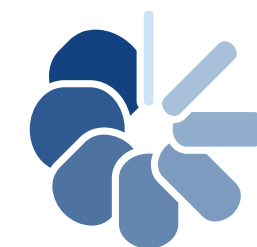


odas

innovative • dynamic • strong



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INDEX

01

ANNUAL REPORT

06	CEO Message
08	Independent Audit Report on the Board of Directors' Annual Report

02

ODAŞ AT A GLANCE

14	Milestones of ODAŞ
16	Financial Highlights
18	Current Operations
20	Highlights of 2020

03

MANAGEMENT

24	General Information About The Company
25	Shareholding Structure
25	Board Of Directors And The Committees
26	Committees Formed Under The Board Of Directors
26	Management Team

04

OUR ACTIVITIES

30	Odaş Group Companies
32	Information About Subsidiaries
34	Independent Audit
34	Financial Bond Issuance During The Period
34	Operational Status During The Period
36	Sector Overview
39	Risk Management And Internal Control Mechanism Of The Company
39	Dividend Distribution Policy
39	Amendments To The Articles Of Association For The Period 01.01.2021 - 31.12.2021

39	Personnel Information
39	Donations Made During The Period
40	Company History And Development
40	Human Resources
42	Cmb Sustainability Principles Compliance Efforts

52	Mission & Vision & Strategy
----	-----------------------------

56	Corporate Governance Compliance Report
72	Corporate Governance Compliance Statement
78	Corporate Governance Information Form

05

CORPORATE GOVERNANCE

06

CONSOLIDATED FINANCIAL STATEMENTS

86	Independent Audit Report on Financial Statements
98	Financial Statements

CEO Message



Dear Stakeholders,

From 2020 onwards, the Covid-19 outbreak, whose impact we felt from production to social life around the world, once again revealed the need for energy. Life began to return to normal with the vaccination program intensively rolled out from 2021 onwards following the restrictions that severely affected our business and social lives and the disruption of production in most sectors, especially the industrial sector, in 2020. During this period, as we returned from stagnation to normality, energy demand increased rapidly. The global energy crisis is not limited to oil; it also maximized the energy prices, and it is predicted that global energy consumption will increase day by day.

At this point, renewable energy sources are becoming increasingly important, while energy production from conventional sources continues to play an important role. In the mining sector, where we operate, Türkiye is in an advantageous position due to the important minerals it has. Mining, which is almost as old as human history, manifests itself in many products we use in our daily lives. From mugs to mobile phones, from computers to pens, most of the basic products we use contain minerals as raw materials. We know that the mining sector and mining done within an ecological and social consciousness will be of strategic importance not only today but also in the future.

We carried our experience in the field of energy abroad

At ODAS, we continued to grow and develop this year as in previous years. Today, we have a stronger and more dynamic ODAS. We are making a name for ourselves in both the energy sector and mining, and adding new ones to our achievements.

With our experience, we brought to life our first investment abroad and established a natural gas cycle power plant with an installed capacity of 174 MW in Uzbekistan. The first phase of this plant, which was commissioned in stages, was gradually commissioned in March 2022. Our power plant, the construction of which started within the scope of our agreement with the government of Uzbekistan, has the production capacity to meet the energy needs of 700,000 households.

We increased our operating profit by 43%

The income we generated from our operations continued to contribute to our healthy and strong financial structure in 2021.

While investing 240 million TL in 2021, especially in our power plant in Uzbekistan, we increased our turnover to 1,445 billion TL and real operating profit by more than 40% to over 260 million TL.

We pursue investment opportunities

As a company with experience in various sectors, particularly energy and mining, we continue to explore new investment opportunities. With our strong financial structure, we intend to strengthen our presence with our investments in areas that add value to our future.

We have embraced success and stability as a principle for our operations both in our country and on the global stage. As a company, we will continue to work, produce and add value nationally and globally in all areas in which we operate, reflecting ODAS' innovative, dynamic and strong structure.

Regards

Burak Altay
CEO



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 31.12.2021

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 31.12.2021.

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 09.03.2022 about the Group's full set consolidated financial statements for the fiscal year 01.01.-31.12.2021.

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.

Nazım Hikmet is the cap auditor who conducted and concluded this independent audit.

EREN Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş.
Member Firm of GRANT THORNTON International

Nazım Hikmet
Managing Partner & Cap Auditor
İstanbul, 09.03.2022

EREN
BAĞIMSIZ DENETİM A.Ş.



02

SECTION

AT A GLANCE

odas

MILESTONES

2010

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

2012

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

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.

2020

Initial public process of Çan-2 Termik A.Ş. began.

2019

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

Environmental Permit and License granted.

2021

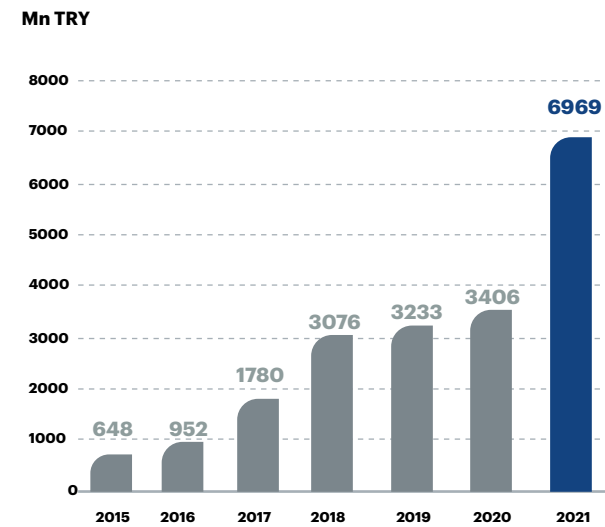
ODAŞ, expanded its activities in the field of energy, by carrying by carrying its Natural Gas Power Plant abroad. It established and activated in the Khwarezm region of Uzbekistan.

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

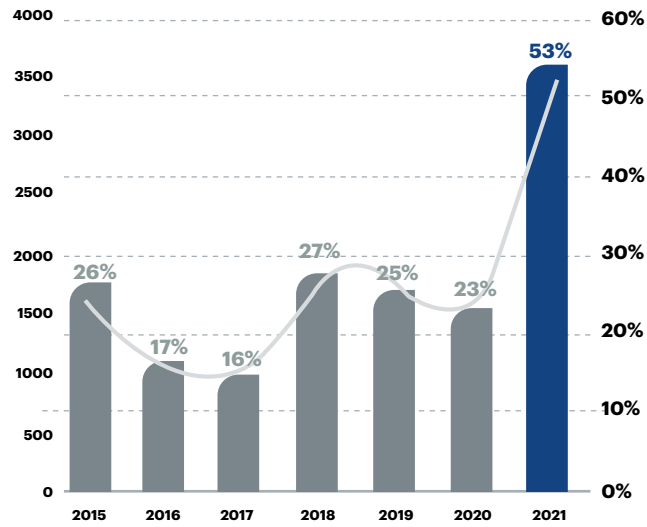
FINANCIAL HIGHLIGHTS

Consolidated Financial Figures (TRY Mn)	2014	2015	2016	2017	2018	2019	2020	2021
Net Sales	622	485	517	614	886	938	975	1446
Net Profit for the Year	27	-0,6	-9	100	-251	-187	-247	39
EBITDA	54	37	60	54	68	227	284	398
Cash and Cash Equivalents	71	62	108	124	7	16	15	173
Short-Term Financial Liabilities	104	115	165	341	581	746	607	714
Long-Term Financial Liabilities	136	251	473	825	1147	1128	1488	1787
Shareholders' Equity	96	169	158	282	844	793	788	3663
Total Assets	419	648	952	1780	3076	3233	3406	6969
Net Debt	169	305	531	1042	1722	1858	2080	2328
KPIs	2014	2015	2016	2017	2018	2019	2020	2021
EBITDA Margin (%)	9%	8%	12%	9%	8%	24%	29%	28%
Net Debt / Shareholders' Equity (x)	1,8	1,8	3,4	3,7	2,0	2,3	2,6	0,6
Net Debt / EBITDA (x)	3,2	8,2	8,8	19,3	25,4	8,2	7,3	5,8
Shareholders' Equity / Total Assets (%)	23%	26%	17%	16%	27%	25%	23%	53%

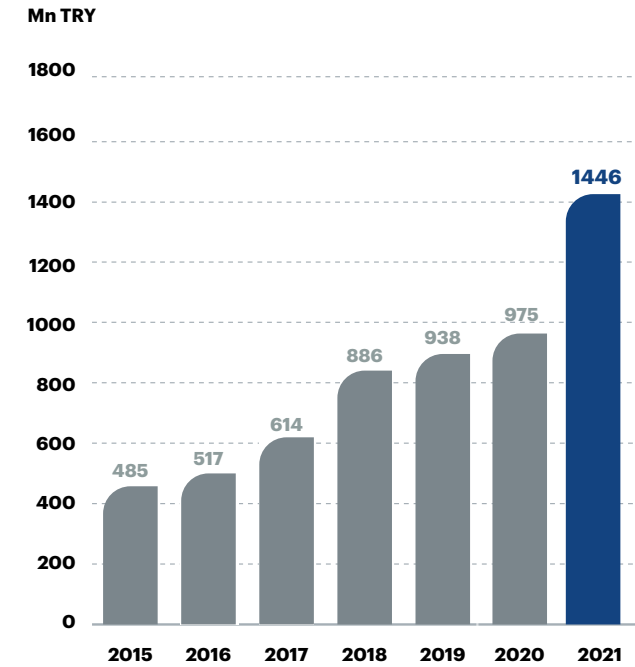
Total Assets



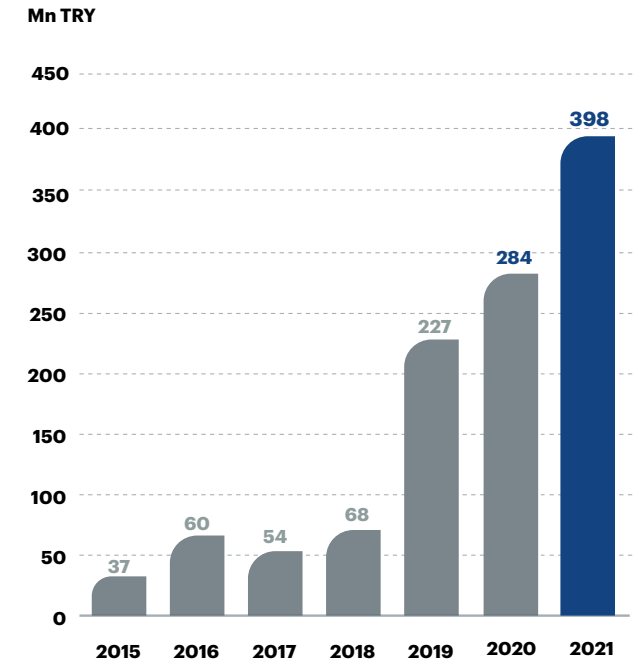
Shareholders' Equity / Total Assets (%)



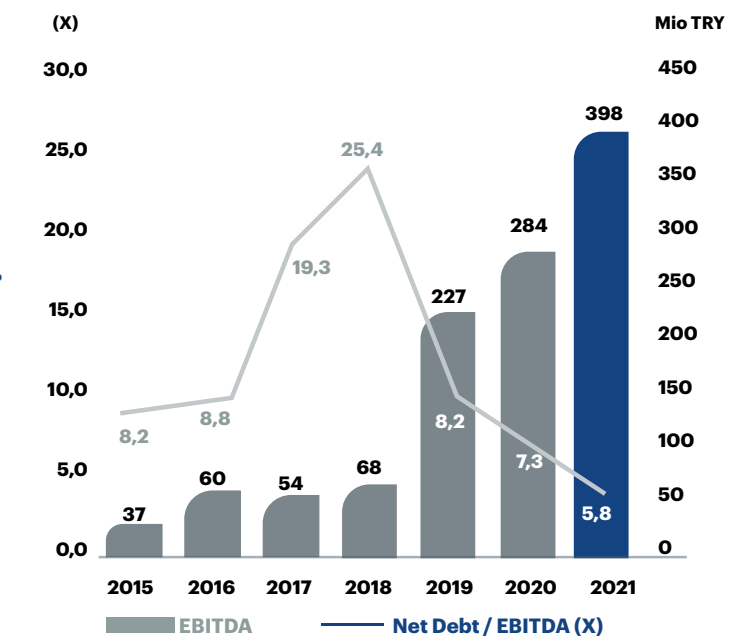
Consolidated Net Sales



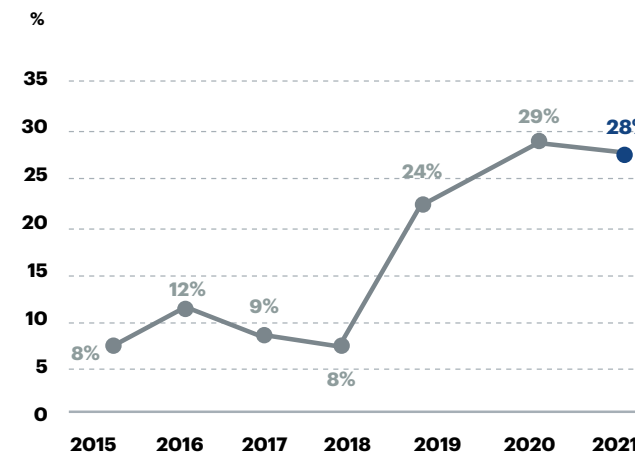
EBITDA



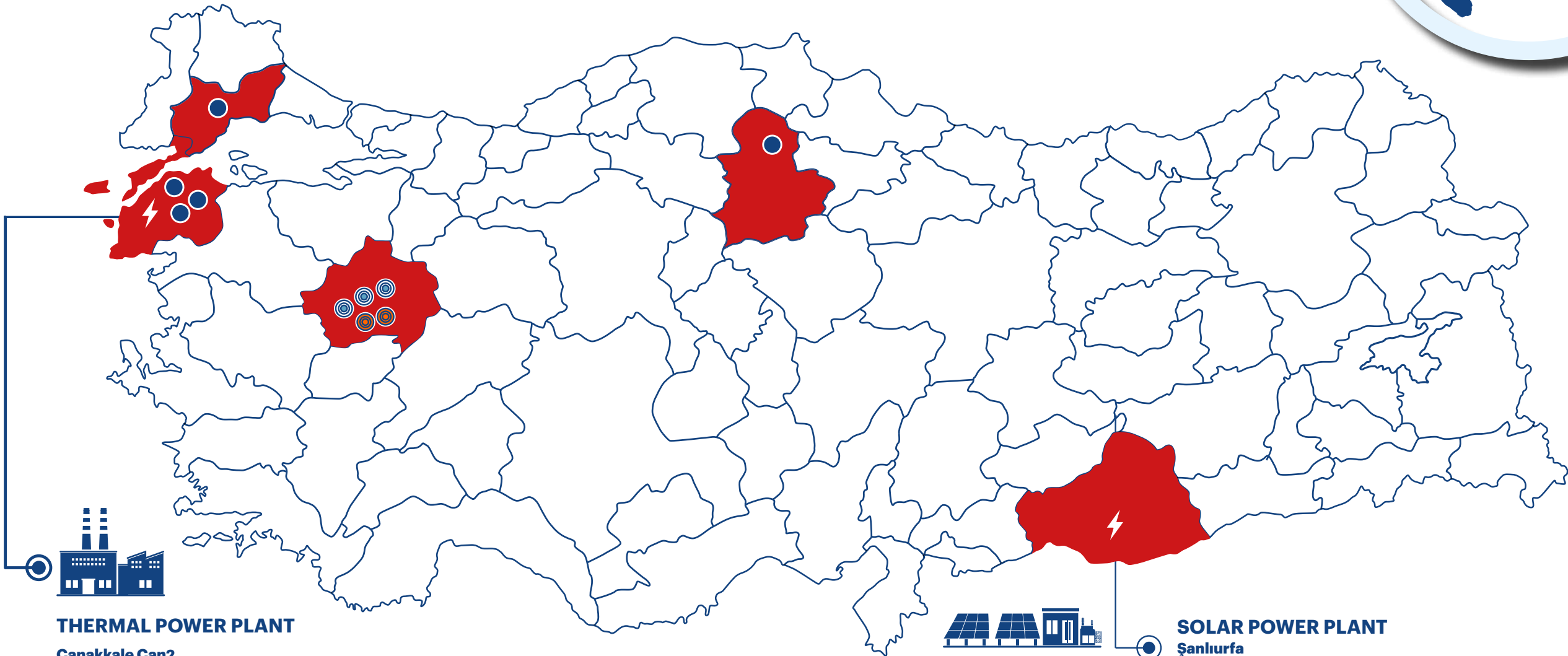
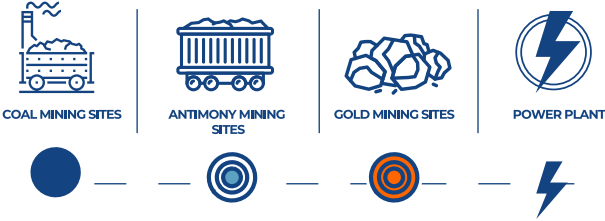
Net Debt / EBITDA



EBITDA Margin



CURRENT OPERATIONS



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

By transferring our experience in the energy sector abroad, we built and started to operate a natural gas combined cycle power plant with an installed capacity of 174 MW in Uzbekistan. Under the agreement with the Uzbek government regarding the operation of the power plant, the electrical energy produced at the power plant will be directly connected to the country's national electricity transmission network and will be used to meet the country's electrical energy demand.





03

SECTION

MANAGEMENT

GENERAL INFORMATION ABOUT THE COMPANY

Trade Name	: Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
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	: 1,400,000,000 TL



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.

Full Name/Title	Group A Shares	Group B Shares	Total Share	Share in apital(%)
Abdulkadir Bahattin Özal	4,277,820	63,921,406	68,199,226	4.87%
Burak Altay	4,277,820	217,119,667	221,397,487	15.81%
BB Enerji Yatırım Sanayi Tic. A.Ş.		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.

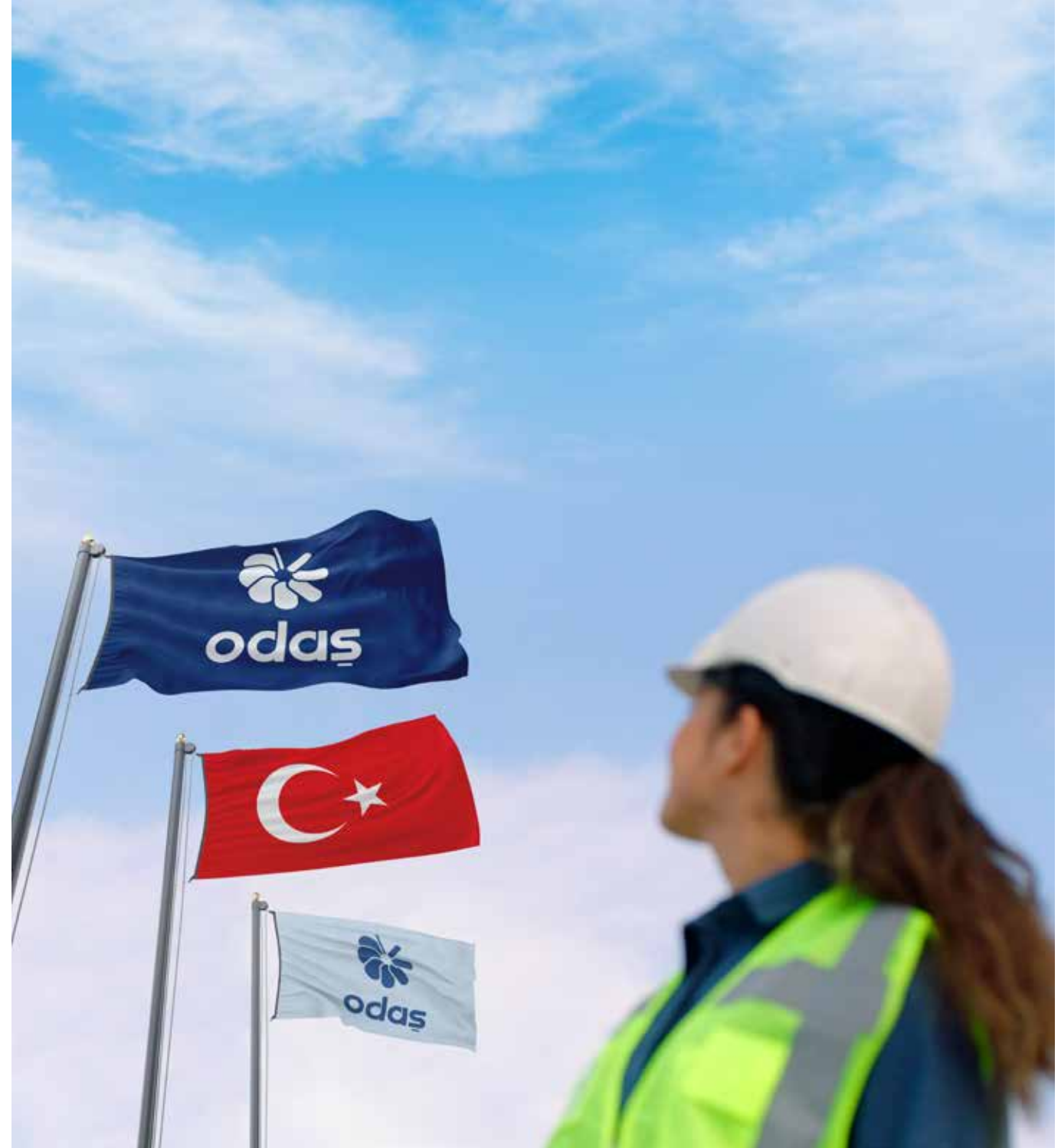
Full Name	Title	Term of Office
Abdulkadir Bahattin ÖZAL	Chairperson of the Board	Until 31.12.2022
Burak ALTAY	Deputy Chairperson of the Board	Until 31.12.2022
Hafize Ayşegül ÖZAL	Board Member	Until 31.12.2022
Salih EREZ	Independent Board Member	Until 31.12.2022
Umut APAYDIN	Independent Board Member	Until 31.12.2022

COMMITTEES FORMED UNDER THE BOARD OF DIRECTORS

Audit Committee	
Full Name	Role
Umut APAYDIN	Committee President
Salih EREZ	Committee Member
Corporate Governance Committee	
Full Name	Role
Umut APAYDIN	Committee President
Salih EREZ	Committee Member
Melih YÜCEYURT	Committee Member
Early Detection of Risk Committee	
Full Name	Role
Salih EREZ	Committee President
Umut APAYDIN	Committee Member

MANAGEMENT TEAM

Full Name	Position/Title
Melih YÜCEYURT	Finance and Investor Relations Director
Adeviye DEMİR PEKMEZCİ	Accounting and Reporting Director
İlknur YILMAZ COŞKUN	Legal Director
Caner DEMİRAYAK	Strategic Planning Commercial Director
İnci UĞURLU ARIKAN	Human Resources Director
Zeynel Abidin Tamer BİLGİÇ	Plant Manager - Natural gas
Bülent BARUT	Plant Manager - Coal





04

SECTION

OUR ACTIVITIES

ODAŞ GROUP COMPANIES

ENERGY			MINING		
	Çan2 Termik A.Ş. %77 Local Coal Based Thermal Power Plant	ODAŞ Doğal Gaz Toptan Satış Sanayi ve Ticaret A.Ş. %90 Natural Gas Wholesale		Suda Maden A.Ş. %100 Precious and Strategic Metal Mining	Yel Enerji Elektrik Üretim Sanayi Ticaret A.Ş. %77 (Indirectly)
	Odas Enerji CA LLC %50 (Indirectly)	Hidro Enerji Elektrik Üretim Sanayi A.Ş. %50		Suda Stratejik Metal Dış Ticaret A.Ş. %100 (Indirectly)	Çan2 Trakya Kömür Maden A.Ş. %77 (Indirectly)
	Voytron Enerji Elektrik Perakende Satış A.Ş. %100 Electricity Retail Sales			Anadolu Export Maden Sanayi ve A.Ş. %96 Değerli Metal Madenciliği	YS Madencilik Sanayi Ticaret Ltd. Şti. %52
Ena Elektrik Üretim Ltd. Şti. %80 Electricity Wholesale					

INFORMATION ABOUT SUBSIDIARIES

Title	Share of ODAS in Capital	Ratio of ODAS in Capital	Ratio of ODAS in Capital (%)
Çan2 Termik A.Ş.	320,000,000 TL	245,632,000 TL	76.77%
Voytron Elektrik Perakende Satış A.Ş.	25,000,000 TL	25,000,000 TL	100%
Suda Stratejik Metal Dış Ticaret A.Ş.	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 A.Ş.	615,000 TL	307,500 TL	50%
ODAŞ Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş.	3,881,662 TL	4,312,000 TL	90.02%
Suda Maden A.Ş.	44,900,000 TL	44,900,000 TL	100%
Anadolu Export Maden Sanayi ve Ticaret A.Ş.	50,000 TL	48,000 TL	96%
CR Proje Geliştirme Yatırım Sanayi ve Tic. A.Ş.	50,000 TL	50,000 TL	100%
YS Madencilik Sanayi Ticaret Ltd. Şti.	10,000 TL	5,200 TL	52%
Odaz Energy CA LLC	450,000,000 UZS	225,000,000 UZSS	50%*
Çan-2 Trakya Kömür Maden A.Ş.	550.00	422,180	76.77%*
Yel Enerji Elektrik Üretim Sanayi Tic. A.Ş.	600,000 TL	460,560 TL	76.77%*

*Indirect Subsidiary

Çan2 Termik A.Ş.

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 A.Ş.

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 A.Ş.

ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. indirectly owns 100% of the company and continues strategic metal trading.

Hidro Enerji Elektrik Üretim Sanayi A.Ş.

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.

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 Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş.

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 A.Ş.

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 A.Ş.

A 100% subsidiary of ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş., the company holds a total of four mining licenses in the Kütahya-Uşak region; two for operating and two for prospecting. 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. A.Ş.

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

Çan2 Trakya Kömür Maden A.Ş.

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

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.

INDEPENDENT AUDIT

The Board of Directors of ODAS Group has decided, in line with the recommendation by the Audit Committee, to appoint Eren Bağımsız Denetim A.Ş. with the task of carrying out the auditing procedures for ODAS Group's accounts and transactions for the operating year 2021 in accordance with the provisions set forth in Turkish Commercial Code No. 6102 and the Capital Markets Law No. 6362, and to have this resolution be presented for the approval of our shareholders in the first Ordinary General Assembly Meeting to be held

FINANCIAL BOND ISSUANCE DURING THE PERIOD

In the 1st Quarter period of 2021, Odaş Elektrik Üretim Sanayi Tic A.Ş. issued a financing bond with a nominal amount of 50,000,000 TL with a maturity starting date of 08.03.2021 and a maturity of 184 days to be sold to qualified investors, and the annual simple interest rate for the financing bond issue was determined as 23.00%, the annual compound interest rate was 24.31% and the issue price was determined as 0.89610 TL. The said financial bond matured and was redeemed on 08.09.2021.

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 7% to 1,999 GWh year-on-year in the period from January to December 2021. Between 01.01.2021 - 31.12.2021, the gross capacity utilization rate was 69%. (The gross capacity utilization rate for the period 01.01.2020 - 31.12.2020 was 65%.)

Sale of Electricity at a Guaranteed Price Indexed to Dollar

Çan-2 Thermal Power Plant sells electricity for a price that is predicted in the regulation in relation to the bilateral agreement it signed with EÜAŞ within the scope of a regulation for the supply of electricity from domestic coal plants. Within the context of the letter of agreement prepared for purchasing electric power from private companies who operate Domestic Coal Power Plants, these predicted prices are indexed to US dollar. Among the incentives from which Çan-2 Thermal has benefited is the additional 3% price incentive granted to power plants that have obtained the necessary environmental permits and completed their investments.

In this context, the guaranteed off-take prices in 2021 increased by 25% compared to the previous year, averaging 438.5 TL/MWh. This price increase is due to annual inflation and the increase in the US dollar exchange rate.

Capacity mechanism

In 2018, TEİAŞ established a capacity mechanism under the Electricity Market Capacity Regulation, which is operated by TEİAŞ to provide sufficient installed electricity capacity, including reserve capacity, required to ensure security of supply in the electricity market and/or maintain reliable installed electricity capacity to ensure long-term system security. This support mechanism is managed under an annually set budget and the capacity payments to the generating plants included in the capacity mechanism are determined on the basis of the fixed cost components of the power plants in the capacity mechanism and their total installed capacity on a resource basis. The Çan-2 thermal power plant benefits from the capacity mechanism.

Transfer of Urfa Gas Cycle Power Plant to Uzbekistan

ODAS has relocated its 140 MW Şanlıurfa Gas Cycle Power Plant to the Harezm region in Uzbekistan as part of an internal relocation move. An agreement was signed between ODAS and NEGU (National Electric Grid of Uzbekistan), which is affiliated with the Uzbek Ministry of Energy, to operate the power plant, which will become more active and efficient and will have an installed capacity of 174 MW when completed. The agreement stipulates that the electricity generated at the power plant be sold to the Uzbek government for a period of 25 years and pegged to the US dollar. The electricity from the power plant, which will be commissioned in stages, will be used to meet Uzbekistan's energy needs.

For example, an agreement was signed with NEGU (National Electric Grid of Uzbekistan), which is affiliated with the Uzbek Ministry of Energy, for the construction of a natural gas cycle power plant with a total installed capacity of 174 MW in Uzbekistan and the sale of the electricity generated in the plant for 25 years at a guaranteed sales price pegged to the US dollar.

The Uzbekistan Gas Cycle Power Plant, which will have an installed capacity of 174 MW when completed, is expected to gradually start production in the first quarter of 2022.

SECTOR OVERVIEW

Comparison of Production, Consumption and Installed Capacity;

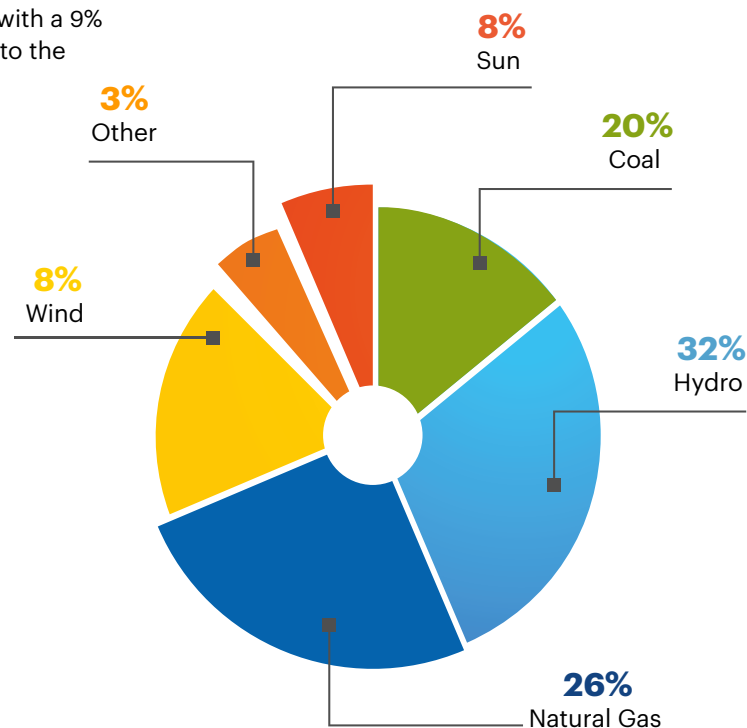
According to TEİAŞ data, the total installed capacity in the sector was 99,819.60 MW as of the end of 31.12.2021, with an increase of 3,929 MW compared to 31.12.2020 (after taking into account the plants whose capacity was reduced and closed down). The rate of increase was 4%.

Looking at the installed capacity of thermal power plants, as of the end of 31.12.2021, the capacity of domestic coal power plants increased by 30 MW, the capacity of imported coal power plants increased by 6 MW, while the capacity of natural gas power plants decreased by 99 MW compared to 30.12.2020.

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 9% increase in installed capacity compared to the same period of the previous year.

As of end-December 2021, the highest installed capacity increase in renewable energy was in wind power plants with 1,774 MW, followed by solar power plants with 1,148 MW. In the same period, capacity increases in hydroelectric, biomass, geothermal and waste heat power plants were 508 MW, 528 MW, 63 MW and 21 MW, respectively. As of 31.12.2021, 32% of the total installed capacity consisted of hydraulic power, 26% natural gas, 11% domestic coal, 9% imported coal, 11% wind, 8% solar, 2% geothermal and 2% other energy sources. When the distribution by type of establishment is analyzed, 21% of the installed capacity belongs to EÜAŞ and its subsidiaries, 3% to Build-Operate-Transfer and plants with transferred operating rights, 68% to independent generation companies and 8% to unlicensed plants.

Distribution of Installed Capacity by Resources (31.12.2021 Period)



Electricity generation and consumption

According to data from EPIAŞ transparency platform for settlement withdrawals (UEÇM), consumption in 2021 increased by 8.3% compared to the previous year and reached 306,066 GWh. Peak consumption increased by 13.8% in 2021 compared to the previous year, reaching 52,969 Mwh. On a quarterly basis, consumption increased by 2% year-on-year in Q1, 19% in Q2, 14% in Q3 and 8% in Q4.

In addition, according to data from EPIAŞ transparency platform for settlement supplies (UEVM), the resource-based distribution of generation in 2021 was 32% natural gas, 18% hydroelectricity, 16% imported coal, 14% domestic coal, 10% wind and 10% other resources. The largest change in the distribution of electricity generation compared to the same period last year was in wind power, with an increase of 27% due to an increase in installed capacity, while hydro power generation decreased by 28%. There was a 12% increase in domestic coal-fired power plants and a 13% decrease in imported coal-fired power plants.

The average MCP (Electricity Market Clearing Price) in 2021 was 506.41 TL/Mwh, an increase of 82% from the previous year. In dollar terms, it was \$55.6/Mwh, an increase of 39%. Due to the price increases of natural gas and imported coal and the fluctuation of the USD exchange rate in Q4-2021, the average MCP was 837 TL/Mwh, an increase of 110.5% compared to the average of 397.41 TL/Mwh in the first 9 months.

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 50% on 31/12/2021 compared to 31/12/2020, reaching \$77 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 2021 increased by 243% compared to December 2020, reaching 4,800.00TL/1000Sm3. At the same time, the API2 coal index, an indicator of the cost of imported coal, increased by 97% in dollar terms on 31.12.2021 compared to the same period last year, reaching \$136.85/metric tons on 31.12.2021. 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.

Capacity mechanism

In 2018, a capacity mechanism was established under the Electricity Market Capacity Regulation, operated by the TEİAŞ to provide sufficient installed electricity capacity, including reserve capacity, necessary to ensure security of supply in the electricity market and/or maintain reliable installed electricity capacity to ensure long-term system security. This support mechanism shall be managed within an annually determined budget and the capacity payments to the generating plants included in the capacity mechanism shall be determined on the basis of the fixed cost components of the generating plants in the capacity mechanism and their total installed capacity on a resource basis within the annually determined budget. The Çan-2 thermal power plant benefits from the capacity mechanism.

As of 30.11.2021, approximately 2.5 Billion TL was paid to the power plants within the scope of the capacity mechanism regulation in 2021 and 54% of these payments were made to domestic coal-fired thermal power plants. Çan-2 Thermal Power Plant received 5% of the approximately 1.3 Billion TL capacity payment made to domestic coal-fired power plants.

Mining activities

In the mining sector, Odaş 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 risk detection 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 directors Salih Erez (Committee Chairman) and Umut Apaydın (Committee Member) were elected as members of the Early Risk Detection 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 01.01.2021 - 31.12.2021

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

PERSONNEL INFORMATION

The number of employees of the Company is 925 as at 31.12.2021. 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 01.01.2021 - 31.12.2021, a total of 803,580.98 TL was donated by Odaş and its Subsidiaries

COMPANY HISTORY AND DEVELOPMENT

ODAS Energy is a power generation, supply and mining company established in 2010 to operate within the energy sector.

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 operating under Çan2 Termik A.Ş., a 100% 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 MW. 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 market and the significant decline in the profitability of the

power plant in the recent period under competitive conditions made more difficult by the oversupply in the Turkish electricity sector, 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 investment efforts for the power plant is continuing and it is planned to start production gradually in the first quarter of 2022.

The goal by doing so is to create new opportunities at limited and measured risk levels, using precious and strategic metal mining and new technological investments, with the help of the stable cash facility provided by the energy industry assets generating conventional and fixed returns. Within this framework, the sale of all shares of our subsidiary Küçük Enerji Üretim ve Ticaret Ltd. Şti. was realized in November 2021.

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 RESOURCES

ODAS carefully chooses each employee in line with its sustainable growth target principles and corporate approach of promoting coexistence and diversity in order to establish a young and dynamic workforce that adds value to our country and sector.

Our human resources policies are developed on the basis of "Creativity and Flexibility", "Transparency and Sustainability", "Social and Environmental Consciousness", and "Focus on Occupational Health and Safety". Accordingly, Odas provides

all its employees with all the necessary support both in personal and technical matters to help them reach their full potential. Furthermore, the priority targets of human resources policies include the development of practices to bring about a high level of job satisfaction and comfort, through increasing employees' quality of life.

Committed to its vision of being a pioneering company that provides sustainable profitability by differentiating its commercial activities through strategic investments in the energy and mining sectors, Odas continues its activities with a total of 925 employees as of the end of December 2021. All technical workers in the production channel consist of individuals with a vocational diploma who have completed their vocational qualification training according to their fields of specialization and have obtained competency certificates.

Recruitment Activities

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.

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

The Odaş Wage and Benefit Management System takes wage market and wage policy, current wage structure and paying power, and individual performance and narrow band job grades as its criteria. Regular market analyses performed in line with research and studies by independent consultants specializing in the field, lead to the application of a fair and market-competitive remuneration and benefits policy.

Internal Communications Activities

One of Odaş' essential human resources policies is to create a common language based on open communication with its young and dynamic workforce. The goal is to develop innovative and solution-oriented ideas through a transparent culture of sharing and to create a culture adopted by everyone that is focused on perfecting and ensuring the sustainable development of the company.

CMB SUSTAINABILITY PRINCIPLES COMPLIANCE EFFORTS

COMPLIANCE STATUS						
	Yes	Partially	No	Exempt	Not applicable	
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Objectives						Description
The Board of Directors has identified Environmental, Social and Corporate Governance (ESG) material issues, risks and opportunities.		X				Risk studies are carried out for the processes of the company departments and policies were determined within the environmental, social and corporate framework. Procedures were developed within the company for the effective implementation of these policies.
An ESG policy was established by the Board of Directors.		X				Environmental, social and corporate policies were determined within the Company and announced on the corporate website.
Documents such as internal directives, work procedures, etc. were prepared for the effective implementation of ESG policies.		X				Procedures were developed within the company for the effective implementation of these policies. In addition, corporate governance, audit committee and early detection of risk arrangements are in place.
Board of Directors resolution on ESG policies was taken and disclosed to the public.		X				Committees related to Corporate Governance were established and disclosed to the public
Partnership Strategy was determined in accordance with ESG policies, risks and opportunities		X				The Company continues to work on this issue.
Short and long term targets were determined and disclosed to the public in accordance with the Company's strategy and ESG policies			X			The Company continues to work on this issue.
A2. Implementation/Monitoring	Yes	Partially	No	Exempt	Not applicable	Description
The committees and/or departments responsible for the implementation of the ESG policies were identified and made known to the public.		X				Regarding corporate governance; early risk identification, audit and corporate governance committees were established and publicly disclosed.
The identified committees and/or units were reported to the Board of Directors at least once a year and in any case within the maximum time limits set out in the relevant Board regulations for the publication of annual reports on their activities carried out under the ESG policies.		X				Resolutions of the Corporate Governance, Risk Early Detection and Audit Committees on corporate governance were taken and reported in the annual report.
Implementation and action plans were prepared and made available to the public in accordance with the short- and long-term goals set.		X				Work is being carried out on actions and plans.
ESG Key Performance Indicators (KPIs) were determined and the indicators were explained comparatively on a yearly basis.		X				Work on ESG Key Performance Indicators (KPIs) and related issues is ongoing.

A2. Implementation/Monitoring	Yes	Partially	No	Exempt	Not applicable	Description
KPIs are presented together with local and international industry benchmarks (where verifiable qualitative data is available)		X				Studies on local industry benchmarks for KPIs are underway.
Innovation activities to improve sustainability performance in business processes or products and services are explained			X			Work on innovation activities to improve sustainability performance in business processes or products and services is ongoing.
A3. Reporting	Yes	Partially	No	Exempt	Not applicable	Description
Sustainability performance, targets and actions are reported at least once a year and shared with the public. Information on sustainability activities is disclosed in the annual report		X				Information on sustainability activities is disclosed in the annual report
Information that is important for stakeholders to understand the partnership's position, performance and development is shared in a direct and concise way (detailed information and data can be published separately on the corporate website, separate reports can be produced that are directly tailored to the needs of the different stakeholders).		X				The Company continues to work on this issue.
Maximum care has been taken in terms of transparency and reliability in disclosures and reporting. Within the scope of balanced approach, all kinds of developments on material issues were objectively disclosed in the disclosures and reports.		X				The Company continues to work on this issue.
Information is provided on which of the United Nations Sustainable Development Goals the activities are related to.			X			No information has yet been shared about which of the United Nations Sustainable Development Goals the activities are related to.
Explanations were made regarding the lawsuits filed against and/or finalized on ESG issues.	X					Related disclosures were published on the public disclosure platform.
A4. Verification	Yes	Partially	No	Exempt	Not applicable	Description
Sustainability performance measures are disclosed to the public when verified by independent third parties (independent sustainability assurance providers).			X			No information was shared in this context.
B. Environmental Principles	Yes	Partially	No	Exempt	Not applicable	Plant Description
Policies and practices, action plans, environmental management systems (ISO 14001) and programs established within the scope of environmental management are explained.		X				The company has an environmental policy and it is published on the company website. There are instructions, procedures and control forms for the management of the subsystems of our Environmental Management System. Our Quality Management System efforts were initiated and ISO 14001 integration of our Environmental Management System will be ensured.
Compliance with environmental and related laws and other relevant regulations was ensured and the work carried out was explained.	X					It has an Environmental Permit and License Certificate and is operated in accordance with the Environmental Law and related legislation.

B. Environmental Principles	Yes	Partially	No	Exempt	Not applicable	Plant Description
Within the report prepared within the scope of Sustainability Principles, the limitations related to the environmental report, reporting period, reporting date, data collection process and reporting conditions are included		X				The relevant compliance document was shared in the Annual Report. Efforts to improve the process are ongoing
The highest level of managers in charge, relevant committees and tasks related to environment and climate change were explained		X				There are teams that ensure the follow-up of processes such as greenhouse gas monitoring, waste management, etc. related to the environment and climate change.
Incentives offered to employees for the management of environmental issues, including the realization of targets, are explained.		X				Work continues on the incentives offered to employees for the management of environmental issues, including the realization of targets.
It is explained how environmental issues are integrated into business objectives and strategies.	X					Our environmental activities are implemented in line with the principle of efficiency and in parallel with all our targets, and process planning is carried out in a way to minimize the impact on the environment.
Sustainability performances for business processes or products and services and activities to improve these performances were explained.		X				The aim is to sustain our business processes without consuming new resources by exploring alternative uses for existing resources.
It explains how environmental issues are managed throughout the partnership's value chain, not just in relation to direct business operations, and how suppliers and customers are involved in the strategies.		X				Supplier selection follows the supplier evaluation process and supplier suitability is verified through audits. Work is being done to improve the process.
Whether the company is involved in policy-making processes on environmental issues (at sectoral, regional, national and international levels); collaborations with associations, related organizations and non-governmental organizations of which the company is a member and, where applicable, the tasks assumed and activities supported are explained.		X				Although the company is not directly involved in policy-making processes on environmental issues, it acts in accordance with national policy.
Information on environmental impacts based on environmental indicators (greenhouse gas emissions (Scope-1 (direct), Scope-2 (energy indirect), Scope-3 (other indirect)), air quality, energy management, water and wastewater management, waste management, biodiversity impacts) is reported regularly in a comparable form		X				Data on environmental indicators such as greenhouse gas emissions, wastewater, air quality and waste management is collected, monitored and reported.
The standard, protocol, methodology and base year information used to collect and calculate the data is explained.		X				The year in which production started is considered the base year. The methods specified in the legislation are used to collect the data.
The status (increase or decrease) of the environmental indicators for the reporting year compared to previous years is explained		X				Studies are carried out on the status of environmental indicators in comparison with previous years

B. Environmental Principles	Yes	Partially	No	Exempt	Not applicable	Plant Description
Short- and long-term environmental impact reduction targets have been set and these targets have been explained (it is recommended to set targets based on scientific methods as recommended by the United Nations Conference of the Parties on Climate Change). If progress has been made in the reporting year with respect to the previously set targets, relevant information is provided.			X			No statement was made in this regard.
Strategy and measures to combat the climate crisis are explained.		X				Activities to combat climate change are monitored and continued in accordance with the Best Practicable Techniques reference documents published by the European Union.
The programs or procedures established to prevent or minimize the potential negative impacts of the products and/or services offered are explained; third party actions to reduce greenhouse gas emissions are explained.		X				Product and service impact studies are conducted.
The measures taken to minimize environmental impacts, the total number of projects and initiatives implemented, and the environmental benefits/gains and cost savings achieved are explained		X				Product certificates have been acquired for the use of waste generated in the production of electrical energy as an alternative raw material instead of disposal. In this way, waste is recycled as products.
Total energy consumption data (excluding raw materials) is shown and energy consumption is reported as Scope-1 and Scope-2 in the report.		X				Total energy consumption data is monitored annually and reported internally
Information was given on electricity, heating, steam and cooling data generated and consumed in the reporting year.		X				Electricity, natural gas and water consumption are reported annually and internally
Studies on the increased use of renewable energy and the transition to zero- or low-carbon electricity have been conducted and these studies have been explained.		X				At present, the company has one hydropower plant with an installed capacity of 8.2 MW.
Data on renewable energy generation and use is disclosed.	X					Production data is reported in the annual consolidated report.
Energy efficiency projects have been implemented and the level of energy consumption and emission reduction achieved through these efforts are disclosed.		X				Efforts are underway to disclose energy consumption and emission reductions achieved through energy efficiency projects.
Report on the quantities, sources and processes of water withdrawal, use, reuse and discharge from underground or surface (total water withdrawal by source, water sources affected by water withdrawal; percentage and total volume of water reused and recycled, etc.)	X					The natural resources used in our operations are monitored on a daily basis. Accordingly, monthly reports are prepared.
It is outlined whether the operation or activities are included in a carbon pricing scheme (emissions trading scheme, cap & trade or carbon tax).			X			Not stated, as not included in the carbon pricing system.

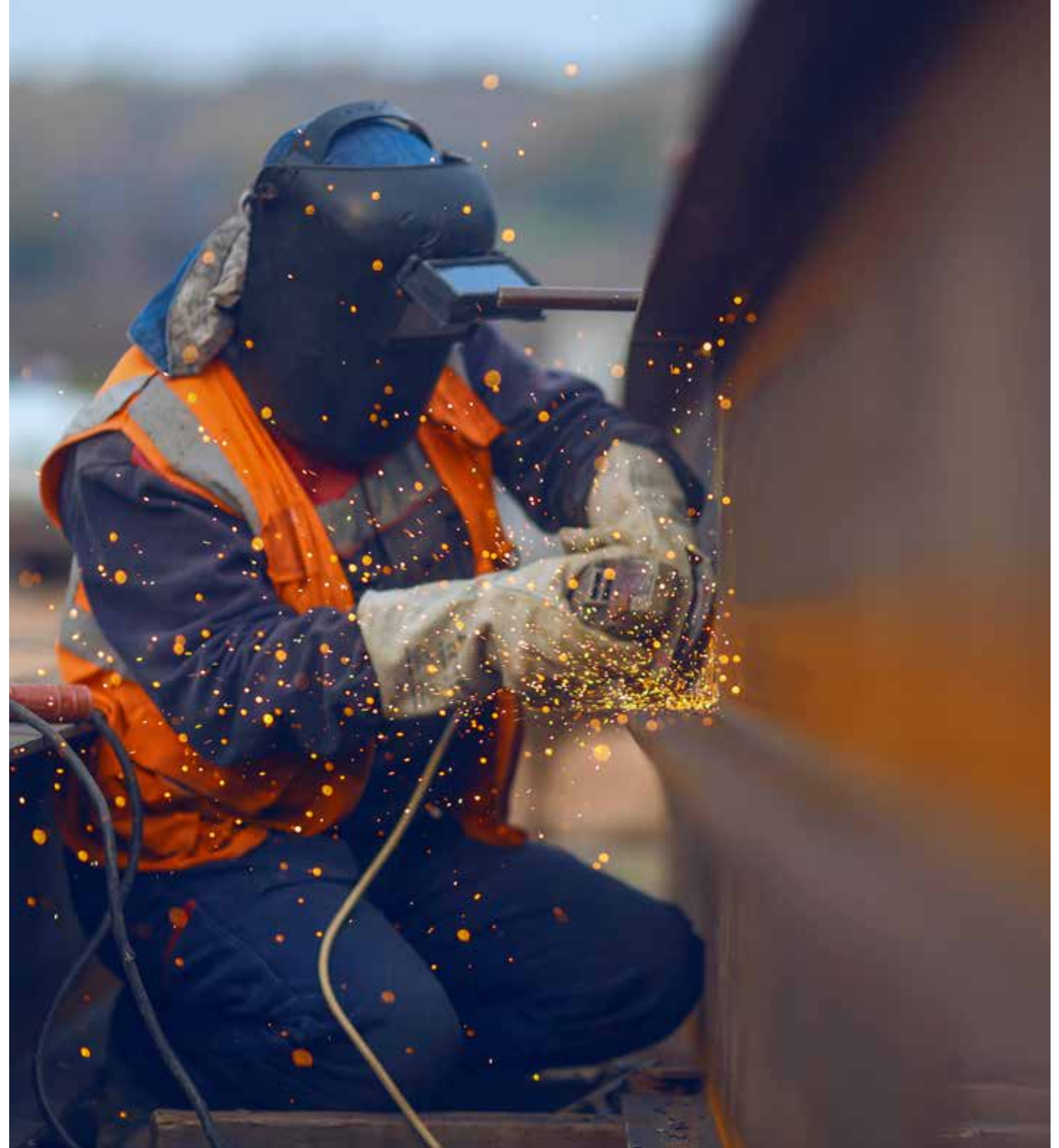
B. Environmental Principles	Yes	Partially	No	Exempt	Not applicable	Plant Description
Information and details of carbon credits accumulated or purchased during the reporting period are disclosed.			X			Since the Company is not included in the carbon pricing system, there are no carbon credits accumulated or purchased.
If carbon pricing is applied within the partnership, the details of this practice are disclosed.			X			There are no carbon credits accumulated or purchased as the company is not included in the carbon pricing system.
All mandatory and voluntary platforms where environmental information is disclosed are disclosed.		X				Our environmental information is shared with the Ministry of Environment and Urbanization in accordance with the Environmental Law.
C. Social Principles	Yes	Partially	No	Exempt	Not applicable	
C1. Human rights and workers' rights						Description
A corporate policy on human rights and workers' rights has been established, which stipulates full compliance with the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye, and the legal framework and legislation regulating human rights and working life in Türkiye. The said policy and the duties and responsibilities associated with its implementation have been made public.		X				The human resources policy and ethical principles and committees have been established and published on the company's website. Work in this area is ongoing.
Equal opportunities are ensured in recruitment procedures.	X					Each person joining the company's organization is thoroughly assessed for compatibility with the respective task, values and culture of the company, giving priority to equal opportunities and objective assessment criteria
Fair working conditions, improving labor standards, women's employment and inclusion issues (e.g. non-discrimination against women, men, religious belief, language, race, ethnicity, age, disability, refugees, etc.) are mainstreamed into policies by considering supply and value chain impacts	X					Within the framework of the company's human resources policy and ethical principles and rules, any kind of discrimination based on gender, language, religion, race, marital status, political opinion, age, disability, etc. is prohibited
The measures taken along the value chain to protect the rights of groups sensitive to certain economic, environmental and social factors (low-income groups, women, etc.) or the rights of minorities and equal opportunities are explained.		X				It is part of our recruitment goals to increase the number of female employees in our companies each year. In recruitment procedures, the share of female applicants in the total number of assessed applicants is taken into account within the framework of the principle of positive discrimination. The employment of people with disabilities is supported in each of our companies and compliance with the applicable legal framework is observed. The application process of disabled workers is thoroughly reviewed and their employment is ensured by ensuring that they are referred to the most appropriate position for their disability status

C. Social Principles	Yes	Partially	No	Exempt	Not applicable	
C1. Human rights and workers' rights						Description
Development concerning practices to prevent and correct discrimination, inequality, human rights violations and forced labor is reported.	X					In this context, violence, harassment and psychological intimidation (mobbing) are not allowed. At the same time, the necessary measures are taken to prevent any kind of behavior that could disturb industrial peace, within the framework of the company's disciplinary regulations and similar internal procedures, as well as the legal framework. At the same time, it is ensured that the articles in the internal procedures and employment contracts comply with the related legal procedures.
The regulations on the prohibition of child labor are explained.		X				No child labor is used in any of our businesses except under the conditions specified by law. At the same time, no business relationships are entered into with subcontractors who use child labor.
Policies on investment in employees (training, development policies), remuneration, benefits, right to establish trade unions, work-life balance solutions and talent management are explained.		X				The company considers professional and personal development of all its employees as one of its primary objectives while implementing its activities to meet training and development needs. At the same time, it supports the maintenance of a feedback culture in the organization through performance and competence assessment systems. By encouraging participation of employees working in every level to function-based professional development training and of field workers to technical development training particularly on occupational safety, their professional qualifications are reinforced. Furthermore, all employees are encouraged to attend events regarding their areas of expertise, with the aim of creating professional awareness. Work in this area is ongoing.
Mechanisms for the resolution of employee grievances and disputes have been established and dispute resolution procedures have been set out.	X					It is included in the company's disciplinary procedure.
Activities to ensure employee satisfaction are announced regularly.	X					As part of employee retention and satisfaction, employee evaluations were collected in 2020 through a survey application based on evaluation criteria. Some of the actions related to the survey results evaluated according to objective criteria were carried out in 2020, others are planned for 2021

C. Social Principles	Yes	Partially	No	Exempt	Not applicable	
C1. Human rights and workers' rights						Description
Occupational health and safety policies have been prepared and communicated to the public.		X				The main objective in implementing human resources policies in our companies is to promote the well-being and health of our employees. In this context, priority is given to the health of our environment, our employees and their families. In order for our employees to perform their duties in a safe environment, it is important to implement all types of occupational health and safety measures and to fully comply with regulations. Occupational accident statistics are explained and evaluated within the framework of occupational health and safety committees that are set up in our businesses. Within the framework of the "Occupational Health and Safety and Environment Procedure" under the disciplinary procedure, any behavior that violates the measures is identified. As part of the promotion of the occupational health and safety culture, the "Occupational Health and Safety Culture" project will be implemented in 2021.
Measures taken to prevent work accidents and to protect health as well as accident statistics are explained.		X				In order for our employees to perform their duties in a safe environment, it is important to implement all types of occupational health and safety measures and to fully comply with regulations. Occupational accident statistics are explained and evaluated within the framework of occupational health and safety committees that are set up in our businesses.
Guidelines for the protection of personal data and data security have been drawn up and communicated to the public.	X					A policy on the KVKK (the Turkish law on the protection of personal data) has been published, covering both employees and third parties who communicate with our company. The relevant process was comprehensively addressed particularly in the area of human resources. At the same time, the prepared data security policies and practices were audited and certified under ISO 27001 Information Security. This certification audit and process will continue in the following period
Ethics policies (including business and work ethics, compliance processes, advertising and marketing ethics, open disclosure, etc.) were established and communicated to the public.	X					The company's code of ethics is available in written form and has been communicated to all employees. In this context: Honesty, Discrimination, Confidentiality, Avoidance of Conflicts Of Interest, etc. were addressed in the code of ethics and published on the website.
Activities under social investment, social responsibility, financial inclusion and access to finance were explained.		X				In 2020, social responsibility activities were implemented in various areas such as education, nutrition, transport, etc. to support the well-being of local people, especially in the locations where our companies operate. The implementation of projects supported by universities in particular is planned for 2021.
Information events and training programs on ESG policies and practices were organized for employees		X				Training courses are organized for employees

C2. Stakeholders, International Standards and Initiatives	Yes	Partially	No	Exempt	Not applicable	Description
Sustainability activities are carried out taking into account the needs and priorities of all stakeholders (employees, customers, suppliers and service providers, public institutions, shareholders, society and non-governmental organizations, etc.).	X					
A customer satisfaction policy on the management and resolution of customer complaints has been developed and communicated to the public.		X				EMRA reports on the management and resolution of customer complaints are available.
Communication with stakeholders is continuous and transparent.	X					
With what stakeholders, for what purpose, on what topic and how often communication takes place and the progress of sustainability activities is explained.		X				Efforts continue with respect to with what stakeholders, for what purpose, on what topic and how often communication takes place and the progress of sustainability activities.
Adopted international reporting standards (Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), etc.) were communicated to the public			X			There are no adopted international reporting standards yet, but studies are planned.
International organizations or principles to which the company is a signatory or member (Equator Principles, United Nations Environment Program Finance Initiative (UNEP-FI), United Nations Global Compact (UNGC), United Nations Principles for Responsible Investment (UNPRI), etc.), adopted international principles (International Capital Market Association (ICMA) Green/Sustainable Bond Principles, etc.) were disclosed to the public.			X			No information is disclosed to the public in this context.
Concrete efforts are made to be included in the Borsa Istanbul Sustainability Index and international sustainability indices (Dow Jones Sustainability Index, FTSE4Good, MSCI ESG Indices, etc.).	X					Efforts still continue in this regard.
D. Corporate Governance Principles	Yes	Partially	No	Exempt	Not applicable	Description
In addition to the Corporate Governance principles that must be complied with compulsorily within the scope of the Capital Markets Board Corporate Governance Communiqué numbered II-17.1, maximum effort is made to comply with all Corporate Governance principles.	X					
The Company considers sustainability, the environmental impact of its activities and the principles in this regard when determining its corporate governance strategy.		X				Studies on sustainability and the impacts of activities on corporate governance strategy and practices are ongoing.

D. Corporate Governance Principles	Yes	Partially	No	Exempt	Not applicable	Description
The company takes the necessary measures to comply with the principles set out in the Corporate Governance Principles in relation to stakeholders and to strengthen communication with stakeholders.	X					
Stakeholders are consulted in setting sustainability measures and strategies.		X				
It works to raise awareness of sustainability and its importance through social responsibility projects, awareness-raising events and training.	X					Social responsibility projects and awareness-raising activities are integrated into internal communication. Work in this area is ongoing.
The company strives to become a member of international standards and initiatives on sustainability and to contribute to these efforts.		X				More efforts are planned to become a member of and contribute to international standards and initiatives on sustainability.
It explains its policies and programs on combating bribery and corruption and on the principle of tax integrity.	X					It can be found on the company's website under the Code of Ethics





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.ak.



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.





05

SECTION

CORPORATE MANAGEMENT

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 2021, 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 2021. 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 49 local and foreign investors, analysts and portfolio managers in total during the year 2021.

› 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,

- Keeping a record of voting results through the General Assembly minutes and submitting the reports of voting results to shareholders' information,

- Fulfillment, oversight and monitoring of obligations arising from Financial Reporting, Corporate Governance Practices, Public Disclosure Guidelines and communiques and all other Capital Markets Regulations applicable to Publicly Listed, Corporations,

- 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.

Investor Relations Department

Full Name	Role
Melih Yüceyurt	Director of Finance and Investor Relations
Mehmet Erdem Aykın	Investor Relations Manager
E-Posta: yatirimciiliskileri@odasenerji.com	

› 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 2021, 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 2021.

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.

› Shareholding Structure

The shareholding structure as of 31.12.2021 is as follows.

Shareholding Structure		
Full Name / Title	Total Nominal Shares	Share Percentage (%)
Burak Altay	68,199,226	%15,81
Abdulkadir Bahattin Özal	221,397,487	%4,87
BB Enerji Yatırım Sanayi ve Ticaret Anonim Şirketi	39,619,143	%2,83
Other	1,070,784,143	%76,49
Total	1,400,000,000	%100,00

› 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 2020 Ordinary General Assembly Meeting was held in the registered office of the company at the address Varyap Meridian 3 Toplu Yapısı Barbaros Mahallesi. Al Zambak Sokak. Varyap Meridian Sitesi, A Blok / No : 2 Kat : 51 Ataşehir / Istanbul 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 2020 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 05.11.2021, in the issue no. 10448 of Turkish Trade Registry Gazette dated 10.11.2021 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 TRY206.508.546,647were represented, TRY 218.497.571,634 capital shares by proxy and TRY 425.006.118,281 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 2020, the board members were elected to serve until 31.12.2022. 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 2020. Donations and grants worth a total of TRY 892,090 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 1,500,000 for 2021 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 the corporation or subsidiaries.

› 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

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 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.

Accordingly, the main purpose when defining the human resources policy is to make and implement plans in a supportive manner for all managers who

- Lead to establish systems required for being an agile organization,
- Engage the employees in a collective mission through performance system and encourage them to work with team spirit,
- Focus on and support the development of employees in terms of knowledge, skills and competencies,
- Provide the employees with enough space to use initiative in their roles and responsibilities,
- Adapt quickly to changing conditions and develop a point of view that reinforces resilience during challenging periods,

- Ensure job satisfaction and implementation of activities that add value to both employees and the organization by promoting internal entrepreneurship and innovation,
- Act as the leader of their jobs or teams; to improve their leadership skills required in line with the company strategy.

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.

Confidentiality

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.

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.

Abdulkadir Bahattin Özal
Burak Altay
Hafize Ayşegül Özal
Umut Apaydın
Salih Erez

› 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.

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.

Salih Erez

Independent Board Member

Mr. Erez graduated from the Business Administration Department of Koç University

and he is currently a Board Member of Haznedar Refrakter, Durer Refrakter Malzemeleri and Haznedar Yatırım ve Pazarlama, along with his board membership in several non- governmental organizations.

Burak ALTAY is the Deputy Chairperson of the Board and also serves as the Chief Executive Officer of the company. In its meeting dated 30.07.2020 no. 2019/01, in the capacity of the Nomination Committee, the Corporate Governance Committee submitted to the Board of Directors the report drawn up with respect to independent members of the Board of Directors. Accordingly, Mr. Umut Ayaydın and Mr. Salih Erez, who were found to have met the independence criteria stipulated in the Corporate Governance Principles of the Capital Markets Board, were elected as the independent members of the Board.

That they 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,

That they are not a full-time employee of a government agency or entity,

That they are considered a resident of Turkey as board member, with respect to their independent status, stipulate the following:

- That they neither personally, nor through their 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 they 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 they 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 they are not a full-time employee of a government agency or entity,

v. That they are considered a resident of Turkey as per the Income Tax Law,

vi. That they 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. They 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. They have not served as a board member of the company for more than six years in the last ten years,

ix. They are 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 2020, the Board of Directors convened 26 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

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 Chair, while Mr. Umut Apaydin 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.

› Strategic Objectives of the Company

ODAŞ intends to establish a bidirectional strategy to reinforce its position in the industry. Thanks to this two-way strategy, the material values accumulated will lead to an expansion of the areas of operations generating additional synergies through vertical and horizontal integration. Accordingly, precious metal and minor mining production and direct sales activities were integrated into our current main area of activity which is electricity generation and sales.

› 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 2020 which was held on 03.12.2021, the decision was taken to pay TRY 17,500 net salary to the Board members and 23.000 to independent board members. The following financial benefits were provided to the board members and senior executives of the company in 2020.

› Total Financial Benefits (TRY)

Total Financial Benefits (TRY)	
Board of Directors	2,846,887.28
Senior Executives	12,106,238.16

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 A.Ş.

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 01.01.2021 -31.12.2021, there are no significant lawsuits that may affect the activities of the Group, for and against.

CORPORATE GOVERNANCE COMPLIANCE STATEMENT

	Corporate Governance Compliance Report	Compliance Status					
1.1.	FACILITATION OF THE USE OF SHARE OWNERSHIP RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment
	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					
	1.4.3- 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.	MINORITY RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment
	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	25	
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/893257	
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 Communique (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 Communique (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	15.53%	
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 Communique 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/894798	
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	
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	-
3.5.	Code of Conduct and Social Responsibility	
	Name of the section on the corporate website that describes the code of conduct policy	Human Resources / Code of Conduct
	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	Social Responsibility
	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

4.	BOARD OF DIRECTORS-I	
4.2.	The Basis of the Board's Activities	
	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%
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/tr/Bildirim/445299
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.	BOARD OF DIRECTORS-III	
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

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 answersNumber	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
24.12.2020	0	26.13%	20.57%	5.56%	Investor Relations / Corporate Governance / General Assembly Meetings / 2017 General Assembly Meeting / Minutes	Investor Relations / Corporate Governance / General Assembly Meetings/ 2017 General Assembly Meeting / Minutes	17	22	https://www.kap.org.tr/tr/Bildirim/889605

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				
Umut Apaydın	Non-Executive	Independent Member	24.12.2020	https://www.kap.org.tr/tr/Bildirim/893257	Evaluated	No	Yes
Salih Erez	Non-Executive	Independent Member	28.04.2016	https://www.kap.org.tr/tr/Bildirim/893257	Evaluated	No	Yes

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		Salih Erez	No	Board Member
Corporate Governance Committee		Umut Apaydın	Yes	Board Member
Corporate Governance Committee		Salih Erez	No	Board Member
Corporate Governance Committee		Melih Yüceyurt	No	Not a Board Member
Early Detection of Risk Committee		Salih Erez	Yes	Board Member
Early Detection of Risk Committee		Umut Apaydın	No	Board Member

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%	5	5
Corporate Governance Committee		100%	66%	3	3
Early Detection of Risk Committee		100%	100%	6	6



06

SECTION

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDIT REPORT

To Odaş Elektrik Üretim Sanayi Ticaret A.Ş. Board of Directors



A) Independent Audit of Financial Statements

1. Opinion

We have audited the consolidated financial position statement of Odaş Elektrik Üretim Sanayi Ticaret A.Ş. ("the Company") and its subsidiaries (to be referred together as "the Group") issued as of December 31, 2020 as well as their consolidated income, comprehensive income, changes in equity and cash flow statements for the year ending on the same date and their attached consolidated financial statements which include the summary of key accounting policies and other comments.

In our opinion, the consolidated financial statements attached reflect truthfully the consolidated financial standing of the Group as of 31.12.2020 as well as its consolidated financial performance and consolidated cash flows during the accounting period ending on the same date in accordance with Turkish Financial Reporting Standards ("TFRS") in all material respects.

2. The Basis of Opinion

Our independent audit has been performed in accordance with the independent audit standards published by Capital Markets Board as well as 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 Financial Statements" 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 audit

of financial statements, we hereby declare that we are independent from the Company. 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. Considerations

The consolidated financial statements of the Group for the fiscal year ending on 31.12.2019 were audited by another independent auditor and they expressed a positive opinion on those consolidated financial statements on 10.03.2020.

Business Continuity

As of December 31, 2020, the consolidated financial statements of the Group indicate losses from the previous years in an amount of TRY (326,903,703) (December 31, 2019 :TRY 127,047,540) and a net loss for the fiscal year ended in an amount of TRY (249,114,897) (December 31, 2019 :TRY 215,194,032). Also, as of the same date, the short term liabilities of the Group exceed its current assets by TRY 587,576,783 (31.12.2019: TRY 671,395,460). TRY 420,115,119 (31.12.2019: TRY 586,803,729) out of the aforementioned amount represents the short term portions of the loans borrowed from the banks by the Group. The total shareholders' equity of the Group is TRY 788,185,391 (December 31, 2019: TRY 792,249,388) and TRY 728,846,503 (December 31, 2019: TRY 728,846,503) of this amount comes from revaluation gains as a result of the revaluation of tangible fixed assets.

The net losses of the Group for the year resulted from the exchange differences calculated for short and long term loans (31.12.2020: TRY 601,671,020, 31.12.2019: TRY 316,548,164). As of 29.12.2020, the Group signed an agreement with the banks concerning the restructuring of the terms of the loans until 2030.

The total amount of foreign currency financial liabilities of the Group has been indicated as TRY 1,437,244,403 in its consolidated financial statements for the period ending on December 31, 2020. Accordingly, the article 376 paragraph 2 of Turkish Commercial Code (new TCC) applies to the Group.

Pursuant to the article 376 of Turkish Commercial Code ("TCC"); the Group is required to take corrective actions, submit them to its Board of Directors and inform the general assembly accordingly, in case of losing more than 50% of its shareholders' equity. The Communiqué on the Procedures and Principles for applying the article 376 of TCC has been published in the official gazette on September 15, 2018. This communiqué states that in case of capital losses incurred due to recent depreciation of Turkish Lira, the capital adequacy calculations shall not take into account the foreign exchange losses arising from foreign currency financial liabilities not redeemed yet, until January 1, 2023. The amount of unrealized exchange difference expenses incurred due to the foreign currency financial liabilities and interest accruals of the Group is approximately TRY 397,871,388 as of December 31, 2020. So, this amount may not be taken into consideration during the capital adequacy calculation pursuant to TCC.

The comments of the Group on going concern are explained under the Footnote 2.c.

Deferred Tax Asset

As of 31.12.2020, the Group has TRY 171,470,932 deferred tax asset and TRY 10,655,111 deferred tax liability. The Group holds investment incentive certificates granted by T.R. Ministry of Industry and Technology for the facilities owned by Çan Kömür and YS Madencilik. Under those incentive certificates, the machinery, equipment, software and intangible rights are entitled to tax reduction pursuant to the Corporate Tax regulations. Accordingly, the Group recognized TRY 354,596,461 deferred tax asset in its consolidated financial statements dated December 31, 2020, based on the corporate tax reduction that it will enjoy under the investment incentive in the future periods (Footnote 40).

The recoverability of deferred tax assets depends on the potential positive performance of future projections and may be subject to the changes in such projections. The Group envisages to generate sustainable operational profit and benefit from deferred tax asset, in accordance with its 10-year budget

4. Key Audit Points

The key audit points refer to the points of highest concern in our professional opinion during the independent audit of consolidated financial statements for the current period. The key audit points have been addressed as a whole within the scope of the independent audit of consolidated financial statements and during formation of our opinion on the consolidated financial statements. We do not provide a further opinion on those points.

We identified and indicated in our report the following items as the key audit points, in addition to the consideration detailed under the section Material Uncertainty Regarding the Business Continuity:

4. Key Audit Points (Continued)

Key Audit Point	How It is Addressed during Our Audit
Capitalized Mine Assets	
<p>The Group capitalizes the costs incurred under the following circumstances;</p> <p>The development costs incurred for mining sites; if the subject mining site has a strong potential for deriving an economic benefit in the future, if such economic benefit can be defined for certain mining sites and their cost can be estimated in a reliable manner,</p> <p>Direct costs incurred within the period during stripping works, which facilitate access to the identified part of the ore within each open pit ore deposit, and general production expenses that can be attributed to the stripping works,</p> <p>The costs incurred for development, rehabilitation and closure of mining sites based on their current status, depending on the open pit mining site development activities and production in the open pit. This has been considered a key audit point, taking into consideration the reduced costs of provision as of the balance sheet date for the most likely expenses to be made during the closure and rehabilitation of the mines, the share of capitalized development costs within the financial statements as of 31.12.2020 and the management assumptions applied during the capitalization of those costs.</p> <p>The details of capitalized mine assets are provided under the Notes 2 and 17.</p>	<p>The audit procedures applied in this respect include the following:</p> <p>The composition of capitalized development costs for each mining site has been evaluated,</p> <p>The conformity of the management's assessments has been tested,</p> <p>The managers of the departments responsible for the Group's mining sites have been interviewed,</p> <p>Elaborative tests have been conducted on the development costs,</p> <p>The economic benefit projections have been analyzed in comparison with the Group's estimations and the previous performance,</p> <p>The rehabilitation costs have been tested in comparison with the previous periods.</p>

4. Key Audit Points (Continued)

Key Audit Point	How It is Addressed during Our Audit
Recognition of inventories	
<p>The inventories with a balance sheet figure of TRY 193,712,243, as shown in the consolidated financial statements as of 31.12.2020, have the risk of impairment because of reasons such as being damaged, losing their value in whole or in part due to external factors or becoming unrecoverable as a result of a decrease in their sales price, and the economic factors.</p> <p>Further details on the inventories are provided under the Note 10.</p> <p>Based on the management's estimations and assumptions, no provision has been allocated in the current period for impairment of inventories. Those estimation and assumptions involve the treatment of inventories with a lower turnover rate as well as dead and damaged inventories. Therefore, the inventories are a key point for our audit.</p>	<p>We applied the following audit procedures for inventories during our audit:</p> <p>The disclosure and consistency of the accounting policy on the inventory impairment provision has been reviewed.</p> <p>A meeting was held with the Group management concerning the fact that the inventories have the risk of impairment because of reasons such as being damaged, losing their value in whole or in part due to external factors or becoming unrecoverable as a result of a decrease in their sales price.</p> <p>The inventory turnover rate has been compared with the previous year.</p> <p>Due consideration has been given to the fact that no provision has been allocated in the current period for impairment of inventories based on the management's estimations and assumptions. The discounts applied during the calculation of net realizable value have been deducted and the sales prices have been tested through sampling.</p>

Key Audit Point	How It is Addressed during Our Audit
Short and Long Term Financial Liabilities	
<p>The Group has TRY 606,654,819 short term financial liabilities representing 55% of its total short term liabilities and TRY 1,487,720,037 long term financial liabilities accounting for 98% of its total long term liabilities, as reflected in the Group's consolidated financial statements as of 31.12.2020.</p> <p>The Note 47 provides further details on the short and long term financial liabilities.</p> <p>The Group discloses its financial liabilities in terms of their discounted book value which has been calculated using exchange rate valuations and effective interest rate method. We considered the calculation and reconciliation of financial liabilities as a key audit point.</p>	<p>Our audit procedures have been designed so as to validate the financial liabilities.</p> <p>The accounting policies applied by the Group for financial liabilities and the respective implementation fundamentals have been reviewed, The financial liabilities have been verified externally with the banks and financial institutions,</p> <p>The exchange rate valuations, discounting and accrual treatments by the Group for financial liabilities have been tested through recalculation.</p> <p>The remarks in the footnotes of financial statements regarding financial liabilities have been reviewed and the adequacy of their information content has been evaluated.</p>

4. Key Audit Points (Continued)

Key Audit Point	How It is Addressed during Our Audit
Recognition of tangible fixed assets by means of revaluation method	
<p>As detailed under the Footnotes 2 and 14, the Group appraised its plants, machinery and equipment as part of its tangible fixed assets using the revaluation method, based on the valuation reports issued by the independent real estate appraiser company.</p> <p>Due to the fact that the plants, machinery and equipment with a net book value of TRY 2,376,896,353 account for 70% of the Group's total assets as of 31.12.2020 and that the valuation methods applied involve estimations and assumptions to a considerable extent, we considered the valuation of plants, machinery and equipment a key audit point.</p>	<p>During our audit, we conducted an assessment with respect to the suitability of the methods applied by the appraisers within the aforementioned valuation reports which served as a basis for the fair values of the relevant tangible fixed assets, as calculated using revaluation model.</p> <p>In order to crosscheck the consistency of the assumptions applied by the independent appraisers during their valuation with the market data, we referred to the appraisers of another entity within the same audit network as our firm. In this respect, upon conclusion of the studies and reviews conducted by the appraisers on the aforementioned real estate valuation calculations, we carried out an assessment concerning whether the estimations and assumptions in the valuation report and the fair values appraised by the Group's independent appraisers fall within an acceptable range.</p> <p>The valuation method applied has been crosschecked against the intended use of the respective real estates and the square meters used in the calculation of fair value have been compared with the title deed registries of the respective real estates.</p> <p>The sampling method has been applied to the data used in the calculation of average fair value per square meter by the appraiser company and they have been benchmarked against the market conditions. In addition, we also examined the compliance of the information provided in the financial statements and their footnotes with TAS 16, within the context of abovementioned specific accounting treatments.</p> <p>The valuation reports issued in 2018 and 2019 have been examined.</p>

4. Key Audit Points (Continued)

Key Audit Point	How It is Addressed during Our Audit
Recognition of revenue	
<p>The Group's main area of activity is to carry out electricity generation, sales of electricity power generated and sales of coal mines extracted. The sales revenue is the most important indicator for the consolidated performance evaluation of the Group.</p> <p>The Group generated TRY 975,140,238 sales revenue as of 31.12.2020. The sales revenue has critical importance for evaluation of the results of the strategies implemented during the year and for performance monitoring and it is considered a key point for our audit due to the fact that it is the most important financial figure in terms of the income statement for the fiscal year ending on 31.12.2020.</p> <p>The remarks on the Group's accounting policies and sales revenue figures are provided under the Footnotes 2 and 31.</p>	<p>The following audit procedures have been applied for recognition of the sales revenue:</p> <p>The disclosure of the sales processes and the design and the efficient functioning of controls with respect to those processes have been reviewed.</p> <p>The suitability of the Group's accounting policy concerning the recognition of sales revenue has been evaluated.</p> <p>Analytical procedures have been performed to identify whether the sales revenue figure in the consolidated financial statements is at the expected levels.</p> <p>Sampling has been applied to the customer invoices to validate them and those invoices have been matched with the delivery notes (coal sales) and the collections from the customers.</p> <p>The sales agreements of the Group with its customers have been reviewed and the timing of the sales revenue recognition for different delivery methods has been examined.</p> <p>The purchase and sales amounts, which have been recognized as cost and revenue due to situations specific to the energy market operation, have been validated using the invoices issued and received during the following period. If such invoices do not exist, the recognized amounts have been validated by obtaining information from the business units that will make the estimations conclusive,</p>

4. Key Audit Points (Continued)

Key Audit Point	How It is Addressed during Our Audit
Recognition of Lawsuit Provisions	
As detailed under the Footnote 25, when making lawsuit provisions, the likelihood of losing the relevant lawsuits and their implications if they are lost are taken into consideration based on the opinions of the Group’s legal advisors and the Group Management makes provision as them deem necessary based on their best estimations using available data.	We applied the following audit procedures for recognition of provisions during our audit: The study prepared for lawsuit provisions has been received from the Group Management, We have obtained signed lawyer letters explaining in detail the current status of the lawsuits from the Group’s lawyers, The amounts in the provision study and the provision figures mentioned in the lawyer letters and recognized have been crosschecked, We have evaluated the qualifications, competencies and impartiality of the lawyers appointed by the management, The financial statement remarks on lawsuit provisions have been reviewed and the adequacy of their information content has been evaluated.
Calculation of lawsuit provisions involves considerable estimations and therefore it is considered a key audit point.	

incorporating our opinion accordingly. The reasonable assurance, which is provided in conclusion of an audit performed in accordance with IASs, is a high level of assurance. However, it does not ensure that an existing material misstatement can always be identified. Misstatements may be by error or fraud. The misstatements are considered material if they are expected to a reasonable extent to influence the economic decisions to be taken by financial statement users based on such statements.

As a matter of course for an independent audit performed in accordance with IASs, we refer to our professional reasoning and maintain our professional skepticism during independent audits. We also:

- Identify and assess the risk of “material misstatements” in the consolidated financial statements either by error or fraud, design and implement audit procedures addressing such risks and collect sufficient and proper audit evidence to constitute a basis for our opinion. As fraud may involve acts such as collusion, forgery, willful neglect, misrepresentation or violation of internal control, the risk of failure to identify a material misstatement by fraud is higher than the risk of failure to identify a misstatement by error.
- An assessment for internal control is carried out within the context of audit, not for the purpose of providing an opinion for the efficiency of the Group’s internal control but in order to design audit procedures that are appropriate for the existing conditions.
- The suitability of the accounting policies adopted by the management and the plausibility of the explanations concerning the accounting estimations applied is evaluated.
- Whether the general layout, composition and contents of the consolidated financial statements including their remarks reflect the transactions and events, that constitute their

basis, so as to ensure a fair presentation is evaluated.

- A conclusion is drawn on whether there is a significant uncertainty in terms of any event or conditions that may cause a suspicion concerning the capability of the Group to maintain its continuity and on the proper adoption of the going concern principle by the management, based on the audit evidence collected. When we conclude that there is a significant uncertainty, we should either draw attention in our report to the remarks provided in the consolidated financial statements or express a different opinion other than a positive opinion if such remarks are not adequate. Our conclusions are based on the audit evidence obtained until the date of independent audit report. On the other hand, the future events or circumstances may end the Group’s continuity.
- Sufficient and proper audit evidence is obtained on the financial information within the Group or about the business units, in order to form an opinion on the consolidated financial statements. We are responsible for leading, monitoring and performing the audit of the Group.

In addition to other issues, we inform the senior executives about the planned scope of timeline of the independent audit and key audit findings, including material internal control deficiencies that we identified during the audit.

We have informed the senior executives about our compliance with the code of conduct with respect to being independent. We have also communicated to the senior executives all relations and other issues, that may be considered to influence the independence, and relevant precautions, if any.

5. Responsibilities of the Management and the Senior Executives for Financial Statements

The Group management is responsible for preparation of consolidated financial statements in accordance with TFRSs, their fair presentation and their internal control as deemed necessary for their preparation free of any material misstatement either by error or fraud.

During the preparation of consolidated financial statements, the management is responsible for the evaluation of the Group’s capability to maintain its continuity, the disclosure of matters concerning the continuity and the adoption

of going concern principle unless there is any intention or obligation to dissolve or terminate the Group.

The senior executives are responsible for the oversight of the Group’s consolidated financial reporting process.

6. Responsibilities of the Independent Auditor for the Independent Audit of the Financial Statements

Our purpose is to have a reasonable assurance on whether the financial statements as a whole contain any misstatement either by error or fraud and to issue an independent audit report

6. Responsibilities of the Independent Auditor for Independent Audit of the Financial Statements (Continued)

We identify the most critical points, in other words, the key audit points, among the points reported to the senior executives during the independent audit of the consolidated financial statements for the period. When the regulations forbid the disclosure of a point to the public or in case of exceptional situations where the negative consequences of its disclosure to the public are reasonably expected to exceed the public interest that may result from its disclosure, we may decide not to mention such point in our independent audit report.

Eren Bağımsız Denetim
A.Ş. Member Firm of Grant
Thornton International



Nazım Hikmet
Cap Auditor

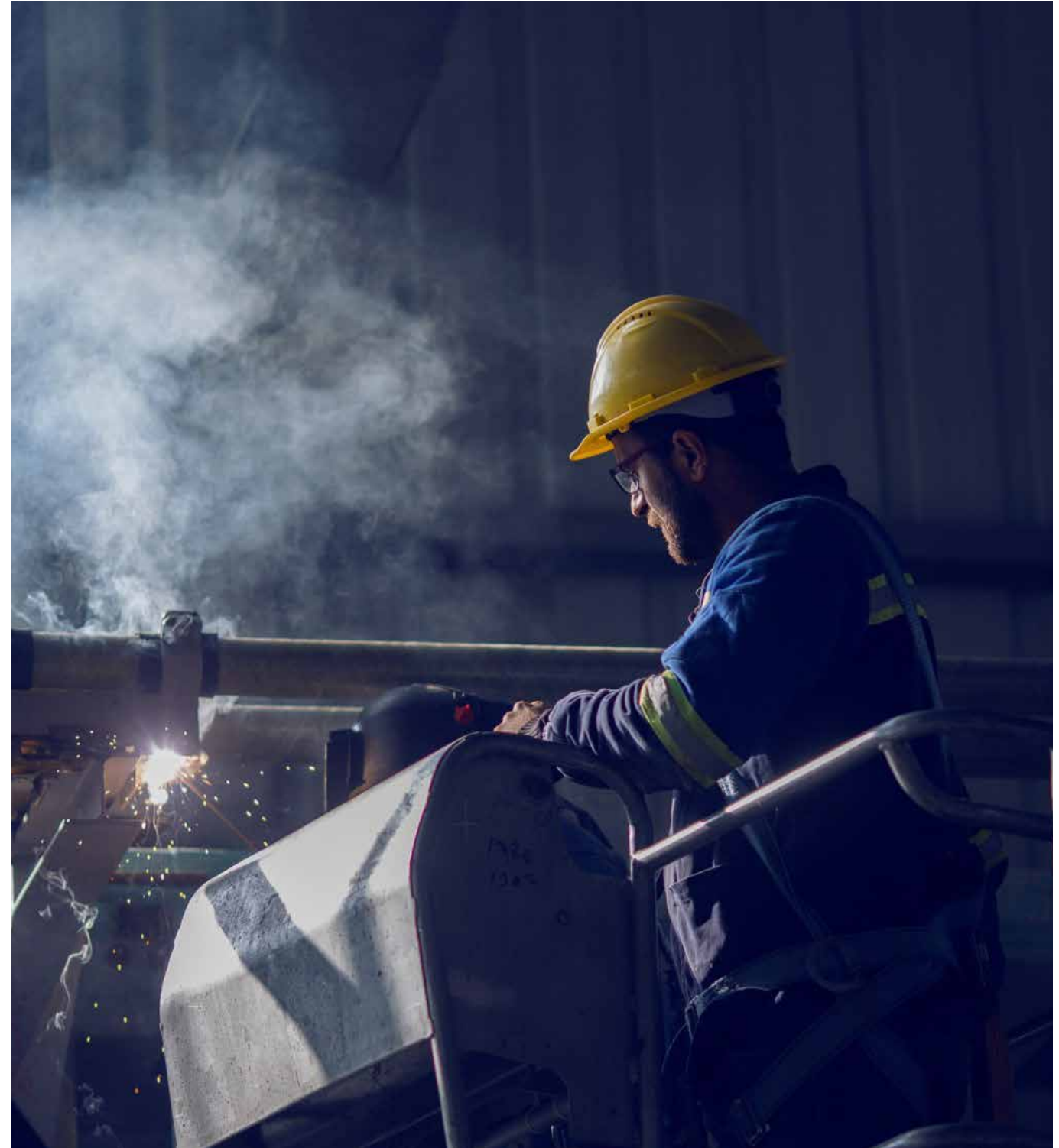
İstanbul, 9 .03. 2022

B) The Report on Other Liabilities Imposed by the Regulations

Pursuant to the article 402 paragraph 4 of Turkish Commercial Code ("TCC") no. 6102, we have not found any significant issue concerning noncompliance of the Group's bookkeeping with the provisions of the law and its articles of association about financial reporting during the accounting period 01.01. - 31.12.2020.

Pursuant to the article 402 paragraph four of TCC, the Board of Directors provided us with the explanations and documents required within the scope of the audit.

Nazım Hikmet is the cap auditor who conducted and concluded this independent audit.



CONTENT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	84-86
CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT	87
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	88-89
STATEMENT OF CASH FLOW	90-91

01. ORGANIZATION AND CORE BUSINESS OF THE COMPANY	92
02. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	102
03. BUSINESS COMBINATIONS	36
04. JOINT VENTURES	36
05. SEGMENT REPORTING	37
06. RELATED PARTIES	40
07. TRADE RECIVABLES AND PAYABLES	43
08. FINANCIAL INVESTMENTS	44
09. OTHER RECEIVABLES AND PAYABLES	44
10. INVENTORIES	45
11. BIOLOGICAL ASSETS	45
12. PREPAID EXPENSES AND DEFERRED INCOME	46
13. INVESTMENT PROPERTIES	46
14. TANGIBLE ASSETS	47
15. RESTORATION AND ENVIRONMENTAL REHABILITATION FUNDS FROM INTEREST ON RIGHTS	48
16. INVESTMENTS ACCOUNTED BY THE EQUITY METHOD	49
17. INTANGIBLE ASSETS	49
18. GOODWILL	50
19. EVALUATING AND RESEARCHING OF MINE RESOURCES	50
20. RIGHT OF USE ASSETS	51
21. SERVICE CONCESSION ARRANGEMENTS	52
22. IMPAIRMENT OF ASSETS	52
23. GOVERNMENT INCENTIVES	52
24. BORROWING COSTS	53
25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	53

26. COMMITMENTS	57
27. EMPLOYEES BENEFIT OBLIGATIONS	57
28. EXPENSES ACCORDING TO THEIR QUALIFICATIONS	59
29. OTHER ASSETS AND LIABILITIES	60
30. EQUITY, RESERVES AND OTHER EQUITIES	61
31. REVENUE AND COST OF GOODS SOLD	66
32. CONSTRUCTION CONTRACTS	66
33. GENERAL OPERATING EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES	66
34. OTHER OPERATIONAL INCOME AND EXPENSE	68
35. EXPENDITURES AND REVENUES FROM INVESTING ACTIVITIES	68
36. EXPENSES CLASSIFIED BY PRINCIPLE TYPES	69
37. FINANCIAL EXPENSE AND INCOME	69
38. ANALYSIS OF OTHER COMPREHENSIVE INCOME	70
39. FIXED ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	70
40. TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)	71
41. EARNINGS PER SHARE	73
42. SHARE-BASED PAYMENT	74
43. INSURANCE CONTRACTS	74
44. THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATE	74
45. FINANCIAL REPORTING IN HYPERINFLATION ECONOMIES	74
46. DERIVATIVE INSTRUMENTS	74
47. FINANCIAL INSTRUMENTS	77
48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES	78
49. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATION AND PROTECTION OF FINANCIAL HEDGE ACCOUNTING EXPLANATION)	88
50. SUBSEQUENT EVENTS	89
51. OTHER ISSUES THAT SIGNIFICANTLY AFFECT THE FINANCIAL STATEMENTS OR REQUIRED FOR UNDERSTANDING OF THE FINANCIAL STATEMENTS	89
52. FIRST IMPLEMENTATION OF TURKEY ACCOUNTING STANDARTS	89
53. EXPLANATION TO CASH FLOW STATEMENT	89
54. EXPLANATIONS RELATED WITH EQUITY CHANGE TABLE	91
55. INTEREST, TAX, PROFIT BEFORE DEPRECIATION (EBITDA)	91

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED DECEMBER 31, 2021 (TRY)

(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
ASSETS	Notes	31.12.2021	31.12.2020
Current Assets			
Cash and cash equivalents	53	173,258,224	15,431,240
Trade Receivables	6-7	235,565,363	159,705,970
<i>Trade receivables from related parties</i>	6	44,739,829	--
<i>Trade receivables from third parties</i>	7	190,825,534	159,705,970
Other receivables	6-9	45,249,165	61,308,182
<i>Due from related parties</i>	6	17,332,891	40,826,451
<i>Due from third parties</i>	9	27,916,274	20,481,731
Inventories	10	293,667,516	193,712,243
Prepaid expenses	12	17,571,292	20,118,368
Assets Related to Current Term Tax	40	1,350,839	339,428
Other Current Assets	29	346,182,795	64,895,761
SUB TOTAL		1,112,845,194	515,511,192
Fixed Assets Classified for Sale	39	695,092	596,919
TOTAL CURRENT ASSETS		1,113,540,286	516,108,111
Non-current Assets			
Other receivables	6-9	1,681,677	1,352,461
<i>Other receivables from related parties</i>	6	--	--
<i>Other receivables from third parties</i>	9	1,681,677	1,352,461
Investments Valued by Equity Method	4	45,298,867	27,264,636
Tangible fixed assets	14	5,565,559,866	2,521,085,578
Intangible fixed assets	17-18	82,658,049	80,599,342
<i>Goodwill</i>	18	--	--
<i>Other intangible fixed assets</i>	17	82,658,049	80,599,342
Right of Use Assets	20	3,831,679	4,609,858
Prepaid expenses	12	5,097,487	4,679,123
Deferred tax assets	40	96,623,790	171,470,932
Other non-current assets	29	54,383,228	78,912,655
TOTAL NON-CURRENT ASSETS		5,855,134,643	2,889,974,585
TOTAL ASSETS		6,968,674,929	3,406,082,696

Consolidated financial statements regarding the period ending on 31.12.2021, approved by board decision which was dated 2022 and numbered 2022/4. The accompanying notes are an integral part of financial statements.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED DECEMBER 31, 2021 (TRY)

(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
LIABILITIES	Dipnot Referansları	31.12.2021	31.12.2020
Short Term Liabilities			
Short term loans	47	83,777,019	100,638,111
Short term finance lease liabilities	47	2,038,464	7,637,538
Short-term parts of long term loans	47	624,564,522	420,115,199
Other financial liabilities	47	3,525,719	78,263,971
Trade payables	6-7	298,874,477	275,414,380
<i>Trade payables to related parties</i>	6	6,234,285	--
<i>Trade payables to third parties</i>	7	292,640,192	275,414,380
Employee benefit obligations	27	9,421,210	5,582,269
Other payables	6-9	148,902,195	118,810,291
<i>Other payables to related parties</i>	6	103,177,640	95,127,919
<i>Other payables to third parties</i>	9	45,724,555	23,682,372
Deferred income	12	63,021,514	49,912,503
Period income tax liabilities	40	1,732,861	803,764
Short-term Provisions	25-27	7,218,687	6,510,828
<i>Short-term provisions for employee benefits</i>	27	5,253,619	4,045,253
<i>Other short term provisions</i>	25	1,965,068	2,465,575
Other short term liabilities	29	54,080,684	39,996,040
TOTAL SHORT TERM LIABILITIES		1,297,157,352	1,103,684,894
Long term liabilities	47	1,782,415,119	1,487,422,249
Long term finance lease liabilities	47	4,716,196	549,788
Other payables	6-9	30,976,050	12,327,731
<i>Other payables to related parties</i>	6	--	--
<i>Other payables to third parties</i>	9	30,976,050	12,327,731
Long term provisions	25-27	2,441,380	1,460,981
<i>Long term provisions for employee benefits</i>	27	2,256,336	1,275,937
<i>Other long term provisions</i>	25	185,044	185,044
Deferred tax liabilities	40	181,609,680	10,655,111
Other long term liabilities	29	3,726,299	1,796,551
TOTAL LONG TERM LIABILITIES		2,005,884,724	1,514,212,411

Consolidated financial statements regarding the period ending on 31.12.2021, approved by board decision which was dated 2022 and numbered 2022/4. The accompanying notes are an integral part of financial statements.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED DECEMBER 31, 2021 (TRY)

(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
LIABILITIES	Notes	31.12.2021	31.12.2020
EQUITY			
Equity of Parent Company		3,663,391,009	795,824,435
Paid-in share capital	30	1,400,000,000	600,000,000
Share premiums/discounts	30	258,850,762	60,094,073
Not reclassified to profit or loss accumulated other comprehensive income or expenses (-)	30	2,873,488,215	687,441,673
Revaluation and Measurement Gains/Losses		2,915,589,353	728,846,503
The Effect of Mergers Involving Undertaking or Enterprises Subject to Common Control	30	(42,101,138)	(41,404,830)
Reclassified to profit or loss accumulated other comprehensive income or expenses	30	(415,882,714)	(645,109)
Other Gains/Losses		10,297,714	--
Restricted profit reserves	46	(425,193,010)	--
Other equities	30	(987,418)	(645,109)
Capital Advances	30	639,252	639,252
Retained earnings/losses	30	21,868,966	21,868,966
Net profit/loss for the period		--	--
Non-controlling shares	30	(514,466,010)	(326,903,703)
Paid-in share capital	41	38,892,538	(246,670,717)
Share premiums/discounts	30	2,241,844	(7,639,044)
TOTAL EQUITY		3,665,632,853	788,185,391
TOTAL LIABILITIES		6,968,674,929	3,406,082,696

Consolidated financial statements regarding the period ending on 31.12.2021, approved by board decision which was dated 2022 and numbered 2022/4. The accompanying notes are an integral part of financial statements.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
CONSOLIDATED PROFIT OR LOSS AND COMPREHENSIVE INCOME STATEMENT FOR THE PERIOD ENDED DECEMBER 31, 2021 (TRY)

(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Geçmiş Dönem İncelemelerden Geçmiş Konsolide
PROFIT OR LOSS	Notes	31.12.2021	31.12.2020
Revenues	31	1,445,601,491	975,140,238
Cost of sales (-)	28-31	(1,063,179,164)	(738,059,056)
GROSS PROFIT/(LOSS)		382,422,327	237,081,182
General and administrative expenses (-)	33	(42,276,860)	(29,036,317)
Marketing Expenses (-)	33	(11,712,743)	(19,294,843)
Other Income from Main Operations	34	51,611,665	52,604,995
Other Expenses from Main Operations (-)	34	(119,111,563)	(59,013,283)
OPERATING PROFIT/(LOSS)		260,932,826	182,341,734
Income from Investment Activities	35	417,405	368,270
Expenses from Investment Activities (-)	35	(239,985)	--
Shares of Profits/(Losses) of Investments Valued by Equity Method	16	18,034,231	25,165,763
OPERATING PROFIT/(LOSS) BEFORE FINANCE EXPENSES		279,144,477	207,875,767
Financing Incomes	37	368,774,146	189,196,751
Financial Expenses (-)	37	(810,337,473)	(851,314,626)
PROFIT/(LOSS) BEFORE TAXES FROM CONTINUING OPERATIONS		(162,418,850)	(454,242,108)
Continuing Operations Tax Income/(Expense)		160,080,281	205,105,597
Period Tax Income/(Expense)	40	(1,732,862)	(803,764)
Deferred Tax Income/(Expense)	40	161,813,143	205,909,361
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		(2,338,569)	(249,136,511)
PROFIT/(LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	39	98,173	21,614
PROFIT/(LOSS) FOR THE PERIOD		(2,240,396)	(249,114,897)
Period Profit/(Loss) Distribution			
Non-Controlling Interests	30	(41,132,934)	(2,444,180)
Parent Shares	30	38,892,538	(246,670,717)
Earnings Per Share			
Earnings Per Share from Continuing Operations	41	0,044279	(0,455055)
OTHER COMPREHENSIVE INCOME			
Not to be Reclassified to Profit or Loss	38	2,192,104,450	(368,583)
Increases/(Decreases) in Revaluation of Tangible Assets		2,713,099,609	--
Actuarial Losses and Gains Calculated Within the Scope of Employee Benefits	38	(444,557)	(472,542)
Tax Impact	40	(520,550,602)	103,959
What to Reclassify as Profit or Loss		(425,193,010)	--
Cash Flow Hedge Gains/(Losses)	46	(533,861,963)	--
Deferred Tax Income (Expense)	40	108,668,953	--
OTHER COMPREHENSIVE INCOME		1,766,911,440	(368,583)
TOTAL COMPREHENSIVE INCOME		1,764,671,044	(249,483,480)
Distribution of Total Comprehensive Income			
Non-Controlling Interests		365,105,975	(2,447,796)
Parent Shares		1,399,565,069	(247,035,684)

Consolidated financial statements regarding the period ending on 31.12.2021, approved by board decision which was dated 2022 and numbered 2022/4. The accompanying notes are an integral part of financial statements.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2021 (TRY)

(Currency is TRY unless otherwise is indicated.)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2021 (TRY)

(Currency is TRY unless otherwise is indicated.)

	Retained Earnings															
	Paid-in Share Capital	Other Equity Shares	The Effect of Associations Including Enterprises or Enterprises Subject to Joint Control	Share Premiums / Discounts	To be Reclassified to profit or loss accumulated other comprehensive income or expenses	Restricted Reserves	Capital Advances		Revaluation Increase Fund	Retained Earnings/ Losses	Net Profit/ Loss for the Period	Equity of the Parent Company	Non-controlling Interest	Equities	Paid-in Share Capital	Other Equity Shares
01 January 2020 Balance	294,742,950	21,868,966	(26,340,830)	28,260,507	--	--	(276,526)		639,252	73,037,136	728,846,503	(127,047,541)	(187,686,475)	806,043,942	(13,794,555)	792,249,387
Other Comprehensive Income/ (Expense)	--	--	--	--	--	--	(368,583)	--	--	--	-	--	--	(368,583)	--	(368,583)
Transfers	--	--	--	--	--	--	--	--	(73,037,136)	--	-	(187,686,475)	187,686,475	(73,037,136)	--	(73,037,136)
Capital Increase	305,257,050	--	--	31,833,566	--	--	--	--	--	--	-	--	--	337,090,616	--	337,090,616
Share Ratio in Subsidiaries Not Resulting in Loss of Control Val. Dependent Increase/ (Decrease)	--	--	(15,064,000)	--	--	--	--	--	--	--	--	(12,169,687)	--	(27,233,687)	8,599,691	(18,633,996)
Net Profit for the Period	--	--	--	--	--	--	--	--	--	--	--	--	(246,670,717)	(246,670,717)	(2,444,180)	(249,114,897)
31 December 2020 Balance	600,000,000	21,868,966	(41,404,830)	60,094,073	--	--	(645,109)		639,252	--	728,846,503	(326,903,703)	(246,670,717)	795,824,435	(7,639,044)	788,185,391
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)	(246,670,717)	795,824,435	(7,639,044)	788,185,391
Other Comprehensive Income/ (Expense)	--	--	--	--	10,297,714	--	(342,309)	--	--	-	2,192,446,759	--	--	2,202,402,164	--	2,202,402,164
Share Ratio in Subsidiaries Not Resulting in Loss of Control Val. Dependent Increase/ (Decrease)	--	--	(696,308)	--	--	--	--	--	-	-	(5,703,909)	59,108,410	--	52,708,193	(23,335,178)	29,373,015
Transfers	--	--	--	--	--	--	--	--	--	-	-	(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)
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)	38,892,538	3,663,391,009	2,241,844	3,665,632,853

The accompanying notes are an integral part of financial statements.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
	Notes	01.01-31.12.2021	01.01-31.12.2020
A. CASH FLOWS FROM BUSINESS ACTIVITIES		2,713,805,194	66,242,434
Period Profit/(Loss)		38,892,538	(246,670,717)
Period Profit/(Loss) from Continuing Operations	30	38,794,365	(246,692,331)
Period Profit/(Loss) from Discontinued Operations	39	98,173	21,614
Adjustments Regarding Net Profit/(Loss) Reconciliation for the Period		2,904,545,651	270,028,569
- Adjustments Regarding Depreciation and Amortization Expenses	14-17-28-33-36	75,815,903	96,826,911
Adjustments Regarding Impairment (Cancellation) of Receivables	7	4,259,025	4,749,440
Adjustments Regarding Impairment Reversal of Tangible Fixed Assets	14	2,186,742,850	--
Adjustments Regarding Provisions (Cancellation) for Employee Benefits	27	1,752,725	1,324,371
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	25	1,965,068	2,465,575
Deferred Financing Income/(Expense) from Forward Purchases	34-37	3,881,090	8,952,509
Unearned Finance Income/(Expense) from Forward Sales	34-37	(12,093,127)	(5,016,581)
Adjustments Regarding Interest Expenses and Currency Differences	29	54,080,684	39,996,040
Adjustments Related to Interest Income	37	(150,632,336)	(41,836,562)
Adjustments for Unrealized Currency Translation Differences		839,574,362	389,658,366
Adjustments to Fair Value Gains/(Losses)	8	(414,895,296)	--
Adjustments Regarding Tax Income/(Expense)	40	245,801,711	(206,013,321)
Adjustments Regarding Gains/(Losses) Caused by Disposal of Affiliates, Joint Ventures and Financial Investments or Changes in Shares	30	(696,308)	(15,064,000)
Transfers		59,108,412	(12,169,690)
Minority Shares	30	9,880,888	6,155,511
Changes in Working Capital		(229,290,686)	43,253,165
- Adjustments Related to Increase/(Decrease) in Stocks	10	(99,955,273)	(50,374,698)
Increase/(Decrease) in Trade Receivables from Related Parties		(15,843,913)	--
Increase/(Decrease) in Trade Receivables from Unrelated Parties	7	(36,236,751)	(36,273,789)
Increase/(Decrease) in Other Receivables from Related Parties	6	(5,402,356)	2,863,316
Increase/(Decrease) in Other Receivables from Unrelated Parties	9	(10,786,687)	(7,333,141)
-Increase/(Decrease) in Other Assets Related to Operations	29	(125,269,086)	142,559,375
Increase/(Decrease) in Trade Payables to Related Parties		958,897	--
Increase/(Decrease) in Trade Payables to Non-Related Parties	7	18,163,204	(9,164,458)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

		Current Period Audited Consolidated	Prior Period Audited Consolidated
	Notes	01.01-31.12.2021	01.01-31.12.2020
Increase/(Decrease) in Prepaid Expenses	12	2,128,712	6,374,381
Increase/(Decrease) in Debts within the Scope of Employee Benefits	27	2,086,216	(12,637,598)
Increase/(Decrease) in Other Payables Related to Operations to Related Parties	6	13,325,109	83,684,235
Increase/(Decrease) in Other Payables Related to Operations to Non-Related Parties	9	51,846,237	9,331,498
Increase/(Decrease) in Deferred Revenues	12	13,109,011	(54,575,840)
Increase/(Decrease) in Other Liabilities Related to Operations	27-29	(37,414,006)	(31,200,116)
Cash Flows from Operations		2,714,147,503	66,611,017
Other Gain/(Loss)	30	(342,309)	(368,583)
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		(3,121,570,719)	(162,448,237)
Cash Inflows from Sale of Tangible Fixed Assets	14	1,282,982	--
Cash Outflows Resulting from the Purchase of Tangible Fixed Assets	14	(3,110,779,086)	(132,378,012)
Cash Outflows from the Purchase of Intangible Assets	17	(10,928,761)	(26,136,888)
Cash Outflows from Right-of-Use Assets		(1,145,854)	(3,933,337)
C. CASH FLOWS FROM FINANCE ACTIVITIES		565,592,509	95,281,124
Cash Inflows from Issuance of Shares and Other Equity-Based Instruments	30	998,756,688	264,053,480
Cash Inflows from Loans	37	211,279,377	580,055,692
Cash Inflows from Factoring Transactions	37	8,593,937	42,355,747
Cash Inflows for Debt Payments Arising from Rental Agreements	20	1,511,718	4,368,308
Cash Outflows Related to Loan Repayments	37	(568,272,641)	(775,355,859)
Cash Outflows Related to Debt Payments Arising from Rental Agreements	20	(2,616,275)	(1,738,620)
Cash Outflows from Factoring Transactions	37	(82,205,746)	(15,687,271)
Cash Outflows from Other Financial Debt Payments	37	(21,883)	(20,709)
Cash Outflows Related to Debt Payments Arising from Financial Leasing Agreements	37	(1,432,666)	(2,749,644)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES		157,826,984	(924,679)
D. THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES ON CASH AND CASH EQUIVALENTS		--	--
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		157,826,984	(924,679)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	53	15,431,240	16,355,919
END OF THE PERIOD CASH AND CASH EQUIVALENTS	53	173,258,224	15,431,240

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

1. ORGANIZATION AND CORE BUSINESS OF THE COMPANY

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

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 2021 and 31 December 2020 is as follows;

	31.12.2021		31.12.2020	
Shareholder	Amount	Rate	Amount	Rate
A. Bahattin Özal	68,199,226	%4,87	33,198,318	%5,53
Burak Altay	221,397,488	%15,81	93,170,353	%15,53
BB Enerji Yatırım San.ve Tic.A.Ş.	39,619,143	%2,83	16,979,633	%2,83
Müjgan Özal Mirası (*)	5,347,275	%0,38	5,347,275	%0,89
Fatimetüz Zehra Özal Mirası (**)	3,208,365	%0,23	3,208,365	%0,53
Hafize Ayşegül Özal	2,708,365	%0,19	2,708,365	%0,45
Mustafa Ali Özal	2,435,865	%0,17	2,708,365	%0,45
Mehmet Fatih Özal	--	--	1,470,919	%0,25
Korkut Enes Özal	--	--	1,470,919	%0,25
Hafize Büşra Özal	1,069,455	%0,08	1,069,455	%0,18
Public Shares	1,056,014,818	%75,43	438,668,033	%73,11
Total Capital	1,400,000,000	%100	600,000,000	%100

(*) Due to the death of Ms. Müjgan Özal on 22 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 Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(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	%0,18
Hafize Ayşegül Özal	1,069,455	%0,18
Mustafa Ali Özal	1,069,455	%0,18
Abdulkadir Bahattin Özal	1,069,455	%0,18
Mehmet Fatih Özal	356,485	%0,06
Korkut Enes Özal	356,485	%0,06
Hafize Büşra Özal	356,485	%0,06
Total	5,347,275	%0,89

(**) Due to the death of Mr. 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	%0,36
Ayşenur Koşay Erbay	2,138,910	%0,36
Total	4,277,820	%0,72

As of December 31, 2020 in Group's structure , 963 average personnel employed (December 31, 2020: 956).

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 Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries

Voytron Enerji Elektrik Perakende Satış A.Ş.

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

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

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

As of December 31, 2020, the capital of the company is TRY 25.000.000 and the shareholding structure is as follows

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

Hidro Enerji Elektrik Üretim Sanayi A.Ş.:

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

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

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

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

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

The capital of Hidro Enerji Elektrik Üretim Sanayi A.. is 615,000 TRY as of 31 December 2020, and with the share transfer agreement made on 15 March 2021, 153.750 shares, corresponding to 25% of 615,000 shares, each worth 1.00 TRY Turkish Lira are transferred to Ogma SSH FZ LLC, whose shares are located at B01-146 Service Block Al Hulaila Industrial Zone-FZ RAK. The Board of Directors of Hidro Enerji Elektrik Üretim Sanayi A.Ş. approved this share transfer in a decision dated March 15, 2021 and numbered 2021/04. Latest shareholder structure is as follows after the latest activity:

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

Odaş Enerji CA:

The only member and 100% shareholder of Odaş Enerji CA is Hidro Enerji Elektrik Üretim Sanayi A.Ş. The company was established on 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 2021, 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Odaş Enerji CA (Continued):

The partnership structure of the company is as follows:

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

Suda Stratejik Metal Dış Ticaret A.Ş. (Prior Title: Ağrı Elektrik Üretim Sanayi A.Ş.):

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

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

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

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

As of December 31, 2021, capital of Suda Stratejik Metal Dış Ticaret A.Ş. is TRY 12.600.000 and the shareholding structure is as follows:

	31 December 2021	31 December 2020
Suda Maden A.Ş.	%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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Ena Elektrik Üretim Ltd. Şti. (Continued):

As of December 31, 2021, the shareholding structure of Ena Elektrik Üretim Ltd. Şti. is as follows:

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

The share transfer agreement has been signed regarding the sale of all shares which the company owned by 80% of Ena Elektrik on June 29, 2015. The share transfer has not been actualised yet. After the production license is obtained, the share transfer process will take place.

As of 31.12.2021, Ena Elektrik has been classified as assets held for sale in the consolidated financial statements.(Note:39)

Yel Enerji Elektrik Üretim Sanayi A.Ş.:

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

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

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

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

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

As of December 31, 2020, scope of Yel Enerji Elektrik Üretim Sanayi Ticaret A.Ş. has a capital of TRY 600.000 and its shareholding structure is as follows:

	31 December 2021	31 December
Çan2 Termik A.Ş.	2020	%100

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

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

Odaş Elektrik Üretim San. Tic. A.Ş. 11 Ocak 2013 tarihinde kurucu ortak olarak Odaş Doğalgaz Toptan Satış The company is a co-founder at the rate of %80 share of Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. and Odaş Doğalgaz is included in consolidation as of January 11, 2013.

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

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

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

As of December 31, 2020, the capital of Odaş Doğalgaz Toptan Satış Sanayi ve Ticaret A.Ş. is TRY 4.312.000 and the shareholding structure is as follows:

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

Çan2 Termik A.Ş.:

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 Karanfil Sokak Varyap Meridian Sitesi No:1D Ataşehir / İstanbul.

Çan Kömür 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Çan2 Termik A.Ş. (Continued):

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.

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

The capital of Çan2 Termik A.Ş. as of 31 December 2021 is 320.000.000 TRY and the shareholding structure is as follows:

	31 December 2021	31 December 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%76,77	%100
Public Section	%23,23	--

The title of the company was changed to Çan2 Thermal Anonim Şirketi after the registration of the Extraordinary General Assembly held on January 19, 2021 with the Istanbul Trade Registry Office on January 21, 2021. This amendment was published January 26, 2021 and the date Turkey Trade Registry Gazette numbered 10253.

YS Madencilik San. ve Tic. Ltd. Şti.:

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

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

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

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

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

As of December 31, 2021, the capital of Yel Enerji Elektrik Üretim Sanayi A.Ş. is TRY 10.000 and its shareholding structure is as follows:

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

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

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Anadolu Export Maden Sanayi ve Ticaret A.Ş.:

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

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

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

As of December 31, 2021, the capital of Anadolu Export Maden Sanayi ve Ticaret A.S. is TRY 50.000 and its shareholding structure is as follows:

	31 December 2021	31 December 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%96	%96
Burak Altay	%4	%4

License transfer purchase agreement was signed between Stratex International PLC (Stratex) and Anadolu Export to complete the search in the gold field called Karaağaç and decide on business investment based on research results. 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 A.Ş.:

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

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

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Suda Maden A.Ş. (Continued):

As of December 31, 2020, the capital of Suda Maden A.Ş. is TRY 44.900.000 and its shareholding structure is as follows:

	31 December 2021	31 December 2020
Odaş Elektrik Üretim Sanayi Ticaret A.Ş.	%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.

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

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

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

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

As of December 31, 2021, the capital of CR Proje Geliştirme Yatırım San. ve Tic. A.Ş. is TRY 50.000 and the shareholding structure is as follows:

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Çan2 Trakya Kömür Maden A.Ş. :

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 Karanfil 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, 2020, and its partnership structure is as follows:

	31 December 2021	31 December 2020
Çan2 Termik A.Ş.	%100	%100

Parent Company and consolidated subsidiaries EMRA license information as of December 31, 2021 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 DOĞALGAZ	NATURAL GAS WHOLESale	DTS/4318-4/291	20.03.2013	30 Years
ÇAN2 TERMİK	PRODUCTION	EÜ/6083-2/03428	28.01.2016	17 Years
ENA ELEKTRİK	PRODUCTION	EÜ/9813-16/04743	17.12.2020	49 Years

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

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

Subsidiaries (Continued)

Çan2 Trakya Kömür Maden A.Ş. (Continued):

Parent Company and consolidated subsidiaries licenses information as of December 31, 2021 is as follows:

License Owner	License Group	License Type	License No	Effective Date	Due Date
SUDA MADEN	IV. Group	BUSINESS	34412	04.04.2014	04.04.2034
SUDA MADEN	IV. Group	BUSINESS	43169	13.04.2015	13.04.2025
SUDA MADEN	IV. Group	CALL	201200931	22.06.2012	03.02.2032
SUDA MADEN	IV. Group	BUSINESS	201200932	18.02.2022	18.02.2032
YEL ENERJİ	IV. Group	BUSINESS	17517	05.01.2015	05.01.2025
YEL ENERJİ	IV. Group	CALL	201900450	09.04.2019	09.04.2026
YEL ENERJİ	IV. Group	CALL	201900443	09.04.2019	09.04.2026
ANADOLU EXPORT	IV. Group	BUSINESS	85899	24.12.2010	24.12.2025

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

a. Basis of Presentation

Accounting Policies Applied

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

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

a. Basis of Presentation (Continued)

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, 2020 released by the Central Bank of the Republic of Turkey, purchasing rate of 1 U.S. dollar = 13,3290 TRY, (31 Aralık 2020: 7,4194 TRY), 1 EURO = 15,0867 TRY (31 December 2020: 9,1164 TRY), 1 GBP = 17,9667 TRY (31 December 2020: 10,1142 TRY).

US dollar selling rate announced by the Central Bank of the Republic of Turkey as of 31 December 2021 is 13,3530 TRY, (31 December 2020: 7,4327 TRY), 1 EURO = 15,1139 TRY (31 December 2020: 9,1329 TRY), 1 GBP = 18,0604 TRY (31 December 2020: 10,1669 TRY). 1 UZS = 0,00123 TRY (31 December 2020: 0,00071 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.

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.
- The amounts corresponding to the minority shares of the consolidated subsidiaries' profit/(loss) for the period are calculated, and the amounts corresponding to the minority shares from the consolidated subsidiaries' net assets are calculated separately from the parent company's amount. Minority interests computed in accordance with TFRS 3 at the date of the business combination; It consists of the changes in shareholders' equity after the date of the business combination and the amounts corresponding to the minority interests.
- All expenses, income, transactions and balances incurred of group are eliminated.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

a. Basis of Presentation (Continued)

Base of Consolidation (Continued):

- › 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.

Comparative Information and Restatement of Prior Period Financial Statements

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

a. Basis of Presentation (Continued)

Comparative Information and Restatement of Prior Period Financial Statements (Continued):

Covid - 19 Outbreak Effects

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

b. Changes in Accounting Policies

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

b. Changes in Accounting Policies (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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

b. Changes in Accounting Policies (Continued)

Significant Accounting Evaluations, Estimates and Assumptions (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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

f. Changes in Financial Reporting Standards

New and revised standards and interpretations

The accounting policies taken as basis in the preparation of the consolidated financial statements for the accounting period ending as of 31 December 2021 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 2021 and the amendments and interpretations to the existing previous standards:

Benchmark Interest Rate Reform – Phase 2 (Changes to TFRS 9, TAS 39 and TFRS 7)

POA introduced the Benchmark Rate Reform – Phase 2- TFRS 9, TAS 39, TFRS 7, TFRS 4, and TFRS 16 in December 2020, which included temporary exemptions to eliminate the consequences of replacing the benchmark interest rate (IBOR) with an alternative reference interest rate on financial reporting. It has made its adjustments public. For yearly accounting periods beginning on or after January 1, 2021, businesses will implement these adjustments. It is possible to apply early. The following topics are covered by the changes:

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

The changes include a facilitating practice to treat contractual changes or changes in cash flows directly required by the reform as changes in a floating interest rate equivalent to a move in the market rate. Under this facilitating practice, if the interest rates applicable to financial instruments change as a result of the interest rate reform, the said situation is not considered as a derecognition or contract change; instead, cash flows are expected to continue to be determined using the original interest rates of the financial instrument.

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

Privileges on termination of the hedge accounting relationship

- The amendments enable for changes to the hedge accounting setup and paperwork needed by the IBOR reform without causing the hedging agreement to be terminated.
- The alternative reference interest rate is used to calculate the cumulative amount in the cash flow hedge fund.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

f. Changes in Financial Reporting Standards (Continued)

- When assessing retroactive effectiveness tests in accordance with TAS 39 during the alternative interest rate transition period, companies may choose to reset the accumulated fair value changes in each hedging contract.
- Due to the IBOR reform, the changes allow an exemption from modifying the items listed as the topic of the grouping method (for example, those that are part of the macro hedging strategy). The relevant exception permits the hedging strategy to be maintained and carried out without interruption.
- The hedging relationship may be updated multiple times in the alternative reference interest rate pass. All adjustments to the hedging relationship as a result of the IBOR reform are subject to Phase 2 exemptions.

Separate identification of risk components

The amendments provide companies with a temporary exemption to meet the criterion that risk components must be defined separately where the alternative reference interest rate is determined as a risk component in the hedging relationship.

Additional remarks

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

These changes are mandatory and early implementation is permitted. While the practice is retrospective, companies are not required to restate past periods.

The said change did not have a significant impact on the financial position or performance of the Company.

TFRS 16 Amendments - Change in privileges for lease payments related to Covid-19

In June 2020, POA has amended the TFRS 16 Leases standard in order to exempt the lease concessions granted to the lessees due to the COVID-19 outbreak to evaluate whether there has been a change in the lease. On April 7, 2021, POA made an amendment to extend the exemption to include concessions that cause a decrease in rental payments due on or before 30 June 2022.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

f. Changes in Financial Reporting Standards (Continued)

TFRS 16 Amendments - Change in privileges for lease payments related to Covid-19 (Continued)

Tenants will apply this change in annual accounting periods beginning on or after April 1, 2021. Early application is permitted.

Generally speaking, the Company does not expect a material impact on the financial statements.

Standards published but not yet effective and not early adopted

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

TFRS 10 and TAS 28 Amendments: Asset sales or contributions by the investor to the associate or joint venture

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

TFRS 3 Amendments – Amendment to references to the conceptual framework

POA made changes to the TFRS Business Combinations standard in July 2020. The change was made with the intent to replace the reference to the old version of the Conceptual Framework (the 1989 Framework) with a reference to the current version (Conceptual Framework) released in March 2018, without materially changing the requirements of TFRS 3. However, a new paragraph has been added to TFRS 3 to define contingent assets that do not meet the recognition criteria at the acquisition date. The amendment will be applied prospectively for annual accounting periods beginning on or after January 1, 2022. Early application is permitted if the entity implements all changes in IFRS standards that refer to the Conceptual Framework (March 2018) at the same time or earlier.

The effects of the said change on the financial position and performance of the Company are being evaluated.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

f. Changes in Financial Reporting Standards (Continued)

TAS 16 Amendments - Adaptation for intended use

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

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

TAS 37 Amendments - Economically disadvantageous contracts - Costs of fulfilling the contract

In July 2020, POA made amendments to TAS 37 Provisions, Contingent Liabilities and Contingent Assets. The amendment made in TAS 37, which will be applied for annual accounting periods beginning on or after January 1, 2022, has been made to determine the costs to be taken into account when evaluating whether a contract is economically "disadvantaged" or "disadvantaged" and includes 'directly related costs'. includes the implementation of the approach. Changes should be applied retrospectively for contracts for which the entity has not fulfilled all of its obligations at the beginning of the annual reporting period (first application date) in which the changes will be applied for the first time. Early application is permitted.

The effects of the said change on the financial position and performance of the Company are being evaluated.

TFRS 17 – New Insurance Contracts Standard

In February 2019, POA published TFRS 17, a comprehensive new accounting standard covering recognition and measurement, presentation and disclosure for insurance contracts. TFRS 17 introduces a model that enables both the measurement of liabilities arising from insurance contracts with current balance sheet values and the recognition of profit over the period in which the services are provided. Some changes in future cash flow estimates and risk adjustment are also recognized during the period in which the services are provided. Entities may choose to recognize the effects of changes in discount rates in profit or loss or other comprehensive income. The standard contains specific guidance for the measurement and presentation of insurance contracts with participation features.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

f. Changes in Financial Reporting Standards (Continued)

TFRS 17 – New Insurance Contracts Standard (Continued)

TFRS 17 will enter into force for annual periods beginning on or after 1 January 2023, and early application is permitted for entities that have applied TFRS 9 Financial Instruments and TFRS 15 Revenue from Contracts with Customers on or before this date. The effects of the said standard on the financial position and performance of the Company are being evaluated.

TAS 1 Amendments - Classification of liabilities as short-term and long-term

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

The effects of the said change on the financial position and performance of the Company are being evaluated.

Annual Improvements- 2018-2020 Period

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

TFRS 1- First Adoption of International Financial Reporting Standards – Associate as First Adoptive: The amendment allows a subsidiary to measure accumulated currency translation differences using the amounts reported by the parent. The amendment also applies to the subsidiary or joint venture.

TFRS 9 Financial Instruments - Fees taken into account in the '10% test for derecognition of financial liabilities: The amendment clarifies the fees that an entity considers when assessing whether the terms of a new or modified financial liability differ materially from the terms of the original financial liability. These fees include only fees paid or received between the borrower and the lender, including fees paid by the parties on behalf of each other.

TAS 41 Agricultural Activities – Taxes in determining fair value: With the amendment made, the provision in TAS 41 paragraph 22 that the cash flows made for taxation are not taken into account in determining the fair value of companies' assets within the scope of TAS 41 has been removed.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

f. Changes in Financial Reporting Standards (Continued)

Annual Improvements- 2018-2020 Period (Continued)

All of the improvements made will be applied for annual accounting periods beginning on or after 1 January 2022. Early application is permitted.

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

New and revised standards and interpretations published by the International Accounting Standards Institution (UMSK) but not by POA

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

IAS 8 Amendments – Definition of accounting estimates

In February 2021, IASB published amendments to IAS 8 that introduce a new definition for "accounting estimates". The amendments published for IAS 8 are valid for annual accounting periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. It also clarifies how businesses can use measurement techniques and inputs to improve accounting estimates. The amended standard clarifies that the effects of a change in input or a change in a measurement technique on the accounting estimate are changes in accounting estimates unless they result from a correction for prior period errors. The previous definition of change in accounting estimate indicated that changes in accounting estimates could result from new information or new developments. Therefore, such changes are not considered as corrections of errors. This aspect of the definition has been preserved by the IASB.

The effects of the said change on the financial position and performance of the Company are being evaluated.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

f. Changes in Financial Reporting Standards (Continued)

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

In February 2021, IASB published changes to IAS 1 and IFRS Application Statement 2 for Making Materiality Estimates, where it provides guidance and examples to help businesses apply materiality estimates to their accounting policy disclosures. The amendments published in IAS 1 are valid for annual accounting periods beginning on or after 1 January 2023. Due to the lack of a definition of the term "significant" in IFRS, IASB has decided to replace this term with the term "significant" in the context of disclosure of accounting policy information. 'Significant' is a term defined in IFRS and is widely understood by financial statement users, according to the IFRS. In assessing the materiality of accounting policy information, entities need to consider both the size of transactions, other events or conditions, and their nature. In addition, examples of situations in which the entity may consider accounting policy information to be important are included.

The effects of the said change on the financial position and performance of the Company are being evaluated.

TAS 12 Amendments – Deferred tax on assets and liabilities arising from a single transaction

In May 2021, IASB published amendments to IAS 12 that narrows the scope of the initial recognition exemption so that the exemption is not applied to transactions that result in equal taxable and deductible temporary differences. Amendments to IAS 12 are valid for annual accounting periods beginning on or after 1 January 2023. Changes require a judgment (given applicable tax law) whether such deductions are attributable for tax purposes to the recognized liability (and interest expense) or related asset component (and interest expense) where payments made on a liability are tax deductible. clarifies that it is an issue. This judgment is important in determining whether there is any temporary difference in initial recognition of the asset and liability.

The effects of the said change on the financial position and performance of the Company are being evaluated.

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).

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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".

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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.

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 expire

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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.

Commercial debts

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS
(CONTINUED)****g. Summary of Significant Accounting Policies (Continued)****Stocks**

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).

Tangible Fixed Assets

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

“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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS
(CONTINUED)****g. Summary of Significant Accounting Policies (Continued)**

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
Natural Gas Cycle Power Plant	40
Thermal reactor	30
Aboveground and underground layouts	8-50
Buildings	50
Machinery, plant and devices	4-15
Vehicle tools and equipment	5
Flooring and fixed assets	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.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS
(CONTINUED)****g. Summary of Significant Accounting Policies (Continued)***Intangible Assets (Continued)*

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.

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).

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS
(CONTINUED)****g. Summary of Significant Accounting Policies (Continued)***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.

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:

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

Rental transactions (Continued)

- 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.

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 IAS 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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.

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).

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

Borrowing Costs (Continued)

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

Capitalization of borrowing costs ceases when essentially all the processes necessary to prepare an asset for its intended use or sale have been completed. Where the construction of a featured asset is completed in parts and each part can be used while other parts are under construction; Capitalization of borrowing costs related to a particular item ceases when all the necessary processes have been substantially completed to make it ready for its intended use or sale.

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.

Provisions, Contingent Liabilities and Contingent Assets

Provisions

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 obligation

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

Taxes calculated on corporate income and deferred tax (Continued)

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.

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. accounted for. 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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;

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

g. Summary of Significant Accounting Policies (Continued)

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.

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 42.101.138 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

4. JOINT VENTURES

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 share corresponds 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 amount of 200.000 TRY (31 December 2020: 200.000 TRY).

One of the subsidiaries within the scope of full consolidation, YS Maden, Kırakdere Kömürleri Maden A.Ş. He was also a founding partner. Kırakdere Coals Mining Inc. It is engaged in coal mining activities. In the financial statements, it has been shown with the amount of 45.098.867 TRY, which is the equity value (31 December 2020: 27.064.636 TRY).

5. SEGMENT REPORTING

The classification in Segment reporting is as follows;

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

5. SEGMENT REPORTING

Reporting by segments as of 31 December 2021 and 31 December 2020;

31.12.2021							
	Mine	Energy Product	Energy Trade	Other	Total	Elimination Effect	Consolidated Total
Current Assets	281,987,142	2,062,725,347	113,602,156	277,418,076	2,735,732,721	(1,622,192,435)	1,113,540,286
Fixed Assets	294,086,530	6,052,549,214	807,724	839,394	6,348,282,862	(493,148,219)	5,855,134,643
Total assets	576,073,672	8,115,274,561	114,409,880	278,257,470	9,084,015,583	(2,115,340,654)	6,968,674,929
Short Term Liabilities	291,003,208	1,621,619,516	276,383,630	279,940,060	2,468,946,414	(1,171,789,062)	1,297,157,352
Long-Term Liabilities	36,458,894	2,206,363,703	11,734,819	1,560	2,254,558,976	(248,674,252)	2,005,884,724
Total Liabilities	327,462,102	3,827,983,219	288,118,449	279,941,620	4,723,505,390	(1,420,463,314)	3,303,042,076
Equities	248,611,570	4,287,291,346	(173,708,570)	(1,684,153)	4,360,510,192	(694,877,339)	3,665,632,853

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***5. SEGMENT REPORTING (CONTINUED)**

01.01.2021 - 31.12.2021							
PROFIT OR LOSS	Mine	Energy Product	Energy Trade	Other	Total	Elimination Effect	Consolidated Total
Revenues	155,721,423	1,195,752,114	206,754,249	1,590	1,558,229,376	(112,627,885)	1,445,601,491
Cost of sales (-)	(105,540,906)	(858,925,829)	(203,743,501)	--	(1,168,210,236)	105,031,072	(1,063,179,164)
GROSS PROFIT/LOSS	50,180,517	336,826,285	3,010,748	1,590	390,019,140	(7,596,814)	382,422,327
General and administrative expenses (-)	(4,428,215)	(36,794,462)	(1,087,713)	(37,780)	(42,348,170)	71,310	(42,276,860)
Marketing Expenses(-)	(11,246,246)	(344,419)	(122,078)	--	(11,712,743)	--	(11,712,743)
Research and Development Expenses	--	--	--	(7,525,500)	(7,525,500)	7,525,500	--
Other Income from Main Operations	11,742,027	75,771,412	2,938,012	73,009	90,524,460	(38,912,795)	51,611,665
Other Expenses from Main Operations (-)	(40,557,115)	(102,918,877)	(34,631,902)	(40,546)	(178,148,440)	59,036,877	(119,111,563)
OPERATING PROFIT/LOSS	5,690,968	272,539,939	(29,892,933)	(7,529,227)	240,808,747	20,124,079	260,932,826
Income from Investment Activities	365,998	169,823,569	--	--	170,189,567	(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	23,876,636	442,338,084	(29,892,933)	(7,529,227)	428,792,560	(149,648,083)	279,144,477
Financing Incomes	44,377,862	361,159,058	16,115,693	18,824,999	440,477,612	(71,703,466)	368,774,146
Financial Expenses (-)	(48,845,570)	(772,994,460)	(27,217,034)	(12,859,792)	(861,916,856)	51,579,383	(810,337,473)
PROFIT/LOSS FROM CONTINUING OPERATIONS BEFORE TAX	19,408,928	30,502,682	(40,994,274)	(1,564,020)	7,353,316	(169,772,165)	(162,418,850)
Continuing Operations Tax Expense/Income	(2,733,357)	163,866,783	(1,443,448)	390,303	160,080,281	--	160,080,281
Period Tax Expense/Income	(1,597,324)	--	--	(135,538)	(1,732,862)	--	(1,732,862)
Deferred Tax Expense/Income	(1,136,033)	163,866,783	(1,443,448)	525,841	161,813,143	--	161,813,143
PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS	16,675,571	194,369,465	(42,437,722)	(1,173,717)	167,433,597	(169,772,165)	(2,338,569)
PROFIT/LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	--	98,173	--	--	98,173	--	98,173
PROFIT/LOSS FOR THE PERIOD	16,675,571	194,467,638	(42,437,722)	(1,173,717)	167,531,770	(169,772,165)	(2,240,396)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***5. SEGMENT REPORTING (CONTINUED)**

31.12.2020							
	Mine	Energy Product	Energy Trade	Other	Total	Elimination Effect	Consolidated Total
Current Assets	215,124,035	732,618,163	86,435,977	103,366	1,034,281,541	(518,173,430)	516,108,111
Fixed Assets	237,346,550	3,036,384,778	333,041	--	3,274,064,369	(384,089,784)	2,889,974,585
Total assets	452,470,585	3,769,002,941	86,769,018	103,366	4,308,345,910	(902,263,214)	3,406,082,696
Short Term Liabilities	379,834,777	1,023,721,617	197,881,357	593,278	1,602,031,029	(498,346,135)	1,103,684,894
Long-Term Liabilities	42,792,855	1,450,753,985	20,645,049	20,522	1,514,212,411	--	1,514,212,411
Total Liabilities	422,627,632	2,474,475,602	218,526,406	613,800	3,116,243,440	(498,346,135)	2,617,897,305
Equities	29,842,952	1,294,527,340	(131,757,388)	(510,435)	1,192,102,469	(403,917,078)	788,185,391

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***5. SEGMENT REPORTING (CONTINUED)**

01.01.2020 - 31.12.2020							
PROFIT OR LOSS	Mine	Energy Product	Energy Trade	Other	Total	Elimination Effect	Consolidated Total
Revenues	106,803,402	839,091,623	196,536,353	--	1,142,431,378	(167,291,140)	975,140,238
Cost of sales (-)	(81,863,954)	(627,434,206)	(196,052,036)	--	(905,350,196)	167,291,140	(738,059,056)
GROSS PROFIT/LOSS	24,939,448	211,657,417	484,317	--	237,081,182	--	237,081,182
General and administrative expenses (-)	(3,379,924)	(25,116,235)	(818,223)	(21,935)	(29,336,317)	300,000	(29,036,317)
Marketing Expenses(-)	(11,686,827)	(7,404,934)	(203,082)	--	(19,294,843)	--	(19,294,843)
Other Income from Main Operations	7,258,966	45,453,777	170,107	531	52,883,381	(278,386)	52,604,995
Other Expenses from Main Operations (-)	(33,409,737)	(31,872,587)	(29,633,937)	(57,259)	(94,973,520)	35,960,237	(59,013,283)
OPERATING PROFIT/LOSS	(16,278,074)	192,717,438	(30,000,818)	(78,663)	146,359,883	35,981,851	182,341,734
Income from Investment Activities	--	368,270	--	--	368,270	--	368,270
Expenses from Investment Activities (-)	--	--	--	--	--	--	-
Shares of Profits/Losses of Investments Valued by Equity Method	25,129,100	36,663	--	--	25,165,763	--	25,165,763
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSES	8,851,026	193,122,371	(30,000,818)	(78,663)	171,893,916	35,981,851	207,875,767
Financing Incomes	29,698,000	418,530,045	14,934,462	55,826	463,218,333	(274,021,582)	189,196,751
Financial Expenses (-)	(49,748,947)	(1,018,254,348)	(21,372,329)	(347)	(1,089,375,971)	238,061,345	(851,314,626)
PROFIT/LOSS FROM CONTINUING OPERATIONS BEFORE TAX	(11,199,921)	(406,601,932)	(36,438,685)	(23,184)	(454,263,722)	21,614	(454,242,108)
Continuing Operations Tax Expense/Income	(4,683,627)	211,015,138	(1,213,522)	(12,392)	205,105,597	--	205,105,597
Period Tax Expense/Income	(803,764)	--	--	--	(803,764)	--	(803,764)
Deferred Tax Expense/Income	(3,879,863)	211,015,138	(1,213,522)	(12,392)	205,909,361	--	205,909,361
PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS	(15,883,548)	(195,586,794)	(37,652,207)	(35,576)	(249,158,125)	21,614	(249,136,511)
PROFIT/LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	--	21,614	--	--	21,614	--	21,614
PROFIT/LOSS FOR THE PERIOD	(15,883,548)	(195,565,180)	(37,652,207)	(35,576)	(249,136,511)	21,614	(249,114,897)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***6. RELATED PARTIES****i) Balances with related parties as of 31 December 2021 and 31 December 2020;****a) Short-term trade receivables from related parties:**

	31.12.2021	31.12.2020
Hidro Kontrol Elektrik Üretim A.Ş	13,368,562	12,015,059
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	13,328,579	11,160,692
Batı Trakya Madencilik A.Ş.	12,552,520	127,912
Öztay Enerji Elektrik Üretim Sanayi A.Ş	11,214,102	9,404,839
Kısrakdere Maden A.Ş.	44,532	161,896
TOTAL	50,508,295	32,870,398
<i>Deduction: Unaccrued finance income</i>	<i>(5,768,466)</i>	<i>(3,974,482)</i>
TOTAL	44,739,829	28,895,916

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
6. RELATED PARTIES (CONTINUED)
b) Other short-term receivables from related parties:

	31.12.2021	31.12.2020
Tahsin Yazan	4,802,388	552,388
Süleyman Sarı	2,389,180	2,389,180
Müjgan Özal	1,767,803	1,575,677
Mustafa Ali Özal	1,417,394	1,263,717
Fatimetüz Zehra Özal	1,415,105	1,261,428
Hafize Ayşegül Özal	1,414,044	1,260,367
Kerem Emir Yazan	1,272,811	1,243,369
Kısrakdere Maden A.Ş.	770,202	603,875
Mehmet Fatih Özal	485,360	434,134
Korkut Enes Özal	481,048	429,822
Hafize Büşra Özal	460,491	409,265
Abdulkadir Bahattin Özal	211,290	211,290
Burak Altay	141,111	71,480
Akra Madencilik San. Ve Tic. A.Ş	112,022	--
Onur Mining	89,593	--
Bb Enerji Yatırım San. Tic. A.Ş.	66,174	107,482
Hidro Kontrol Elektrik Üretim A.Ş	59,068	53,407
Eylül Elektromekanik Enerji San. ve Ltd. Şti	57,357	57,690
Tron Enerji Yatırım San. Ve Tic. A.Ş.	44,010	43,424
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	29,251	29,251
Batı Trakya Madencilik A.Ş.	15,589	20,635
Rey Bilişim Hizmetleri Tic. Ltd. Şti.	935	--
TOTAL	17,502,226	12,017,881
<i>Deduction: Unaccrued finance income</i>	<i>(169,335)</i>	<i>(87,346)</i>
TOTAL	17,332,891	11,930,535

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
6. RELATED PARTIES (CONTINUED)
c) Short-term trade payables to related parties:

	31.12.2021	31.12.2020
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	5,510,000	4,734,708
Öztay Enerji Elektrik Üretim San. A.Ş.	803,369	700,794
Batı Trakya Madencilik A.Ş.	544,757	--
Kısrakdere Maden A.Ş.	55,680	474,706
TOTAL	6,913,806	5,910,208
<i>Deduction: Unaccrued finance income</i>	<i>(679,521)</i>	<i>(634,820)</i>
TOTAL	6,234,285	5,275,388

d) Other short-term payables to related parties:

	31.12.2021	31.12.2020
Ogma Ssh Fz Llc	100,147,592	--
Bb Enerji Yatırım San. Tic. A.Ş.	1,483,705	1,253,371
Kerem Emir Yazan	678,833	384,018
Ena Elektrik Üretim Ltd. Şti	526,165	526,165
Öztay Enerji Elektrik Üretim San. A.Ş.	286,820	323,188
Abdulkadir Bahattin Özal	93,177	93,177
Akra Petrol San. Tic. A.Ş.	24,221	20,526
Hafize Ayşegül Özal	20,000	20,000
Esin Ersan	20,000	20,000
Burak Altay	15,000	86,943,198
Batı Trakya Madencilik A.Ş.	5,221	281,897
Bahattin Özal&Burak Altay Adi Ortaklık	4,700	4,700
Hidayet Büküm	3,672	3,673
HK Yatırım Elektrik Üretim San. Tic. Ltd. Şti	1,145	--
Arsın Enerji Elektrik Üretim Sanayi Ticaret A.Ş.	--	7,179
Hidro Kontrol Elektrik Üretim A.Ş	--	2,071
Kısrakdere Maden A.Ş.	--	55,417
TOTAL	103,310,251	89,938,580
<i>Deduction: Unaccrued finance income</i>	<i>(132,611)</i>	<i>(86,049)</i>
TOTAL	103,177,640	89,852,531

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

6. RELATED PARTY DISCLOSURES (CONTINUED)

ii) Significant sales to and purchases from related parties:

Purchases from Related Parties		
	01 January - 31 December 2021	01 January - 31 December 2020
Kısrakdere Maden A.Ş.	25,672,990	85,156
Arsin Enerji Elektrik Üretim San. Tic. A.Ş.	775,292	532,318
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	102,886	156,628
Hidro Kontrol Elektrik Üretim A.Ş.	--	12,327
Akra Petrol San. Tic. A.Ş.	--	10,253
Batı Trakya Madencilik A.Ş.	--	75,870
TOTAL	26,551,168	872,552

Sales to Related Parties		
	01 January - 31 December 2021	01 January - 31 December 2020
Arsin Enerji Elektrik Üretim San. Tic. A.Ş.	2,175,065	842,177
Hidro Kontrol Elektrik Üretim A.Ş.	2,165,295	1,251,530
Batı Trakya Madencilik A.Ş.	1,932,753	14,795
Öztay Enerji Elektrik Üretim Sanayi A.Ş.	1,718,951	986,399
Müjgan Özal	192,126	161,566
Mustafa Ali Özal	153,677	131,167
Fatimetüz Zehra Özal	153,677	131,167
Hafize Ayşegül Özal	153,677	129,237
Mehmet Fatih Özal	51,226	61,721
Korkut Enes Özal	51,226	57,409
Hafize Büşra Özal	51,226	36,852
Mustafa Koncagül	--	229,371
Eylül Elektromekanik Enerji San. ve Ltd. Şti.	--	60,804
Kısrakdere Maden A.Ş.	--	33,106
Dinçsan İnşaat Ltd. Şti.	--	3,620
Burak Altay	--	1,433
TOTAL	8,798,899	4,132,354

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

6. RELATED PARTY DISCLOSURES (CONTINUED)

Remuneration and similar benefits provided to the top management in the 12-month accounting period of 2021 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 2021 is 14,953,125 TRY (11,071,899 TRY in 2020).

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

Commercial debts		
	31 December 2021	31 December 2020
Commercial debts	197,342,361	169,520,407
-Trade receivables from related parties	50,508,295	32,870,398
-Trade receivables from unrelated parties	146,834,066	136,650,009
Notes receivable (*)	46,632,892	28,592,878
Doubtful trade receivables	22,021,320	17,762,295
Provision for doubtful trade receivables (-)	(22,021,320)	(17,762,295)
	243,975,253	198,113,285
<i>Deduction: Unaccrued financial expenses</i>	<i>(8,409,890)</i>	<i>(9,511,399)</i>
<i>-Receivables from related institutions</i>	<i>(5,768,466)</i>	<i>(3,974,482)</i>
<i>-Other receivables</i>	<i>(2,641,424)</i>	<i>(5,536,917)</i>
TOTAL	235,565,363	188,601,886

(*) As of 31 December 2021, all bills receivable in the portfolio amounting to TRY 46,632.892 are from related parties and the maturity date is April 10, 2022.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)

7. TRADE RECIVABLES AND PAYABLES (CONTINUED)

The movement table of the provision for doubtful receivables as of 31 December 2021 and 31 December 2020 is as follows;

	31 December 2021	31 December 2020
Balance at the beginning of the period	17,762,295	13,012,855
Additional provisions (Note 34)	4,297,715	4,821,105
Payments (-) (Note 34)	(38,690)	(71,665)
TOTAL	22,021,320	17,762,295
Trade payables		
	31 December 2021	31 December 2020
Trade payables	252,678,535	180,132,875
-Trade payables to related parties	6,913,806	5,910,208
-Trade payables to unrelated parties	245,764,729	174,222,667
debt securities	52,488,994	121,110,811
Other trade payables	861,000	--
	306,028,529	301,243,686
Deduction: Unaccrued finance income	(7,154,052)	(20,553,918)
-Trade payables to related parties	(679,521)	(634,820)
-Trade payables to unrelated parties	(6,474,531)	(19,919,098)
TOTAL	298,874,477	280,689,768

The maturity distributions of the Debt Securities are as follows;

	31 December 2021	31 December 2020
0-3 months	18,840,585	69,072,996
3-6 months	15,640,328	30,351,635
6-12 months	18,008,081	18,749,980
1-5 years	--	2,936,200
TOTAL	52,488,994	121,110,811

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)

8. FINANCIAL INVESTMENTS

None (31 December 2020: None).

9. OTHER RECEIVABLES AND PAYABLES

Short Term Other Receivables

	31 December 2021	31 December 2020
Receivables from related parties	17,502,226	12,017,881
Other receivables	23,041,895	20,137,675
Deposits and guarantees given	4,839,500	1,432,590
Receivables from staff	34,886	34,887
Other doubtful receivables	1,855,446	1,968,298
Other doubtful receivables (-)	(1,855,446)	(1,968,298)
TOTAL	45,418,507	33,623,033
Deduction: Unaccrued financial expenses	(169,342)	(1,210,767)
-Receivables from related institutions	(169,335)	(87,346)
-Other receivables	(7)	(1,123,421)
TOTAL	45,249,165	32,412,266

(*) TRY 16,604,424 of other receivables includes the incentive amount provided by Migem for YS Mining underground employees.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

9. OTHER RECEIVABLES AND PAYABLES (CONTINUED)

The movement table of the provision for doubtful receivables as of 31 December 2021 and 31 December 2020 is as follows;

	31 December 2021	31 December 2020
Balance at the beginning of the period	1,968,298	--
Additional provisions	--	1,968,298
Payments (-) (Note 34)	(112,852)	--
TOTAL	1,855,446	1,968,298

Long Term Other Receivablesr

	31 December 2021	31 December 2020
Deposits and guarantees given	1,681,677	1,352,461
TOTAL	1,681,677	1,352,461

Other Short-Term Payables

	31 December 2021	31 December 2020
<i>Related parties payables</i>	<i>103,310,251</i>	<i>89,938,580</i>
Miscellaneous other debts	1,983,936	745,144
Taxes and funds payable	23,270,183	16,409,545
Deposits and guarantees received	103,742	103,742
Etc. lat. defer. or installment. tax and other freight.	18,959,126	5,708,270
Received advances	1,407,568	764,149
	149,034,806	113,669,430
<i>Deduction: Unaccrued finance income</i>	<i>(132,611)</i>	<i>(134,528)</i>
<i>- Related party vendor payables</i>	<i>(132,611)</i>	<i>(86,049)</i>
<i>-Other debts</i>	<i>--</i>	<i>(48,479)</i>
TOTAL	148,902,195	113,534,902

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

9. OTHER RECEIVABLES AND PAYABLES (CONTINUED)

Details of taxes and funds payables are as follows:

	31 December 2021	31 December 2020
TRT Share	2,031,055	1,516,405
Municipality Consumption Tax	1,248,610	1,812,200
Energy Fund	397,783	3,093,384
Wage Earners Income Tax Deduction	5,832,547	6,328,848
Value Added Tax	13,115,864	2,981,770
Other Tax Liabilities	644,324	676,938
TOTAL	23,270,183	16,409,545

Long-term Other Payables

	31 December 2021	31 December 2020
Deposits and guarantees received	17,024,906	982,618
Publicly Deferred or Installment Debts(*)	13,951,144	11,345,113
TOTAL	30,976,050	12,327,731

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

10. INVENTORIES

	31 December 2021	31 December 2020
Raw materials and supplies	9,154,429	5,267,734
Semi-finished (*)	141,027,070	84,649,344
Finished goods (**)	97,294,516	54,142,172
Trade goods	789,202	4,613,342
Other inventories (***)	45,402,299	45,039,651
TOTAL	293,667,516	193,712,243

(*) 113,372.191 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

10. INVENTORIES (CONTINUED)

17,677,679 TRY of the semi-finished products consists of the raw coal extracted by YS Madencilik, which is included in the consolidation.

(**) 90,947,624 TRY of the products of the group consists of gypsum, ash and cruf obtained by Çan2 Termik from electricity generation.

(***) 10,280,965 TRY of the group's other stocks consists of thermal power plant spare parts of Çan2 Termik, which is included in the consolidation, and 27,812.706 TRY of YS Madencilik's mineral coal stocks, which is included in the consolidation.

11. BIOLOGICAL ASSETS

None. (None, December 31, 2020).

12. PREPAID EXPENSES AND DEFERRED INCOME

Short Term Prepaid Expenses		
	31 December 2021	31 December 2020
Order advances given (*)	5,685,621	13,768,896
Expenses for the next month	11,885,671	6,349,472
TOTAL	17,571,292	20,118,368

(*) 5.640.820 TRY of the order advances given consists of the advances given by Çan 2 Termik A.Ş.

Long Term Prepaid Expenses		
	31 December 2021	31 December 2020
Expenses for future years (*)	5,097,487	4,679,123
TOTAL	5,097,487	4,679,123

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

Deferred Incomes		
	31 December 2021	31 December 2020
Advances received (*)	63,021,514	49,912,503
TOTAL	63,021,514	49,912,503

(*) The amount of 61.096.265 TRY is related to the advances received from EPIAŞ. In the following period, it was closed by offsetting against trade receivables.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

13. INVESTMENT PROPERTIES

Yoktur. (31 Aralık 2020 Yoktur.)

14. TANGIBLE ASSETS

	01.01.2021	Addition	Disposal	Transfer	31.12.2020	01.01.2021
Cost						
Land and plots	56,918,004	2,086,643	(40,000)	--	109,288,505	168,253,152
Underground and surface layouts	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
Ongoing investments	75,535,877	336,897,394	--	(14,281,439)	--	398,151,831
Search 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						
Underground and surface layouts	(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	--	--	(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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
14. TANGIBLE ASSETS (CONTINUED)

	01.01.2020	Addition	Disposal	Transfer	31.12.2020
Cost					
Land and plots	56,250,579	667,425	--	--	56,918,004
Underground and surface layouts	150,000	--	--	--	150,000
Buildings	1,143,325	--	--	--	1,143,325
Plant, machinery and devices	2,523,505,711	83,205,812	--	--	2,606,711,523
Vehicles	8,958,379	1,478,859	(333,308)	--	10,103,930
Furniture and fixtures	8,302,429	2,396,588	(956)	--	10,698,061
Ongoing investments	30,067,703	45,468,174	--	--	75,535,877
Search expenses	709,260	--	(709,260)	--	--
Total	2,629,087,386	133,216,858	(1,043,524)	--	2,761,260,720
Accumulated Depreciation					
Underground and surface layouts	(132,813)	(17,188)	--	--	(150,001)
Buildings	(221,514)	(39,914)	--	--	(261,428)
Plant, machinery and devices	(142,854,067)	(86,961,103)	--	--	(229,815,170)
Vehicles	(3,036,924)	(1,750,348)	203,776	--	(4,583,496)
Furniture and fixtures	(4,301,055)	(1,064,893)	901	--	(5,365,047)
Total	(150,546,373)	(89,833,446)	204,677	--	(240,175,142)
Net Book Value	2,478,541,013	43,383,412	(838,847)	--	2,521,085,578

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
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 (INA). In the valuation report dated 10.02.2020 prepared by an authorized valuation institution as of 31 December 2019, the value of the investment was determined as 2.085.175.474 TRY according to the income management (INA). The asset value of Çan 2 Thermal Power Plant as of 31 December 2021, based on the asset valuation study carried out by Ata Yatırım Menkul Değerler, is 12.01 It is reflected in the financial statements over the values in the Asset Valuation Report dated .2022. The asset value of Çan 2 Thermal Power Plant has been determined as TRY 4.684.505.558 by the authorized valuation institutions according to the income method (INA).

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.

"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 2021 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	46,482,278
Çan2 Termik	Modernization	33,668,266
Odaş Enerji CA	Natural Gas Power Plant	307,360,956
TOTAL		398,151,831

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

15. RESTORATION AND ENVIRONMENTAL REHABILITATION FUNDS FROM INTEREST ON RIGHTS

None. (None, December 31, 2020).

16. INVESTMENTS ACCOUNTED BY THE EQUITY METHOD

Shares of Profit/(Loss) of Investments Evaluated by Equity Method for the periods 1 January – 31 December 2021 and 1 January – 31 December 2020 are as follows;

	01 January -31 December 2021	01 January -31 December 2020
Shares of Profit / Loss of Investments by Equity Method	18,034,231	25,165,763
TOTAL	18,034,231	25,165,763

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

17. INTANGIBLE ASSETSAR

	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 development expense	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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

17. INTANGIBLE ASSETSAR (CONTINUED)

	01.01.2020	Additions	Disposals	Transfer	31.12.2020
Cost					
Rights	10,028,606	163,940	--	--	10,192,546
Other İntangible Assets	6,571,326	--	--	--	6,571,326
Preparation and Development Expenses	56,454,549	25,972,948	--	--	82,427,497
Total	73,054,481	26,136,888	--	--	99,191,369
Accumulated Amortization					
Rights	(4,545,425)	(908,178)	--	--	(5,453,603)
Other İntangle Assets	(598,404)	(26,282)	--	--	(624,686)
Preparation and Development Expenses	(7,753,107)	(4,760,631)	--	--	(12,513,738)
Total	(12,896,936)	(5,695,091)	--	--	(18,592,027)
Net Book Value	60,157,545	20,441,797	--	--	80,599,342

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. when it started.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

17. INTANGIBLE ASSETSAR (CONTINUED)

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 worth 22,213,659 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 42,101,138 (31 December 2020: TRY 41,404,830) 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).

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 2021 is as follows on the basis of subsidiaries.

Subsidiaries	The Amount of Preparation and Development Expenditures
Yel Enerji	3,198,425
Çan2 Termik	3,025,247
Çan2 Trakya	29,992,308
Anadolu Export	25,562,421
Suda Maden	6,031,568
Ys Madencilik	22,213,659
TOTAL	90,023,628

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

19. EVALUATING AND RESEARCHING OF MINE RESOURCES (CONTINUED)

The amounts related to the amortization of the amounts capitalized as Preparation and Development Expenses and their net book values are included in Note 17.

The amount of 3,198,425 TRY taken into account as preparation and development expenses in Yel Enerji consists of the project survey, analysis, land permit applications and drilling works related to the coal mine operation license numbered IR:17517 on 1,205,11 hectares in Çanakkale province Bayramiç district.

The transfer of the mining license took place on July 15, 2015, the preparation and development expenditures have been capitalized in accordance with TAS-38 Intangible Assets standard and the accounting policy applied by the group, and the amortization process is completed in the manner intended by the management. It started when it reached the position and condition required for it to operate and amortization for Preparation and Development Expenses began to be calculated.

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. As of 31 December 2021, the total expenditure for mining coal is 3.025,247 TRY.

Suda Maden has 2 exploration licenses and 2 mining operation licenses. Drilling, mapping, well drilling etc. related to mining operation licenses with license number 34412 and 43169. As of 31 December 2021, the total expenditures are 6,031,568 TRY, capitalized and depreciated over the years. The calculated depreciation amounts are associated with the production costs of the antimony mine.

Preparation and Development Expenses with a value of 25,562,421 TRY capitalized in Anadolu Export are the 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 worth 22,213,659 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.

Preparation and Development Expenses with a value of 29.992.308 TRY capitalized in Çan 2 Thrace are the amounts related to coal mine drilling, analysis and geophysical costs in Tekirdağ Malkara. 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

20. RIGHT OF USE ASSETS

	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

	01.01.2020	Additions	Disposals	Transfer	31.12.2020
Cost – Vehicles					
Right-of-use assets	2,144,285	3,933,337	--	--	6,077,622
Total	2,144,285	3,933,337	--	--	6,077,622
Accumulated Depreciation - Vehicles					
Right-of-use assets	(169,393)	(1,298,371)	--	--	(1,467,764)
Total	(169,393)	(1,298,371)	--	--	(1,467,764)
Net Book Value	1,974,892	2,634,966	--	--	4,609,858

The Group has 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, 2020).

22. IMPAIRMENT OF ASSETS

As of 31 December 2021 and 31 December 2020, 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 2021 and 31 December 2020, the Group has impairment in tangible and intangible assets, and the amount of impairment is shown in the relevant financial statement items. (Footnote 14, 17)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

24. BORROWING COSTS

None. (None, December 31, 2020).

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Other Short Term Provisions

	31 December 2021	31 December 2020
Balance at the beginning of the period	2,465,575	1,150,340
Additional provision/(payment) (-) (Note 34)	(500,507)	1,315,235
Period-end balance	1,965,068	2,465,575

Cases in Favor of the Company:

As of the report date, there are various lawsuits initiated by the Group amounting to TRY 14,686.156.

As of the report date, one of the ongoing lawsuits in favor of the Group is the tax lawsuit amounting to TRY 6.751.018. With the letter dated 28 June 2019, the tax office declared VAT refund of 3.857.725 TRY and payment of a tax loss penalty of 2.893.294 TRY, which was accounted for with an incentive certificate by Çan2 Termik A.Ş. sent a tax/penalty notice. The deduction was canceled on the grounds that power plants are not within the scope of the manufacturing industry. The principal amount of the debt related to the canceled deduction is included in the Taxes and Funds Payable in Other Payables account (Note 8). Çan2 Termik A.Ş. has filed a lawsuit against the tax office in the tax court for the cancellation of these notices. The case was concluded in favor of the group in June 2021, and the relevant Tax Office appealed. It has been utilized within the scope of the Law No. 7326 on Restructuring of Certain Receivables and Amending Certain Laws published in the Official Gazette dated 9 June 2021 and numbered 31506. The lawsuit was waived within the scope of the restructuring application, and it was decided by the Regional Administrative Court that there was no room for a decision on the file due to the waiver.

As of the report date, the other lawsuit in favor of the Group is a receivable lawsuit amounting to TRY 2,735.665. It is a case about the refund of the amounts, with the mention that the conditions are not fulfilled within the scope of the protocols between the parties.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Cases Against the Company :

As of 31 December 2021, there are various commercial debt lawsuits and personnel lawsuits worth 13.077.227 TRY filed against the Group.

All of the trade receivable lawsuits filed against the Group require cancellation of the objections made by the Group in the enforcement proceedings initiated against the Group in accordance with Article 67 of the Execution and Bankruptcy Law ("İKK"). These lawsuits are counter-debt lawsuits filed against suppliers, and 1.310.203 TRY provision for litigation expenses has been set aside for trade debt lawsuits. Provisions amounting to TRY 616,821 were canceled for the cases that were concluded.

As of December 31, 2021, the Group has set aside TRY 1,271,686 provision for litigation, considering that the probability of losing the cases related to personnel cases will be high.

Other long-term provisions

	31 December 2021	31 December 2020
Mine restoration provisions	185,044	185,044
TOTAL	185,044	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 decares. 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Mine Restoration Provision

	31 December 2021	31 December 2020
Balance at beginning of period	185,044	185,044
Additional Provision / Payment (-)	--	--
Balance at the end of the period	185,044	185,044

This 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 185.044 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 Bankası A.Ş. and Türkiye Halkbank A.Ş. mortgage has been established. The total amount of mortgages is 2,614,500,000 TRY and 558,900,000 Euros. Suda Mining Inc. and Pasha Investment Bank A.Ş. Pasha Yatırım Bankası A.Ş. on the operating licenses of Cebirail and Oğurluca Mining Fields within the scope of the loan agreements signed between mortgage has been established. The total value of the mortgages is US\$42,000,000. The amount of the business pledge is 450.000.000 TRY.

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

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

-Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Share Pledge Agreement with Kozyatağı Commercial Branch Consortium:

Yapı Kredi Bank A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. A share pledge agreement was signed in favor of Kozyatağı Commercial Branch, which pledges all the shares of the partners in Çan2 Termik A.Ş. In addition, Yapı Kredi Bankası A.Ş. Esenyurt Commercial Branch and Halk Bankası A.Ş. Kozyatağı Commercial Branch Consortium and Çan2 Termik A.Ş. In return for the loan debt in the General Loan Agreement signed between Çan2 Termik A.Ş. and the Assignment of Receivables and the Movable Pledge Agreement without surrendering the possession. The total amount included in the contract for the Movable Pledge is 244,800,000 Euros and 1,000,000,000 TRY.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Bail

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.

Pasha Investment Bank A.Ş. and Suda Maden A.Ş. In favor of Pasha Investment Bank, Odaş Elektrik Üretim Sanayi ve Ticaret A.Ş. became a guarantor as a legal entity.

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.

TAssignment

Alternatifbank A.Ş. Transfer of Receivables with PMUM:

Alternatifbank A.Ş. and ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. As a guarantee of the loan given in accordance with the general loan agreements signed between Alternatifbank A.Ş. An agreement has been signed for the transfer of the revenue arising from the energy sales of ODAŞ Elektrik Üretim Sanayi Ticaret A.Ş. to EPIAŞ for the benefit of the company. The amount of assignment is 450.000.000 TRY and the period is 28.04.2026.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

Guarantees

The guarantees given by the Group are as follows:

	31.12.2021	31.12.2020
GUARANTEES, PLEDGES, HYPOTHECS		
A) Total amount of TRI was given for its own legal entity	4,225,241	7,803,638
B) Partnerships includes scope of full consolidation	16,993,382,800	10,077,972,265
C) Total amount of TRI was given in order to conduct ordinary business and to guarantee third parties debt	--	--
D) Total Amount of TRI was Other Given	--	--
i) <i>Total amount of TRI was given on behalf of main partner</i>	--	--
ii) <i>Total amount of TRI was given to companies except B and C article</i>	--	--
iii) <i>Total amount of TRI was given to third parties except C article</i>	--	--
TOTAL	16,997,608,041	10,085,775,903

The ratio of the guarantees, pledges and mortgages given by the company to its own resources is 4.64 (31 December 2020: 12.67).

The guarantees received by the Group are as follows:

	31.12.2021	31.12.2020
Received Guarantee Letters	12,065,041	8,258,849
Received Guarantee Cheques	3,024,115	1,782,509
Received Guarantee Bills	2,859,266	2,859,266
TOTAL	17,948,422	12,900,624

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)

25. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

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

	31.12.2021	31.12.2020
Letters of Guarantee Received	12,065,041	8,258,849
Voytron	7,158,500	4,828,500
Çan2 Termik	3,573,641	3,430,349
Odas CA	1,332,900	--
Guarantee Checks Received	3,024,115	1,782,509
Çan2 Termik	3,024,115	1,782,509
Guarantees Received	2,859,266	2,859,266
Çan2 Termik	2,509,266	2,509,266
Ys Maden	350,000	350,000
TOTAL	17,948,422	12,900,624

26. COMMITMENTS

None. (31 December 2020: None.)

27. EMPLOYEES BENEFIT OBLIGATIONS

a. Short Term

Liabilities within the Scope of Employee Benefits

	31 Aralık 2021	31 Aralık 2020
Due to personnel	4,167,398	3,510,785
Social security premium payables	5,200,080	2,038,013
Other payables	53,732	33,471
Total	9,421,210	5,582,269

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

27. EMPLOYEE BENEFITS (CONTINUED)

Provision for Vacation

Between 31.12.2021 and 31.12.2020, the transaction of the provision for vacation is presented below:

	31 December 2021	31 December 2020
Cycles	2,892,631	2,892,631
Provision Allocated During the Period	2,360,988	1,152,622
TOTAL	5,253,619	4,045,253

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 10,596 TRY (31 December 2020: 7,117,17 TRY) as of 31 December 2021.

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 2021 and 31 December .2020 are as follows:

	31 December 2021	31 December 2020
Discount rate	%18,90	%12,31
Estimated rate of increase	%15	%9

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

27. EMPLOYEE BENEFITS (CONTINUED)

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

	31 December 2021	31 December 2020
Transfer	1,275,937	648,281
Payment	1,885,262	717,162
Interest cost	236,169	80,983
Current service cost	(1,585,589)	(643,031)
Actuarial gain/(loss)	444,557	472,542
Balance	2,256,336	1,275,937

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

28. EXPENSES ACCORDING TO THEIR QUALIFICATIONS

The details of the cost of sales for the periods 1 January - 31 December 2021 and 1 January - 31 December 2020, according to their qualifications, are as follows;

	01 January - 31 December 2021	01 January - 31 December 2020
Coal usage cost	197,506,857	174,355,873
Energy imbalance amount	145,096,489	77,012,315
RA debt amount	144,837,852	55,975,802
Göp system purchase amount	106,456,035	49,714,791
Depreciation and amortization expense	64,748,726	82,895,671
Personnel expense share	54,910,230	46,561,622
Cost of selling the product from production	52,241,969	20,467,471
Bilateral agreements energy commodity cost	48,582,779	21,078,691
Coal selling cost	38,922,384	31,579,945
TEİAŞ/EPIAŞ single receivable amount	35,740,911	15,809,278
Antimony selling cost (-)	24,173,595	15,190,945
Distribution companies system usage cost	25,516,269	10,633,136
System usage fee	17,326,205	28,419,791
Market operating fee	16,969,226	3,997,547
Fuel oil usage cost	12,815,245	8,730,275
DGP debt amount	10,975,179	6,239,449
Diesel usage cost	10,812,007	3,876,605
Insurance expenses	9,583,492	5,051,504
Maintenance and repair expense	8,786,598	5,882,295
Group companies imbalance	6,742,426	448,705
Limestone usage cost	3,781,556	4,061,062
Natural gas use	3,072,742	49,373,834
TEİAŞ/Epiaş other expenses	1,200,550	715,786
Reactive capacitive goods cost (-)	503,252	207,838
Retroactive adjustment amount	105,460	60,818
System operating fee	--	1,141,711
Distribution companies other expenses	--	699,744
Other cost price	--	96,250
Group Companies GDDK	--	64,889
Other expenses	21,771,130	17,715,413
TOTAL	1,063,179,164	738,059,056

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

29. OTHER ASSETS AND LIABILITIES

Other Current Assets

	31 December 2021	31 December 2020
Income accruals (*)	150,632,336	41,836,562
Deferred VAT	19,359,252	13,592,939
Work advances	12,784,939	4,629,386
Advances given to personnel	129,830	123,185
Advances given to suppliers	140,330,320	3,052,163
Other Various Current Assets	22,946,118	1,661,526
TOTAL	346,182,795	64,895,761

The details of income accruals are as follows:

	31 December 2021	31 December 2020
Accrued electricity sales income	147,397,904	37,596,630
Accured natural gas sales income	34,432	1,039,932
Other accrued interest income	3,200,000	3,200,000
TOTAL	150,632,336	41,836,562

Other Tangible Fixed Assets

	31 December 2021	31 December 2020
Given advances (*)	54,383,228	78,912,655
TOTAL	54,383,228	78,912,655

(*) As of 31 December 2021, 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. 53,860,977 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

29. OTHER ASSETS AND LIABILITIES (CONTINUED)

Other short term liabilities

	31 December 2021	31 December 2020
Accrued expenses	54,080,684	39,996,040
TOTAL	54,080,684	39,996,040

Expense accrual details are as follows:

	31 December 2021	31 December 2020
Electricity purchase expense accruals	49,271,239	35,000,916
Distribution companies expense accruals	17,378	324,981
Other expense accruals	4,792,067	2,630,190
Natural gas purchase costs	--	2,039,953
TOTAL	54,080,684	39,996,040

Other long term liabilities

	31 December 2021	31 December 2020
Expense accruals (*)	3,726,299	1,796,551
TOTAL	3,726,299	1,796,551

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

30. EQUITY, RESERVES AND OTHER EQUITIES

Paid-in capital

The paid-in capital structure of the Group as of 31 December 2021 and 31 December 2020 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.

	31.12.2021		31.12.2020	
Shareholder	Share Amount	Rate	Share Amount	Rate
A. Bahattin Özal	68,199,226	%4,87	33,198,318	%5,53
Burak Altay	221,397,488	%15,81	93,170,353	%15,53
BB Enerji Yatırım San.ve Tic. A.Ş.	39,619,143	%2,83	16,979,633	%2,83
Müjgan Özal Mirası (*)	5,347,275	%0,38	5,347,275	%0,89
Fatimetüz Zehra Özal Mirası (**)	3,208,365	%0,23	3,208,365	%0,53
Hafize Ayşegül Özal	2,708,365	%0,19	2,708,365	%0,45
Mustafa Ali Özal	2,435,865	%0,17	2,708,365	%0,45
Mehmet Fatih Özal	--	--	1,470,919	%0,25
Korkut Enes Özal	--	--	1,470,919	%0,25
Hafize Büşra Özal	1,069,455	%0,08	1,069,455	%0,18
Public Shares	1,056,014,818	%75,43	438,668,033	%73,11
Paid-in Capital	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, Hafize Ayşegül Özal, Mehmet Fatih Özal, It was legally passed to Korkut Enes Özal and Hafize Büşra Özal.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

The list of distribution is as follows;

Shareholder	Share Amount	Rate
Fatimetüz Zehra Özal (**)	1,069,455	%0,18
Hafize Ayşegül Özal	1,069,455	%0,18
Mustafa Ali Özal	1,069,455	%0,18
Abdulkadir Bahattin Özal	1,069,455	%0,18
Mehmet Fatih Özal	356,485	%0,06
Korkut Enes Özal	356,485	%0,06
Hafize Büşra Özal	356,485	%0,06
TOTAL	5,347,275	%0,89

(**) Due to the death of Ms. Fatimetüzzehra Özal on 4 December 2018, 0.71% 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	%0,36
Ayşenur Koşay Erbay	2,138,910	%0,36
TOTAL	4,277,820	%0,72

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

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.

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.

Stock Issue Premium

The transactions regarding the increase of the Company's issued capital of 600,000,000 TRY to 1,400,000,000 TRY by an increase of 800,000,000 TRY were completed on August 23, 2021. Shares with a nominal value of 31,203,426,19 TRY remaining in the capital increase are transferred to Borsa İstanbul A.Ş. for 2 business days between 25-26 August 2021. A total of 44,627,458.03 TRY of fund inflow was obtained from its sale in the Primary Market. Since the remaining shares in question were offered to the public at a price higher than the nominal value of 1 TRY, a total of 13.424.201 TRY was accounted for as share issue premium.

After the capital increase (public offering) of Çan2 Termik A.Ş., one of the subsidiaries of the Group, on 21-22 April 2021, 67.590.000 shares are sold in Borsa İstanbul A.Ş. at a price higher than the nominal value of 1 TRY. The amount of 185,332,488 TRY remaining after the netting of the public offering expenses, resulting from the sale of 6,759,000 existing shares of the Company during the public offering at a price higher than the nominal value of 1 TRY, is recognized as share issue premiums. accounted for.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

Stock Issue Premium (Continued)

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.

	31 December 2021	31 December 2020
Stock issue premiums	258,850,762	60,094,073
TOTAL	258,850,762	60,094,073

Actuarial gain/(loss) fund

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

	31 December 2021	31 December 2020
Balance at the beginning of the period	(645,109)	(276,526)
Current period actuarial gain/(loss)	(342,309)	(368,583)
TOTAL	(987,418)	(645,109)

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 2021	31 December 2020
Previous year profit/(loss)	(326,903,703)	(127,047,540)
The rate of interest in subsidiaries that does not result in a loss of control. related increase/(decrease)	59,108,410	(12,169,690)
Period profit/(loss)	(246,670,717)	(187,686,473)
TOTAL	(514,466,010)	(326,903,703)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

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.

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 2021, the Group's Restricted Reserves Allocated from Profit amounted to TRY 639.252 (December 31, 2020: TRY 639.252). All of this amount consists of legal reserves.

Capital Advances

None. (31 December 2020: None.)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

Revaluation Increase Fund

Revaluation revaluation fund movements are as follows:

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

31.12.2020	Facility	Building	Land	Total
01 Ocak 2020 Balance	688,643,465	448,109	39,754,929	728,846,503
Revaluation value increase (Gross)	--	--	--	--
Revaluation impairment	--	--	--	--
Deferred tax (*)	--	--	--	--
Revalued Amount	688,643,465	448,109	39,754,929	728,846,503

Cash Hedging Gains and Losses

	31.12.2021	31.12.2020
Hedging gains and losses	425,193,010	--
TOTAL	425,193,010	--

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

Minority shares

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

Minority Shares	31 December 2021	31 December 2020
Capital	74,797,699	282,204
Previous year profit/(loss)	(31,422,921)	(5,477,068)
Period profit/(loss)	(41,132,934)	(2,444,180)
TOTAL	2,241,844	(7,639,044)

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 42,101,138 (31 December 2020: TRY 41,404,830) 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;

Title of the Company	Acquisition Cost	Acquired Equity Share Value	Equity Change Effect Involving Enterprises or Businesses Under Common Control
Voytron	23,342,950	729,287	24,072,237
Hidro Enerji	150,490	(51,398)	99,092
Suda Stratejik Metal	70,000	(20,616)	49,384
Yel Enerji	--	96,256	96,256
Anadolu Export	--	2,753	2,753
Çan2 Termik	17,347,968	--	17,347,968
Çan2 Trakya	127,787	--	127,787
Odas Enerji CA	166,257	--	166,257
Yel Enerji	139,404	--	139,404
TOTAL	41,344,856	756,282	42,101,138

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

30. EQUITY, RESERVES AND OTHER EQUITIES (CONTINUED)

Other Equities

	31 December 2021	31 December 2020
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 2021	01 January - 31 December 2020
Domestic Sales	1,432,106,469	958,599,715
Free consumer electricity sales	27,314,144	48,609,422
TEİAŞ/Epiaş/Electricity sales revenue	635,023,432	436,850,643
Bilateral agreements electricity sales	678,185,729	431,366,824
Solar powered sales	369,497	361,375
Natural gas sales revenue	16,302	1,242,099
Mine sales revenues	35,099,649	32,066,014
Product sales from production	29,728,600	12,765,300
Other income	26,442,498	13,704,980
Sales Returns	(73,382)	(18,366,942)
Overseas sales	13,495,022	16,540,523
Mine sales revenues	13,495,022	16,540,523
TOTAL	1,445,601,491	975,140,238

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

31. REVENUE AND COST OF GOODS SOLD (CONTINUED)

	01 January - 31 December 2021	01 January - 31 December 2020
Cost of goods sold	883,102,149	596,774,126
Cost of merchandise sold	180,077,015	141,188,680
Other costs	--	96,250
TOTAL	1,063,179,164	738,059,056

32. CONSTRUCTION CONTRACTS

(None, December 31, 2020.)

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

There are no research and development expenses for the periods between 01 January - 31 December 2021 and 1 January - 31 December 2020.

	01 January - 31 December 2021	01 January - 31 December 2020
Marketing, Sales and Distribution Expenses	11,712,743	19,294,843
General and administrative expenses	42,276,860	29,036,317
TOTAL	53,989,603	48,331,160

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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

Marketing, Sales and Distribution Expenses

The details of marketing, sales and distribution expenses for the periods 1 January - 31 December 2021 and 1 January - 31 December 2020 are as follows:

	01 January - 31 December 2021	01 January - 31 December 2020
Shipping costs	9,336,157	13,707,364
Customs expense	687,052	3,974,019
Consulting expense	257,731	1,141,164
Electricity sales commission expense	93,465	190,353
Annual license expense	21,576	8,290
Export expenses	1,000	--
Other	1,315,762	273,653
TOTAL	11,712,743	19,294,843

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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 2021 and 1 January - 31 December 2020 according to their qualifications are as follows:

	01 January - 31 December 2021	01 January - 31 December 2020
Personnel expense	23,049,014	15,226,796
Depreciation expenses	5,299,260	4,865,049
Consulting expense	4,700,041	2,824,585
Other expenses	2,207,249	1,296,997
Capital increase/public offering expenses	2,103,573	--
Declaration and contract stamp duty	1,728,601	1,439,217
Litigation expense	1,394,391	841,481
Rent expense	358,607	1,197,479
Contribution expense	354,809	323,178
Travel expense	315,154	434,043
Representation and hospitality expenses	222,768	47,146
Insurance expenses	152,193	145,312
Fuel expense	144,236	141,394
Notary expenses	116,356	168,595
Tax expenses	96,092	52,777
Shipping expense	34,516	32,268
TOTAL	42,276,860	29,036,317

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 2021
Independent audit fee for the reporting period	117,500
TOTAL	117,500

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

34. OTHER OPERATIONAL INCOME AND EXPENSE

Other Operational Income

	01 January - 31 December 2021	01 January - 31 December 2020
Currency Difference Income	22,665,867	13,879,018
Prior Period Income and Profits	10,982,555	3,082,607
Other Operating-Related Income and Profits	8,922,929	821,972
Other Extraordinary Income	5,020,788	29,521,538
Rediscount Interest Income	3,022,928	5,299,860
Off-topic Provisions	996,598	--
TOTAL	51,611,665	52,604,995

Other Expenses from Main Operations

	01 January - 31 December 2021	01 January - 31 December 2020
Prior Period Expenses and Losses (*)	36,486,774	7,559,505
Currency Difference Expense	15,763,989	20,104,733
Non-Working Part Expenses and Losses (**)	26,988,664	11,936,074
Other Extraordinary Expenses and Losses	13,837,267	8,037,288
Rediscount Expense	11,155,735	1,522,076
Other Ordinary Expenses and Losses	10,366,757	1,953,000
Provision Expenses	4,512,377	7,900,607
TOTAL	119,111,563	59,013,283

(*) In the period of 1 January 2021 – 31 December 2021, 28,507,159 TRY of the previous period's expenses and losses consists of the reconciliation of the guarantee, guarantee and assurance fees issued in 2020 for the Çan2 Thermal investment.

(**) In the period of 1 January 2021 – 31 December 2021, there is a depreciation expense of 5.023.584 TRY in the expenses and losses of the inoperative part.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

35. EXPENDITURES AND REVENUES FROM INVESTING ACTIVITIES

Income and Expenses from Investment Activities for the periods 1 January - 31 December 2021 and 1 January - 31 December 2020 are as follows;

	01 January - 31 December 2021	01 January - 31 December 2020
Investment activity income	417,405	368,270
Investment activity expenses	(239,985)	--
TOTAL	177,420	368,270

36. EXPENSES CLASSIFIED BY PRINCIPLE TYPES

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

	01 January - 31 December 2021	01 January - 31 December 2020
Amortization Expenses		
Cost of sales	64,748,726	82,895,671
Cost of selling coal and antimony	--	7,821,403
General and administrative expenses	5,299,260	4,865,049
Non-working part expenses and losses	5,023,584	765,477
Prior period expenses and losses	41,973	--
Transferred to product cost and investment (*)	702,360	479,311
TOTAL	75,815,903	96,826,911

(*) There is a depreciation expense of TRY 702.360 remaining in the product account and investment account, which is transferred to the product cost but not sent to the selling cost.

	01 January - 31 December 2021	01 January - 31 December 2020
Personnel expenses		
Cost of sales	54,910,230	46,561,622
General operating expenses	23,049,014	15,226,796
Marketing, sales and distribution expenses	--	70,035
TOTAL	77,959,244	61,858,453

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
36. EXPENSES CLASSIFIED BY PRINCIPLE TYPES (CONTINUED)

Insurance expenses	01 January - 31 December 2021	01 January - 31 December 2020
Cost of sales	9,583,492	5,051,504
General administration expenses	152,193	145,312
TOTAL	9,735,685	5,196,816

Consultancy expenses	01 January - 31 December 2021	01 January - 31 December 2020
Marketing, sales and distribution expenses	257,731	1,141,164
General administration expenses	4,700,041	2,824,585
TOTAL	4,957,772	3,965,749

37. FINANCIAL EXPENSE AND INCOME
Financial Income

	01 January - 31 December 2021	01 January - 31 December 2020
Exchange profits	316,402,939	155,409,920
Interest income	27,618,730	29,880,153
Rediscount interest income	858,162	3,652,649
Securities Sales Profit	23,894,315	254,029
TOTAL	368,774,146	189,196,751

Financial Expenses

	01 January - 31 December 2021	01 January - 31 December 2020
Exchange losses	456,753,817	601,671,020
Interest and commission expenses	349,112,396	245,864,426
Loss on sale of securities	3,533,868	284,675
Rediscount interest expenses	937,392	3,494,505
TOTAL	810,337,473	851,314,626

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
38. ANALYSIS OF OTHER COMPREHENSIVE INCOME

The Group's other comprehensive income / (expense) breakdown as of 31 December 2021 and 31 December 2020 is as follows:

Not Reclassified to Profit or Loss	01 January - 31 December 2021	01 January - 31 December 2020
Revaluation increase/(decrease)	2,713,099,609	--
Actuarial gains/(losses) (Note:27)	(444,557)	(472,542)
Deferred tax income/(expense) (Note:40)	(520,550,602)	103,959
TOTAL	2,192,104,450	(368,583)

Reclassified in Profit or Loss	01 January - 31 December 2021	01 January - 31 December 2020
Cash flow hedge gains/(losses)	(533,861,963)	--
Deferred tax income/(expense) (Note:40)	108,668,953	--
TOTAL	(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, 2021, the net asset value of Ena Elektrik is TRY 695.092 (December 31, 2020: TRY 596.919).

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 2021 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 2021.

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

	01 January - 31 December 2021	01 January - 31 December 2020
Revenues	136,573	191,328
Expenses (-)	(19,726)	(161,054)
Pre-Tax Profit	116,847	30,274
Tax (-)	(18,674)	(8,660)
Net Profit/(Loss) for the Period	98,173	21,614

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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 2021 and 01 January – 31 December 2020 are summarized below:

	01 January - 31 December 2021	01 January - 31 December 2020
Tax expense for the period	(1,732,862)	(803,764)
Deferred Tax Income/ Expense	161,813,143	205,909,361
Deferred Tax Reflected in Equity	(411,881,649)	103,959
TOTAL	(251,801,368)	205,209,556

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% (10% before July 22nd, 2006). 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%.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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

Assets Related to Current Period Tax:

As of 31 December 2021 and 31 December 2020, the details of current period tax assets are as follows:

	31 December 2021	31 December 2020
Prepaid taxes and funds	1,350,839	339,428
TOTAL	1,350,839	339,428

Current Period Tax Expense:

	31 December 2021	31 December 2020
Profit/(loss) before tax	14,163,840	2,043,842
Disallowable expenses	2,861,472	1,828,458
Financing expense constraint	1,198,708	--
Past year loss to be deducted	(9,000,885)	(218,826)
Corporate Tax Base	9,223,135	3,653,474
tax expense	1,732,862	803,764
Prepaid tax and other surcharge.	--	--
Term Tax Expense	1,732,862	803,764

Deferred Tax

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

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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

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 2021 and 31 December 2020, the deferred asset and deferred tax liability are reflected in the consolidated financial statements as follows.

	31.12.2021	31.12.2020
Deferred tax asset	96,623,790	171,470,932
Deferred tax liability	(181,609,680)	(10,655,111)
TOTAL	(84,985,890)	160,815,821

As of 31 December 2021 and 31 December 2020, the accumulated temporary differences and deferred tax assets and liabilities, which are subject to deferred tax, are as follows:

	Birikmiş Geçici Farklar		Ertelenen Vergi Varlıkları/ (Yükümlülükleri)	
Deferred tax assets/(liabilities)	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Tax deduction due to cash capital increase (*)	--	--	150,933,115	38,596,815
Depreciation differences for tangible and intangible assets	(32,683,279)	(135,881,915)	(7,517,154)	(29,894,021)
Severance pay and leave allowance	5,529,439	4,396,313	1,271,771	967,189
Rediscounts	1,351,322	(9,855,877)	316,950	(2,168,293)
Investment incentive, reduced corporate tax right (**)	--	--	354,023,540	354,596,461
Doubtful trade receivables	12,299,356	3,518,507	2,828,852	774,072
Establishment and organization expenses	3,949	3,949	908	869
Accumulated financial losses	326,193,421	759,068	75,024,487	166,995
Other debt and expense provisions	(161,024,843)	(13,738,998)	(37,035,714)	(3,022,579)
TAS-21 exchange rate change effect	(66,329,804)	--	(15,255,855)	--
Revaluation	3,633,835,097	928,048,191	(718,245,743)	(199,201,687)
Cash flow hedge	(533,861,963)	--	108,668,953	--
TOTAL			(84,985,890)	160,815,821

(*) The Group has provided a tax advantage of 150,933,115 TRY within the scope of the incentives related to the capital increases realized in the previous periods.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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

(**) 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.

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

According to the incentive certificate received within the scope of the Antimony Ore Enrichment Facility Investment, the Investment Contribution Rate is 40% and the reduced corporate tax rate is 80%. Accordingly, the reduced corporate tax application will be available for the income of 3,010,840 TRY, which is 40% of the total investment of 14,500,000 TRY and remaining after tax deduction.

(***) As of 31 December 2021, deferred tax asset amounting to TRY 75.024.487 has been created by taking into account the previous year's losses amounting to TRY 326.193.421 of the Group. The future use of the said asset is foreseen by the Group management, but this issue depends on the realization of the taxable profit projections made by the Group.

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

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

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

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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

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

41. EARNINGS PER SHARE

	01 January - 31 December 2021	01 January - 31 December 2020
Net profit/(loss)	38,892,538	(246,670,717)
Weighted average number of ordinary shares	878,356,164	542,068,005
Profit/(loss) per share with a nominal value of TRY 1	0,044279	(0,455055)

42. SHARE-BASED PAYMENT

None. (None, December 31, 2020.)

43. INSURANCE CONTRACTS

None. (None, December 31, 2020.)

44. THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATE

None. (None, December 31, 2020.)

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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

Çan2 Termik A.Ş., one of the subsidiaries of the Group, provides hedging on the balance sheet by borrowing in the same currency against foreign currency risks arising from foreign currency indexed sales amounts that are highly probable to be realized in the future within the scope of the corporate budget it has made.

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. Accordingly, the highly probable forecast transaction is for the foreign currency risk arising from future indexed sales.

Çan2 Termik A.Ş., within the scope of the currency risk management strategy it has determined, applies hedging accounting for the purpose of hedging the currency risk component of the highly probable forecast transaction cash flow risk. It removes foreign exchange rate fluctuations that have not been realized yet from the income statement and includes them in the statement of comprehensive income.

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.

Çan2 Termik A.Ş. takes care to maintain a 100% hedging ratio and a hedging efficiency between 70% and 130% within the scope of the hedge accounting that it has established.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)

46. DERIVATIVE INSTRUMENTS (CONTINUED)

TRY	31 December 2021
Cumulative exchange difference on the hedged item (current portion)	63,218,686
Cumulative exchange difference on the hedged item (non-current portion)	470,643,276
Cumulative exchange difference on the hedging instrument (current part)	(105,695,832)
Cumulative exchange difference on the hedging instrument (non-current portion)	(493,129,794)
Hedging effectiveness rate	%112
Inactive portion left in the income statement	(64,963,664)

Turkish Lira	31 December 2021
The total amount of future cash flows of the hedged item	2,094,113,250
Total amount of future cash flow of the instrument used for hedging purposes	2,390,048,556
Hedge Ratio	%88

47. FINANCIAL INSTRUMENTS

Short-Term Financial Liabilities

	31 December 2021	31 December 2020
Bank loans	83,777,019	100,638,111
Financial leasing liabilities	3,351,319	7,941,746
Deferred financial leasing costs (-)	(1,312,855)	(304,208)
Installments of principal and interest of loans	624,564,522	420,115,199
Current Installments of Bonds	3,525,719	78,263,971
Short-Term Financial Liabilities - Net	713,905,724	606,654,819

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)

47. FINANCIAL INSTRUMENTS (CONTINUED)

Long-Term Financial Liabilities

	31 December 2021	31 December 2020
Bank loans	1,782,415,119	1,487,422,249
Financial leasing liabilities (*)	5,926,822	561,878
Deferred financial leasing costs (-) (**)	(1,210,626)	(12,090)
Long-Term Financial Liabilities - Net	1,787,131,315	1,487,972,037

(*) *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 2021 and 31 December 2020, the repayment schedule of long-term loan obligations is as follows:

Long-Term Loans Liabilities	December 31, 2021	December 31, 2020
2022	--	336,273,100
2023	396,972,898	267,192,743
2024	331,520,016	212,228,653
2025	272,863,505	164,903,076
2026	226,669,511	128,605,092
2027	200,187,875	113,456,679
2028	176,350,730	99,894,794
2029	155,018,633	87,871,912
2030	22,831,951	76,996,200
TOTAL	1,782,415,119	1,487,422,249

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
47. FINANCIAL INSTRUMENTS (CONTINUED)

Long-Term Loans Liabilities	31 December 2021	31 December 2020
1-2 Years	396,972,898	--
2-3 Years	331,520,016	336,273,100
3-4 Years	272,863,505	267,192,743
4-5 Years	226,669,511	212,228,653
5 Years and Longer	554,389,189	671,727,753
TOTAL	1,782,415,119	1,487,422,249

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

Payment Year	Financial Leasing Liabilities	Deferred Financial Leasing Costs
2023	3,172,045	(912,336)
2024	2,754,777	(298,290)
TOTAL	5,926,822	(1,210,626)

	31 December 2021	31 December 2020
Other financial liabilities (*)	3,525,719	78,263,971
TOTAL	3,525,719	78,263,971

(*) As of 31 December 2021, 2.355 TRY consists of company credit card debts and 3.523.364 TRY consists of lease borrowings within the scope of TFRS-16.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
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		TRY	
	December 31 2021	December 31 2020	December 31 2021	December 31 2020	December 31 2021	December 31 2020
TRY Loans	%7,5-24	%7,5-29	--	--	16,299,880	100,638,111
EURO Loans	%6-7	%5,5-7	4,464,575	--	67,477,139	--
Short-term Loans			--	--	83,777,019	100,638,111

EURO Loans	%6-7	%5,5-7	31,191,030	27,109,187	471,418,101	244,196,843
USD Loans	%6,5 - 8	%6,5 - 8	--	2,774,918	--	20,369,285
TRY Loans	%7,5-24	%7,5-29	--	--	153,146,420	155,549,071
Short-term payments and interests of loans					624,564,521	420,115,199

Total short-term loans					708,341,540	520,753,310
EURO Loans	%6-7	%5,5-7	102,531,484	128,412,019	1,549,650,599	1,156,722,629
USD Loans	%6,5 - 8	%6,5 - 8	--	2,173,646	--	15,955,646
TRY Loans	%7,5-24	%7,5-29	--	--	232,764,520	314,743,974
Total long-term loans					1,782,415,119	1,487,422,249

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***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.

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES
(CONTINUED)**

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

31.12.2021	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
As at reporting date maximum amount of credit risk exposed (A+B+C+D+E) *	44,739,829	190,825,534	17,332,891	29,597,951	156,205,584	--	194,713,548
Maximum amount of risk exposed	--	--	--	6,521,176	--	--	--
- Part of the risk covered by guarantees							
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	-	-	-	-	-	-	-

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

31.12.2021	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
Overdue 1-30 days	-	-	-	-	-	-	-
Overdue 1-3 months	-	-	-	-	-	-	-
Overdue 3-12 months	-	-	-	-	-	-	-
Overdue 1-5 years			-	-	-	-	-
Overdue above 5 years	-	-	-	-	-	-	-
Part covered by guarantess	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

31.12.2020	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
As at reporting date maximum amount of credit risk exposed (A+B+C+D+E) *	28,895,916	159,705,970	11,930,535	21,834,192	13,455,893	--	95,733,714
-Maximum amount of risk exposed	--	--	--	2,785,051	--	--	--
- Part of the risk covered by guarantees							
A. Net value of financial assets neither due nor impaired	28,895,916	155,093,892	11,930,535	19,049,141	13,455,893	--	95,733,714
B. Conditions renegotiated, otherwise to be classified as past due or impaired	-	-	-	-	-	-	-
C. Past due but not impaired	-	4,612,078	-	--	-	-	-
D. Net book value of Impaired assets	--	17,762,295	--	1,968,298	--	--	--
-Past due (gross book value)	--	(17,762,295)	--	(1,968,298)	--	--	--
-Impairment (-)	-	-	-	-	-	-	-
- Part covered by guarantess	-	-	-	-	-	-	-
- Undue (gross book value)	-	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-	-
- Part covered by guarantess	-	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-	-

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The table regarding the aging of overdue but not impaired assets is as follows:

31.12.2020	Receivables				Bank Deposits	Derivatives	Other
	Trade Receivables		Trade Receivables				
	Related Parties	Related Parties	Related Parties	Related Parties			
Overdue 1-30 days	-	1,106,847	-	-	-	-	-
Overdue 1-3 months	-	177,068	-	-	-	-	-
Overdue 3-12 months	-	3,328,163	-	-	-	-	-
Overdue 1-5 years	-	-	-	-	-	-	-
Overdue above 5 years	-	--	-	-	-	-	-
Part covered by guarantess	-	--	-	-	-	-	-
TOTAL	-	4.612.078	-	-	-	-	-

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***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					
31.12.2021					
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	GBP
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)	--	--
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	-	-	-	-	-

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES
(CONTINUED)**

CURRENCY POSITION					
31.12.2020					
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	GBP
1. Trade Receivables	30,161,598	4,108,930	--	--	--
2a. Monetary financial assets (including cash and cash equivalents)	3,267,565	417,166	22,411	319	189
2b. Non-monetary financial assets	41,528,563	1,049,116	3,743,831	10,405	--
3. Other	--	--	--	--	--
4. Current Assets (1+2+3)	74,957,726	5,575,212	3,766,242	10,724	189
5. Trade Receivables	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--
7. Other	--	--	--	--	--
8. Non-current assets (5+6+7)	--	--	--	--	--
9. Total Assets (4+8)	74,957,726	5,575,212	3,766,242	10,724	189
10. Trade payables	(79,570,116)	(3,929,690)	(5,439,252)	(173,775)	--
11. Financial Liabilities	(312,418,045)	(2,774,918)	(32,421,403)	--	--
12a. Monetary financial liabilities	(734,050)	(100,000)	--	--	--
12b. Non-monetary financial liabilities	--	--	--	--	--
13. Short Term Liabilities (10+11+12)	(392,722,211)	(6,804,608)	(37,860,655)	(173,775)	--
14. Trade Payables	--	--	--	--	--
15. Financial Liabilities	(1,173,228,064)	(2,173,646)	(128,473,053)	--	--
17. Long Term Liabilities (14+15+16)	(1,173,228,064)	(2,173,646)	(128,473,053)	--	--
18. Total Liabilities (13+17)	(1,565,950,275)	(8,978,254)	(166,333,708)	(173,775)	--
19. Off-balance Sheet Derivatives Net Asset/Liabilities Position (19a-19b)	--	--	--	--	--
19a. Amount of Hedge Total Asset	--	--	--	--	--
19b. Amount of Hedge Total Liabilities	--	--	--	--	--
20. Net Foreign Currency asset/ (liabilities) Position (9-18+19)	(1,490,992,549)	(3,403,042)	(162,567,467)	(163,051)	189
21. Net asset/liabilities position of foreign currency monetary items. (=1+2a+5+6a-10-11-12a-14-15-16a)	(1,532,521,112)	(4,452,158)	(166,311,299)	(173,456)	189
22. Fair Value of Financial Instruments used for foreign Exchange Hedge	--	--	--	--	--
23. Export	9,471,821	1,296,889	--	--	--
24. Import	--	--	--	--	--

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

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				
31.12.2021				
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 PLN against TRY;				
7- Net asset / liability of other	exchange	(18.752.307)	-	-
8- Amount hedged for other exchange risk (-)	-	-	-	-
12- Net Effect of PLN (7+8)	18,752,307	(18,752,307)	-	-
TOTAL (3+6+9+12)	(371,599,155)	371,599,155	-	-

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021
(Currency is TRY unless otherwise is indicated.)

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				
31.12.2020				
Profit / Loss			Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
Change in 20% of the U.S. Dollar against TRY;				
1 - Net asset / liability of USD	(4,083,650)	4,083,650	-	-
2 - Amount hedged for USD risk (-)	-	-	-	-
3- Net Effect of U.S. Dollar (1+2)	(4,083,650)	4,083,650	-	-
Change in 20% of the EURO against TRY;				
4 - Net asset / liability of EUR	(195,080,961)	195,080,961	-	-
5 - Amount hedged for EUR risk (-)	-	-	-	-
6- Net Effect of EURO (4+5)	(195,080,961)	195,080,961	-	-
Change in 20% of the GBP against TRY;				
7- Other foreign currency net asset / liability	(195,661)	195,661	-	-
8- Part of hedged protected from other currency risk (-)	-	-	-	-
9- Net Effect of GBP (7+8)	(195,661)	195,661	-	-
Change in 20% of the PLN against TRY;				
7- Net asset / liability of EUR	227	(227)	-	-
8- Amount hedged for EUR risk (-)	-	-	-	-
12- Net Effect of PLN (7+8)	227	(227)	-	-
TOTAL (3+6+9+12)	(199,360,045)	199,360,045	-	-

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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. (31.12.2020: 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.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021

(Currency is TRY unless otherwise is indicated.)

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.

31.12.2021						
	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	--	--	--	2,501,037,039	2,501,037,039	47
Trade payables	--	--	--	298,874,477	298,874,477	6-7
Other payables	--	--	--	179,878,245	179,878,245	6-9
Financial Assets						

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***49. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATION
AND PROTECTION OF FINANCIAL HEDGE ACCOUNTING
EXPLANATION) (CONTINUED)**

31.12.2020						
	Financial Assets with Fair Value	Loans and Receivables (Includes Cash and Cash Equivalent)	Financial Assets Available for Sale	Financial Liabilities with Amortized Value	Book Value	Notes
Financial Assets						
Cash and Cash Equivalent	--	15,431,240	--	--	15,431,240	53
Trade receivables	--	188,601,886	--	--	188,601,886	6-7
Other receivables	--	33,764,727	--	--	33,764,727	6-9
Financial Liabilities						
Financial payables	--	--	--	2,094,626,855	2,094,626,855	47
Trade payables	--	--	--	280,689,768	280,689,768	6-7
Other payables	--	--	--	125,862,634	125,862,634	6-9
Financial Assets						

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

Derivative Financial Instruments (Futures Agreements)

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

50. SUBSEQUENT EVENTS

Within the scope of Article 27 of the Capital Markets Board's Communiqué on Shares numbered VII-128.1 titled "Obligation to Regulate Information Forms for Shareholders of Companies whose Shares are Traded in the Stock Exchange", Odaş Elektrik Üretim Sanayi Tic. A.Ş.'s shares in Çan2 Termik A.Ş., representing 76.77% of the capital, with a nominal value of 245,651,000 TRY, with a nominal value of 165,651,000 TRY, for the conversion of shares with a nominal value of TRY 165,651,000 into trading on the stock exchange. An application was made to the Capital Markets Board for the approval of the share sales information form prepared, and the said application was approved at the meeting of the Capital Markets Board dated 10.02.2022 and numbered 7/176.

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021***(Currency is TRY unless otherwise is indicated.)***51. OTHER ISSUES THAT SIGNIFICANTLY AFFECT THE FINANCIAL
STATEMENTS OR REQUIRED FOR UNDERSTANDING OF THE
FINANCIAL STATEMENTS**

None. (31 December 2020: None.)

**52. FIRST IMPLEMENTATION OF TURKEY ACCOUNTING
STANDARTS**

None. (31 December 2020: None.)

53. EXPLANATION TO CASH FLOW STATEMENT**Cash and Cash Equivalents**

	December 31, 2021	December 31, 2020
Cash	9,127,789	1,963,840
Bank	156,205,584	13,455,893
-Demand deposit	43,096,257	2,529,964
-Time deposit	113,109,327	10,925,929
Other Current Assets	7,924,851	11,507
TOTAL	173,258,224	15,431,240

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

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
53. EXPLANATION TO CASH FLOW STATEMENT (CONTINUED)

Details of time deposits as of 31 December 2021 are presented below:

31.12.2021				
Time Deposit Currency	Maturity	Interest rate	USA\$	TRY
USA\$	03.01.2022	%1,25	600,000	7,997,400
USA\$	03.01.2022	%0,01	760,000	10,130,040
USA\$	03.01.2022	%0,01	2,019,888	26,923,089
USA\$	03.01.2022	%0,05	691,101	9,211,690
			4,070,989	54,262,219

31.12.2021			
Time Deposit Currency	Maturity	Interest rate	TRY
TRY	03.01.2022	%16,00	20,977,689
TRY	17.01.2022	%18,20	18,000,000
TRY	03.01.2022	%20,50	7,500,000
TRY	03.01.2022	%19,00	3,000,000
TRY	03.01.2022	%0,01	3,000,000
TRY	03.01.2022	%20,50	1,800,000
TRY	03.01.2022	%15,42	1,180,155
TRY	03.01.2022	%19,00	1,000,000
TRY	03.01.2022	%13,50	800,000
TRY	03.01.2022	%15,42	452,160
TRY	03.01.2022	%15,42	328,675
TRY	03.01.2022	%15,42	302,806
TRY	03.01.2022	%15,42	251,413
TRY	03.01.2022	%15,42	100,565
TRY	25.01.2022	%11,65	68,391
TRY	03.01.2022	%15,42	50,951
TRY	03.01.2022	%12,00	11,522
TRY	03.01.2022	%10,00	11,404
TRY	03.01.2022	%15,00	10,142
TRY	11.01.2022	%14,59	1,235
			58,847,108

Odaş Elektrik Üretim Sanayi Ticaret A.Ş.
**EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**
(Currency is TRY unless otherwise is indicated.)
53. EXPLANATION TO CASH FLOW STATEMENT (CONTINUED)

Details of time deposits as of 31 December 2020 are presented below:

31.12.2020			
Time Deposit Currency	Maturity	Interest rate	TRY
TRY	04.01.2021	%17,00	3,500,000
TRY	01.01.2021	%8,00	1,750,000
TRY	04.01.2021	%17,9	1,573,478
TRY	04.01.2021	%17,97	302,870
TRY	04.01.2021	%17,97	240,957
TRY	04.01.2021	%17,97	175,548
TRY	04.01.2021	%17,97	172,776
TRY	04.01.2021	%17,97	112,684
TRY	15.03.2021	%14,00	84,028
TRY	01.02.2021	%5,25	61,438
TRY	18.01.2021	%12,00	10,260
TRY	18.01.2021	%11,50	10,260
TRY	18.01.2021	%11,50	7,702
TRY	15.01.2021	%9,83	1,091
			8,003,092

31.12.2020 31.12.2020				
Time Deposit Currency	Maturity	Interest rate	USA\$	TRY
USA\$	04.01.2021	%0,05	398,180	2,922,837
			398,180	2,922,837

**Odaş Elektrik Üretim Sanayi Ticaret A.Ş.****EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 01, 2021 - DECEMBER 31, 2021**

(Currency is TRY unless otherwise is indicated.)

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 proffit/loss restrospective which is shown in other comprehensive income are shown that equity change table.

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

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

As the date of December 31, 2021 the amount of interest, tax, profit before depreciation is TRY 398,505,799 (December 31, 2020: TRY 284,256,202)



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