:

The primary dividends shall be allocated in line with the Turkish Commercial Code and the Capital Markets Regulations, from the remaining figure, with reference to the amount to be calculated with the addition of donations, if any, made during the year. Once the above-mentioned figures are deducted, the General Assembly shall be entitled to decide on the payment of the dividends to the Board members, officials, servants, laborers, foundations established for various purposes, and similar persons and entities.

Secondary Dividend:

The General Assembly shall be entitled to pay the amount remaining after the deduction of the amounts specified in Sub-Paragraphs (a), (b),

and (c) out of the net profits, in full or in part, as secondary dividend, or as extraordinary reserves.

Secondary Legal Reserves:

One tenth of the amount established after the deduction of a dividend figure amounting to 5% of the paid-in capital, from the portion decided to be paid out to shareholders and other persons entitled to profits, shall be set aside as the secondary statutory reserves as per the article 519, paragraph 2 of the Turkish Commercial Code.

Unless the legal reserves are retained and the primary dividends for shareholders are allocated in cash and/ or in the form of shares as specified in the articles of incorporation; no resolution can be taken with respect to any additional reserves, retained earnings and dividend payments to the board members, employees, foundations of various causes and similar persons and/or entities.

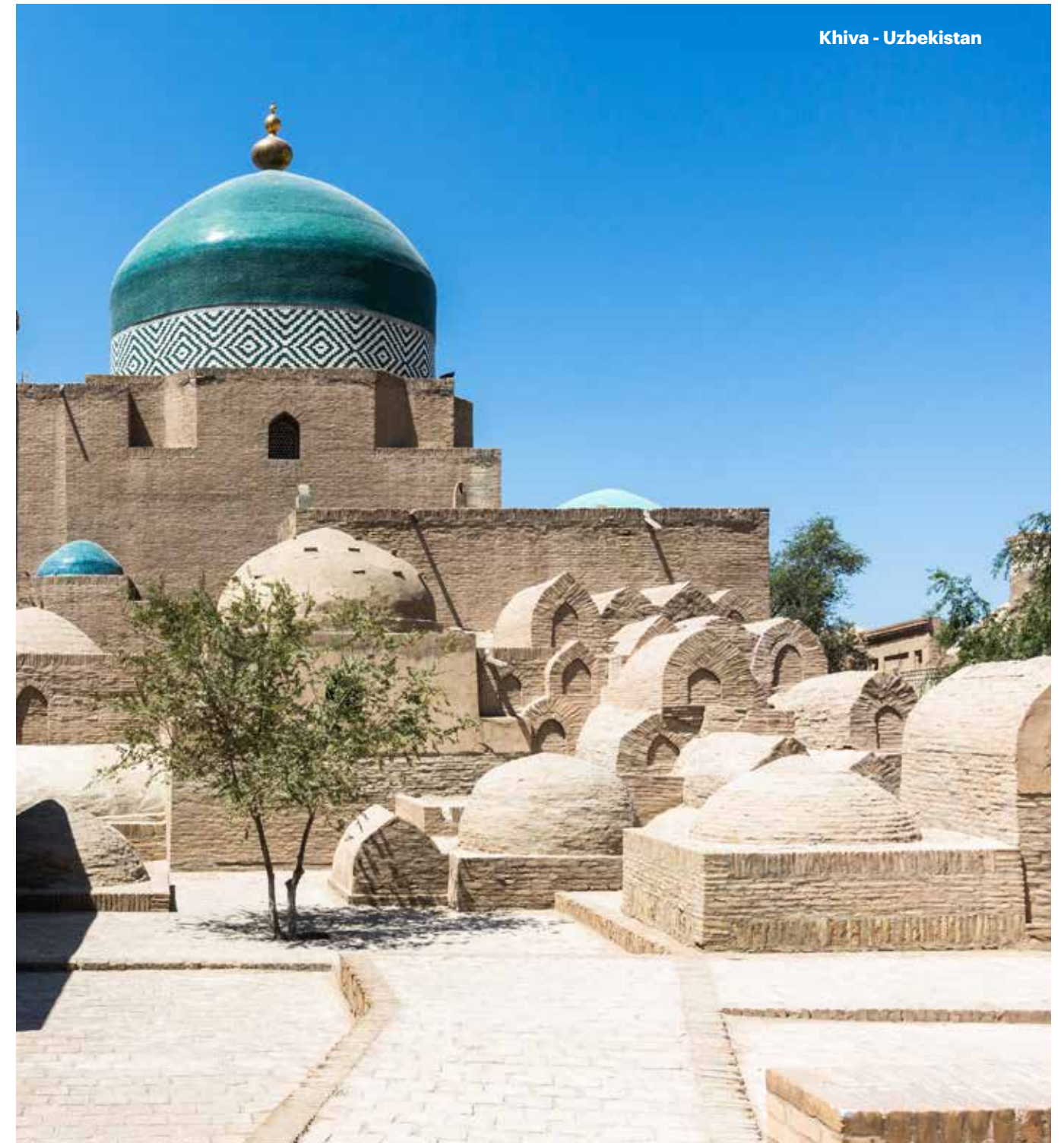
The dividends for the shares shall be paid out to all existing shares as of the term of operations, regardless of the issuance and acquisition dates of the shares, and without the application of the per diem principle. The Company can pay out advance dividends to its shareholders within the framework of Article 20 of the Capital Markets Law.

If there is any profit available for distribution in accordance with the applicable communiqués, the annual distributable profit of the company and the relevant board resolution to be taken for dividend payment shall be submitted to the general assembly for approval and dividend payments shall be completed within statutory timeframes upon the approval of the general assembly. The General Assembly shall take the decision, on the basis of the proposal of the Board of Directors, on the date on which the dividend shall be paid to shareholders. Dividend payments shall be made within the

statutory time frame. The CMB's applicable regulations, communiqués and provisions shall be observed for other dividend payment methods. In accordance with the General Assembly resolution, the dividend payment can be in the form of fully cash, or fully in bonus issues, or partly in cash and partly in bonus issues. An equilibrium between the interests of the shareholders and those of the company shall be sought with respect to the implementation of the dividend payment policy. The Board of Directors shall inform the shareholders at the General Assembly if dividends shall not be paid and if so, the reason for this and where the retained profits shall be used instead.

Legal Actions

During the period of 01.01.2022 -31.12.2022, there are no significant lawsuits that may affect the activities of the Group, for and against.



CORPORATE GOVERNANCE COMPLIANCE STATEMENT

1.1.	FACILITATION OF THE USE OF SHARE OWNERSHIP RIGHTS	Compliance Status						Comment
		Yes	Partially	No	Exempt	Not applicable		
	1.1.2 - Information and disclosures which may affect the use of Share Ownership rights are made available for investors in an up-to-date fashion on the company's corporate website.	X						
1.2.	RIGHT TO DEMAND AND REVIEW INFORMATION	Yes	Partially	No	Exempt	Not applicable	Comment	
	1.2.1- Company management avoided execution of any transaction that may complicate a private audit.	X						
1.3.	GENERAL ASSEMBLY	Yes	Partially	No	Exempt	Not applicable	Comment	
	1.3.2- The company ensured that the agenda of the General Assembly was expressed explicitly and every proposal was provided under a separate title.	X						
	1.3.7- Persons who have the opportunity to access the partnership information in a privileged way have informed the Board of Directors to be included in the agenda in order to provide information to the General Assembly on the transactions carried out on behalf of themselves within the scope of the partnership's area of activity.					X		
	1.3.8 - Board Members who are subject matter experts in the special items in the agenda, other related people and officials and auditors with responsibility for preparing financial statements were present at the general assembly meeting.	X						
	1.3.10- The amounts and beneficiaries of all donations and grants were provided in a separate item in the agenda of the General Assembly.		X				All donations and grants made during the year were shared as per the agenda of the General Assembly.	
	1.3.11- The General Assembly meeting was held open to the public, including stakeholders and media, provided that those should not have a right to speak.	X						
1.4.	VOTING RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment	
	1.4.1- There are no restrictions or practices that make it difficult for shareholders to exercise their voting rights.	X						
	1.4.2- The company does not have any shares with privileged voting rights.			X			The company does not have any privileged shares. However, Group A shares are privileged. The privileged shareholders are Abdulkadir Bahattin Özal and Burak Altay with voting rates of 12.93% and 21.26%, respectively.	

Corporate Governance Compliance Report		Compliance Status					
1.5.	MINORITY RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment
	1.4.3- The company did not exercise its voting rights in the General Assembly of any partnership in which they have cross-ownership associated with any controlling relationship.					X	
	1.5.1- The company has paid maximum attention to the exercise of minority rights.	X					
	1.5.2- Minority rights were vested in shareholders who hold less than one twentieth of the capital, based on the articles of association. The scope of minority rights had extended in the articles of association.			X			Minority rights in our company are identified based on the ratio regulated by the Turkish Commercial Code.
1.6.	DIVIDEND RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment
	1.6.1- The dividend payment Policy approved by the General Assembly was disclosed to the public on the company's corporate website.	X					
	1.6.2- The Dividend Payment Policy incorporates minimum explicit information required to enable the shareholders to make predictions on the procedures and principles regarding the distribution of profit by the company in the future.	X					
	1.6.3- The reasons for not distributing dividends and the use of retained earnings were stated in the related agenda item.	X					
	1.6.4- The Board of Directors reviewed the dividend payment policy with respect to the protection of balance between shareholders' interests and the company's interests.	X					
1.7.	TRANSFER OF SHARES	Yes	Partially	No	Exempt	Not applicable	Comment
	1.7.1- There is no restriction which complicates the transfer of the shares.	X					
2.1.	CORPORATE WEBSITE	Yes	Partially	No	Exempt	Not applicable	Comment
	2.1.1- The corporate website of the company contains all items relevant to corporate governance principle no. 2.1.1.	X					
	2.1.2- Shareholding structure (names, privileges and number and ratio of shares of the real person shareholders who own more than 5% of issued capital) is updated on the corporate website at least every 6 months.	X					
	2.1.4- Information on the corporate website of the company has been provided in the foreign languages chosen according to need, provided that their content should be the same as the Turkish version.	X					
2.2.	ANNUAL REPORT	Yes	Partially	No	Exempt	Not applicable	Comment
	2.2.1- The Board of Directors ensures that the annual report includes complete and true information with respect to the activities of the company.	X					
	2.2.2- The annual report contains all elements under principle no. 2.2.2.	X					

Corporate Governance Compliance Report		Compliance Status					
3.1.	COMPANY POLICY ON STAKEHOLDERS	Yes	Partially	No	Exempt	Not applicable	Comment
	3.1.1- The rights of stakeholders are protected within the framework of relevant regulations, contracts and bona fides principles.	X					
	3.1.3- Policies and procedures regarding the rights of stakeholders are published on the corporate website of the company.	X					
	3.1.4- Necessary mechanisms have been established for stakeholders to report transactions that are contrary to the legislation and which are unethical.	X					
	3.1.5- The company approaches conflicts of interest between stakeholders in a balanced manner.	X					
3.2.	PROMOTING THE PARTICIPATION OF STAKEHOLDERS IN THE COMPANY MANAGEMENT	Yes	Partially	No	Exempt	Not applicable	Comment
	3.2.1- The participation of employees in management has been regulated by the articles of incorporation or the internal regulations.		X				Ad hoc committees were formed for investment activities of the company in the related periods and the participation of employees in the management was ensured.
	3.2.2- In case of significant decisions that may bear consequences for stakeholders, methods such as surveys and consultation have been applied to obtain the opinions of stakeholders.		X				In case of important decisions that may lead to results for some of the stakeholders, requests, suggestions and complaints of the stakeholders are received and considered.
3.3.	HUMAN RESOURCES POLICY OF THE COMPANY	Yes	Partially	No	Exempt	Not applicable	Comment
	3.3.1- The company has adopted an employment Policy offering equal opportunities and a succession plan for all key management positions.	X					
	3.3.2- Recruitment criteria has been determined in writing.	X					
	3.3.3- The company has a Human Resources Development Policy and organizes training sessions for employees as part of this policy.	X					
	3.3.4- Meetings have been held to inform employees on issues such as the financial status of the company, remuneration, career planning, education and health.	X					
	3.3.5- Decisions which may affect employees have been notified to the employees and their representatives. The opinions of relevant unions about such issues have been taken as well.		X				The Human Resources Department is responsible for relations with all employees. However, there is no union in our company.
	3.3.6- Job definitions and performance criteria have been prepared in detail for all employees and have been provided to them. They have been utilized in the determination of remuneration.	X					Job descriptions are made for parent companies and revisions are ongoing in all other group companies.

Corporate Governance Compliance Report		Compliance Status					
	3.3.7- Measures, such as procedures, training sessions, awareness raising, objectives, monitoring and complaint mechanisms, have been taken in order to prevent discrimination among employees and to protect the employees against any physical, mental and emotional mistreatment within the company.	X					
	3.3.8- The company supports the recognition of freedom to establish associations and the right to collective bargaining efficiently.		X				Although there are no associations or unions in the company, there is no restrictive practice.
	3.3.9- A safe working environment is ensured for employees.	X					
3.4.	RELATIONS WITH CUSTOMERS AND SUPPLIERS	Yes	Partially	No	Exempt	Not applicable	Comment
	3.4.1- The company measured customer satisfaction and operates on the understanding of unconditional customer satisfaction.	X					
	3.4.2- Any delay in handling customers' requests regarding the goods and services purchased by them is notified to customers.	X					
	3.4.3- The company complies with quality standards related to goods and services.	X					
	3.4.4- The company has control processes for maintaining the confidentiality of the commercial secrets of customers and suppliers.	X					
3.5.	CODE OF CONDUCT AND SOCIAL RESPONSIBILITY	Yes	Partially	No	Exempt	Not applicable	Comment
	3.5.1- A Code of Conduct determined by the Board of Directors has been published on the corporate website of the company.	X					
	3.5.2- The company is aware of its social responsibilities. It has taken measures to prevent corruption and bribery.	X					
4.1.	FUNCTION OF THE BOARD OF DIRECTORS	Yes	Partially	No	Exempt	Not applicable	Comment
	4.1.1- The Board of Directors ensures that strategies and risks do not threaten the long-term interests of the company and effective risk management procedures are in place.	X					
	4.1.2- The meeting agenda and minutes demonstrate that the Board of Directors discusses and approves the strategic objectives of the company, determines the required Resources and oversees the performance of management.	X					
4.2.	THE BASIS OF THE BOARD OF DIRECTOR'S ACTIVITIES	Yes	Partially	No	Exempt	Not applicable	Comment
	4.2.1- The Board of Directors documented its activities and submitted them to the information of the shareholders.	X					
	4.2.2- The duties and powers of the Board members were provided in the annual report.	X					
	4.2.3- The Board of Directors has established an internal control system in accordance with the scale of the company and the complexity of its activities.		X				Internal control activities are performed by the Audit Committee. Company directors carry out assessments on a departmental basis.

Corporate Governance Compliance Report		Compliance Status					
	4.2.4- Information regarding the functioning and efficiency of the internal control system is given in the annual report.	X					
	4.2.5- The authorities of the Chairperson of the Board and the Chief Executive Officer (General Manager) are separated and defined.	X					
	4.2.7- The Board of Directors has facilitated effective functioning of the Investor Relations department and the corporate governance committee and has been in close cooperation with the Investor Relations department and the corporate governance committee in resolving disputes between the company and shareholders, and in communications with the shareholders.	X					
	4.2.8- Regarding the losses that the members of the Board of Directors may cause in the company due to any faults in the course of their duties, the company has taken out executive liability insurance for a price exceeding 25% of the capital.			X			No executive liability insurance for a price exceeding 25% of the company capital has been taken out regarding the losses that the Board members may cause in the company due to any faults in the course of their duties.
4.3.	STRUCTURE OF THE BOARD OF DIRECTORS	Yes	Partially	No	Exempt	Not applicable	Comment
	4.3.9- The company determined an objective of a minimum percentage of 25% for female Board members and established a relevant policy to achieve this objective. The structure of the Board of Directors is reviewed annually and determination of candidates is carried out in accordance with this policy.		X				The Board of Directors has one female member. There is no policy relating to the minimum target of 25% for female members.
	4.3.10- At least one of the committee members responsible for auditing has 5-years experience in auditing/accounting and finance.	X					
4.4.	PROCEDURE FOR THE BOARD OF DIRECTORS MEETINGS	Yes	Partially	No	Exempt	Not applicable	Comment
	4.4.1- All Board members physically attended most of the Board of Directors' meetings.	X					
	4.4.2- The Board of Directors has determined a minimum period of time for the sending of information and documents relating to the agenda items to all members before the meeting.	X					
	4.4.3- The opinions of the members who could not attend the meeting, but who expressed their opinions in writing to the Board of Directors were submitted for the information of other members.					X	
	4.4.4- Each Board member has one vote.	X					
	4.4.5- The procedure for the Board meetings has been documented in written form in accordance with the internal regulations of the company.	X					

Corporate Governance Compliance Report		Compliance Status					
	4.4.6- Minutes of the Board meetings reveal that all agenda items were discussed. Minutes for decisions are prepared in such a way that dissenting opinions are also included.	X					
	4.4.7- The external duties of the Board members have been restricted. The external duties conducted by the Board members were submitted for the information of shareholders at the General Assembly meeting.			X			No restrictions regarding the assumption of duties or positions outside the company are imposed on the Board Members.
4.5.	COMMITTEES FORMED UNDER THE BOARD OF DIRECTORS	Yes	Partially	No	Exempt	Not applicable	Comment
	4.5.5- Each Board member is assigned to only one committee.			X			Board members are not assigned to only one committee.
	4.5.6- The Committees invited people to the meetings as deemed necessary to consult with and obtained their opinion.	X					
	4.5.7- Information regarding the independence of the person/institution that provides consultancy services to the committee is given in the annual report.					X	
	4.5.8- A report has been issued and submitted to Board members regarding the results of the meetings held by the committees.	X					
4.6.	FINANCIAL RIGHTS PROVIDED TO THE BOARD MEMBERS AND EXECUTIVES WITH ADMINISTRATIVE RESPONSIBILITIES	Yes	Partially	No	Exempt	Not applicable	Comment
	4.6.1- The Board of Directors conducted a performance evaluation for the board to appraise whether they fulfilled their responsibilities effectively or not.			X			Performance evaluation of Board of Directors has not been made.
	4.6.4- The Company did not provide credit facilities, grant loans or extend the term of a loan granted, improve the underlying conditions, supply credit through third parties as a personal credit to any of its board members or its executives with administrative responsibilities or provide securities such as a guarantee in favor of them.	X					
	4.6.5- Remuneration provided to members of the Board of Directors and executives with administrative responsibilities has been disclosed for each person in the annual report.		X				Remunerations provided to the Board members and executives with administrative responsibilities have been disclosed based on a total figure in the annual report.

CORPORATE GOVERNANCE INFORMATION FORM

CORPORATE GOVERNANCE INFORMATION FORM		
1.	SHAREHOLDERS	
1.1.	Facilitation of the Use of Share Ownership Rights	
	Number of investor conferences and meetings held by the company during the year	41
1.2.	Right to Demand and Review Information	
	Number of requests for private auditors	-
	Number of requests for private auditors approved at the General Assembly meeting	-
1.3.	General Assembly	
	Link to the KAP (Public Disclosure Platform) announcement for the information requested as part of principle 1.3.1 (a-d)	https://www.kap.org.tr/tr/Bildirim/1080969
	Whether or not documents in English related to the General Assembly meeting were presented simultaneously with Turkish versions	The related documents are presented in Turkish and English on the website of the company.
	Links to the KAP announcements for the processes which were not approved by the majority of independent members or do not have unanimous consent, as part of the principle 1.3.9	N/A
	Links to the KAP announcements for the processes of related parties performed as part of Article 9 of the Corporate Governance Communiqué (II-17.1)	Such a process is not available as part of the Article 9.
	Links to the KAP announcements for the common and continuous processes performed as part of Article 10 of the Corporate Governance Communiqué (II-17.1)	N/A
	Name of the section on the corporate website of the company that describes the policy on donations and grants	Investor Relations / Corporate Governance / Our Policies / Donation Policy
	Link to the KAP announcement for the minutes of the general assembly in which the policy on donations and grants was approved	https://www.kap.org.tr/tr/Bildirim/526892
	Number of the article which regulates participation of stakeholders in the general assembly in the articles of association	N/A
	Information about stakeholders who attended the General Assembly	Company employees
1.4.	Voting Rights	
	Whether or not voting rights have privilege	Yes
	Privileged shareholders and their vote rates if votes are privileged	Group A shares are privileged. The privileged shareholders are Abdulkadir Bahattin Özal and Burak Altay with voting rate of 12.93% and 21.26%, respectively.
	Share percentage of the largest shareholder	15,81%
1.5.	Minority Rights	
	Whether or not minority rights have been extended (with regard to content or ratio) in the articles of association of the company	No
	Specify the number of the relevant articles of association item if minority rights have been extended with regard to content and ratio.	-

1.6. Dividend Rights		
	Name of the section on the corporate website that describes the dividend payment policy	Investor Relations / Corporate Governance / Our Policies / Dividend Payment Policy
	In the event that the Board of Directors proposed the General Assembly that dividends not be distributed, minutes of the relevant general assembly agenda item regarding the reasons for not distributing dividends and the use of retained earnings	As a result of the discussion on the resolution of the company's Board of Directors dated 23.11.2020 no. 2020/18, the question that dividends shall not be paid was unanimously accepted, as there is no distributable profit in the consolidated financial statements for the accounting period between 01.01.2019 and 31.12.2019 prepared and subject to an independent audit as per the provisions of the Communiqué on the Rules of Financial Reporting in Capital Market no. (II-14.1) issued by the Capital Markets Board, and in the financial statements prepared in accordance with the rules of the Tax Procedure Law as part of the statements about the activities of our Company in 2019 which were formed again in accordance with the rules of the Tax Procedure Law.
	Link to the KAP announcement for the relevant general assembly minutes, in the event that the Board of Directors proposed the General Assembly not to distribute the profit	https://www.kap.org.tr/tr/Bildirim/1088160

General Assembly Meetings

Date of the General Assembly	Number of requests for annotations sent to the company with regard to the agenda of General Assembly	Participation rate of shareholders in General Assembly	Ratio of the shares represented directly	Ratio of the shares represented by proxy	Name of the section on the corporate website of the company that contains the minutes of the general assembly meeting, including the positive and negative votes for every agenda item	Name of the section on the corporate website that includes all questions asked at the general assembly meeting and their answers	Number of the article or paragraph in the minutes of the general assembly meeting that describes the related parties	Number of persons who report to the Board of Directors and have the opportunity to access the company information in a privileged way (The list of insiders)	Link to the general assembly statement published in KAP
16.12.2022	0	32,03%	17,45%	14,58%	Investor Relations / Corporate Governance / General Assembly Meetings / 2021 General Assembly Meeting / Minutes	Investor Relations / Corporate Governance / General Assembly Meetings / 2021 General Assembly Meeting / Minutes	16	22	https://www.kap.org.tr/tr/Bildirim/1089221

2. PUBLIC DISCLOSURE AND TRANSPARENCY		
2.1.	Corporate Website	
	Names of the sections on the corporate website that provide the information requested by corporate governance principle 2.1.1.	Investor Relations / Corporate Governance, Annual Reports, Material Disclosures, Financial Reports, Capital and Shareholding Structure, Articles of Incorporation, Policies
	The section on the corporate website that gives the list of real person shareholders who directly or indirectly own more than 5% of the shares	Investor Relations / Corporate Governance / Capital and Shareholding Structure
	Languages in which the corporate website has been prepared	Turkish and English
2.2.	Annual Report	
	Page numbers or name of the sections in the annual report that contain the information requested by corporate governance principle no.2.2.2	
	a) The page number or section name that describes the external duties of the members of the Board of Directors and executives and declarations of independence of the members	Corporate Governance Compliance Report / Board of Directors / Composition and Formation of the Board

2.	PUBLIC DISCLOSURE AND TRANSPARENCY	
2.2.	Annual Report	
	b) The page number or section name that indicates the information on the committees formed under the Board of Directors	Corporate Governance Compliance Report / Board of Directors / Number, Structure and Independence of Committees Formed under the Board of Directors
	c) The page number or section name that contains the information on the number of board meetings in a year and the attendance of the members at these meetings	Corporate Governance Compliance Report / Board of Directors / Operating Principles of the Board
	d) The page number or section name that includes the information on amendments to legislation which may significantly affect the activities of the company	-
	e) The page number or section name that demonstrates the information on significant lawsuits filed against the company and the likely outcomes thereof	Corporate Governance Compliance Report / Legal Actions
	f) The page number or section name that contains the information on conflicts of interest between the company and the institutions from which it purchases services such as investment consulting and rating and the measures taken to avoid such conflicts of interest	-
	g) The page number or section name that includes the information on the cross-ownerships in which direct contributions to the capital exceed 5%	-
	h) The page number or section name that demonstrates the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the company activities that give rise to social and environmental outcomes	Corporate Governance Compliance Report / Stakeholders / Code of Conduct and Social Responsibility
3.	STAKEHOLDERS	
3.1.	Company's Policy on Stakeholders	
	Name of the section on the corporate website that describes the compensation policy	Investor Relations / Corporate Governance / Our Policies / Compensation Policy
	The number of final judicial decisions against the company on the grounds of breaching employee rights	-
	Title of the person responsible for the notification mechanism	Human Resources Director
	Contact details of the company's notification mechanism	info@odasenerji.com - ik@odasenerji.com
3.2.	Promoting the Participation of Stakeholders in Company Management	
	Name of the section on the corporate website that provides the internal regulations about the participation of employees in management bodies	-
	Management bodies where employees are represented	-
3.3.	Human Resources Policy of the Company	
	Role of the Board of Directors in the development of a succession plan for the key management positions	-
	Name of the section on the corporate website that demonstrates the human resources policy covering equal opportunities and recruitment criteria, or a summary of the relevant articles of the policy	Human Resources / Human Resources Policy
	Whether or not there is a stock ownership plan	There Is No Stock Ownership Plan
	Name of the section on the corporate website that describes the human resources policy which covers the measures against discrimination and mistreatment, or a summary of the relevant articles of the policy	Human Resources / Human Resources Policy
	Number of final judicial decisions against the company due to responsibility for work related accidents	-

3.	STAKEHOLDERS	
3.5.	Code of Conduct and Social Responsibility	
	Name of the section on the corporate website that describes the code of conduct policy	https://www.odasenerji.com.tr/tr/insan-kaynaklari/
	Name of the section on the corporate website that demonstrates the corporate social responsibility report. The measures taken on environmental, social and corporate governance issues, if no corporate social responsibility report exists	Our company has carried out social responsibility projects in 2022 within the framework of the Social Responsibility Policy, considering the environmental and social needs of the community in which we operate.
	The measures taken to fight any kind of corruption including extortion and bribery	The sanctions to be applied against any kind of corruption including extortion and bribery are included in the disciplinary procedure of the company
4.	BOARD OF DIRECTORS-I	
4.2.	The Basis of the Board's Activities	
	Date on which the last performance evaluation of the Board of Directors was conducted	-
	Any referral to the independent subject matter experts during the performance evaluation of the board	No
	Whether or not all Board members have been released	Yes
	Names of the members of the Board of Directors with delegated powers through distribution of duties, and descriptions of such powers	A. Bahattin Özal - Chairperson of the Board, Burak Altay - Deputy Chairperson of the Board, Hafize Ayşegül Özal - Board Member, Umut Apaydın - Independent Board Member, Salih Erez - Independent Board Member
	Number of reports presented by the internal control unit to the audit committee or any relevant committee	-
	Name or page number of the section in the annual report that provides a review of the effectiveness of the internal control system	Corporate Governance Compliance Report / Board of Directors / Risk Management and Internal Control Mechanism
	Name of the Chairperson of the Board	Abdulkadir Bahattin Özal
	Name of the Chief Executive Officer/General Manager	Burak Altay
	Link to the KAP announcement on the rationale behind the fact that the Chairperson of the Board of Directors and Chief Executive Officer/General Manager are the same person	Not the same person.
	Link to the KAP announcement for the fact that an insurance for a price exceeding 25% of the company capital has been taken out regarding the losses that the Board members may cause in the company due to any faults in the course of their duties	-
	Name of the section on the corporate website that gives information about the diversity policy for increasing the rate of female Board members	-
	Number and percentage of female members	1 - 20%

Structure of the Board

Full Name of the Board Member	An Executive Member or Not	An Independent Member or Not	The Date of Election as a Board Member for the First Time	Link to the KAP Announcement for Declaration of Independence	Independent Whether or Not the Member was Evaluated by the Nomination Committee	Whether Any of the Members Lost Their Independence or not	Whether or Not He/ She Has at Least 5-Years Experience in Auditing, Accounting and/or Finance
Abdulkadir Bahattin Özal	Non-Executive	Not Independent Member	23.05.2011				
Burak Altay	Executive	Not Independent Member	23.05.2011				
Hafize Ayşegül Özal	Non-Executive	Independent Member	06.03.2013				
Zehra Zeynep Dereli	Non-Executive	Independent Member	24.12.2020	https://www.kap.org.tr/Bildirim/893257	Evaluated	No	Yes
Umut Apaydın	Non-Executive	Independent Member	28.04.2016	https://www.kap.org.tr/Bildirim/893257	Evaluated	No	Yes

4.	BOARD OF DIRECTORS-II	
4.4.	Meeting Procedures of the Board of Directors	
	Number of the physical board meetings in the reporting period	26
	Average attendance rate at board meetings	100%
	Whether or not an electronic portal is used to facilitate the works of the Board of Directors	No
	Number of minimum days ahead of the board meeting to provide information and documents to members as per working principles of the Board of Directors	Changes Based on the Agenda.
	Name of the section on the corporate website that demonstrates information about the internal regulations which cover board meeting procedures	Investor Relations / Corporate Governance / Articles of Association / Article 7
	The upper limit determined in the policy that restricts the members from assuming external duties	There is no restriction for the members to assume external duties.
4.5.	The Committees Formed under the Board of Directors	
	The page number or section name in the annual report that provides information about the board committees	Corporate Governance Compliance Report / Board of Directors / Number, Structure and Independence of Committees Formed under the Board of Directors
	Link to the KAP announcement about the working principles of the committee	https://www.kap.org.tr/Bildirim/445299

Committees under the Board

Names of the Committees under the Board	Name of the Committee Indicated As "Other" in the First Column	Full Name of Committee Members	Committee Chair or Not	Board Member or Not
Audit Committee		Umut Apaydın	Yes	Board Member
Audit Committee		Zehra Zeynep Dereli	No	Board Member
Corporate Governance Committee		Umut Apaydın	Yes	Board Member
Corporate Governance Committee		Zehra Zeynep Dereli	No	Board Member
Corporate Governance Committee		Melih Yüceyurt	No	Not a Board Member
Early Detection of Risk Committee		Zehra Zeynep Dereli	Yes	Board Member
Early Detection of Risk Committee		Umut Apaydın	No	Board Member

4.	BOARD OF DIRECTORS-III	
4.5.	The Committees Formed under the Board of Directors-II	
	Specify the section in the annual report or on the corporate website where the activities of the audit committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Audit Committee / Duties and Working Principles of the Audit Committee
	Specify the section in the annual report or on the corporate website where the activities of the corporate governance committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Corporate Governance Committee / Duties and Working Principles of the Corporate Governance Committee
	Specify the section in the annual report or on the corporate website where the activities of the nomination committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Corporate Governance Committee / Duties and Working Principles of the Corporate Governance Committee
	Specify the section in the annual report or on the corporate website where the activities of the early detection of risk committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Early Detection of Risk Committee / Duties and Working Principles of the Early Detection of Risk Committee
	Specify the section in the annual report or on the corporate website where the activities of the remuneration committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Corporate Governance Committee / Duties and Working Principles of the Corporate Governance Committee
4.6.	Financial Rights Provided to Members of the Board of Directors and Executives with Administrative Responsibilities	
	The page number or section name in the annual report that gives information about the operational and financial performance targets and their achievement status	Annual Report / Operational Status During the Period
	Name of the section on the corporate website that covers the remuneration policy for executive and non-executive directors.	Investor Relations / Corporate Governance / Policies / Remuneration Policy
	The page number or section name in the annual report that describes the individual remuneration and all other benefits for the members of the Board of Directors and executives with administrative responsibilities	Corporate Governance Compliance Report / Financial Rights

Committees under the Board II

Names of the Committees under the Board	Name of the Committee Indicated As "Other" in the First Column	The Percentage of Non-Executive Directors	The Percentage of Independent Members in the Committee	Number of Physical Meetings Held by the Committee	Number of Reports Submitted to the Board of Directors by the Committee about Its Activities
Audit Committee		100%	100%	6	6
Corporate Governance Committee		100%	66%	3	3
Early Detection of Risk Committee		100%	100%	6	6

Semerkant, established by the Persians in the 6th century BC and becoming the center of the Sogdiana region, was a focal point of Sogdian culture throughout the ancient period. Captured by Alexander the Great in 329 BC, the city continued to develop during the Hellenistic era. After being conquered by Muslim Arabs in 711, it became one of the significant cities of Islamic civilization.



06
SECTION

**CONSOLIDATED
FINANCIAL STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

To General Assembly of
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

A) Independent Audit of the Financial Statements

1. Opinion

We have audited the consolidated financial statements of Odaş Elektrik Üretim Sanayi Ticaret A.Ş. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statements of financial position as at December 31, 2022, and the consolidated statements of income, and other comprehensive income, consolidated statements of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards (TFRS).

2. Basis for Opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "ISA") issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA") that are part of Turkish Standards on Auditing. Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent

of the Company in accordance with the Ethical Rules for Independent Auditors (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Emphasis of Matter

The consolidated financial statements of the Group for the accounting period ending on 31.12.2021 were audited by another independent auditor and a positive opinion was given on these consolidated financial statements on 09.03.2022.

As explained in Note 29, as of December 31, 2022 the Group has order advances given related to the investment projects in progress amounting to TL 168.084.804 included in "Other Non-Current Assets". The Group management explained that these advances were given for the construction of thermal power plant and Uzbekistan Natural Gas Cycle Power Plant. These amounts will be transferred to property, plant and equipment in the following periods. As of December 31, 2022, TL 6.514.873,72 of that advances are dormant. The management plans to take the necessary actions to ultimately close the balances of advances in question. The



accompanying financial statements do not contain any adjustment or classification thereon.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of

our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the Significant Uncertainty matter explained in respect of going concern of the business, the issues described below have been identified as key audit issues and reported in our report:

Key Audit Matter	How our audit addressed the key audit matter
<p>Cash Flow Hedging Accounting</p> <p>The Group associates the budgeted electricity sales with the loans denominated in Euro obtained in reference to its investments in electricity generation. The contractual sales are indexed to USD currency and these contracts are affected by the fluctuation of the exchange rates between Turkish Lira and USD. The Company hedges this exchange rate risk with its loans borrowed in Euro.</p> <p>As of December 31, 2022, the amount of cash flow hedge losses classified under the shareholders equity amounting to TL 766.181.663 is considered to be significant with respect to the financial statements.</p> <p>Cash flow hedge accounting is structurally complex and has been considered a key audit matter since it is a matter which requires professional expertise.</p>	<p>The definition and documentation of the risk management target and strategy that led to the Company's cash flow hedging process has been examined within the framework of the definitions of financial hedging accounting specified in Financial Instruments: Recognition and Measurement. Cash flow hedging accounting model calculation prepared by a consultant service organization for the Group, risk management strategy, risk management objectives, hedging relationship, nature of protected risk, method of measurement of credit hedging effectiveness were examined and it was reviewed that the financial instrument in question was part of the hedge relationship that provides the hedge requirements.</p> <p>The group has linked USD receivables subject to the hedge accounting process with foreign exchange sales to be made. The compliance of the electricity sales prices, which are the subject of cash flow hedging, with the budget approved by the management has been checked. Repayment plans for such loans were checked from credit contracts and bank agreements.</p> <p>The mathematical accuracy and accounting of the accounting record carried out on the subject was checked. The adequacy of the explanations in the financial statements related to cash flow hedging accounting was evaluated.</p>

4. Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the key audit matter
Capitalized mining assets	
<p>The Group capitalizes the following expenditure incurred:</p> <p>Development costs incurred in mine sites in cases where the economic benefits from the mine sites are highly likely to be obtained in the future, can be defined for certain mining areas and the costs can be measured reliably,</p> <p>During the period, the direct costs incurred during the stripping work that facilitates access to the defined part of the ore in each open pit ore deposit and the general production expenses associated with the stripping work,</p> <p>Reclamation, rehabilitation, and closure costs according to the current conditions of the mine sites that arise due to open pit mine development activities and open pit production, share of development costs capitalized as of the 31.12.2022, present value of provision for expenses that are highly likely to be used during the rehabilitation of mines, and the management judgments applied during the capitalization process of the related costs has been determined as key audit matters.</p>	<p>Our audit procedures in this area are as follows:</p> <p>Evaluation of the content of development costs capitalized for each mine site,</p> <p>Testing the appropriateness of management evaluations,</p> <p>Meeting with the managers of the Group's departments responsible for mining sites,</p> <p>Performing detailed tests on development costs,</p> <p>Examining the expected economic benefit in the future according to the Group's forecasts and past performance,</p> <p>Testing rehabilitation costs by comparing them with previous periods,</p> <p>The explanations in the footnotes of the consolidated financial statements regarding the capitalized mining assets and the adequacy of the information included in these notes have been evaluated.</p>

4. Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the key audit matter
Short Term and Long-term Financial Liabilities	
<p>As of December 31, 2022, the Group has short-term financial liabilities of TL 380.994.865 which constitutes 13% of its short-term liabilities, and long-term financial liabilities of TL 1.997.124.435 which constitute 98% of its total long-term liabilities.</p> <p>Details on short-and long-term financial liabilities are included in Note 47.</p> <p>The group shows its financial debts at rate valuations and discounted cost using the effective interest method. The calculation and reconciliation of financial liabilities has been considered by us as a key audit matter.</p>	<p>Our audit procedures are designed to inquire the accuracy of financial liabilities.</p> <p>The accounting policies applied by the Group regarding financial liabilities and their principles of implementation were evaluated,</p> <p>The accuracy of financial debts has been confirmed by external confirmations set with banks and financial institutions, rate valuations, discounts and accrual studies for financial liabilities were recalculated and tested by the Group.</p> <p>The explanations in the financial statement footnotes regarding financial liabilities were examined and the adequacy of the information contained in these notes was evaluated.</p> <p>Regarding expense accruals, provision calculations and related invoice etc. the accuracy and certainty of the documents were audited.</p>

4. Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the key audit matter
Accounting of Tangible Fixed Assets With Revaluation Method	
<p>As explained in detail in Footnotes 2 and 14, the Group has revalued its lands and buildings, machinery, plant and equipment and vehicles, which are included in tangible assets, with the revaluation method based on the valuation reports prepared by an independent real estate valuation firm.</p> <p>As of 31 December 2022, lands, buildings, machinery, plant and equipment and vehicles with a net book value of 300.141.462 TL, 2.010.356 TL, 5.901.993.668 TL, 61.204.479 TL, respectively, comprising 55% of the Group's total assets. The valuation of property, plant and equipment has been considered as a key audit matter by us, since the valuation methods used include significant estimates and assumptions.</p>	<p>In our audit, the appropriateness of the methods used by the valuation experts in the valuation reports, which constitute the basis for the fair values of the relevant tangible fixed assets measured according to the revaluation model, has been evaluated.</p> <p>We have evaluated whether the fair value appraised by the Group's independent valuation experts is within an acceptable range on the land and land, building, machinery, plant and equipment and vehicles account.</p> <p>The accuracy of the valuation method used was reviewed by evaluating them together with their intended use, and the square meters used in the fair value calculation were compared with the title deed records of the relevant real estates.</p> <p>The consistency of the data and inputs used in the calculation of the asset value according to the income method by the expert valuation company and the suitability of the assumptions were examined and compared with the market conditions.</p> <p>It has been reviewed that the valuation company is on the list of authorized valuation institutions within the framework of the Capital Markets Legislation and that the valuation experts have licenses for Capital Market Activities. In addition, within the scope of the above-mentioned special accountings, we have questioned the compliance of the information in the financial statements and explanatory footnotes in accordance with TAS 16.</p> <p>Control of the capitalization process regarding the Natural Gas Cycle Power Plant that started operating in Uzbekistan has been ensured.</p>

4. Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition	
<p>The Group's main field of activity is production of electricity, the sale of produced electricity, and carry out the sales activities of coal mines. Revenue is the most important indicator in the consolidated performance evaluation of the Group.</p> <p>During the year ended December 31, 2022, the Group generated total revenues of TL 7.640.656.648. Revenue is significant matter for our audit since it is the most important financial statement item in the income statement for the period ending December 31, 2022, in terms of evaluating the results of the strategies applied and the follow-up of the performance of the Group.</p> <p>Explanations on the accounting policies and revenue amount of the Group are included in Notes 2 and 31.</p>	<p>The following audit procedures have been applied for the recognition of revenue:</p> <p>Understanding of sales processes and evaluating the design and operating effectiveness of the controls related to these processes,</p> <p>Evaluating the conformity of the Group's accounting policy for the recognition of the revenue, reviewing the related-party sales.</p> <p>Performing analytical procedures regarding whether the revenue recorded in the consolidated financial statements is at the expected level,</p> <p>Performing tests with sampling method regarding the accuracy of customer invoices and matching these invoices with the delivery notes (coal sales) and collections made from customers,</p> <p>Examining the sales contracts made by the Group with customers and evaluating the timing of the revenue to be included in the financial statements for different delivery methods,</p> <p>Obtaining information that will ensure the accuracy of the estimates from the commercial units regarding the invoices issued and received in the following period and the accruals calculated in the following period, and verification of the accrual amounts, due to the special circumstances arising from the operation of the energy market.</p>

4. Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the key audit matter
Accounting of inventories	
<p>In the consolidated financial statements as of December 31, 2022, there is risk of impairment for the raw materials amounting to TL 17.696.163, for finished goods, amounting to TL 182.296.946, included in the total stock amount of TL 615.435.867, due to damage, loss of value partially or completely which may be originated from external factors, or failure to recover in case of a decrease in sales in price and economic factors.</p> <p>Details on inventories are included in Note 9.</p> <p>Based on the estimates and assumptions of the management, no provision for impairment has been set for inventories in the current period. These estimates and assumptions include the evaluation of slow- moving inventories and of inventories that have not been sold or a certain period of time and are damaged. Due to these reasons, stocks have been considered a significant matter for our audit.</p>	<p>Our audit procedures are designed to inquire the accuracy of inventories.</p> <p>Understanding and evaluating the appropriateness of the accounting policy regarding the inventory impairment provision,</p> <p>Discussing with the Group management about the risk of impairment of inventories due to loss of value partially or completely due to external factors, or failure to recover in case of a decrease in the sales price,</p> <p>Comparison of inventory turnover with the previous year,</p> <p>Evaluating the fact that there is no provision for impairment in the current period as a result of the estimates and assumptions of the management.</p> <p>Testing sales prices after deducting discounts used in net realizable value calculations</p>

5. Responsibilities of Management and Those Charged with Governance for the Financial Those Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern,

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibility for the Audit of the Financial Statements

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due

to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with ISA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an independent audit conducted in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit

evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Legal and Regulatory Requirements

a) The Auditor's Report on the Early Detection of Risk System and Committee, prepared in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code, was submitted to the Company's Board of Directors on March 13, 2023.

b) In accordance with paragraph 4 of Article 402 of the Turkish Commercial Code, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period January 1, December 31, 2022 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.

c) In accordance with paragraph 4 of Article 402 of the Turkish Commercial Code, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

As Bağımsız Denetim ve YMM AŞ.

O. Tuğrul ÖZSÜT
Engagement Partner

İstanbul, 13 March 2023

Tashkent - Uzbekistan



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ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED DECEMBER 31, 2022 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
ASSETS	Notes	31.12.2022	31.12.2021
Current Assets			
Cash and cash equivalents	53	1.476.322.438	173.258.224
Trade Receivables	6-7	536.048.258	235.565.363
<i>Trade receivables from related parties</i>	6	25.015.444	44.739.829
<i>Trade receivables from third parties</i>	7	511.032.814	190.825.534
Other receivables	6-9	55.016.893	45.249.165
<i>Due from related parties</i>	6	30.963.763	17.332.891
<i>Due from third parties</i>	9	24.053.130	27.916.274
Inventories	10	615.435.867	293.667.516
Prepaid expenses	12	63.286.906	17.571.292
Assets Related to Current Term Tax	40	269.723.440	1.350.839
Other Current Assets	29	1.214.753.609	346.182.795
Fixed Assets Classified for Sale	39	599.148	695.092
TOTAL CURRENT ASSETS		4.231.186.559	1.113.540.286
Non-current Assets			
Other receivables	6-9	711.339	1.681.677
<i>Other receivables from related parties</i>	6	--	--
<i>Other receivables from third parties</i>	9	711.339	1.681.677
Investments Valued by Equity Method	4	200.000	45.298.867
Tangible fixed assets	14	6.434.704.135	5.565.559.866
Intangible fixed assets	17-18	91.258.397	82.658.049
<i>Other intangible fixed assets</i>	17	91.258.397	82.658.049
Right of Use Assets	20	5.591.637	3.831.679
Prepaid expenses	12	15.696.674	5.097.487
Deferred tax assets	40	501.494.366	96.623.790
Other non-current assets	29	168.084.804	54.383.228
TOTAL NON-CURRENT ASSETS		7.217.741.352	5.855.134.643
TOTAL ASSETS		11.448.927.911	6.968.674.929

Consolidated financial statements regarding the period ending on 31.12.2022, approved by board decision which was dated March 13, 2023 and numbered 2023/1. The accompanying notes are an integral part of financial statements.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED
DECEMBER 31, 2022 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
LIABILITIES	Notes	31.12.2022	31.12.2021
Short Term Liabilities			
Short term loans	47	14.588.378	83.777.019
Short term finance lease liabilities	47	2.857.141	2.038.464
Short-term parts of long term loans	47	363.549.346	624.564.522
Other financial liabilities	47	4.786.532	3.525.719
Trade payables	6-7	688.144.125	298.874.477
<i>Trade payables to related parties</i>	6	2.304.122	6.234.285
<i>Trade payables to third parties</i>	7	685.840.003	292.640.192
Employee benefit obligations	27	15.769.733	9.421.210
Other payables	6-9	594.562.165	148.902.195
<i>Other payables to related parties</i>	6	136.127.505	103.177.640
<i>Other payables to third parties</i>	9	458.434.660	45.724.555
Deferred income	12	342.805.286	63.021.514
Period income tax liabilities	40	245.756.510	1.732.861
Short-term Provisions	25-27	14.844.403	7.218.687
<i>Short-term provisions for employee benefits</i>	27	12.887.806	5.253.619
<i>Other short term provisions</i>	25	1.956.597	1.965.068
Other short term liabilities	29	665.664.594	54.080.684
TOTAL SHORT TERM LIABILITIES		2.953.328.213	1.297.157.352
Long term liabilities	47	1.994.608.223	1.782.415.119
Long term finance lease liabilities	47	2.516.212	4.716.196
Other payables	6-9	23.400.143	30.976.050
<i>Other payables to related parties</i>	6	--	--
<i>Other payables to third parties</i>	9	23.400.143	30.976.050
Deferred Income	12	1.038.136	--
Long term provisions	25-27	5.508.353	2.441.380
<i>Long term provisions for employee benefits</i>	27	5.305.755	2.256.336
<i>Other long term provisions</i>	25	202.598	185.044
Deferred tax liabilities	40	14.101.890	181.609.680
Other long term liabilities	29	1.440.607	3.726.299
TOTAL LONG TERM LIABILITIES		2.042.613.564	2.005.884.724

Consolidated financial statements regarding the period ending on 31.12.2022, approved by board decision which was dated March 13, 2023 and numbered 2023/1. The accompanying notes are an integral part of financial statements.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED
DECEMBER 31, 2022 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
	Notes	31.12.2022	31.12.2021
LIABILITIES			
EQUITY			
Equity of Parent Company		5,938,547,698	3,663,391,009
Paid-in share capital	30	1,400,000,000	1,400,000,000
Share premiums/discounts	30	258,850,762	258,850,762
Not reclassified to profit or loss accumulated other comprehensive income or expenses	30	2,857,248,593	2,873,488,215
<i>Revaluation and Measurement Gains/Losses</i>		<i>2,913,330,320</i>	<i>2,915,589,353</i>
<i>The Effect of Mergers Involving Undertaking or Enterprises Subject to Common Control</i>	30	<i>(56,081,727)</i>	<i>(42,101,138)</i>
<i>Reclassified to profit or loss accumulated other comprehensive income or expenses</i>	30	<i>(472,659,059)</i>	<i>(415,882,714)</i>
Other Gains/Losses		296,308,837	10,297,714
Restricted profit reserves		<i>(766,181,663)</i>	<i>(425,193,010)</i>
<i>Other equities</i>	30	<i>(2,786,233)</i>	<i>(987,418)</i>
Capital Advances	30	15,340,077	639,252
Retained earnings/losses	30	21,868,966	21,868,966
Non-controlling shares	30	(493,286,234)	(514,466,010)
Paid-in share capital	41	2,351,184,593	38,892,538
Share premiums/discounts	30	514,438,436	2,241,844
TOTAL EQUITY		6,452,986,134	3,665,632,853
TOTAL LIABILITIES		11,448,927,911	6,968,674,929

Consolidated financial statements regarding the period ending on 31.12.2022, approved by board decision which was dated March 13, 2023 and numbered 2023/1. The accompanying notes are an integral part of financial statements.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
CONSOLIDATED PROFIT OR LOSS AND COMPREHENSIVE INCOME STATEMENT
FOR THE PERIOD ENDED DECEMBER 31, 2022 (TRY)
(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
	Notes	01.01 - 31.12.2022	01.01 - 31.12.2021
PROFIT OR LOSS			
Revenues	31	7,640,656,648	1,445,601,491
Cost of sales (-)	28-31	(4,433,780,532)	(1,063,179,164)
GROSS PROFIT/(LOSS)		3,206,876,116	382,422,327
General and administrative expenses (-)	33	(104,671,543)	(42,276,860)
Marketing Expenses (-)	33	(10,301,525)	(11,712,743)
Other Income from Main Operations	34	172,600,952	51,611,665
Other Expenses from Main Operations (-)	34	(198,224,530)	(119,111,563)
OPERATING PROFIT/(LOSS)		3,066,279,470	260,932,826
Income from Investment Activities	35	29,562,312	417,405
Expenses from Investment Activities (-)	35	(45,509,714)	(239,985)
Shares of Profits/(Losses) of Investments Valued by Equity Method	16	-	18,034,231
OPERATING PROFIT/(LOSS) BEFORE FINANCE EXPENSES		3,050,332,068	279,144,477
Financing Incomes	37	627,779,947	368,774,146
Financial Expenses (-)	37	(1,060,868,563)	(810,337,473)
PROFIT/(LOSS) BEFORE TAXES FROM CONTINUING OPERATIONS		2,617,243,452	(162,418,850)
Continuing Operations Tax Income/(Expense)		242,752,569	160,080,281
Period Tax Income/(Expense)	40	(245,756,510)	(1,732,862)
Deferred Tax Income/(Expense)	40	488,509,079	161,813,143
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		2,859,996,021	(2,338,569)
PROFIT/(LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	39	(95,944)	98,173
PROFIT/(LOSS) FOR THE PERIOD		2,859,900,077	(2,240,396)
Period Profit/(Loss) Distribution			
Non-Controlling Interests	30	508,715,484	(41,132,934)
Parent Shares	30	2,351,184,593	38,892,538
Earnings Per Share			
Earnings Per Share from Continuing Operations	41	1,679,418	0,044,279
OTHER COMPREHENSIVE INCOME			
Not to be Reclassified to Profit or Loss	38	(1,798,815)	2,192,104,450
Increases/(Decreases) in Revaluation of Tangible Assets		--	2,713,099,609
Actuarial Losses and Gains Calculated Within the Scope of Employee Benefits	38	(2,336,123)	(444,557)
Tax Impact	40	537,308	(520,550,602)
Reclassified as Profit or Loss		(340,988,653)	(425,193,010)
Cash Flow Hedge Gains/(Losses)	46	(423,865,116)	(533,861,963)
Deferred Tax Income (Expense)	40	82,876,463	108,668,953
OTHER COMPREHENSIVE INCOME		(342,787,468)	1,766,911,440
TOTAL COMPREHENSIVE INCOME		2,517,112,609	1,764,671,044
Distribution of Total Comprehensive Income			
Non-Controlling Interests		(79,319,650)	365,105,975
Parent Shares		2,596,432,259	1,399,565,069

Consolidated financial statements regarding the period ending on 31.12.2022, approved by board decision which was dated March 13, 2023 and numbered 2023/1. The accompanying notes are an integral part of financial statements.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2022 (TRY)
(Currency is TRY unless otherwise is indicated.)

	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	Other Accumulated Comprehensive Income and Expenses to be Reclassified to Profit or Loss/Other Gains/Losses	Retained Earnings						
								Reserves On Retained Earnings	Revaluation Fund	Accumulated Profit/Loss	Net Profit/Loss for the Period	Equity of the Parent Company	Non-controlling Interest	Shareholder's Equity
01 January 2021 Balance	600,000,000	21,868,966	(41,404,830)	60,094,073	--	--	(645,109)	639,252	728,846,503	(326,903,703)	(246,670,718)	795,824,433	(7,639,047)	788,185,386
Other Comprehensive Income/(Expense)	--	--	--	--	10,297,714	--	(342,309)	--	2,192,446,759	--	--	2,202,402,164	--	2,202,402,164
Transfers	--	--	--	--	--	--	--	--	(5,703,909)	(246,670,717)	246,670,717	--	--	--
Capital Increase	800,000,000	--	--	198,756,689	--	--	--	--	--	--	--	998,756,689	74,349,000	1,073,105,689
Cash Flow Hedge Gains/(Losses)	--	--	--	--	--	(425,193,010)	--	--	--	--	--	(425,193,010)	--	(425,193,010)
Share Ratio in Subsidiaries Not Resulting in Loss of Control Val. Dependent Increase/(Decrease)	--	--	(696,308)	--	--	--	--	--	(5,703,909)	59,108,412	--	52,708,195	(23,335,180)	29,373,015
Net Profit for the Period	--	--	--	--	--	--	--	--	--	--	38,892,538	38,892,538	(41,132,934)	(2,240,396)
31 December 2021 Balance	1,400,000,000	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	3,663,391,009	2,241,844	3,665,632,853
01 January 2022 Balance	1,400,000,000	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	3,663,391,009	2,241,844	3,665,632,853
Other Comprehensive Income/(Expense)	--	--	--	--	286,011,123	--	(1,798,815)	--	(2,259,033)	--	--	281,953,275	--	281,953,275
Share Ratio in Subsidiaries Not Resulting in Loss of Control Val. Dependent Increase/(Decrease)	--	--	(13,980,589)	--	--	--	--	--	--	(3,011,937)	--	(16,992,526)	3,477,057	(13,515,469)
Minority Interest	--	--	--	--	--	--	--	--	--	--	--	--	4,050	4,050
Transfers	800,000,000	--	--	198,756,689	--	--	--	14,700,825	--	24,191,713	(38,892,538)	--	--	--
Cash Flow Hedge Gains/(Losses)	--	--	--	--	--	(340,988,653)	--	--	--	--	--	(340,988,653)	--	(340,988,653)
Net Profit for the Period	--	--	--	--	--	--	--	--	--	--	2,351,184,593	2,351,184,593	508,715,484	2,859,900,077
31 December 2022 Balance	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	508,715,484	6,452,986,134

The accompanying notes are an integral part of financial statements.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2022 (TRY)
(Currency is TRY unless otherwise is indicated.)

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED DECEMBER 31, 2022
(Currency is TRY unless otherwise is indicated.)

		Current Period	Prior Period
	Notes	01.01-31.12.2022	01.01-31.12.2021
A. CASH FLOWS FROM BUSINESS ACTIVITIES			
Period Profit/(Loss)		2,351,184,593	38,892,538
Period Profit/(Loss) from Continuing Operations	30	2,351,280,537	38,794,365
Period Profit/(Loss) from Discontinued Operations	39	(95,944)	98,173
Adjustments Regarding Net Profit/(Loss) Reconciliation for the Period			
		305,412,575	2,904,545,651
Adjustments Regarding Depreciation and Amortization Expenses	14-17-28-33-36	235,353,642	75,815,903
Adjustments Regarding Impairment (Cancellation) of Receivables	7	2,277,045	4,259,025
Adjustments Regarding Impairment Reversal of Tangible Fixed Assets	14	(2,259,033)	2,186,742,850
Adjustments Regarding Provisions (Cancellation) for Employee Benefits	27	8,436,386	1,752,725
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	25	1,956,597	1,965,068
Adjustments Regarding (Cancellation) of Provisions Set Aside in Accordance with Sectoral Requirements	25	17,552	--
Deferred Financing Income/(Expense) from Forward Purchases	34	11,586,146	3,881,090
Unearned Finance Income/(Expense) from Forward Sales	34	(6,265,103)	(12,093,127)
Adjustments Regarding Interest Expenses and Currency Differences	37	665,664,594	54,080,684
Adjustments Related to Interest Income	37	(1,051,464,324)	(150,632,336)
Adjustments for Unrealized Currency Translation Differences		572,260,903	839,574,361
Adjustments to Fair Value Gains/(Losses)	8	(54,977,530)	(414,895,296)
Adjustments Regarding Tax Income/(Expense)	40	(572,378,366)	245,801,711
Adjustments Regarding Gains/(Losses) Caused by Disposal of Affiliates, Joint Ventures and Financial Investments or Changes in Shares	30	(16,992,526)	(696,308)
Transfers	30	--	59,108,412
Minority Shares	30	512,196,592	9,880,888
Changes in Working Capital			
		453,516,187	(229,290,686)
- Adjustments Related to Increase/(Decrease) in Stocks	10	(321,768,351)	(99,955,273)
Increase/(Decrease) in Trade Receivables from Related Parties		19,724,385	(15,843,913)
Increase/(Decrease) in Trade Receivables from Unrelated Parties	7	(327,443,868)	(36,236,751)
Increase/(Decrease) in Other Receivables from Related Parties	6	(13,630,872)	(5,402,356)
Increase/(Decrease) in Other Receivables from Unrelated Parties	9	(1,793,121)	(10,786,687)
-Increase/(Decrease) in Other Assets Related to Operations	29	(153,985,855)	(125,269,086)
Increase/(Decrease) in Trade Payables to Related Parties		(3,930,163)	958,897
Increase/(Decrease) in Trade Payables to Non-Related Parties	7	396,171,542	18,163,204

The accompanying notes are an integral part of financial statements.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED DECEMBER 31, 2022
(Currency is TRY unless otherwise is indicated.)

		Current Period	Prior Period
	Notes	01.01-31.12.2022	01.01-31.12.2021
Increase/(Decrease) in Prepaid Expenses	12	(56,314,801)	2,128,712
Increase/(Decrease) in Debts within the Scope of Employee Benefits	27	(2,087,863)	2,086,216
Increase/(Decrease) in Other Payables Related to Operations to Related Parties	6	32,949,865	13,325,109
Increase/(Decrease) in Other Payables Related to Operations to Non-Related Parties	9	408,427,570	51,846,237
Increase/(Decrease) in Deferred Revenues	12	279,783,772	13,109,011
Increase/(Decrease) in Other Liabilities Related to Operations	27-29	197,413,947	(37,414,005)
Cash Flows from Operations		3,110,113,355	2,714,147,503
Other Gain/(Loss)	30	(1,798,815)	(342,309)
B. CASH FLOWS FROM INVESTMENT ACTIVITIES			
		(1,114,858,217)	(3,121,570,719)
Cash Inflows from Sale of Tangible Fixed Assets	14	7,322,450	1,282,982
Cash Outflows Resulting from the Purchase of Tangible Fixed Assets	14	(1,101,367,604)	(3,110,779,086)
Cash Outflows from the Purchase of Intangible Assets	17	(19,053,105)	(10,928,761)
Cash Outflows from Right-of-Use Assets		(1,759,958)	(1,145,854)
C. CASH FLOWS FROM FINANCE ACTIVITIES			
		(690,392,109)	565,592,509
Cash Inflows from Issuance of Shares and Other Equity-Based Instruments	30	--	998,756,688
Cash Inflows from Loans	37	107,804,171	211,279,377
Cash Inflows from Factoring Transactions	37	--	8,593,937
Cash Inflows for Debt Payments Arising from Rental Agreements	20	4,692,917	1,511,718
Cash Outflows Related to Loan Repayments	37	(798,052,790)	(568,272,641)
Cash Outflows Related to Debt Payments Arising from Rental Agreements	20	(3,444,590)	(2,616,275)
Cash Outflows from Factoring Transactions	37	--	(82,205,746)
Cash Outflows from Other Financial Debt Payments	37	(10,510)	(21,883)
Cash Outflows Related to Debt Payments Arising from Financial Leasing Agreements	37	(1,381,307)	(1,432,666)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES		1,303,064,214	157,826,984
D. THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES ON CASH AND CASH EQUIVALENTS			
		--	--
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,303,064,214	157,826,984
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD			
		173,258,224	15,431,240
END OF THE PERIOD CASH AND CASH EQUIVALENTS			
		1,476,322,438	173,258,224

The accompanying notes are an integral part of financial statements.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2022 - DECEMBER 31, 2022

(Currency is TRY unless otherwise is indicated.)

1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY

Odaş Elektrik Üretim Sanayi Ticaret A.Ş. ("Odaş" or the "Company") engages in electricity generation activities through natural gas combined cycles. The company was established on September 28, 2010 in Istanbul.

The company is engaged in the establishment of electrical energy production facilities, commissioning of facilities, leasing, generation of electrical energy, sales of the generated electrical energy and/or the generated capacity to customers.

The capital and shareholding structure of the Group as of 31 December 2022 and 31 December 2021 is as follows;

Shareholder	31.12.2022		31.12.2021	
	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 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 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%
Halka Açık Kısım	1,056,014,818	75.43%	438,668,033	73.11%
Toplam Sermaye	1,400,000,000	100%	600,000,000	100%

(*) Due to the death of Ms. Müjgan Özal on 22 May 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 Heirs, Hafize Ayşegül Özal, Mehmet Fatih Özal, Korkut Enes. Özal and Hafize Büşra Özal were legally transferred.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2022 - DECEMBER 31, 2022

(Currency is TRY unless otherwise is indicated.)

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

The list of distribution is as follows;

Shareholder	Amount	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. Fatimetüzzehra Özal on 04.12.2018, the share amount of 0.71% of 4.277.820 TRY was transferred to Gökçe Koşay and Ayşenur Koşay Erbay under the co-ownership.

The distribution list 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 December 31, 2022 in Group's structure , 1040 average personnel employed (December 31, 2020: 963).

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

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

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2022 - DECEMBER 31, 2022

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries

Voytron Enerji Elektrik Perakende Satış AŞ.:

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

Head Office is located at Barbaros Mahallesi Karanfil Sokak Varyap Meridian 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 December 31, 2022, the capital of the company is TRY 25.000.000 and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	100%	100%

Hidro Enerji Elektrik Üretim Sanayi AŞ.:

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 Varyap Meridian Sitesi No:1D Ataşehir / İstanbul.

As of December 31, 2022, the capital of the Hidro Enerji Elektrik Üretim Sanayi A.Ş.'s is TRY 615.000 and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	50%	50%
Ogma SSH FZ LLC	50%	25%
MSC Makine İnşaat Enerji San. Ve Tic. AŞ	--	25%

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2022 - DECEMBER 31, 2022

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Odaş Enerji CA:

The only member and 100% shareholder of Odaş Enerji CA is Hidro Enerji Elektrik Üretim Sanayi A.Ş. The company was established on February 3, 2021 with the tax identification number 308150820 and registration number 945636, with the decision taken on February 2, 2021. The main field of activity of the company is to produce electrical energy, to present the produced electrical energy and power to customers and users.

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

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

As of 31 December 2022, Odaş Enerji CA's capital consists of 450,000,000 (four hundred and fifty million) Uzbekistani Soms, and the shares of the members are equal to one hundred percent (100%) of 450,000,000,00 Uzbekistani Soms with registered capital.

The partnership structure of the company is as follows:

	December 31, 2022	December 31, 2021
Hidro Enerji Elektrik Üretim Sanayi AŞ.	100%	100%

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

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 Strategic Metal Foreign Trade Inc. It received a supply license from EMRA on 15.09.2022 with the number ETS/11204-26/05242 and for 20 years to trade in electrical energy and/or capacity.

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

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2022 - DECEMBER 31, 2022

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

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

As of December 31, 2022, capital of Suda Stratejik Metal Dış Ticaret A.Ş. is TRY 12.600.000 and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Suda Maden AŞ.	100%	100%

Ena Elektrik Üretim Ltd. Şti. :

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

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

As of December 31, 2022, the shareholding structure of Ena Elektrik Üretim Ltd. Şti. is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	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 31.12.2022, Ena Elektrik has been classified as assets held for sale in the consolidated financial statements.(Note:39)

Yel Enerji Elektrik Üretim Sanayi AŞ.:

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.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2022 - DECEMBER 31, 2022

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Yel Enerji Elektrik Üretim Sanayi AŞ. (Continued):

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

İR:17517 numbered mining license is purchased by Yel Enerji Elektrik Üretim Sanayi Ticaret A.Ş. in Çanakkale, Bayramiç Town and its transfer process is completed. Company centre address is Barbaros Mahallesi 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 December 31, 2022, scope of Yel Enerji Elektrik Üretim Sanayi Ticaret A.Ş. has a capital of TRY 2.000.000 and its shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Çan2 Termik AŞ.	100%	100%

Odaş Doğal Gaz Toptan Satış Sanayi ve Ticaret AŞ.:

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. In April 2022, all of the 9.98% shares were taken over by Voytron Enerji Elektrik Perakende Satış A.Ş.

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

Company centre address is Barbaros Mahallesi 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.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2022 - DECEMBER 31, 2022

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Odaş Doğal Gaz Toptan Satış Sanayi ve Ticaret AŞ. (Continued):

As of December 31, 2022, the capital of Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. is TRY 4.312.000 and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	90.02%	90.02%
Tahsin Yazan	--	9.98%
Voytron Enerji Elektrik Perakende Satış AŞ.	9.98%	--

Çan2 Termik AŞ.:

Odaş Elektrik Üretim San. Tic. A.Ş., on September 9 2013, purchased 92% of Çan2 Termik's shares and was included in the consolidation. As of 31 December 2021, 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.

The license certificate of Çan2 Termik A.Ş. for Çan-2 Thermal Power Plant Production Facility with an installed capacity of 340 MWm/330 Mwe in Çan district of Çanakkale province was approved by the Energy Market Regulatory Authority's decision dated 28 January 2016 and numbered 6083-2, on 28 January It was delivered to Çan2 Thermal A.Ş. in 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.'s application made to the Capital Markets Board for the initial public offering of its shares was approved in the Board's bulletin dated April 15, 2021 and numbered 2021/20, and the public offering of the shares was carried out on April 21-22, 2021 using the "Fixed Price Bookkeeping" method.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2022 - DECEMBER 31, 2022

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Çan2 Termik AŞ. (Continued)

The capital of Çan2 Termik A.Ş. as of 31 December 2022 is 320.000.000 TRY and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	76.77%	76.77%
Public Shares	23.23%	23.23%

The title of the company was changed to ÇAN2 Termik A.Ş. 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 Meridian Sitesi No:1D Ataşehir / İstanbul.

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

As of December 31, 2022, the capital of YS Madencilik San. Ve Tic. Ltd. Şti. is TRY 10.000 and its shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Süleyman Sarı	48%	48%
Odaş Elektrik Üretim Sanayi AŞ.	52%	52%

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (Continued)

Subsidiaries (Continued)

YS Madencilik San. ve Tic. Ltd. Şti. (Continued):

- Signed royalty agreement between KİAŞ and YS Madencilik San. ve Tic. Ltd. Şti. on 14.04.2015. Regarding based Balıkesir Province's Balya district coal mine licence which has İR1521-07.09.2006 licence and date number.
- Signed royalty agreement between KİAŞ and YS Madencilik San. ve Tic. Ltd. Şti. on 15.03.2017. Regarding based Çorum Province's Dodurga district coal mine licence which has İR2600-25.01.1959 licence and date number.

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

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

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

Anadolu Export Maden Sanayi ve Ticaret AŞ.:

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 Mahmutbey Mahallesi Taşocağı Yolu Caddesi A Blok No:33/1/62 Bağcılar/ İstanbul.

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

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	96%	96%
Burak Altay	4%	4%

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

Subsidiaries (Continued)

Anadolu Export Maden Sanayi ve Ticaret AŞ. (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. Regarding 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 AŞ.:

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

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

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

As of December 31, 2022, the capital of Suda Maden A.Ş. is TRY 44.900.000 and its shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	100%	100%

The company has 4 licences including 2 operating license and 2 exploration 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 Çan Kömür ve İnşaat A.Ş. Sit. No: 90 / Çan / Çanakkale address Suda Maden A.Ş. Çanakkale Branch was established.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
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1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY (Continued)

Subsidiaries (Continued)

TS Anadolu Metal Maden Üretim AŞ. :

TS Anadolu Metal Maden Üretim A.Ş. It was established on December 22, 2021, and Odaş Elektrik Üretim Sanayi Ticaret A.Ş. Inc. has been included in the consolidation with 80% ownership.

TS Anadolu Metal Maden Üretim A.Ş. It is engaged in the import, export or internal trade of the metals obtained by extracting the mined mines as ores and/or processing.

Its center is located in Barbaros District, Başak Cengiz Sokak Varyap Meridian Site No: 1D, Ataşehir/İstanbul..

As of December 31, 2022, the capital of TS Anadolu Metal Üretim A.Ş. is TRY 250.000 and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	80%	80%
Onur Yıldız	20%	20%

Onur Mining Maden Üretim AŞ. :

Onur Mining Maden Üretim A.Ş. was established on October 13, 2021, and has been included in the consolidation with 80% ownership by Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

Onur Mining Maden Üretim A.Ş. is engaged in the import, export or internal trade of the metals obtained by extracting the mined mines as ores and/or processing.

Its center is located in Mustafa Kemal District Dumlupınar Bulvarı No:274/6 Inner Door No:1 Çankaya/Ankara.

As the December 31,2022 the capital of Onur Mining Maden Üretim A.Ş. is 1,500,000 TL and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	50%	--
Onur Yıldız	50%	50%
Burak Altay	--	50%

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

Subsidiaries (Continued)

CR Proje Geliştirme Yatırım San. ve Tic. AŞ. :

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 Meridian Sitesi No:1D Ataşehir / İstanbul.

As of December 31, 2022, the capital of CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. is TRY 50.000 and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
Odaş Elektrik Üretim Sanayi Ticaret AŞ.	100%	100%

Çan 2 Trakya Kömür Maden AŞ. :

Çan Kömür ve İnşaat 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.

It is headquartered in Barbaros Mahallesi Başak Cengiz Sokak Varyap Meridian Site No: 1D Ataşehir / İstanbul.

Çan 2 Trakya Kömür Maden A.Ş.'s capital is 550.000 TRY as of December 31, 2022, and its partnership structure is as follows:

	December 31, 2022	December 31, 2021
Çan2 Termik AŞ.	100%	100%

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

Subsidiaries (Continued)

Zenn Yatırım Otelcilik İnşaat Anonim Şirketi:

CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. on 25.11.2022, it became a 50% shareholder in Zenn Yatırım Otelcilik İnşaat A.Ş. as the founding partner and was included in the consolidation.

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 centre address is Yanıklar Mahallesi Muğla (ynk) Cad. No:1 Fethiye / Muğla.

As of December 31, 2022, the capital of Zenn Yatırım Otelcilik İnşaat A.Ş. is TRY 20.000.000 and the shareholding structure is as follows:

	December 31, 2022	December 31, 2021
CR Proje Geliştirme Yatırım San. ve Tic. AŞ.	50%	-
Fethiye Çiftlik Turizm Ticaret Anonim Şirketi	50%	-

Parent Company and consolidated subsidiaries EMRA license information as of December 31, 2022 is as follows:

License Owner	License Type	License No	Effective Date of License	License Duration
VOYTRON ENERJİ	SUPPLY	ETS/2461-2/1599	11.03.2010	20 Years
VOYTRON ENERJİ	IMPORT (SPOT) LICENSE	DİT/10022-1/500	11.02.2021	30 Years
ODAŞ DOĞAL GAZ	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

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

Subsidiaries (Continued)

Zenn Yatırım Otelcilik İnşaat Anonim Şirketi (Con.):

Parent Company and consolidated subsidiaries licenses information as of December 31, 2022 is as follows:

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

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.

ODAŞ ELEKTRİK ÜRETİM SANAYİ TİCARET AŞ.
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(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

a. Basis of Presentation (Continued)

Accounting Policies Applied (Con.)

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 December 31, 2022 released by the Central Bank of the Republic of Turkey, purchasing rate of 1 U.S. dollar = 18,6983 TRY, (31 Aralık 2021: 13,3290 TRY), 1 EURO = 19,9349 TRY (31 December 2021: 15,0867 TRY), 1 GBP = 22,4892 TRY (31 December 2021: 17,9667 TRY).

US dollar selling rate announced by the Central Bank of the Republic of Turkey as of 31 December 2022 is 18,7320 TRY, (31 December 2021: 13,3530 TRY), 1 EURO = 19,9708 TRY (31 December 2021: 15,1139 TRY), 1 GBP = 22,6065 TRY (31 December 2021: 18,0604 TRY). 1 UZS = 0,001671 TRY (31 December 2021: 0,00123 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 in March 17, 2005 that will be in effect since January 01, 2005. The preparing and presenting financial tables are not done in accordance with TAS/TAS 29 "Financial Reporting in Economies with High Inflation" according to the decision given by CMB.

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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

a. Basis of Presentation (Continued)

Base of Consolidation (Con.)

Consolidated financial reports contain all subsidiaries of the parent company.

- › The investment amount of the parent company in each subsidiary and the amounts corresponding to the share of the parent from the equity of the subsidiaries are eliminated.
- › 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.
- › Intra-group balances and transactions are fully eliminated, including income, costs, and dividends. Profits and losses from intra-group transactions are wholly excluded from the cost of assets like inventories and property, plant, and equipment. Intra-group losses could indicate that assets have been impaired and need to be reported in the consolidated financial statements. The rules of TAS 12 "Income Taxes" are applied to temporary disparities that develop through the elimination of intra-group gains and losses.
- › During the preparation of the consolidated financial statements, if the financial statements of any of the companies included in the consolidated financial statements are prepared using different accounting policies for similar transactions and other events under similar conditions, necessary adjustments are made to the financial statements of the relevant company.
- › The parent and subsidiary financial statements used in the formation of the consolidated financial statements were prepared on the same day. For consolidated financial statements, similar transactions, and other events in similar circumstances, uniform accounting policies have been developed.
- › From the acquisition date mentioned in TFRS 3 until the parent loses control over the subsidiary, the subsidiary's income and expenses are included in the consolidated financial statements. The difference between the income earned and the carrying amount of the subsidiary is reported as gain or loss in the consolidated statement of income when the company is sold. In this transaction, the accumulated foreign exchange disparities directly related with equity, if any, are taken into account in the calculation of gain or loss in line with "TAS 21 Effects of Currency Changes."
- › In the consolidated balance sheet, minority interests are shown separately from the parent's share of equity. The amount representing the minority interest in the Group's profit or loss should also be included

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

a. Basic Principles of Presentation (Continued)

Consolidation Principles (Continued)

Comparative Information and Restatement of Prior Period Financial Statements

Group has presented the consolidated statement of financial position as of December 31, 2022 comparatively with the date of 31 December 2021. Consolidated profit or loss and other comprehensive income statement and the consolidated cash flow statement for 1 January-31 December 2022 period presented comparatively with consolidated profit or loss and other comprehensive income, consolidated statement of cash flow for 1 January-31 December 2021 period. Consolidated changes in equity statement for the 1 January - 31 December 2022 period presented comparatively with 1 January - 31 December 2021 period.

Covid - 19 Outbreak Effects

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

b. Changes and Errors in Accounting Estimates

If the implications of a change in accounting estimates result in a change in assets, liabilities, or equity items, the book values of the relevant asset, liability, or equity item should be changed in the period in which the change occurs. The effect of a change in an accounting estimate is recognized prospectively when it is applied to transactions, events, and conditions after the estimate has changed. Except when the period-specific or cumulative impact of the error cannot be estimated, prior period errors are addressed by retroactive restatement.

The Group management is required to make estimates and assumptions that will affect the amounts of assets and liabilities, determine the possible liabilities and commitments as of the balance sheet date, and the amounts of income and expense as of the reporting period when preparing the consolidated financial statements. Estimates and assumptions may differ from actual outcomes. These estimates and assumptions are reviewed on a regular basis, and any necessary modifications are made and reflected in the relevant period's operating results.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Significant Accounting Evaluations, Estimates and Assumptions

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

Estimates and assumptions that may cause significant adjustments to the carrying value of assets and liabilities in the upcoming financial reporting period are as follows:

Inventories : Inventories are examined physically and how old they are, and a provision is made for inventory items that are estimated to be unusable.

Provisions for employee benefits : Severance pay liability is determined by actuarial calculations based on certain assumptions including discount rates, future salary increases and employee turnover rates. Due to the long-term nature of these plans, these assumptions contain significant uncertainties.

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

Useful lives of tangible and intangible assets : The Group management makes important assumptions in determining the useful lives of tangible and intangible assets, in line with the experience of its technical team and in line with prospective marketing and management strategies especially for specific costs.

Facility, machinery and equipment are reflected in the financial statements from the fair asset values included in the asset valuation report prepared based on the valuation studies carried out by an independent professional real estate appraisal company licensed by the Capital Markets Board ("CMB"). The frequency of revaluation studies is determined to ensure that the book values of the revalued property, plant and equipment do not differ materially from their fair values at the end of the relevant reporting period. The frequency of revaluation studies depends on the change in the fair value of the items of property, plant and equipment. In cases where the fair value of a revalued asset is considered to differ materially from its carrying amount, the revaluation study needs to be repeated and is done for the entire asset class in which the revalued asset is located as of the same date. On the other hand, it is not considered necessary to repeat the revaluation studies for tangible fixed assets whose fair value changes are insignificant.

The economic depreciation period of the power plants is based on the determinations made by the technical departments regarding the economic life at the time the facility is commissioned.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

b. Changes in Accounting Policies (Continued)

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

Borrowing costs: In order to finance the construction of the power plants, the Group added the borrowing costs of the loans used in 2019 and before to the cost of the power plant, which is considered a qualifying asset.

c. Business Continuity

The Group's consolidated financial statements have been prepared in accordance with the going concern principle.

The main reason for the loss is due to foreign exchange disparities of long-term loans that have not yet been realized, according to the Group's assessment of the business's continuity and future income predictions. The Group enjoys an operating profit and positive cash flow, despite the net foreign exchange loss. It produces a lot more favorable impact to cash flow with the effect of the increase in electricity prices owing to exchange rate increase.

d. Netting/Offset

Financial assets and liabilities are shown net if the required legal right exists, there is an intention to settle the said assets and liabilities on a net basis, or there is an intention to realize the assets and the fulfillment of the liabilities simultaneously.

e. Comparative Information and Adjustment of Prior Period Financial Statements

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

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

f. Changes in Financial Reporting Standards

The accounting policies taken as basis in the preparation of the consolidated financial statements for the accounting period ending as of 31 December 2022 have been applied consistently with those used in the previous year, except for the new and amended TFRS standards valid as of 1 January 2021 and TFRYK interpretations, which are summarized below. The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

The new standards in force as of 31 December 2022 and the amendments and interpretations to the existing previous standards:

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

This amendment updates a reference to the Conceptual Framework for Financial Reporting in TFRS 3 without significantly changing the provisions of the standard.

Changes in TAS 16 - Making It Suitable for the Purpose of Use

These amendments do not allow the revenues from the sale of the items produced to be deducted from the cost of the related asset while the related property, plant and equipment is brought to the required location and condition so that it can operate under the conditions intended by the management, and requires such sales revenues and related costs to be recognized in profit or loss.

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

With the amendment made in TAS 37, it is determined whether the contract is an economically disadvantageous contract or not. It is stipulated that the estimated fulfillment costs consist of both the variable costs incurred to fulfill the contract and the amounts allocated from other costs directly related to the fulfillment of the contract.

Standards, amendments and interpretations issued but not yet effective as of 31 December 2022:

TAS 1, Application Declaration 2 and Narrow Changes in TAS 8

Effective for annual reporting periods beginning on or after 1 January 2023. These changes are intended to improve accounting policy disclosures and help financial statement users distinguish between changes in accounting estimates and changes in accounting policies.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

f. Changes in Financial Reporting Standards (Continued)

TAS 12, (Amendments) Deferred Tax on Assets and Liabilities Arising from a Single Transaction

Effective for annual reporting periods beginning on or after 1 January 2023. These amendments require deferred tax recognition on transactions that result in equal amounts of taxable and deductible temporary differences when first recognized by companies. TFRS 16, Sale and leaseback transactions; Effective for annual reporting periods beginning on or after 1 January 2024.

TFRS 16, Sales and Leaseback Transactions

Effective for annual reporting periods beginning on or after 1 January 2024. These changes include the sale and leaseback requirements in IFRS 16 that describe how an entity accounts for a sale and leaseback transaction after the transaction date. Sales and leaseback transactions where some or all of the lease payments consist of variable lease payments that are not tied to an index or rate are likely to be affected.

TAS 1, Amendments in Long-Term Obligations, Which are Contract Terms

Effective for annual reporting periods beginning on or after 1 January 2024. These changes clarify how conditions that an entity must comply with within twelve months of the reporting period affect the classification of a liability. These changes are not expected to have a significant impact on the Group's financial position and performance.

TFRS 16 (Amendments) Continuing Concessions on Rent Payments Related to COVID-19 After 30 June 2021

TFRS 16 'Leases' - amendments to extend the COVID 19 lease concessions facilitating practice (effective as of 1 April 2021); due to the COVID-19 outbreak, some privileges have been provided to tenants in rent payments. In May 2020, IASB introduced an optional facilitating practice for the tenants not to evaluate the concessions granted due to COVID-19 in the lease payments, whether there is a change in the lease, with the amendment published in the

TFRS 16 Leases standard. On March 31, 2021, IASB published an additional amendment to extend the date of facilitating implementation from June 30, 2021 to June 30, 2022. Lessees may choose to account for such lease concessions in accordance with the terms that would apply in the absence of a lease modification. This ease of application often causes the lease concession to be recognized as a variable lease payment during periods when the event or condition that triggers the reduction in lease payments occurs.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash refers to cash and demand deposits in the enterprise, and cash equivalents are short-term investments with high liquidity that can be easily converted into a certain amount of cash and have an insignificant risk of loss.

Cash equivalents are assets held for short-term cash liabilities and not used for investment or other purposes (Note: 53).

Related Parties

If one of the following criteria exists, the party is deemed to be related to the Company:

- a) Through one or more intermediaries of the said party, directly or indirectly:
- i) Controls, is controlled by, or is under joint control with the entity (including parents, subsidiaries and subsidiaries in the same line of business);
- ii) It has a share that will enable it to have significant influence over the Company; or,
- iii) has joint control over the Company;
- b) The party is an affiliate of the Company;
- c) The party is a joint venture in which the Company is a joint venture;
- d) The party is a member of the key management personnel of the Company or its parent;
- e) The party is a close family member of any individual mentioned in a) or d);
- f) the party; is an entity that is controlled, jointly controlled, or under significant influence or in which any individual mentioned in d) or e) has a significant voting right, directly or indirectly; or,
- g) The party must have post-employment benefit plans for employees of the entity or an entity that is a related party.

Financial Assets

Financial investments are accounted for at fair market value less costs directly attributable to the purchase, except for financial assets at fair value through profit or loss. Investments are recorded or derecognised on the transaction date, which is tied to a contract with the condition of delivery of investment instruments in accordance with the time period determined by the relevant market. Financial assets are classified as "financial assets at fair value through profit or loss", "financial assets measured at amortized cost" and "financial assets at fair value through other comprehensive income".

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Financial Assets (Continued)

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 that category. Financial assets that constitute derivative products that have not been determined as an effective hedging instrument against financial risk are also classified as financial assets at fair value through profit or loss.

Financial assets measured at amortized cost

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

Financial assets at fair value through other comprehensive income

In cases where the contractual terms of the financial asset are intended to collect the contractual cash flows and sell the financial asset, and in addition to that, the contractual terms of the financial asset result in cash flows that only include the principal and interest payments arising from the principal balance on certain dates, the financial asset is the fair value difference recognized in other comprehensive income. classified as.

Subsequent valuation of financial assets at fair value through other comprehensive income is made over their fair values. However, if their fair values cannot be determined reliably, for those with a fixed maturity, over the discounted price using the internal rate of return method; For those with no fixed maturity, they are valued using fair value pricing models or discounted cash flow techniques.

Unrealized profits or losses arising from the changes in the fair values of financial assets whose fair value differences are reflected in other comprehensive income and which express the difference between the amortized cost of securities calculated using the effective interest method and their fair value, are included in the "Financial Assets Value Increase/(Decrease) Fund". It is displayed under the " account. In case of disposal of financial assets whose fair value difference is reflected in other comprehensive income, the value created in the equity accounts as a result of the fair value application is reflected in the profit/(loss) for the period.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Recognition and derecognition of financial assets

The Group reflects the financial assets or liabilities on its consolidated balance sheet if it is a party to the related financial instrument agreements. The Group derecognises all or part of a financial asset only when it loses control over the contractual rights to which the assets are subject. The Group writes off financial liabilities only if the obligation defined in the contract ceases to exist, is canceled or expired.

Impairment/expected loss provision for financial assets

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 taken into account. The expected provision for loss estimate is neutral, probability-weighted, and includes supportable information about estimates of past events, current conditions, and future economic conditions.

For all financial assets, with the exception of trade receivables, where the carrying amount is reduced through the use of 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 said amount is deducted from the provision account and written off. Changes in the provision account are recognized in profit or 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 at fair value through consolidated other comprehensive income after impairment is recognized directly in equity.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Trade Receivables

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.

A "simplified approach" is applied within the scope of impairment calculations for trade receivables (with a maturity of less than 1 year) that are accounted at amortized cost in the consolidated financial statements and do not contain a significant financing component. 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 the interest expense calculated over the effective interest rate in the following periods.

Inventories

Inventories are valued at the lower of cost or net realizable value, using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs to make the sale. When the net realizable value of inventories falls below its cost, the inventories are reduced to their net realizable value and are charged to the income statement in the year in which the impairment occurred.

In cases where it is proven that the conditions that previously caused the inventories to be reduced to net realizable value no longer apply or an increase in net realizable value due to changing economic conditions, the reserve for impairment is reversed. The canceled amount is limited to the previously allocated impairment amount (Note: 10).

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Tangible Fixed Assets

The Group has adopted for the thermal power plant in accordance TAS 16 "Tangible Assets" standard the "Revaluation model" starting from 30.09.2018, based on the reasonable values determined in the valuation studies carried out by an independent valuation company accredited to the CMB.

"Peer Comparison Method" and "Cost Approach" were used to determine the fair value of the real estates belonging to Suda Maden, Çan2 Termik, one of the subsidiaries, and the "Income Approach" was used to determine the fair values of the facilities owned by Odaş Elektrik and Çan2 Termik. The choice of this approach was driven by the fact that the asset's ability to generate income is a crucial factor influencing value, and reasonable estimates of the amount and timing of future income associated with the subject asset. Revaluations are made regularly in a way that does not cause the amount to be determined by using the fair value as of the end of the reporting period to differ materially from the carrying value. The frequency of revaluations depends on the changes in the fair values of the items of property, plant and equipment subject to revaluation.

Increases in tangible fixed assets as a result 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, is the accumulated profit/(loss) from the revaluation fund each year after the deferred tax effect is netted. transferred. The same applies to tangible fixed assets as well.

The lands are not depreciated because their economic useful lives are considered to be indefinite. The estimated useful lives of these assets are as follows;

	Years
Thermic Plant	30
Land Improvements	8-50
Buildings	50
Machinery, plant and equipment	4-15
Vehicle tools and equipment	5
Furniture and Fixtures	3-15
Leasehold charges	the lesser of the lease term (days) or 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.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Tangible Fixed Assets (Continued)

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 and development activities. 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 TAS 38 "Intangible Assets"

Planned activities to obtain new technological information or findings are defined as research and research expenses incurred at this stage are recorded as expense when incurred.

The application of research findings or other information to a plan prepared to produce new or significantly improved products, processes, systems or services is defined as development and is recognized as intangible assets resulting from development if all of the following conditions are met.

Internally generated intangible assets resulting from development activities (or the development phase of an internal project) are recognized only when all of the following conditions are met;

- It is technically possible to complete the intangible asset so that it is ready for use or ready for sale.
- Intention to complete, use or sell the intangible asset
- Whether the intangible asset can be used or sold, and it is clear how the asset will generate possible future economic benefits.
- Availability of appropriate technical, financial and other resources to complete the development of the intangible asset, use or sell the asset
- The development cost of the intangible asset can be measured reliably during the development process.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Intangible Assets (Continued)

The amount of intangible assets created internally is the total amount of expenses incurred since the intangible asset meets the above-mentioned recognition conditions. When internally generated intangible assets cannot be recognized, development expenditures are recorded as expense in the period in which they are incurred. After initial recognition, internally generated intangible assets are reported at cost less accumulated depreciation and accumulated impairment losses, just like intangible assets purchased separately.

The Company purchases a portion of some intangible assets within the scope of paragraphs 27 and 32 of TAS 38. In this context, it capitalizes the costs that are obtained separately from the outside and directly associated with 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;

	Years
Rights	3-49
Computer programs	3
Preparation and Development Activities	License Period or Royalty Agreement Period

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).

Rental transactions

Group in case of tenant

The Group evaluates whether a contract is a lease or contains lease terms at the inception of the contract. The Group recognizes the right-of-use asset and the related lease liability for all leases of which it is a lessee, except for short-term leases (leases with a lease term of 12 months or less) and leases of low value assets.

For these leases, the Group recognizes the lease payments as operating expense on a straight-line basis over the lease term, unless there is another systematic basis that better reflects the timing structure in which the economic benefits from the leased assets are used.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Rental transactions (Continued)

Group in case of tenant (Continued)

In the initial recognition, lease obligations are accounted for at the present value of the lease payments that were not paid at the contract inception date, discounted at the lease rate. If this rate is not specified beforehand, the Group uses the alternative borrowing rate to be determined by itself.

Lease payments included in the measurement of the lease liability consist of:

- The amount obtained by deducting any lease incentives from the fixed lease payments (fixed payments in substance),
- Variable lease payments based on an index or rate, initially measured using an index or rate at the commencement date of the lease,
- The amount of debt expected to be paid by the lessee under residual value guarantees,
- The enforcement price of the payment options where the lessee will reasonably implement the payment options; and
- Penalty payment for the cancellation of the rental if there is a right to cancel the rental during the rental period.

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

Lease liabilities are measured by increasing the net carrying amount (using the effective interest method) to reflect the interest on the subsequent lease liability and decreasing the carrying amount to reflect the lease payment made. The Group remeasures the lease liability (and makes appropriate changes to the related right-of-use asset) when:

- When the lease liability is remeasured by discounting the revised lease payments using the revised discount rate when a change occurs in the assessment of the lease term or exercise of a purchase option.
- When the lease payments change due to changes in the index, rate, or expected payment change in the promised residual value, the adjusted lease payments are discounted using the initial discount rate and the lease liability is remeasured (the revised discount rate is used if the change in lease payments is due to a change in the variable interest rate).
- When a lease is changed and the lease modification is not accounted for as a separate lease, the revised lease payments are discounted using the revised discount rate and the lease liability is restated.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Rental transactions (Continued)

Group in case of tenant (Continued)

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

Right-of-use assets include the initial measurement of the corresponding lease liability, lease payments made on or before the commencement date, and other direct initial costs. These assets are measured at cost less accumulated depreciation and impairment losses.

A provision is recognized in accordance with TAS 36 when the group incurs costs to disassemble and dispose of a lease 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. These costs are included in the relevant right-of-use asset unless they are incurred to produce inventory.

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

Group in case of lessor

The Group, as a lessor, signs lease agreements for some of its investment properties.

Leases in which the Group is the lessor are classified as finance leases or operating leases. The contract is classified as a finance lease if, according to the terms of the lease, all the ownership risks and rewards are transferred to the lessee to a significant extent. All other leases are classified as operating leases.

If the Group is the lessor of the vehicle, it accounts for the main lease and the sublease as two separate contracts. A sublease is classified as a finance lease or an operating lease with respect to the right-of-use asset arising from the main lease.

Rental income from operating leases is accounted for using the straight-line method over the relevant lease period. The direct initial costs incurred in realizing and negotiating the operating lease are included in the cost of the leased asset and amortized on a straight-line basis over the lease term.

Finance lease receivables from lessees are accounted for as receivables for the Group's net investment in leases.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Cash flow hedges

At the date of the derivative contract, the Group determines the transactions that provide hedging against changes in the cash flows of a registered asset or liability or transactions that can be associated with a certain risk and that are likely to occur, resulting from a certain risk and that may affect profit/(loss) as cash flow hedge.

The Group presents the gains and losses on the effective hedging transaction under “hedging gains (losses)” in equity. The ineffective portion is defined as profit or loss in the profit for the period. In the event that the hedged commitment or possible future transaction becomes an asset or liability, the gains or losses related to these transactions, which are recognized as equity items, are taken from these items and included in the acquisition cost or book value of the said asset or liability. Otherwise, the amounts recognized under equity are transferred to the income statement in the period in which the hedged possible future transaction affects the income statement and reflected as profit or loss.

In case the hedging instrument is sold, expires or fails to meet the hedge accounting requirements even though it is for hedging purposes, or if one of the situations where the promised or probable future transaction is not expected to occur, it is separately in equity until the promised or probable future transaction occurs. remains classified. The promised or probable future transaction is recorded in the income statement when it occurs, or if it is anticipated that it will not occur, the accumulated gains or losses related to the transaction are reflected in the consolidated financial statements as profit or loss (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

Land and buildings held for use in the production of goods and services or for administrative purposes or for the purpose of earning rent and/or capital gains, or both, rather than being sold in the ordinary course of business, are classified as investment properties and are depreciated at cost minus accumulated depreciation (land) except) values. The cost of the investment property constructed by the company is stated over the cost at the completion of the construction or rehabilitation works. At that date, the asset becomes investment property and is therefore transferred to the investment property account item.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Borrowing Costs

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

Depending on the conditions, 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 account for 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.

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

Within the scope of TAS-23 “Borrowing Costs” standard, the group includes the principal currency difference amounts of the loans used in 2019 and before in order to finance the construction of the Qualified Assets; Assuming that the loan was used in TRY, the TRY base interest rate at the date of use of the loans is taken and the exchange differences corresponding to the TRY interest cost are added to the capitalization amount of the assets considered as qualifying assets. In the calculation made, the base interest rate is based on the representative interest rate on the date of the signed and renewed contracts in the current period for all investment loans used in case the same loans are used in TRY under the same conditions.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Provisions, Contingent Liabilities and Contingent Assets

Provision

Provisions are recognized when the Group has a present and past legal or structural obligation as of the date 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. Provision is made for any of the liabilities of the same nature, even if the probability of outflow of resources 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 obligatio

Contingent Liabilities and Assets

Contingent assets and liabilities are contingent assets and liabilities that arise from past events and whose realization is not fully under the Group's control in the future, and which is dependent on the occurrence or non-existence of one or more events.

The Group does not reflect contingent assets and liabilities in its records. Contingent liabilities are disclosed in the notes to the financial statements unless the probability of an outflow of relevant economic benefits is remote, and contingent assets are disclosed only if an inflow of economic benefits is highly probable.

Employee Benefits

a) Defined Benefit Plan

Severance pay provisions are reflected based on actuarial work in accordance with TAS 19 "Employee Benefits".

Severance pay liability represents the value of the estimated total provision as of the date of the statement of financial position, which will arise 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.

The Group calculates and reflects the severance pay on the financial statements, based on the information arising from the Company's own experience regarding the dismissal or termination of the employee's employment, and by envisaging that the vested benefits are recorded at the discounted net value.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Employee Benefits (Continued)

b) Defined Contribution Plans

The Group pays compulsory social insurance premiums to the Social Security Institution. As long as the Group pays these premiums, it has no other obligations. These premiums are reflected in personnel expenses in the period they are accrued.

Revenues

Revenues are measured at the fair value of the amount of receivables collected or receivable. Estimated customer returns, discounts and provisions are deducted from this amount.

Sales revenues

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

- The Company's transfer of all significant risks and rewards of ownership to the buyer,
- The Company does not have an ongoing administrative involvement associated with ownership and an effective control over the goods sold,
- Reliable measurement of income amount,
- It is probable that the economic benefits associated with the transaction will flow to the entity, and
- Reliable measurement of the costs incurred or to be incurred by the transaction.

Revenues are the fair value of the amount received or receivable in case of electricity delivery.

Revenues are recorded in the period in which they are incurred, on an accrual basis, over the amounts to be invoiced. Net sales are shown as invoiced electricity delivery, less sales commissions and sales taxes. The revenue obtained from the transmission costs is shown in the financial statements by netting with the related costs.

TEİAŞ Electricity Sales Revenue

It includes the sales arising from the settlement system based on all sales transactions made by the market participant in the free market settled by the free market PMUM (Market Financial Settlement Center) and due to the existence of a free market

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Revenues (Continued)

Free Consumer Electricity Sales

Sales made to all consumers who fall under the definition of eligible consumers according to the consumer limits published by EMRA.

Bilateral Agreements Electricity Sales

Both physical or service sales to wholesale companies or private manufacturing companies. Primary Frequency Control (PFK) includes the sale of services related to the transfer of this obligation by the power plants, which are obliged in the relevant legislation.

Energy Imbalance

According to the relevant legislation, when group companies combine to form a balancing group, all imbalance receivables and payables are reconciled within the body of the party responsible for the balance. The balance responsible party distributes these amounts to the balancing group members. Group imbalance items include positive imbalance receivables, negative imbalance debit and zero balance debit/credit amounts.

Interest income

Interest income is recorded as income on an accrual basis.

Rental income

Income is recorded on a periodic accrual basis.

Effects of Currency Change

Foreign currency transactions realized during the period are translated into Turkish Lira at the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currency are valued at the exchange rates prevailing at the end of the period. Exchange gains or losses arising from the valuation of monetary assets and liabilities denominated in foreign currency are reflected in the profit/(loss) statement.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Taxes calculated on corporate income and deferred tax

As Turkish Tax Legislation does not allow the parent company and its subsidiary to prepare consolidated tax returns, tax provisions have been calculated on a separate-entity basis, as reflected in the consolidated financial statements.

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

Current tax

Current year tax liability is calculated over the taxable portion of the profit for the period. Taxable profit differs from profit reported in the statement of profit or loss in that it excludes items that are taxable or deductible in other years and items that are not taxable or deductible. The current tax liability of the Group is calculated using the tax rate that has been enacted or substantially enacted as of the reporting period.

Deferred tax

Deferred tax liability or assets are determined by calculating the tax effects of the temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base, according to the balance sheet method, taking into account the enacted tax rates.

While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly probable to benefit from these differences by generating taxable profit in the future. The said assets and liabilities are not recognized if they arise from the initial recognition of the temporary difference, goodwill or other assets and liabilities related to the transaction that does not affect the commercial or financial profit/(loss) (other than business combinations).

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, unless the Group is able to control the disappearance of temporary differences and it is unlikely that the difference will disappear in the near future. Deferred tax assets arising from taxable temporary differences associated with such investments and interests are calculated on the condition that it is highly probable that the said differences will be benefited from by earning sufficient taxable profit in the near future and it is probable that the related differences will disappear in the future.

Carrying amount of deferred tax asset is reviewed at each reporting period. The carrying amount of the deferred tax asset is reduced to the extent that it is not likely to generate a financial profit that will allow some or all of the benefits to be obtained.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Deferred tax (Continued)

Deferred tax assets and liabilities are calculated over tax rates (tax regulations) that are expected to be valid in the period when the assets will be realized or the liabilities will be fulfilled and that have been enacted or significantly enacted as of the reporting date. During the calculation of deferred tax assets and liabilities, the tax results of the methods estimated by the Group to recover the book value of its assets or fulfill its liabilities as of the reporting period are taken into account.

Deferred tax assets and liabilities tax assets and liabilities on a net basis is deducted if there is a legal right to set off current tax assets and current tax liabilities, or if such assets and liabilities are associated with income tax collected by the same tax authority or if the Group intends to settle current.

Current and deferred tax

Current tax and deferred tax for the period are expense or income in the statement of profit or loss, excluding those associated with items credited or debited directly in equity (in which case deferred tax is also recognized directly in equity) or arising from the initial recognition of business combinations. In business combinations, tax effects are taken into account when calculating goodwill or determining the portion of the purchaser's share in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary exceeding the acquisition cost.

Earnings Per Share

Earnings per share stated in the income statements are calculated by dividing net income by the weighted average number of shares outstanding during the reporting period. In case of capital increase from internal sources during the period, the newly found value is considered to be valid as of the beginning of the period while calculating the weighted average of the number of shares. In TAS 33, this subject is mentioned as follows;

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

Earnings Per Share (Continued)

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

- (a) the capitalization or issue of bonus shares (sometimes referred to as a dividend in share);
- (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) stock split; and
- (d) Consolidation of shares by increasing the par 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.

Events After the Statement of Financial Position Date

Events after the statement of financial position date; It covers all events between the date of the statement of financial position and the date of authorization for issue of the statement of financial position, even if they arise after any announcement regarding profit or the public disclosure of other selected financial information.

Group; In case of occurrence of events that require adjustment after the date of the statement of financial position, the amounts included in the financial statements are adjusted in accordance with this new situation. Matters that do not require adjustment after the date of the statement of financial position are disclosed in the footnotes of the financial statements if they affect the economic decisions of the users of the financial statements.

Cash Flow Statement

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 arising from operating activities show cash flows arising from the activities of the Company. 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, bank deposits and short-term, highly liquid investments with a maturity of 3 months or less that can be easily converted into cash.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

g. Summary of Significant Accounting Policies (Continued)

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 notes.

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: Data that are directly observable (through prices or indirectly (derived from prices)) in terms of assets or liabilities, excluding recorded prices in Level 1;

Level 3: Data on assets or liabilities that are not based on observable market data (non-observable data)

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 56.081.727 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. INTEREST IN OTHER ENTITIES

The company purchased 200,000 company 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, the establishment of which is partnered, 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 December 2021: 200.000 TRY).

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4. INTEREST IN OTHER ENTITIES (Continued)

YS Maden, which is within the scope of full consolidation, has been a founding shareholder of Kırakdere Kömürleri Maden A.Ş. Kırakdere Kömürleri Maden A.Ş. is engaged in coal mining activities. The company has transferred its 1.56% shares of Kırakdere A.Ş. The impairment of participation amounting to 45.509.714 TRY related to mentioned transaction is reflected in the financials. While the share ratio was 25% before the capital increase in October 2022, it decreased to 1.56% before the share transfer. (31 December 2021 : 45.098.867 TRY).

5. SEGMENT REPORTING

Reporting by segments as of 31 December 2022 and 31 December 2021;

	31.12.2022					
	Mining	Energy Product	Other	Total	Elimination Effect	Consolidated Total
Current Assets	119,597,719	9,369,371,353	743,113,450	10,232,082,522	(6,000,895,963)	4,231,186,559
Fixed Assets	144,853,954	7,454,940,758	125,677,369	7,725,472,081	(507,730,728)	7,217,741,352
Total assets	264,451,673	16,824,312,111	868,790,819	17,957,554,602	(6,508,626,691)	11,448,927,911
Short Term Liabilities	199,861,092	7,692,588,169	859,949,848	8,752,399,110	(5,799,070,897)	2,953,328,213
Long-Term Liabilities	18,081,622	2,022,178,412	2,353,530	2,042,613,564	--	2,042,613,564
Total Liabilities	217,942,714	9,714,766,581	862,303,379	10,795,012,674	(5,799,070,897)	4,995,941,777
Equities	51,171,786	7,104,882,699	6,487,443	7,162,541,928	(709,555,794)	6,452,986,134

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5. SEGMENT REPORTING (Continued)

01.01.2022 - 31.12.2022						
PROFIT OR LOSS	Mine	Energy Product	Other	Total	Elimination Effect	Consolidated Total
Revenues	165,342,749	13,582,274,525	3,602,881	13,751,220,155	(6,110,563,507)	7,640,656,648
Cost of sales (-)	(129,622,026)	(10,412,752,669)	--	(10,542,374,696)	6,108,594,164	(4,433,780,532)
GROSS PROFIT/LOSS	35,720,723	3,169,521,855	3,602,881	3,208,845,459	(1,969,343)	3,206,876,116
General and Administrative Expenses (-)	(7,499,951)	(89,974,497)	(7,549,431)	(105,023,879)	352,336	(104,671,543)
Marketing Expenses (-)	(10,108,087)	(196,986)	--	(10,305,073)	3,548	(10,301,525)
Other Income from Main Operations	17,460,925	116,564,129	110,411,685	244,436,739	(71,835,787)	172,600,952
Other Expenses from Main Operations (-)	(27,267,794)	(140,629,779)	(110,484,530)	(278,382,103)	80,157,574	(198,224,530)
OPERATING PROFIT/LOSS	8,305,816	3,055,284,722	(4,019,395)	3,059,571,143	6,708,328	3,066,279,470
Income from Investment Activities	691,819	28,870,493	--	29,562,312	--	29,562,312
Expenses from Investment Activities (-)	(412,301)	(45,097,413)	--	(45,509,714)	--	(45,509,714)
OPERATING PROFIT/LOSS BEFORE FINANCIAL EXPENSES	8,585,334	3,039,057,802	(4,019,395)	3,043,623,741	6,708,328	3,050,332,068
Financing Income	26,626,901	801,944,828	14,731,668	843,303,397	(215,523,450)	627,779,947
Financial Expenses (-)	(47,141,807)	(1,220,370,077)	(462,400)	(1,267,974,283)	207,105,719	(1,060,868,563)
PROFIT/LOSS FROM CONTINUING OPERATIONS BEFORE TAX	(11,929,572)	2,620,632,553	10,249,873	2,618,952,855	(1,709,403)	2,617,243,452
Continuing Operations Tax Expense/Income	(4,293,901)	249,885,537	(2,839,068)	242,752,569	--	242,752,569
Period Tax Expense/Income	(3,632,663)	(241,693,410)	(430,437)	(245,756,510)	--	(245,756,510)
Deferred Tax Expense/Income	(661,238)	491,578,948	(2,408,631)	488,509,079	--	488,509,079
PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS	(16,223,473)	2,870,518,090	7,410,805	2,861,705,424	(1,709,403)	2,859,996,021
PROFIT/LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	--	(95,944)	--	(95,944)	--	(95,944)
PROFIT/LOSS FOR THE PERIOD	(16,223,473)	2,870,422,146	7,410,805	2,861,609,480	(1,709,403)	2,859,900,077

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5. SEGMENT REPORTING (Continued)

31.12.2021						
	Mine	Energy Product	Other	Total	Elimination Effect	Consolidated Total
Current Assets	137,630,011	2,320,684,635	277,418,075	2,735,732,720	(1,622,192,434)	1,113,540,286
Fixed Assets	130,406,223	6,217,037,247	839,392	6,348,282,862	(493,148,219)	5,855,134,643
Total assets	268,036,234	8,537,721,882	278,257,467	9,084,015,582	(2,115,340,653)	6,968,674,929
Short Term Liabilities	173,301,573	2,015,704,777	279,940,064	2,468,946,414	(1,171,789,062)	1,297,157,352
Long-Term Liabilities	26,509,676	2,228,047,740	1,561	2,254,558,977	(248,674,251)	2,005,884,726
Total Liabilities	199,811,249	4,243,752,517	279,941,625	4,723,505,391	(1,420,463,313)	3,303,042,077
Equity	68,224,985	4,293,969,365	(1,684,158)	4,360,510,191	(694,877,340)	3,665,632,853

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5. SEGMENT REPORTING (Continued)

01.01.2021 - 31.12.2021						
PROFIT OR LOSS	Mining	Energy Product	Other	Total	Elimination Effect	Consolidated Total
Revenues	103,807,455	1,454,420,331	1,591	1,558,229,377	(112,627,886)	1,445,601,491
Cost of sales (-)	(63,520,219)	(1,104,690,021)	--	(1,168,210,240)	105,031,076	(1,063,179,164)
GROSS PROFIT/LOSS	40,287,236	349,730,310	1,591	390,019,137	(7,596,811)	382,422,327
General and administrative expenses (-)	(2,464,230)	(39,846,162)	(37,779)	(42,348,171)	71,310	(42,276,860)
Marketing Expenses(-)	(11,237,628)	(475,115)	--	(11,712,743)	--	(11,712,743)
Research & Development Expenses	--	--	(7,525,500)	(7,525,500)	7,525,500	--
Other Income from Main Operations	11,230,866	79,122,414	73,007	90,426,287	(38,814,622)	51,611,665
Other Expenses from Main Operations (-)	(13,851,735)	(164,256,160)	(40,547)	(178,148,441)	59,036,879	(119,111,563)
OPERATING PROFIT/LOSS	23,964,510	224,275,288	(7,529,228)	240,710,569	20,222,257	260,932,826
Income from Investment Activities	--	170,189,568	--	170,189,568	(169,772,162)	417,405
Expenses from Investment Activities (-)	(214,561)	(25,424)	--	(239,985)	--	(239,985)
Shares of Profits/Losses of Investments Valued by Equity Method	--	18,034,231	--	18,034,231	--	18,034,231
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSES	23,749,949	412,473,663	(7,529,228)	428,694,383	(149,549,905)	279,144,477
Financing Incomes	23,325,239	398,327,373	18,825,001	440,477,612	(71,703,466)	368,774,146
Financial Expenses (-)	(21,676,305)	(827,380,759)	(12,859,793)	(861,916,856)	51,579,383	(810,337,473)
PROFIT/LOSS FROM CONTINUING OPERATIONS BEFORE TAX	25,398,883	(16,579,724)	(1,564,020)	7,255,139	(169,673,987)	(162,418,850)
Continuing Operations Tax Expense/Income	(4,972,202)	164,662,181	390,303	160,080,281	--	160,080,281
Period Tax Expense/Income	(1,597,323)	--	(135,539)	(1,732,862)	--	(1,732,862)
Deferred Tax Expense/Income	(3,374,879)	164,662,181	525,842	161,813,143	--	161,813,143
PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS	20,426,681	148,082,457	(1,173,717)	167,335,420	(169,673,987)	(2,338,569)
PROFIT/LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	--	98,173	--	98,173	--	98,173
PROFIT/LOSS FOR THE PERIOD	20,426,681	148,180,630	(1,173,717)	167,433,593	(169,673,987)	(2,240,396)

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6. RELATED PARTIES

i) Balances with related parties as of 31 December 2022 and 31 December 2021;

a) Short-term trade receivables from related parties :

	31.12.2022	31.12.2021
Hydro Kontrol Elektrik Üretim A.Ş.	19,208,594	13,368,562
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	7,312,766	13,328,579
Kısrakdere Maden A.Ş.	272,906	44,533
Batı Trakya Madencilik A.Ş.	17,500	12,552,520
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	--	11,214,101
TOTAL	26,811,766	50,508,295
<i>Deduction: Unaccrued financial expenses</i>	<i>(1,796,322)</i>	<i>(5,768,466)</i>
TOTAL	25,015,444	44,739,829

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6. RELATED PARTIES (Continued)

b) Other short-term receivables from related parties:

	31.12.2022	31.12.2021
Abdulkadir Bahattin Özal	10,343,420	211,290
Burak Altay	8,131,124	141,111
Süleyman Sarı	2,393,230	2,389,180
Müjgan Özal	1,930,784	1,767,803
Onur Yıldız	1,829,720	--
Mustafa Ali Özal	1,547,759	1,417,394
Fatimetüz Zehra Özal	1,545,470	1,415,105
Hafize Ayşegül Özal	1,544,409	1,414,044
Mehmet Fatih Özal	528,815	485,360
Korkut Enes Özal	524,503	481,048
Hafize Büşra Özal	483,946	460,491
Tahsin Yazan	106,200	4,802,388
Tron Enerji Yatırım San. Ve Tic.AŞ.	47,008	44,010
Akra Madencilik San. Ve Tic. AŞ	10,971	112,022
Rey Bilişim Hizmetleri Tic. Ltd. Şti.	936	936
Kerem Emir Yazan	--	1,272,811
Kısrakdere Maden AŞ.	--	770,202
Onur Mining	--	89,593
Bb Enerji Yatırım San.Tic.AŞ.	--	66,174
Hidro Kontrol Elektrik Üretim AŞ	--	59,068
Eylül Elektromekanik Enerji San ve Ltd Şti	--	57,357
Arsın Enerji Elektrik Üretim Sanayi Ticaret AŞ.	--	29,251
Batı Trakya Madencilik AŞ.	--	15,589
TOTAL	30,968,295	17,502,227
<i>Deduction: Unaccrued financial income</i>	<i>(4,532)</i>	<i>(169,336)</i>
TOTAL	30,963,763	17,332,891

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6. RELATED PARTIES (Continued)

c) Short-term trade payables to related parties:

	31.12.2022	31.12.2020
Arsın Enerji Elektrik Üretim Sanayi Ticaret AŞ.	2,304,122	4,734,708
Öztay Enerji Elektrik Üretim San. AŞ.	--	700,794
Batı Trakya Madencilik AŞ.	--	--
Kısrakdere Maden AŞ.	--	474,706
TOTAL	2,304,122	17,502,227
<i>Deduction: Unaccrued financial income</i>	<i>--</i>	<i>(634,820)</i>
TOTAL	2,304,122	17,502,227

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6. RELATED PARTIES (Continued)

d) Other short-term payables to related parties:

	31.12.2022	31.12.2021
Ogma Ssh Fz Llc	135,560,291	100,147,593
Ena Elektrik Üretim Ltd.Şti	526,165	526,165
Esin Ersan	20,000	20,000
Burak Altay	15,000	15,000
Abdulkadir Bahattin Özal	12,500	93,177
Bb Enerji Yatırım San.Tic.AŞ.	12,248	1,483,705
Fethiye Çiftlik Tur. AŞ.	9,815	--
Hidro Kontrol Elektrik Üretim AŞ	9,515	--
Hidayet Büküm	3,673	3,673
Arsın Enerji Elektrik Üretim Sanayi Ticaret AŞ.	478	--
Kerem Emir Yazan	--	678,832
Öztay Enerji Elektrik Üretim San. AŞ.	--	286,820
Akra Petrol San.Tic.AŞ.	--	24,221
Hafize Ayşegül Özal	--	20,000
Batı Trakya Madencilik AŞ.	--	5,221
Bahattin Özal&Burak Altay Adi Ortaklık	--	4,700
HK Yatırım Elektrik Üretim San.Tic.Ltd.Şti	--	1,143
TOTAL	136,169,685	103,310,250
<i>Deduction: Unaccrued financial income</i>	<i>(42,180)</i>	<i>(132,610)</i>
TOTAL	136,127,505	103,177,640

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6. RELATED PARTIES (Continued)

ii) Significant sales to and purchases from related parties:

Purchases from Related Parties	01 January - 31 December 2022	01 January - 31 December 2021
Hidro Kontrol Elektrik Üretim AŞ	10,652,595	--
Batı Trakya Madencilik AŞ.	7,273,376	--
Arsin Enerji Elektrik Üretim San. Tic. AŞ	1,493,287	775,292
Rey Bilişim Hizmetleri Tic. Ltd. Şti.	247,138	--
Kısrakdere Maden AŞ.	--	25,672,990
TOTAL	19,666,396	26,448,282

Sales to Related Parties

	01 January - 31 December 2022	01 January - 31 December 2021
Kısrakdere Maden AŞ	6,571,253	--
Batı Trakya Madencilik AŞ	2,375,369	1,932,753
Burak Altay	1,334,644	--
Arsin Enerji Elektrik Üretim San. Tic. AŞ	1,284,155	2,175,065
Abdulkadir Bahattin Özal	1,084,751	--
Hidro Kontrol Elektrik Üretim AŞ	437,320	2,165,295
Müjgan Özal	162,981	192,126
Fatimetuz Zehra Özal	130,364	153,677
Hafize Ayşegül Özal	130,364	153,677
Mustafa Ali Özal	130,364	153,677
Akra Madencilik San. Ve Tic. AŞ	90,525	--
Hafize Büşra Özal	43,455	51,226
Korkut Enes Özal	43,455	51,226
Mehmet Fatih Özal	43,455	51,226
Öztay Enerji Elektrik Üretim Sanayş AŞ.	--	1,718,951
TOTAL	13,862,455	8,798,899

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6. RELATED PARTIES (Continued)

Remuneration and similar benefits provided to the top management in the 12-month accounting period of 2022 are as follows;

a) Short-term benefits provided to employees: The total amount of wages and similar benefits provided to the members of the Board of Directors and senior managers in the twelve-month accounting period of 2022 is 25.976.867 TRY (14.953.125 TRY in 2021).

b) Post-employment benefits: Severance pay is paid to the personnel who deserve the rights granted by law. No payment is made other than the rights arising from the Labor Law.

c) Other long-term benefits: None.

d) Benefits due to dismissal: None.

e) Share-based payments: None.

7. TRADE RECIVABLES AND PAYABLES

Trade Receivables	31 December 2022	31 December 2021
Trade Receivables	526,111,595	197,342,361
-Trade receivables from related parties	26,811,766	50,508,295
-Trade receivables from unrelated parties	499,299,829	146,834,066
Notes receivable	17,973,096	46,632,891
Doubtful trade receivables	24,298,365	22,021,320
Provision for doubtful trade receivables (-)	(24,298,365)	(22,021,320)
	544,084,691	243,975,252
<i>Deduction: Unaccrued financial expenses</i>	<i>(8,036,433)</i>	<i>(8,409,889)</i>
<i>-Receivables from related institutions</i>	<i>(1,796,322)</i>	<i>(5,768,466)</i>
<i>-Other receivables</i>	<i>(6,240,111)</i>	<i>(2,641,423)</i>
TOTAL	536,048,258	235,565,363

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7. TRADE RECIVABLES AND PAYABLES (Continued)

The movement table of the provision for doubtful receivables as of 31 December 2022 and 31 December 2021 is as follows;

	31 December 2022	31 December 2021
Balance at the beginning of the period	22,021,320	17,762,295
Additional provisions/ (payments)	2,277,045	4,259,025
TOTAL	24,298,365	22,021,320
Trade payables		
	31 Aralık 2022	31 Aralık 2021
Trade payables	695,251,220	252,678,536
-Trade payables to related parties	2,304,122	6,913,806
-Trade payables to unrelated parties	692,947,098	245,764,730
Debt Securities	3,746,399	52,488,993
Other Trade Payables	1,176,652	861,000
	700,174,271	306,028,529
<i>Deduction: Unaccrued financial income</i>	<i>(12,030,146)</i>	<i>(7,154,052)</i>
<i>-Trade payables to related parties</i>	<i>-</i>	<i>(679,521)</i>
<i>-Trade payables to unrelated parties</i>	<i>(12,030,146)</i>	<i>(6,474,531)</i>
TOTAL	688,144,125	298,874,477

8. FINANCIAL INVESTMENTS

None (31 December 2021: None).

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9. OTHER RECEIVABLES AND PAYABLES

Short Term Other Receivables

	31 December 2022	31 December 2021
<i>Receivables from related parties</i>	30,968,295	17,502,227
Other receivables	19,054,269	23,076,781
Deposits and guarantees given	5,002,297	4,839,499
Other doubtful receivables	4,068,367	1,855,446
Other doubtful receivables (-)	(4,068,367)	(1,855,446)
TOTAL	55,024,861	45,418,507
Deduction: Unaccrued financial expenses	(7,968)	(169,342)
-Receivables from related institutions	(4,531)	(169,335)
-Other receivables	(3,437)	(7)
TOTAL	55,016,893	45,249,165

The movement table of the provision for doubtful receivables as of 31 December 2022 and 31 December 2021 is as follows;

	31 December 2022	31 December 2021
Balance at the beginning of the period	1,855,446	1,968,298
Additional provisions/ Payments	2,212,921	(112,852)
TOTAL	4,068,367	1,855,446

Long Term Other Receivables

	31 December 2022	31 December 2021
Deposits and guarantees given	711,339	1,681,677
TOTAL	711,339	1,681,677

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9. OTHER RECEIVABLES AND PAYABLES (Continued)

Other Short-Term Payables

	31 December 2022	31 December 2021
<i>Related parties payables</i>	136,169,683	103,310,251
Miscellaneous other debts	2,795,954	1,983,935
Taxes and funds payable	333,185,086	23,270,183
Deposits and guarantees received	10,000	103,742
Matured, delayed or deferred tax by installments and other liabilities	115,959,376	18,959,126
Received advances	6,499,276	1,407,568
	594,619,375	149,034,805
<i>Deduction: Unaccrued financial income</i>	(57,210)	(132,610)
- Related party vendor payables	(42,179)	(132,610)
-Other debts	(15,032)	--
TOTAL	594,562,165	148,902,195

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9. OTHER RECEIVABLES AND PAYABLES (Continued)

Details of taxes and funds payables are as follows:

	31 December 2022	31 December 2021
TRT Share	764,076	2,031,055
Municipality Consumption Tax	1,324,106	1,248,610
Energy Fund	313,176	397,783
Wage Earning Income Tax Deduction	10,382,836	5,832,547
Value Added Tax	129,058,131	13,115,864
Other Tax Liabilities	191,342,761	644,324
TOTAL	333,185,086	23,270,183

Long-term Other Payables

	31 December 2022	31 December 2021
Deposits and guarantees received	18,336,684	17,024,906
Publicly Deferred or Installment Debts (*)	5,063,459	13,951,144
TOTAL	23,400,143	30,976,050

(*) Includes the long-term portion of the Group's tax office and insurance debt restructuring installments.

10. INVENTORIES

	31 December 2022	31 December 2021
Raw materials and supplies	17,696,163	9,154,429
Semi-finished (*)	362,018,394	141,027,070
Finished goods (**)	182,296,946	97,294,516
Trade goods	1,792,989	789,202
Other inventories (***)	51,631,375	45,402,299
TOTAL	615,435,867	293,667,516

(*) 303.774.098 TRY of the group's semi-finished products consists of coal and fuel oil used by Çan2 Termik, which is included in the consolidation, for electricity generation.

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10. INVENTORIES (Continued)

44.670.454 TRY of the semi-finished products consists of the raw coal extracted by YS Madencilik, which is included in the consolidation.

(**) 172.140.215 TRY of the products of the group consists of gypsum, ash and cruf obtained by Çan2 Termik from electricity generation.

(***) 34.960.916 TRY of the group's other stocks consists of thermal power plant spare parts of Çan2 Termik, which is included in the consolidation, and 7.005.040 TRY of YS Madencilik's mineral coal stocks, which is included in the consolidation.

11. LIVING ASSETS

None. (None, December 31, 2021).

12. PREPAID EXPENSES AND DEFERRED INCOME

Short Term Prepaid Expenses

	31 December 2022	31 December 2021
Order advances given (*)	32,885,726	5,685,621
Expenses for the future months	30,401,180	11,885,671
TOTAL	63,286,906	17,571,292

(*) The amount of 17.536.075 TRY and is the order advances given consists of the advances given by Çan 2 Termik A.Ş and the amount of 12.457.599 TRY is the order advances given consists of the advances given by Çan2 Trakya A.Ş. regarding production activities.

Long Term Prepaid Expenses

	31 December 2022	31 December 2021
Expenses for future months (*)	15,696,674	5,097,487
TOTAL	15,696,674	5,097,487

(*) The Group tracks the expenses related to the insurances it has taken out in the prepaid expenses account in accordance with the periodicity principle.

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12. PREPAID EXPENSES AND DEFERRED INCOME (Continued)

Deferred Income	31 December 2022	31 December 2021
Income Relating to Future Months	593,220	--
Advances received	342,212,066	63,021,514
TOTAL	342,805,286	63,021,514

13. INVESTMENT PROPERTIES

None. (None, December 31, 2021).

14. TANGIBLE ASSETS

	01.01.2022	Addition	Disposal	Transfer	Conversion Adjustments	31.12.2022
Cost						
Land and parcels	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 devices	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
Investment in progress	398,151,830	62,553,057	(600,128,337)	291,099,659	1,667,722	153,343,931
Exploration 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 devices	(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 ASSETS (Continued)

	01.01.2021	Addition	Disposal	Transfer	Revaluation	31.12.2021
Cost						
Land and parcels	56,918,004	2,086,643	(40,000)	--	109,288,505	168,253,152
Land Improvements	150,000	--	--	--	--	150,000
Buildings	1,143,325	--	--	--	1,215,225	2,358,550
Plant, machinery and devices	2,606,711,523	100,849,490	(59,701,628)	14,281,439	2,589,281,022	5,251,421,846
Vehicles	10,103,930	7,129,935	(423,591)	--	13,314,857	30,125,132
Furniture and fixtures	10,698,061	2,178,644	(37,850)	--	--	12,838,855
Investment in progress	75,535,877	336,897,394	--	(14,281,439)	--	398,151,831
Exploration expenses	-	167,381	--	--	--	167,381
Total	2,761,260,720	449,309,487	(60,203,069)	--	2,713,099,609	5,863,466,747
Accumulated Depreciation						
Land Improvements	(150,001)	--	--	--	--	(150,001)
Buildings	(261,428)	(32,123)	--	--	--	(293,551)
Plant, machinery and devices	(229,815,170)	(62,208,458)	7,115,922	--	--	(284,907,706)
Vehicles	(4,583,496)	(1,345,099)	166,030	--	(110,798)	(5,762,565)
Furniture and fixtures	(5,365,047)	(1,436,142)	8,130	--	--	(6,793,058)
Total	(240,175,142)	(65,021,822)	7,290,082	--	--	(297,906,881)
Net Book Value	2,521,085,578	384,287,665	(52,912,987)	--	2,713,099,609	5,565,559,866

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14. TANGIBLE 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 (DNA). 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 (DNA). The asset value of Can 2 Thermal Power Plant as of 31 December 2021, reflected in the financial statements over the values in the Asset Valuation Report dated 12.01.2022 prepared in accordance with the general principles to be followed in the valuation of non-real estate assets and International Valuation Standards in accordance with the decision of the Capital Markets Board dated 11 April 2019 and numbered 21/500. The asset value of Can 2 Thermal Power Plant has been determined as TRY 4.684.505.558 by the authorized valuation institutions according to the income method (DNA).

In the valuation report of Odaş Elektrik’s Natural Gas Cycle Power Plant dated October 4, 2018, prepared as of September 30, 2018, the value of the investment was determined as TRY 233.765.243 according to the income method (DNA). As of 31 December 2019, the value of the facility according to the income method (DNA) in the report dated 17.02.2020 prepared by an authorized valuation institution in accordance with the Capital Market Board’s decision dated 11 April 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 31.12.2022, the activation process of Odas Ca Uzbekistan Natural Gas Cycle Power Plant has been made, and a 25-year depreciation has been started over amount of 1.059.080.410 TRY.

“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. method” was used.

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

Investment projects on the basis of subsidiaries and total investment expenditure amounts as of 31 December 2022 regarding the ongoing investments of the Group are given below.

Company/Subsidiary	Investment Detail	Amount
YS Madencilik	Coal Mine Plant	10,640,331
Suda Maden	Enrichment Plant	51,822,572
Çan2 Termik	Modernization	90,133,619
Zenn Yatırım	Tourism	747,408
TOTAL		153,343,931

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15. RESTORATION AND ENVIRONMENTAL REHABILITATION FUNDS FROM INTEREST ON RIGHTS

None. (None, December 31, 2021).

16. INVESTMENTS VALUED BY THE EQUITY METHOD

Shares of Profit/(Loss) of Investments Revalued by Equity Method for the periods 1 January – 31 December 2022 and 1 January – 31 December 2021 are as follows;

	January 01 -December 31,2022	January 01 -December 31, 2021
Shares of Profit / Loss of Investments Revalued by Equity Method	--	18,034,231
TOTAL	--	18,034,231

Consists of profit/(loss) shares of Kısırkdere Kömürleri Maden A.Ş. in full consolidation which has YS Maden as it’s one of founder shareholder.

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17. INTANGIBLE ASSETS

	01.01.2022	Additions	Disposals	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

	01.01.2021	Additions	Disposals	Transfer	31.12.2021
Cost					
Rights	10,192,546	3,457,015	(170,808)	--	13,478,753
Other Intangible Assets	6,571,326	11,525	--	--	6,582,851
Preparation and Development Expenses	82,427,497	7,596,132	--	--	90,023,629
Total	99,191,369	11,064,672	(170,808)	--	110,085,233
Accumulated Amortization					
Rights	(5,453,603)	(896,904)	34,899	--	(6,315,608)
Other Intangible Assets	(624,686)	(16,636)	--	--	(641,322)
Preparation and Development Expenses	(12,513,738)	(7,956,516)	--	--	(20,470,254)
Total	(18,592,027)	(8,870,056)	34,899	--	(27,427,184)
Net Book Value	80,599,342	2,194,616	(135,909)	--	82,658,049

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17. INTANGIBLE ASSETS (Continued)

The Group's expenditures for the preparation and development of existing mineral resources (drilling works, valuation and topographic, geological studies) are capitalized as intangible assets.

The license transfer of the coal mine with license number IR:4327 (17517) in Yel Enerji took place on July 15, 2015. Amortization begins when the intangible asset is ready for use (as of the license transfer date), that is, when it is in the position and condition necessary for it to operate as intended by management.

The amounts taken into assets as development expenses at Çan2 Thermic are further related to the mining coal whose operating rights have been obtained with the operating contract for the mining coal field located in Çan2 Thermal and the Yayaköy Village of the Çan district of Çanakkale province with license number İR.17448 on 9 July 2013. Expenditures such as land measurement, testing and drilling, architectural engineering, land damage costs, construction equipment rental services made at the previously operated mine site were capitalized as development expenses and started to be amortized over the term of the royalty contract.

Preparation and Development Expenses capitalized in Suda Maden consist of the expenses related to drilling, sampling and mine development studies carried out in antimony fields in relation to the operating licenses numbered 34412 and 43169.

Preparation and Development Expenses capitalized in Anadolu Export are amounts related to gold-silver mine drilling, analysis and geophysical costs in Kütahya Karaağaç. Drilling activities are ongoing and amortization will begin when the intangible asset is in the position and condition necessary for it to operate as intended by management.

Preparation and Development studies amount of 22.198.133 TRY have been carried out for YS Maden Çorum Dodurga closed mine. Since the period of April 2018, depreciation has been started due to the commissioning of the closed pit operation and the start of the coal extraction process.

18. GOODWILL

Goodwill amounting to TRY 56.081.727 (31 December 2021: TRY 42.101.138) arising from the acquisition of businesses under common control, as goodwill cannot be included in the financial statements since business combinations under common control are accounted for using the combination of rights method, as an equalizing account under shareholders' equity. Effect of Mergers Including Enterprises or Businesses" (Note 30).

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19. EVALUATING AND RESEARCHING OF MINE RESOURCES

The Group's expenditures for the preparation and development of existing mineral resources are considered as intangible assets.

The total amount of preparation and development expenditures capitalized as of 31 December 2022 is as follows on the basis of subsidiaries.

Subsidiaries	The Amount of Preparation and Development Expenditures
Yel Enerji	6,017,358
Çan2 Termik	3,025,247
Çan2 Trakya	33,798,317
Anadolu Export	28,035,440
Suda Maden	6,167,018
Ys Madencilik	22,198,133
TS Anadolu	4,297,112
TOTAL	103,538,625

20. RIGHT OF USE ASSETS

	01.01.2022	Additions	Disposals	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

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20. RIGHT OF USE ASSETS (Continued)

	01.01.2021	Additions	Disposals	Transfer	31.12.2021
Cost - Vehicles					
Right-of-use assets	6,077,622	1,145,851	--	--	7,223,474
Total	6,077,622	1,145,851	--	--	7,223,474
Accumulated Depreciation - Vehicles					
Right-of-use assets	(1,467,764)	(1,924,031)	--	--	(3,391,795)
Total	(1,467,764)	(1,924,031)	--	--	(3,391,795)
Net Book Value	4,609,858	--	--	--	3,831,679

The Group has included lease liabilities, which represent the operational lease payments that it is obliged to pay rent, in its consolidated financial statements. The details of the Group's accounting in accordance with TFRS 16 Leases are explained in Note 2.

21. SERVICE CONCESSION ARRANGEMENTS

None. (None, December 31, 2021).

22. IMPAIRMENT OF ASSETS

As of 31 December 2022 and 31 December 2021, the Group's trade receivables are impaired, and the amount of impairment is shown in the relevant financial statement items (Note 7).

As of 31 December 2022 and 31 December 2021, the Group has impairment in tangible and intangible assets, and the amount of impairment is shown in the relevant financial statement items. (Note 14, 17)

23. GOVERNMENT INCENTIVES

Çan 2 Thermal A.Ş. The investment incentive certificate numbered 117824, dated February 6, 2015, issued by the Republic of Turkey Ministry of Economy, General Directorate of Incentive Implementation and Foreign Capital, was revised with the number C117824 dated September 18, 2017. The investment subject to the certificate is a domestic coal-based electricity generation power plant (Çan 2 Thermal Power Plant) with an installed capacity of 340 MW, and the incentive certificate was issued in accordance with EMRA's pre-license dated 10 July 2014 and numbered PRE/5117-5/03070.

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23. GOVERNMENT INCENTIVES (Continued)

The investment incentive certificate has been given for a completely new investment in Çanakkale Çan 2nd region and covers the period of 13 August 2014-12 February 2019. With the document, employers' share of Insurance Premium Support, Interest Support, Tax Reduction Rate Support, VAT exemption and Customs Tax exemption incentives are utilized. The total amount of the investment is 801,789,866 TRY. With the letter of the Ministry of Industry and Technology dated 10.08.2020 and numbered 401.06, the Incentive Certificate closing procedures were completed. (Completion visa has been made)

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 to the certificate is the modernization of a domestic coal-based electricity generation power plant (Çan 2 Thermal Power Plant) with an installed capacity of 340 MW, and the incentive certificate was issued in accordance with EMRA's Generation License dated 28 January 2016 and numbered UE/6083-2/03428.

In the name of Suda Maden A.Ş.; There is an investment incentive certificate dated 6 October 2017 and numbered 132950, issued by the Republic of Turkey Ministry of Economy, General Directorate of Incentive Implementation and Foreign Capital. The investment subject to the document has been issued in accordance with the license numbered IR:34412 for the "Antimoan Ore Enrichment Facility".

The investment incentive certificate has been given for the modernization investment made in the 4th region of Kütahya Gediz and covers the periods from September 8, 2017 to September 8, 2020. With the document, insurance premium employer's share support, interest support, tax reduction rate support, VAT exemption incentives are used. The total amount of the investment is 14.500.000 TRY.

YS Madencilik San. ve Tic.Ltd.Şti.; There is an investment incentive certificate dated 24 July 2017 and numbered 131389, issued by the Republic of Turkey Ministry of Economy, General Directorate of Incentive Implementation and Foreign Capital. The investment subject to the document has been issued in accordance with the license numbered 'Hard Coal Mining' IR:80272.

The investment incentive certificate has been given for a completely new investment in Çorum Dodurga 4th Region and covers the period of 16 June 2017-16 June 2020. With the document, VAT exemption, Customs Duty Exemption, Insurance Premium Employer's Share Support, Interest Support and Tax Deduction incentives are used.

24. BORROWING COSTS

None. (None, December 31, 2021).

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25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Other Short Term Provisions

	31 December 2022	31 December 2021
Balance at the beginning of the period	1,965,068	2,465,575
Additional provision/(payment) (-) (Note 34)	(8,471)	(500,507)
Period-end balance	1,956,597	1,965,068

Other long-term provisions

	31 December 2022	31 December 2021
Mine restoration provisions (*)	202,598	185,044
TOTAL	202,598	185,044

(*) *In paragraph 11 of TFRS-6 Standard; It is said that as a result of undertaking the exploration and evaluation of mineral resources, an enterprise reflects its removal and restoration obligations for a certain period of time in the financial statements according to the "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 License No:17448 field will be operated as closed operation and open operation. Extension projects including this scope were submitted to Migem for approval. After the open operation, it will be switched to closed operation. There will be no stripping work on the surface during the closed operation periods.

The area where stripping is done in open pit will be used as an ash storage area within the scope of Çan 2 thermal power plant, as stated in the EIA report. Following the completion of the economic life of the site, it will be arranged with a relay work, afforestation will be done and abandoned. The estimated cost for terracing and afforestation will be around 300.000 TRY.

Stripping work will be carried out on an area of approximately 150 decare. Due to the extension project, there are 100 trees per acre. Due to the soil structure of the region, the approximate decare relay cost is calculated around 2.000 TRY in this way. Total cost for 150 decare area is calculated as 150*2.000 TRY = 300.000 TRY.

Mine Restoration Provision

	31 December 2022	31 December 2021
Balance at beginning of period	185,044	185,044
Additional Provision / Payment (-)	17,554	--
Balance at the end of the period	202,598	185,044

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25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

This study will be carried out after the open pit has completed its economic life and will be realized at the end of 20 years, estimated.

The discounted amount of the total cost of 300.000 TRY to the present value is 202.598 TRY.

In the evaluation made by the technical team at Yel Enerji and Suda Maden, it was foreseen that no stripping work would be carried out. Therefore, no provision has 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. General Loan Agreement signed between Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch was used. An agreement was signed with the pledger's share for all of the shareholders shares in Çan2 Termik A.Ş. In the appendix, 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 Loan Agreement signed between Çan2 Termik A.Ş. and the Assignment of Receivables and Pledge Agreement without surrendering the possession. The amount 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 the hypothec is 2.614.500.000 TRY and 558.900.000 Euros.

Warranty

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)

Assignment

Yapı Kredi Bank A.Ş. EPIAŞ Transfer of Receivables Agreement with Esenyurt Commercial Branch:

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

Yapı Kredi Bank A.Ş. EÜAŞ Transfer of Receivables Agreement with 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. Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. It is the assignment given in favor of Kozyatağı Commercial Branch, based on the electricity sales contract dated 24.12.2020 signed between Çan2 Termik A.Ş and EÜAŞ.

Guarantees

The guarantees given by the Group are as follows:

	GUARANTEES, PLEDGES, HYPOTHECS	31.12.2022	31.12.2021
A)	Total amount of TRI was given for its own legal entity	13,051,614	4,225,241
B)	Partnerships includes scope of full consolidation	19,665,031,960	16,993,382,800
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>i)</i>	<i>Total amount of TRI was given on behalf of main partner</i>	--	--
<i>ii)</i>	<i>Total amount of TRI was given to companies except B and C article</i>	--	--
<i>iii)</i>	<i>Total amount of TRI was given to third parties except C article</i>	--	--
	Total	19,678,083,574	16,997,608,041

The ratio of the guarantees, pledges and mortgages given by the company to its own resources is 3.05 (31 December 2021: 4.64).

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25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

The guarantees received by the Group are as follows:

	31.12.2022	31.12.2021
Received Guarantee Letters	282,450,646	12,065,041
Received Guarantee Cheques	--	3,024,115
Received Guarantee Bills	--	2,859,266
	282,450,646	17,948,422

26. COMMITMENTS

None. (31 December 2021: None.)

27. EMPLOYEES BENEFIT OBLIGATIONS

a. Short Term

Liabilities within the Scope of Employee Benefits

	31 December 2022	31 December 2021
Due to personnel	9,777,312	4,167,398
Social security premium payables	5,916,059	5,200,080
Other payables	76,362	53,732
Total	15,769,733	9,421,210

The balance of the payables to the personnel is accrued on the payroll as of the relevant dates, and the social security deductions belonging to the employee and the employer, which will be declared on the twenty-third of the following month and paid until the end of the month. consists of premium debts.

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27. EMPLOYEES BENEFIT OBLIGATIONS (Continued)

Provision for Vacation

Between 31.12.2022 and 31.12.2021, the transaction of the provision for vacation is presented below:

	31 December 2022	31 December 2021
Transfer from Previous Period	5,253,619	2,892,631
Provision Allocated During the Period	7,634,187	2,360,988
TOTAL	12,887,806	5,253,619

b. Long-term

Provision for Severance Pay

In accordance with the current labor law, companies are obliged to pay a certain amount of severance pay to personnel who quit their job due to retirement after serving at least one year or who are dismissed for reasons other than resignation and bad behavior. The compensation to be paid is equal to one month's salary for each year of service and this amount is limited to 17.904,62 TRY (31 December 2021: 10.596 TRY) as of 31 December 2022.

In order to calculate the Group's liabilities in accordance with TAS 29 (Employee Benefits), a calculation made with actuarial assumptions is required. The Group has calculated the provision for severance pay, using the "Projection Method" in accordance with TAS 29, based on the Group's experience in completing the personnel service period and entitlement to severance pay in previous years and reflected it in the financial statements.

Severance pay provision is set aside by calculating the present value of the probable obligation to be paid in case of retirement of the employees. Accordingly, the actuarial assumptions used to calculate the liability as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
Discount rate	%21,44	%18,90
Estimated rate of increase	%17,78	%15

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27. EMPLOYEES BENEFIT OBLIGATIONS (Continued)

Employees benefit obligations movements as of December 31, 2022 - December 31, 2021 are as follows

	31 December 2022	31 December 2021
Transfer	2,256,336	1,275,937
Payment	1,766,738	1,885,262
Interest cost	490,284	236,169
Current service cost	(1,543,726)	(1,585,589)
Actuarial gain/(loss)	2,336,123	444,557
Balance	5,305,755	2,256,336

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28. EXPENSES ACCORDING TO THEIR QUALIFICATIONS

The details of the cost of sales for the periods 1 January - 31 December 2022 and 1 January - 31 December 2021, according to their qualifications, are as follows;

	01 January - 31 December 2022	01 January - 31 December 2021
Day-Trade Debt Amount	1,134,358,199	144,837,852
TEİAŞ/Epiaş other expenses	890,719,398	1,200,550
Coal usage cost	721,681,510	197,506,857
Energy imbalance amount	422,513,153	145,096,489
Distribution companies system usage cost	281,167,750	25,516,269
Depreciation and amortization expense	219,095,549	64,748,726
Natural gas use	177,312,361	3,072,742
Personnel expense share	120,654,383	54,910,230
Maintenance and repair expense	63,297,745	8,786,598
Coal selling cost	62,003,060	38,922,384
Diesel Usage Cost	52,298,236	10,812,007
Cost of selling the product from production	50,768,553	52,241,969
Day Ahead system purchase amount	45,355,466	106,456,035
System Usage and Operation Fee	41,303,014	34,295,431
Antimony selling cost (-)	39,668,660	24,173,595
Fuel oil usage cost	32,146,536	12,815,245
DGP debt amount	24,042,389	10,975,179
Insurance expenses	14,230,650	9,583,492
Other expenses	13,932,654	21,771,132
Rental Expense	10,629,961	--
Limestone usage cost	9,634,450	3,781,556
TEİAŞ/EPIAŞ RES receivable amount	5,474,151	35,740,911
Consultancy Expenses	1,492,704	--
Group companies imbalance	--	6,742,426
Bilateral agreements energy commodity cost	--	48,582,779
Reactive capacitive goods cost (-)	--	503,250
Retroactive adjustment amount	--	105,460
TOTAL	4,433,780,532	1,063,179,164

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29. OTHER ASSETS AND LIABILITIES

Other Current Assets

	31 December 2022	31 December 2021
Income accruals (*)	1,051,464,324	150,632,336
Deferred VAT	86,881,550	19,359,252
Work advances	10,552,223	12,784,939
Advances given to personnel	306,694	129,829
Advances given to suppliers	63,162,470	140,330,320
Other Various Current Assets	2,386,348	22,946,119
TOTAL	1,214,753,609	346,182,795

The details of income accruals are as follows:

	31 December 2022	31 December 2021
Accrued electricity sales income	1,037,393,854	147,397,904
Accrued natural gas sales income	--	34,432
Other accrued interest income	14,070,470	3,200,000
	1,051,464,324	150,632,336

Other Tangible Fixed Assets

	31 December 2022	31 December 2021
Given advances (*)	168,084,804	54,383,228
TOTAL	168,084,804	54,383,228

(*) As of 31 December 2022, 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. 45.514.510 TRY 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, and 112.640.965 TRY of Odaş CA's advances for thermal power plant construction.

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29. OTHER ASSETS AND LIABILITIES (Continued)

Other short term liabilities

	31 December 2022	31 December 2021
Accrued expenses	665,664,594	54,080,684
TOTAL	665,664,594	54,080,684

Expense accrual details are as follows:

	31 December 2022	31 December 2021
Electricity purchase expense accruals	663,070,806	49,271,239
Distribution companies expense accruals	--	17,378
Other expense accruals	2,593,788	4,792,067
TOTAL	665,664,594	54,080,684

Other long term liabilities

	31 December 2022	31 December 2021
Expense accruals (*)	1,440,607	3,726,299
TOTAL	1,440,607	3,726,299

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

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30. EQUITY, RESERVES AND OTHER EQUITIES

Paid-in capital

The paid-in capital structure of the Group as of 31 December 2022 and 31 December 2021 is as follows:

The nominal capital of the company is 1.400.000.000 TRY and the registered capital ceiling is 3.000.000.000 TRY. The detailed table regarding the capital structure of the Group is presented below.

Shareholder	31.12.2022		31.12.2021	
	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. AŞ.	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 Shares	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 May 2018, 0.38% 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 of 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%
Total	5,347,275	0.38%

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30. EQUITY, RESERVES AND OTHER EQUITIES (Continued)

(**) Due to the death of Mrs. Fatimetüz Zehra Özal on 4 December 2018, 0.30% of the shares amounting to 4.277.820 TRY were transferred to Gökçe Koşay and Ayşenur Koşay Erbay legally. The list of 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 issued capital of the company is 1.400.000.000 (One billion four hundred million) TRY, and all of the said issued capital has been fully paid, free of collusion.

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

Group (A) shares are used in determining the members of the Board of Directors and exercising voting rights in the General Assembly within the framework of Articles 7, 8 and 10 of this Articles of Association (Board of Directors, nomination to the Board of Directors, election of chairman and vice chairman, representation of the company and voting right in the General Assembly). has the privilege. No special rights or privileges have been granted to (B) Group shares.

In capital increases, (A) Group shares will be issued in proportion to (A) Group shares and (B) Group shares will be issued in proportion to (B) Group shares to represent the increased capital. If the Board of Directors decides to issue only (B) group shares in capital increases, (A) group shareholders are also given the right to buy (B) group shares in proportion to their capital.

Between 2020-2024, the Board of Directors, in accordance with the provisions of the Capital Markets Law and the regulations of the Capital Markets Board, when it deems necessary, to increase the issued capital by issuing new (A) and/or (B) group shares, up to the registered capital ceiling, issuing privileged shares and shares. It is authorized to take decisions regarding the limitation of the right of the holders to purchase new shares and the issuance of premium shares. It shall be monitored within the framework of dematerialization principles shares representing the capital.

The authority to restrict the right to buy new shares cannot be used in a way that causes inequality among the shareholders.

No new shares can be issued unless the issued shares are completely sold and their prices are paid.

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30. EQUITY, RESERVES AND OTHER EQUITIES (Continued)

Share acquisitions resulting in the direct or indirect acquisition of shares representing five percent or more of the capital of the company by a real or legal person, resulting in the shares of a partner exceeding five percent of the capital of the legal entity, and/or the decrease in the shares of a partner below the above ratios. EMRA approval will be obtained each time for or in the case of share transfers, and necessary material event disclosures will be made in accordance with the Capital Markets legislation. This provision also applies if voting rights are acquired. In the transfer of Group (A) shares, the Board of Directors has the authority to not approve the transfer and to refrain from recording in the share ledger, on the grounds that the purpose of the Company and the preservation of its economic independence can be achieved within the framework of the provision of Article 493 of the TCC. No restrictions may be imposed on the transfer of (B) group shares to be traded on the stock exchange.

Share 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.

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.

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30. EQUITY, RESERVES AND OTHER EQUITIES (Continued)

	31 December 2022	31 December 2021
Share premium	258,850,762	258,850,762
TOTAL	258,850,762	258,850,762

Actuarial gain/(loss) fund

Movements of the actuarial gain/(loss) fund are as follows::

	31 December 2022	31 December 2021
Balance at the beginning of the period	(987,418)	(645,109)
Current period actuarial gain/(loss)	(1,798,815)	(342,309)
TOTAL	(2,786,233)	(987,418)

Previous Year Profit/(Loss)

Accumulated profit/(losses) other than net profit for the period are netted off and shown in this item:.

Previous Year Profit/(Loss)	31 December 2022	31 December 2021
Previous year profit/(loss)	(514,466,010)	(326,903,703)
The rate of interest in subsidiaries that does not result in a loss of control. related increase/(decrease)	(3,011,937)	59,108,410
Transfers	(14,700,825)	--
Period profit/(loss)	38,892,538	(246,670,717)
TOTAL	(493,286,234)	(514,466,010)

Dividend Distribution

Publicly traded companies make their dividend distributions in accordance with the CMB's Dividend Communiqué No. II-19.1, which came into effect as of February 1, 2014.

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30. EQUITY, RESERVES AND OTHER EQUITIES (Continued)

Dividend Distribution (Continued)

Partnerships distribute their profits within the framework of the profit distribution policies to be determined by their general assembly and in accordance with the provisions of the relevant legislation. A minimum distribution rate has not been determined within the scope of the communiqué. Companies pay dividends as determined in their articles of association or dividend policy. Dividends can be paid in equal or different installments, provided that the decision is made at the general assembly meeting where the distribution is decided.

In the payment in installments, the provisions of Article 5 of the Dividend Communiqué No. II-19.1 are complied with. In addition, corporations whose shares are traded in the stock exchange may distribute advance dividends in cash over their profits included in their interim financial statements.

Unless the reserves required to be set aside in accordance with the TCC and the dividend determined for the shareholders in the articles of association or the profit distribution policy are reserved; It cannot be decided to allocate other reserves, to transfer profits to the next year, and to distribute dividends to shareholders, members of the board of directors, partnership employees and non-shareholders.

Legal Reserves

According to the Turkish Commercial Code, legal reserves I. and II. The organization is divided into two as Legal Reserves. According to the Turkish Commercial Code, primary legal reserves are set aside as 5% of the legal net profit until 20% of the paid-in capital of the company is reached. The second order legal reserves are 10% of the distributed profit exceeding 5% of the paid-in capital. According to the Turkish Commercial Code, as long as the legal reserves do not exceed 50% of the paid-in capital, they can only be used to offset losses and cannot be used in any other way.

As of 31 December 2022, the Group's Restricted Reserves Allocated from Profit amounted to TRY 15.340.077. The amount of 14.700.825 TRY is transferred to special funds from previous year losses related to tax exemption. (December 31, 2021: TRY 639.252).

Capital Advances

None. (31 December 2021: None.)

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30. EQUITY, RESERVES AND OTHER EQUITIES (Continued)

Revaluation Increase Fund

Revaluation revaluation fund movements are as follows:

31.12.2022	Facility	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	--	--	--	--
Sales (Gross)	(2,823,791)	--	--	(2,823,791)
Sales (Deferred Tax)	564,758	--	--	564,758
Revalued Amount	2,762,757,227	1,529,659	149,043,434	2,913,330,320

31.12.2021	Facility	Building	Land	Total
01.01.2021 Balance	688,643,465	448,109	39,754,929	728,846,503
Revaluation value increase (Gross)	2,608,023,211	1,215,225	109,288,505	2,718,526,941
Revaluation impairment	(5,427,332)	--	--	(5,427,332)
Deferred tax	(520,519,176)	(133,675)	--	(520,652,851)
Change of shares in subsidiaries. results (Gross)	(7,312,703)	--	--	(7,312,703)
Change of shares in subsidiaries. results (Deferred Tax)	1,608,795	--	--	1,608,795
Revalued Amount	2,765,016,260	1,529,659	149,043,434	2,915,589,353

Cash Hedging Gains and Losses

	31.12.2022	31.12.2021
Hedging gains and losses	(766,181,663)	(425,193,010)
Total	(766,181,663)	(425,193,010)

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30. EQUITY, RESERVES AND OTHER EQUITIES (Continued)

Minority shares

The details of the Group's minority share are as follows :

Minority Shares	31 December 2022	31 December 2021
Capital	75,270,568	74,797,699
Previous year profit/(loss)	(69,547,616)	(31,422,921)
Period profit/(loss)	508,715,484	(41,132,934)
TOTAL	514,438,436	2,241,844

Impact of Mergers Involving Businesses Under Common Control

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 56.081.727 (31 December 2021: TRY 42.101.138) arising from the acquisition of businesses under common control, as goodwill cannot be included in the financial statements since business combinations under common control are accounted for using the combination of rights method, as an equalizing account under shareholders' equity. Effect of Mergers Including Enterprises or Businesses". The amounts resulting from the transfer of shares of enterprises under common control in the "Effect of Change in Shares Including Joint Controlled Enterprises or Enterprises" account are shown below;

	31.12.2022	31.12.2021
Impact of Mergers Involving Businesses Under Common Control	56,081,727	42,101,138
TOTAL	56,081,727	42,101,138

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30. EQUITY, RESERVES AND OTHER EQUITIES (Continued)

Other Equities

	31 December 2022	31 December 2021
Other Equities	21,868,966	21,868,966
TOTAL	21,868,966	21,868,966

The acquisition of Suda Maden was not evaluated within the scope of TFRS-3 Business Combinations standard, and it was determined that the transaction was an asset acquisition rather than a business combination, and the difference between the total amount paid for the asset and the assets and liabilities calculated considering the registered book values of the company amounted to TRY 21.868.966. The amount is accounted for in equity.

31. REVENUE AND COST OF GOODS SOLD

Revenue :

	01 January - 31 December 2022	01 January - 31 December 2021
Domestic Sales	7,609,333,767	1,432,083,457
Electricity Sales Revenue	7,521,034,175	1,340,892,802
Mine Sales Revenues	90,862,438	64,844,552
Other Income	12,987,449	26,442,498
Sales Returns	(15,550,295)	(73,382)
Overseas sales	31,322,881	13,518,034
Foreign Mine Sales Revenue	31,322,881	13,495,022
TOTAL	7,640,656,648	1,445,601,491

32. CONSTRUCTION CONTRACTS

None. (31 December 2021: None.)

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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 December 2022 and 1 January - 31 December 2021 are as follows:

	01 January - 31 December 2022	01 January - 31 December 2021
Transportation costs	9,829,144	9,336,157
Consulting expense	330,155	257,731
Customs expense	121,758	687,052
Other	12,385	1,315,762
Annual license expense	8,083	21,576
Export expenses	--	1,000
Electricity sales commission expense	--	93,465
TOTAL	10,301,525	11,712,743

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33. GENERAL OPERATING EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (Continued)

General and administrative expenses

The details of general administrative expenses for the periods 1 January - 31 December 2022 and 1 January - 31 December 2021 according to their qualifications are as follows:

	01 January - 31 December 2022	01 January - 31 December 2021
Personnel expense	51,758,810	23,049,014
Consulting expense	12,608,033	4,700,041
Insurance expenses	6,837,441	152,193
Depreciation expenses	6,572,652	5,299,260
Declaration and contract stamp duty	5,026,439	1,728,601
Rent expense	3,756,658	358,607
Travel expense	1,716,999	315,154
Litigation Provision Expenses	1,564,894	1,394,391
Contribution expense	784,805	354,809
Representation and hospitality expenses	604,243	222,768
Fuel expense	445,258	144,236
Notary expenses	365,192	116,356
Tax expenses	150,081	96,092
Shipping expense	67,975	34,517
Capital increase/public offering expenses	--	2,103,573
Other expenses	12,412,063	2,207,248
TOTAL	104,671,543	42,276,860

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33. GENERAL OPERATING EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (Continued)

Fees for Services Obtained from an Independent Auditor/Independent Audit Firm

The Group's explanation regarding the fees for the services rendered by the independent audit firms, which is based on the POA's letter dated August 19, 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on March 30, 2021, are as follows;

	01 January - 31 December 2022
Independent audit fee for the reporting period	230,000
TOTAL	230,000

34. OTHER OPERATIONAL INCOME AND EXPENSE

Other Operational Income

	01 January - 31 December 2022	01 January - 31 December 2021
Exchange Difference Income	152,401,339	22,665,867
Prior Period Income and Profits	7,623,808	10,982,555
Rediscount Interest Income	6,626,603	3,022,928
Other Extraordinary Income	2,419,549	5,020,788
Other Operating-Related Income and Profits	1,806,179	8,922,929
Provisions no longer Required	1,723,474	996,598
TOTAL	172,600,952	51,611,665

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34. OTHER OPERATIONAL INCOME AND EXPENSE (Continued)

Other Expenses from Main Operations

	01 January - 31 December 2022	01 January - 31 December 2021
Exchange Difference Expense	81,478,472	15,763,989
Other Extraordinary Expenses and Losses	41,568,972	13,837,267
Prior Period Expenses and Losses	28,587,852	36,486,774
Other Ordinary Expenses and Losses	20,685,567	10,366,758
Non-Working Part Expenses and Losses	15,909,953	26,988,664
Provision Expenses	6,700,341	4,512,377
Rediscount Expenses	3,293,373	11,155,734
TOTAL	198,224,530	119,111,563

35. EXPENDITURES AND REVENUES FROM INVESTING ACTIVITIES

Income and Expenses from Investment Activities for the periods 1 January - 31 December 2022 and 1 January - 31 December 2021 are as follows;

	01 January - 31 December 2022	01 January - 31 December 2021
Investment activity income	29,562,312	417,405
Investment activity expenses	(45,509,714)	(239,985)
Shares of Profit/Loss of Investments Valued by Equity Method	--	18,034,231
TOTAL	(15,947,402)	18,211,651

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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 December 2022	01 January - 31 December 2021
Cost of sales	219,095,549	64,748,726
General administrative expenses	6,572,652	5,299,260
Non-working part expenses and losses	5,311,301	5,023,584
Prior period expenses and losses	--	41,973
Transferred to product cost and investment (*)	4,374,140	702,360
TOTAL	235,353,642	75,815,903

(*) There is a depreciation expense of TRY 4.374.140 remaining in the product account and investment account, which is transferred to the product cost but not sent to the selling cost.

Personnel expenses	01 January- 31 December 2022	01 January- 31 December 2021
Cost of sales	120,654,384	54,910,231
General operating expenses	51,758,810	23,049,014
TOTAL	172,413,194	77,959,245

Insurance expenses	01 January- 31 December 2022	01 January- 31 December 2021
Cost of sales	14,230,650	9,583,492
General administration expenses	6,837,441	152,193
TOTAL	21,068,091	9,735,685

Consultancy expenses	01 January- 31 December 2022	01 January- 31 December 2021
Cost of Sales	1,492,705	--
Marketing, sales and distribution expenses	326,607	257,731
General administration expenses	12,608,033	4,700,041
TOTAL	14,427,345	4,957,772

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37. FINANCIAL EXPENSE AND INCOME

Financial Income

	01 January- 31 December 2022	01 January- 31 December 2021
Exchange difference profits	555,145,546	316,402,939
Interest income	47,753,759	27,618,730
Earnings from derivative instruments	18,384,000	--
Rediscount interest income	4,959,543	858,162
Securities Sales Profit	1,537,099	23,894,314
TOTAL	627,779,947	368,774,146

Financial Expenses

	01 January- 31 December 2022	01 January- 31 December 2021
Exchange difference losses	686,600,174	456,753,817
Interest and commission expenses	371,296,476	349,112,396
Rediscount interest expenses	2,971,731	937,392
Loss on sale of securities	182	3,533,868
TOTAL	1,060,868,563	810,337,473

38. ANALYSIS OF OTHER COMPREHENSIVE INCOME

The Group's other comprehensive income / (expense) breakdown as of 31 December 2022 and 31 December 2021 is as follows:

Not Reclassified to Profit or Loss	01 January- 31 December 2022	01 January- 31 December 2021
Revaluation increase/(decrease)	--	2,713,099,609
Actuarial gains/(losses) (Note:27)	(2,336,123)	(444,557)
Deferred tax income/(expense) (Note:40)	537,308	(520,550,602)
TOTAL	(1,798,815)	2,192,104,450

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38. ANALYSIS OF OTHER COMPREHENSIVE INCOME (Continued)

Reclassified in Profit or Loss	01 January- 31 December 2022	01 January- 31 December 2021
Cash flow hedge gains/(losses)	(423,865,116)	(533,861,963)
Deferred tax income/(expense) (Note:40)	82,876,463	108,668,953
TOTAL	(340,988,653)	(425,193,010)

39. FIXED ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

A share transfer agreement was signed with FERRIT S.R.O (Czech Republic) on 29 June 2015 regarding the sale of all shares of Ena Elektrik Üretim Ltd. The transfer of share certificates has not yet taken place, and will take place after the licensing procedures at EMRA. As of 30 June 2015, Ena Elektrik has been classified as an asset held for sale in the consolidated financial statements. As of December 31, 2022, the net asset value of Ena Elektrik is TRY 599.148 (December 31, 2021: TRY 695.092).

The said sale transaction was considered as a discontinued operation in accordance with TFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" and as of 31 December 2022 the net profit/(loss) of Ena Elektrik Üretim Ltd.Şti. Income from discontinued operations is classified as expenses in the consolidated statement of profit or loss and other comprehensive income for 2022.

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

	01 January- 31 December 2022	01 January- 31 December 2021
Revenues	113,820	136,573
Expenses (-)	(255,856)	(19,726)
Pre-Tax Profit	(142,036)	116,847
Tax (-)	46,093	(18,674)
Net Profit/(Loss) for the Period	(95,944)	98,173

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

The tax income/(expenses) included in the income statement for the accounting periods of 01 January – 31 December 2022 and 01 January – 31 December 2021 are summarized below:

	01 January- 31 December 2022	01 January- 31 December 2021
Tax expense for the period	(245,756,510)	(1,732,862)
Deferred Tax Income/ Expense	488,509,079	161,813,143
Deferred Tax Reflected in Equity	83,413,771	(411,881,649)
TOTAL	326,166,340	(251,801,368)

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.

Group 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 2021 corporate tax rate was increased from 20% to 25% within the scope of the "Law on the Collection Procedure of Public Claims and Amendments to Certain Laws" published in the Official Gazette dated April 22, 2021 and numbered 31462. For 2021, this rate will be applied as of the 2nd Provisional tax return. For 2022, the corporate tax rate will be applied as 23%.

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

Assets Related to Current Period Tax:

As of 31 December 2022 and 31 December 2021, the details of current period tax assets are as follows:

	31 December 2022	31 December 2021
Prepaid taxes and funds	269,723,440	1,350,839
TOTAL	269,723,440	1,350,839

Current Period Tax Expense:

	31 December 2022	31 December 2021
Profit/(loss) before tax	2,550,109,549	14,163,840
Disallowable expenses (Including Finance Expense Restriction)	118,292,161	4,060,180
Past year loss to be deducted	(873,941,636)	(9,000,886)
Reduced corporate tax advantage arising from capital increase in cash	(187,874,322)	--
Participation Income Exemption	(1,757,456)	--
Currency Protected Deposit System Gain Exemption	(25,679,255)	--
Corporate Tax Base	1,579,149,042	9,223,134
Corporate Tax Base (23%)	873,622,785	--
Corporate Tax Base (4.6% for Investment Discounted Part)	587,435,049	--
Corporate Tax Base (15%)	116,840,119	--
Corporate Tax Base (22%)	1,251,089	--
Tax Expense	245,756,510	1,732,861
Term Tax Expense	245,756,510	1,732,861

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

Deferred Tax

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

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

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

As of 31 December 2022 and 31 December 2021, the deferred asset and deferred tax liability are reflected in the consolidated financial statements as follows.

	31.12.2022	31.12.2021
Deferred tax asset	501,494,366	96,623,790
Deferred tax liability	(14,101,890)	(181,609,680)
TOTAL	487,392,476	(84,985,890)

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AND LIABILITIES) (Continued)**

As of 31 December 2022 and 31 December 2021, the accumulated temporary differences and deferred tax assets and liabilities, which are subject to deferred tax, are as follows:

Deferred Tax Assets / (Liabilities)	Accumulated Temporary Differences		Deferred Tax Assets / (Liabilities)	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Other Deferred Tax Assets/Liabilities	9,219,558	--	2,120,498	--
Rediscunts	(3,515,613)	1,351,322	(808,591)	316,950
Doubtful trade receivables	606,941	12,299,356	139,596	2,828,852
Inventory	(247,940)	--	(57,026)	--
Other Provisions for Debts and Expenses	147,662,958	(227,354,647)	33,962,480	(52,291,570)
Depreciation Differences on Tangible and Intangible Assets	231,466,905	(32,683,279)	53,237,388	(7,517,154)
Establishment and organization expenses	3,050	3,949	702	908
Severance Pay and Leave Provision	17,516,666	5,529,439	4,028,833	1,271,771
Tax Deduction Based on Cash Capital Increase (*)	--	--	20,454,079	150,933,115
Investment Incentive, Discounted Corporate Tax Right (**)	--	--	868,065,893	354,023,540
Tangible Asset Revaluation Effects	--	--	(718,463,166)	(718,245,743)
Cash Flow Hedging Gains/Losses	--	--	224,711,790	108,668,953
Accumulated Financial Losses	--	326,193,421	--	75,024,488
TOTAL			487,392,476	(84,985,890)

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

(**) *The investment of the Group regarding the thermal power plant is located in the 2nd Region, but it is stated in the 5th Article of the Special Conditions section of the YTB that it will benefit from the support of the 5th Region since the investment subject to the document is among the priority investments. Accordingly, the Investment Contribution Rate is 40% and the Discounted Corporate Tax Rate is 80%. Accordingly, a reduced corporate tax application will be available for the income obtained from the investment of 320.715.946 TRY, which is 40% of the total investment amounting to 801.789.865 TRY.*

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AND LIABILITIES) (Continued)**

The remaining investment allowance indexed in 2022 is 866.559.089 TRY. In addition, there is an investment discount within the scope of the investment incentive certificate dated 08.04.2020. The Investment Contribution Rate is 40% and the Discounted Corporate Tax Rate is 80%. Accordingly, a reduced corporate tax application will be available for the income obtained from the investment of TRY 76.453.154, which is 40% of the total investment of TRY 191.132.885. It has not been subject to deferred tax yet.

According to the incentive certificate received within the scope of the Antimony Ore Enrichment Facility Investment, the Investment Contribution Rate is 40% and the reduced corporate tax rate is 80%. Accordingly, the reduced corporate tax application will be available for the income of 1.506.804 TRY, which is 40% of the total investment of 14.500.000 TRY and remaining after tax deduction.

41. EARNINGS PER SHARE

	01 January- 31 December 2022	01 January- 31 December 2021
Net profit/(loss)	2,351,184,593	38,892,538
Weighted average number of ordinary shares	1,400,000,000	878,356,164
Profit/(loss) per share with a nominal value of TRY 1	1,679418	0,044279

42. SHARE-BASED PAYMENT

None. (None, December 31, 2021.)

43. INSURANCE CONTRACTS

None. (None, December 31, 2021.)

44. THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATE

None. (None, December 31, 2021.)

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45. FINANCIAL REPORTING IN HYPERINFLATION ECONOMIES

Prepared financial tables before the period of January 01,2005, in order 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

ACCOUNTING FOR CASH FLOW HEDGE 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 currency risk management strategy it has determined, the Company applies hedging accounting for the purpose of hedging the currency risk component of the highly probable estimated transaction cash flow risk, and the exchange rate fluctuations that have occurred on the hedging instrument, whose effectiveness has been mathematically proven in accordance with TFRS 9 and have not yet been realized. It pulls it from the income statement and parks it in the comprehensive income statement and aims to present a healthier income statement.

Effectively determined exchange differences of Euro denominated foreign currency loans determined as hedging instrument are withdrawn from the income statement and recorded under cash flow hedge accounting in the other comprehensive income statement.

The Company pays attention to maintain a 100% hedging ratio and a hedging efficiency between 70% and 130% within the scope of the hedge accounting it has established, and as of 31 December 2022, the hedging ratio has been calculated as 106% and the hedging efficiency as 87%.

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46. DERIVATIVE INSTRUMENTS (Continued)

Cumulative exchange difference on the hedged item (current portion)	31 December 2022
Cumulative exchange difference on the hedged item (non-current portion)	169,347,242
Cumulative exchange difference on the hedging instrument (current part)	932,544,849
Cumulative exchange difference on the hedging instrument (non-current portion)	(53,036,476)
Hedging effectiveness rate	(904,690,604)
Inactive portion left in the income statement	87%
Gelir tablosunda bırakılan etkinlik dışı kısım	--
Turkish Lira	31 December 2022
The total amount of future cash flows of the hedged item	2,662,929,515
Total amount of future cash flow of the instrument used for hedging purposes	2,509,379,059
Hedge Ratio	106%

47. FINANCIAL INSTRUMENTS

Short-Term Financial Liabilities

	31 December 2022	31 December 2021
Bank loans	14,588,378	83,777,019
Financial leasing liabilities	3,747,651	3,351,320
Deferred financial leasing costs (-)	(890,510)	(1,312,856)
Installments of principal and interest of loans	363,549,346	624,564,522
Other Financial Liabilities	4,786,532	3,525,719
Short-Term Financial Liabilities - Net	385,781,397	713,905,724

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47. FINANCIAL INSTRUMENTS (Continued)

Long-Term Financial Liabilities

	31 December 2022	31 December 2021
Bank loans	1,994,608,223	1,782,415,119
Financial leasing liabilities (*)	2,821,264	5,926,822
Deferred financial leasing costs (-) (**)	(305,052)	(1,210,626)
Long-Term Financial Liabilities - Net	1,997,124,435	1,787,131,315

(*)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.

As of 31 December 2022 and 31 December 2021, the repayment schedule of long-term loan obligations is as follows:

Long-Term Loans Liabilities	December 31, 2022	December 31, 2021
2023	--	396,972,897
2024	486,047,455	331,520,016
2025	397,107,166	272,863,505
2026	330,334,391	226,669,511
2027	287,320,534	200,187,875
2028	248,673,391	176,350,730
2029	214,207,450	155,018,633
2030	30,917,836	22,831,952
TOTAL	1,994,608,223	1,782,415,119

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47. FINANCIAL INSTRUMENTS (Continued)

Long-Term Loans Liabilities	December 31, 2022	December 31, 2021
1-2 Years	--	396,972,897
2-3 Years	486,047,455	331,520,016
3-4 Years	397,107,166	272,863,505
4-5 Years	330,334,391	226,669,511
5 Years and Longer	781,119,211	554,389,190
TOTAL	1,994,608,223	1,782,415,119

As of 31 December 2022, the repayment schedule of long-term leasing obligations is as follows:

Payment Year	Financial Leasing Liabilities	Deferred Financial Leasing Costs
2024	2,754,777	(298,290)
TOTAL	5,926,822	(1,210,626)

Payment Year	Financial Leasing Liabilities	Deferred Financial Leasing Costs
2024	2,821,264	(305,052)
TOTAL	2,821,264	(305,052)

	December 31, 2022	December 31, 2021
Other financial liabilities (*)	4,786,532	3,525,719
TOTAL	4,786,532	3,525,719

(*) Other financial liabilities consists of leasing transaction within the scope of IFRS-16.

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47. FINANCIAL INSTRUMENTS (Continued)

The details of the maturity and interest amounts of the Group's loan payables are as follows:

	Annual interest rate %		Exchange Value		TL	
	December 31 2022	December 31 2021	December 31 2022	December 31 2021	December 31 2022	December 31 2021
TRY Loans	7.5-18%	7.5-24%	--	--	14,588,378	16,299,880
EURO Loans	6-8.5%	6%-7%	--	--	--	67,477,140
Short-term Loans					14,588,378	83,777,020
EURO Loans	6-8.5%	6%-7%	11,586,248	31,191,030	231,386,636	471,418,102
TRY Loans	7.5-18%	7.5-24%	--	--	132,162,710	153,146,420
Short-term payments and interests of loans					363,549,346	624,564,522
Total short-term loans					378.137.724	708.341.542
EURO Loans	6%-7%		91,908,500	102,531,484	1,835,486,271	1,549,650,599
TRY Loans	7.5-24%		--	--	159,121,952	232,764,520
Total long-term loans					1,994,608,223	1,782,415,119

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a) Capital Risk Management

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

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

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

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

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

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

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

b) Financial Risk Factors

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

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

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.

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) *	25,015,444	511,032,814	30,963,763	24,764,469	1,448,909,811	--	231,247,280
- Maximum amount of risk exposed part of the risk covered by guarantees	--	--	--	6,521,176	--	--	--
A. Net value of financial assets neither due nor impaired	25,015,444	511,032,814	30,963,763	19,050,832	1,448,909,811	--	231,247,280
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	--	24,298,365	--	4,068,367	--	--	--
-Past due (gross book value)	--	(24,298,365)	--	(4,068,367)	--	--	--
-Impairment (-)	-	-	-	-	-	-	-
- Part covered by guarantess	-	-	-	-	-	-	-
- Undue (gross book value)	-	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-	-
- Part covered by guarantess	-	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-	-

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

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

31.12.2021	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Trade Receivables				
	Related Parties	Related Parties	Related Parties	Related 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
- Maximum amount of risk exposed part of the risk covered by guarantees	--	--	--	6,521,176	--	--	--
A. Net value of financial assets neither due nor impaired	44,739,829	190,825,534	17,332,891	23,076,775	156,205,584	--	194,713,548
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	--	22,021,320	--	1,855,446	--	--	--
-Past due (gross book value)	--	(22,021,320)	--	(1,855,446)	--	--	--
-Impairment (-)	-	-	-	-	-	-	-
- Part covered by guarantess	-	-	-	-	-	-	-
- Undue (gross book value)	-	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-	-
- Part covered by guarantess	-	-	-	-	-	-	-
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 compitable 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 exposed or methods that management or measurement of exposed 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.

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

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

	Currency Position					
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	JPY	UZS
	31.12.2022					
1. Trade Receivables	73,328,700	1,824,614	5,458	--	--	23,400,792,653
2a. Monetary financial assets (including cash and cash equivalents)	1,092,561,585	6,648,739	27,769,463	240	2,932,000,000	215,488,146
2b. Non-monetary financial assets	123,533,143	566,117	2,546,535	55	--	37,212,167,504
3. Other	--	--	--	--	--	--
4. Current Assets (1+2+3)	1,289,423,429	9,039,470	30,321,456	295	2,932,000,000	60,828,448,303
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	60,828,448,303
10. Trade payables	(791,903,629)	(1,227,513)	(2,477,521)	--	--	(430,539,674,327)
11. Financial Liabilities	(321,793,849)	-	(15,384,128)	--	--	(8,713,651,000)
12a. Monetary financial liabilities	(7,695,273)	(345,000)	--	--	--	(737,721,703)
12b. Non-monetary financial liabilities	(2,807,727)	--	--	--	--	(1,680,267,302)
13. Short Term Liabilities (10+11+12)	(1,124,200,477)	(1,572,513)	(17,861,648)	--	--	(441,671,314,332)
14. Trade Payables	-	-	-	--	--	--
15. Financial Liabilities	(1,835,486,267)	-	(91,908,500)	--	--	--
16a. Other Monetary Liabilities	(1,355,096)	(65,518)	(6,400)	--	--	--
16b. Other Non-Monetary 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)	--	--	(380,842,866,029)
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)	--	--	--
22. Fair Value of Financial Instruments used for foreign Exchange Hedge	--	--	-	--	--	--
23. Export	62,253,166	3,283,743	42,776	-	-	-
24. Import	-	--	-	-	-	-

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**48. FINANCIAL RISK MANAGEMENT OBJECTIVES
AND POLICIES (Continued)**

	Currency Position				
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	UZS
	31.12.2021				
1. Trade Receivables	61,977,567	4,649,829	--	--	--
2a. Monetary financial assets (including cash and cash equivalents)	65,745,580	4,904,656	15,956	228	102,916,916
2b. Non-monetary financial assets	149,932,860	1,925,518	1,751,980	10,405	79,389,503,064
3. Other	5,023,955	--	--	--	4,084,516,281
4. Current Assets (1+2+3)	282,679,962	11,480,003	1,767,936	10,633	83,576,936,261
5. Trade Receivables	-	-	-	-	-
6a. Monetary financial assets	-	11,278,576	722,600	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	-	11,278,576	722,600	-	-
9. Total Assets (4+8)	282,679,962	22,758,579	2,490,536	10,633	83,576,936,261
10. Trade payables	(51,283,227)	(3,677,405)	(144,161)	--	(6,258,822,948)
11. Financial Liabilities	(2,088,545,840)	--	(35,655,605)	--	--
12a. Monetary financial liabilities	(157,666,219)	(11,739,979)	--	--	(733,561,655)
12b. Non-monetary financial liabilities	(437,466)	--	--	--	(355,663,164)
13. Short Term Liabilities (10+11+12)	(2,297,932,752)	(15,417,384)	(35,799,766)	--	(7,348,047,767)
14. Trade Payables	--	--	--	--	--
15. Financial Liabilities	(411,788)	--	(102,531,484)	--	--
16a. Other Monetary Liabilities	--	(30,839)	--	--	--
17. Long Term Liabilities (14+15+16)	(411,788)	(30,839)	(102,531,484)	--	--
18. Total Liabilities (13+17)	(2,298,344,540)	(15,448,223)	(138,331,250)	--	(7,348,047,767)
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)	(2,015,664,578)	7,310,356	(135,840,714)	10,633	76,228,888,494
21. Net asset/liabilities position of foreign currency monetary items. (=1+2a+5+6a-10-11-12a-14-15-16a)	(2,170,183,928)	5,415,676	(137,592,693)	228	-
22. Fair Value of Financial Instruments used for foreign Exchange Hedge	-	-	-	-	-
23. Export	13,495,023	1,501,019	-	-	-
24. Import	-	-	-	-	-

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**48. FINANCIAL RISK MANAGEMENT OBJECTIVES
AND POLICIES (Continued)**

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

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

Sensitivity Analysis of Foreign Exchange Position

	Sensitivity Analysis of Foreign Exchange Position			
	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- Net asset / liability of other exchange	(700,027,272)	700,027,272	-	-
11- Amount hedged for other exchange risk (-)	--	--	-	-
12- Net Effect of UZS (10+11)	(700,027,272)	700,027,272	-	-
Change in 10% of the JPY against TRY;				
13- Net asset / liability of other exchange	455,723,985	(455,723,985)	-	-
14- Amount hedged for other exchange risk (-)	--	--	-	-
15- Net Effect of JPY (13+14)	455,723,985	(455,723,985)	-	-
TOTAL (3+6+9+12+15)	(1,837,522,137)	1,837,522,137	-	-

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

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.

Sensitivity Analysis of Foreign Exchange Position				
31.12.2021				
	Profit / Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
Change in 10% of the U.S. Dollar against TRY;				
1 - Net asset / liability of USD	19,487,946	(19,487,946)	-	-
2 - Amount hedged for USD risk (-)	-	-	-	-
3- Net Effect of U.S. Dollar (1+2)	19,487,946	(19,487,946)	-	-
Change in 10% of the EURO against TRY;				
4 - Net asset / liability of EUR	(409,877,618)	409,877,618	-	-
5 - Amount hedged for EUR risk (-)	-	-	-	-
6- Net Effect of EURO (4+5)	(409,877,618)	409,877,618	-	-
Change in 10% of the GBP against TRY;				
7- Other foreign currency net asset / liability	38,210	(38,210)	-	-
8- Part of hedged protected from other currency risk (-)	-	-	-	-
9- Net Effect of GBP (7+8)	38,210	(38,210)	-	-
Change in 10% of the UZS against TRY;				
10- Net asset / liability of other exchange	18,752,307	(18,752,307)	-	-
11- Amount hedged for other exchange risk (-)	-	-	-	-
12- Net Effect of UZS (10+11)	18,752,307	(18,752,307)	-	-
TOTAL (3+6+9+12)	(371,599,155)	371,599,155	-	-

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48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

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. (31.12.2021: None)

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

Fair Value

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

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

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

Financial Assets

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

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

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 appricated from stock price traded in active market for similiar assets and liabilities.

Second Level: Financial assets and liabilities are appricated 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 appricated 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.

31.12.2022						
	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	--	--	--	--	--	--
Trade payables	--	--	--	2,382,905,832	2,382,905,832	47
Other payables	--	--	--	688,144,125	688,144,125	6-7
Financial Assets	--	--	--	617,962,308	617,962,308	6-9

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

31.12.2021

	Financial Assets with Fair Value	Loans and Receivables (Includes Cash and Cash Equivalent)	Financial Assets Available for Sale	Financial Liabilities with Amortized Value	Book Value	Notes
Financial Assets						
Cash and Cash Equivalent	--	173,258,224	--	--	173,258,224	53
Trade receivables	--	235,565,363	--	--	235,565,363	6-7
Other receivables	--	46,930,842	--	--	46,930,842	6-9
Financial Liabilities						
Financial payables	--	--	--	--	--	--
Trade payables	--	--	--	2,501,037,039	2,501,037,039	47
Other payables	--	--	--	298,874,477	298,874,477	6-7
Financial Assets	--	--	--	179,878,245	179,878,245	6-9

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

50. SUBSEQUENT EVENTS

It is stated with the amendment in the Procedures and Principles Regarding the Determination and Implementation of the Support Fee Based on Resources published on 30 March 2022 that the bilateral agreement amounts are within the scope of the exemption. The company notified EPIAŞ about the bilateral agreement regarding the exemption and the parts sold indirectly to the final consumer, which is much lower than that, and EPIAŞ applied an exemption to the Company based on the bilateral agreement amounts. Based on the letter sent to the Company by EMRA on January 13, the Company made the necessary explanations on the Public Disclosure Platform on January 14, 2023 and stated that it would protect all its rights.

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

None. (31 December 2021: None.)

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52. FIRST IMPLEMENTATION OF TURKEY ACCOUNTING STANDARDS

None. (31 December 2021: None.)

53. EXPLANATION TO CASH FLOW STATEMENT

Cash and Cash Equivalents

	December 31, 2022	December 31, 2021
Cash	27,388,160	9,127,789
Bank	1,448,909,811	156,205,584
-Demand deposit	552,737,121	43,096,257
-Time deposit	896,172,690	113,109,327
Other Current Assets	24,467	7,924,851
TOTAL	1,476,322,438	173,258,224

As of December 31, 2022 there is no blocked deposits of the Group (None, December 31, 2021)

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53. EXPLANATION TO CASH FLOW STATEMENT (Continued)

Details of time deposits as of 31 December 2022 are presented below:

Time Deposit Currency	Maturity	Interest rate	31.12.2022 Foreign Currency	31.12.2022 TRY
EURO	02.01.2023	0.10%	13,000,000	259,153,700
TL	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
TL	02.01.2023	19.00%	31,900,000	31,900,000
TL	02.01.2023	10.00%	30,000,719	30,000,719
TL	02.01.2023	15.00%	20,000,000	20,000,000
TL	02.01.2023	12.00%	18,565,000	18,565,000
TL	02.01.2023	12.00%	16,500,000	16,500,000
TL	02.01.2023	13.00%	15,000,000	15,000,000
TL	02.01.2023	14.75%	12,000,000	12,000,000
TL	01.01.2023	21.75%	11,027,433	11,027,433
TL	02.01.2023	20.00%	10,000,000	10,000,000
TL	06.03.2023	12.00%	9,817,300	9,817,300
TL	02.01.2023	12.00%	5,185,000	5,185,000
TL	02.01.2023	15.16%	5,004,471	5,004,471
TL	02.01.2023	13.00%	4,391,562	4,391,562
TL	02.01.2023	10.24%	2,278,148	2,278,148
TL	15.02.2023	13.50%	1,938,090	1,938,090
TL	02.01.2023	10.24%	1,321,464	1,321,464
TL	02.01.2023	12.00%	920,000	920,000
TL	02.01.2023	10.24%	906,626	906,626
TL	02.01.2023	12.00%	645,000	645,000

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53. EXPLANATION TO CASH FLOW STATEMENT (Continued)

Time Deposit Currency	Maturity	Interest rate	31.12.2022 Foreign Currency	31.12.2022 TRY
TL	02.01.2023	12.00%	631,000	631,000
TL	02.01.2023	10.24%	606,178	606,178
TL	02.01.2023	10.24%	367,682	367,682
TL	02.01.2023	10.24%	344,712	344,712
TL	02.01.2023	10.24%	338,499	338,499
TL	02.01.2023	10.24%	336,788	336,788
TL	02.01.2023	10.24%	323,900	323,900
TL	02.01.2023	10.24%	304,953	304,953
TL	02.01.2023	10.24%	283,814	283,814
TL	02.01.2023	10.24%	155,967	155,967
TL	02.01.2023	4.00%	122,979	122,979
TL	02.01.2023	10.24%	110,975	110,975
TL	20.01.2023	14.58%	77,253	77,253
TL	02.01.2023	10.24%	57,518	57,518
TL	16.01.2023	12.50%	6,481	6,481
TL	09.01.2023	10.00%	4,060	4,060
TL	08.01.2023	13.87%	1,212	1,212
				896,172,690

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53. EXPLANATION TO CASH FLOW STATEMENT (Continued)

Details of time deposits as of 31 December 2021 are presented below:

Time Deposit Currency	Maturity	Interest rate	31.12.2021 Foreign Currency	31.12.2021 TRY
USD	03.01.2022	0.01%	2,779,888	37,053,129
TL	03.01.2022	16.00%	20,977,689	20,977,689
TL	17.01.2022	18.20%	18,000,000	18,000,000
TL	03.01.2022	20.50%	9,300,000	9,300,000
USD	03.01.2022	0.05%	691,101	9,211,690
USD	03.01.2022	1.25%	600,000	7,997,400
TL	03.01.2022	19.00%	4,000,000	4,000,000
TL	03.01.2022	0.01%	3,000,000	3,000,000
TL	03.01.2022	15.42%	2,666,724	2,666,724
TL	03.01.2022	13.50%	800,000	800,000
TL	25.01.2022	11.65%	68,391	68,391
TL	03.01.2022	12.00%	11,522	11,522
TL	03.01.2022	10.00%	11,404	11,404
TL	03.01.2022	15.00%	10,142	10,142
TL	11.01.2022	14.59%	1,235	1,236
				113,109,327

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.

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55. EXPLANATIONS ON CASH FLOWS THE STATEMENTS

		Current Period Audited Consolidated	Prior Period Audited Consolidated
	NOTES	01.01-31.12.2022	01.01-31.12.2021
A. CASH FLOWS FROM OPEARING ACTIVITIES			
Profit/Loss For The Period		2,351,184,593	38,892,538
Continuing Operations Period Profit & Loss	30	2,351,280,537	38,794,365
Discontinued Operations Profit and Loss for the Period	39	(95,944)	98,173
Adjustments To Reconcile Net Profit/Loss For The Period		305,412,575	2,904,545,651
Adjustments related to amortization and depreciation expenses 14-17-28-33-36		235,353,642	75,815,903
Adjustments Regarding Impairment (Cancellation) of Receivables	7	2,277,045	4,259,025
Adjustments Regarding Impairment Reversal of Tangible Fixed Assets	14	(2,259,033)	2,186,742,850
Adjustments Regarding Provisions (Cancellation) for Employee Benefits	27	8,436,386	1,752,725
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	25	1,956,597	1,965,068
Adjustments Regarding (Cancellation) of Provisions Set aside in accordance with Sectoral Requirements	25	17,554	-
Deferred Financing Expense from Forward Purchases	34	11,586,146	3,881,090
Unearned Finance Income from Futures Sales	34	(6,265,103)	(12,093,127)
Adjustments Regarding Interest Expenses and Currency Differences	37	665,664,594	54,080,684
Adjustments Related to Interest Income	37	(1,051,464,324)	(150,632,336)
Adjustments for Unrealized Currency Translation Differences		572,260,903	839,574,361
Adjustments for Fair Value Loss/Gains	8	(54,977,530)	(414,895,296)
Adjustments Regarding Tax Expenses/Income	40	(572,378,366)	245,801,711
Adjustments for Losses (Gains) Due to Disposal of Affiliates, Joint Ventures and Financial Investments or Changes in Shares	30	(54,977,530)	(696,308)
Transfers	30	(572,378,366)	59,108,412
Minority Shares	30	512,196,592	9,880,888

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55. EXPLANATIONS ON CASH FLOWS THE STATEMENTS (Continued)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
	NOTES	01.01-31.12.2022	01.01-31.12.2021
Changes In Business Capital		453,516,187	(229,290,686)
Adjustments Regarding Increase/Decrease in Inventories	10	(321,768,351)	(99,955,273)
Decrease (Increase) in Trade Receivables from Related Parties		19,724,385	(15,843,913)
Decrease (Increase) in Trade Receivables from Non-related Parties	7	(327,443,868)	(36,236,751)
Decrease (Increase) in Other Receivables from Related Parties	6	(13,630,872)	(5,402,356)
Decrease (Increase) in Other Receivables from Unrelated Parties	9	(1,793,121)	(10,786,687)
Decrease (Increase) in Other Assets Related to Operations	29	(153,985,856)	(125,269,086)
Increase (Decrease) in Trade Payables to Related Parties		(3,930,163)	958,897
Increase (Decrease) in Trade Payables to Non-Related Parties	7	396,171,542	18,163,204
Decrease (Increase) in Prepaid Expenses	12	(56,314,801)	2,128,712
Increase (Decrease) in Debts within the Scope of Employee Benefits	27	(2,087,863)	2,086,216
Increase (Decrease) in Other Payables Related to Operations to Related Parties	6	32,949,865	13,325,109
Increase (Decrease) in Other Payables Related to Operations to Non-Related Parties	9	408,427,570	51,846,237
Increase (Decrease) in Deferred Revenues	12	279,783,772	13,109,011
Increase (Decrease) in Other Liabilities Related to Operations	27-29	197,413,947	(37,414,005)
Cash Flows from Operations		3,110,113,355	2,714,147,503
Other Loss/Gain	30	(1,798,815)	(342,309)

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

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.



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