



ENERJİSA
Türkiye'nin Enerjisi
Energy of Turkey

ENERJİSA ENERJİ ANONİM ŞİRKETİ

**ACTIVITY REPORT
FOR THE PERIOD OF
01.01.2024 – 30.09.2024**

1- GENERAL INFORMATION

- a) Accounting period that the report relates to : 01.01.2024 – 30.09.2024
- b) Trade-name of the Company : ENERJİSA ENERJİ ANONİM ŞİRKETİ
- Trade registration number : 800865-0
- Head office contact details and website address : Barbaros Mah. Begonya Sok. Nida Kule
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c) The organization, capital and shareholding structures of the Company and related changes in the fiscal period

Shareholding Structure of the Company:

Shareholder Name	Share / Voting Right			
	30.09.2023		30.09.2024	
	(TL)	(%)	(TL)	(%)
Hacı Ömer Sabancı Holding A.Ş.	472,427,587.56	40.0	472,427,587.56	40.0
E. ON International Participations N.V.	472,427,587.56	40.0	472,427,587.56	40.0
Other (Public)	236,213,792.00	20.0	236,213,792.00	20.0
TOTAL	1,181,068,967.12	100.0	1,181,068,967.12	100.0

Changes that occurred in the Company capital during the Period: None

d) Remarks on privileged shares and voting rights of such shares, if any: Not available.

e) Information on the management body, senior officers and number of employees:

Members of the Board of Directors:

The members of the Company's Board of Directors (also including independent board members) are as follows:

Member of Board of Directors	Duty	Date of Appointment	End of Duty
Kıvanç Zaimler	Chairman	04.04.2024	04.04.2027
Attila Kiss	Vice Chairman	04.04.2024	04.04.2027
Nusret Orhun Köstem	Member	04.04.2024	04.04.2027
Thorsten Lott	Member	04.04.2024	04.04.2027
Yeşim Özlale Önen	Member	04.04.2024	04.04.2027
Guntram Würzberg	Member	04.04.2024	04.04.2027
Mehtap Anık Zorbozan	Independent Member	04.04.2024	04.04.2027
Kamuran Uçar	Independent Member	04.04.2024	04.04.2027

At the 2023 Ordinary General Assembly meeting held on April 4, 2024; it was decided by majority of the votes to approve the appointment of Mehtap Anik Zorbozan in lieu of Fatma Dilek Yardım, to serve until April 4, 2027, whose term as a member of the Board of Directors has expired.

As of September 30, 2024, the organization of senior management is as below:

- Murat Pınar, CEO
- Dr. Philipp Ralph Ulbrich, CFO

The Group has 11,188 employees as of 30.09.2024.

f) Rights and benefits granted to employees:

The rights and benefits provided by the Company to the personnel are specified in the Human Resources Policy published on the website.

<https://www.enerjisainvestorrelations.com/medium/ReportAndPresentation/File/402/humanresourcespolicy.pdf>

g) Information on the transactions executed by the members of the management body with the company on their own behalf or on behalf of others within the framework of the permission granted by the general assembly of the company as well as their activities under the scope of prohibition of competition, if any:

The Chairman and the members of the Board of Directors may not execute any transaction with the Company on their own behalf or for or on account of others, personally or indirectly, without the prior permission of the General Assembly. During the period of 01.01.2024 – 30.09.2024, the members of the Board of Directors neither executed any transaction with the Company, nor have been involved in any attempts that can compete with the Company in its fields of operation.

2- FINANCIAL RIGHTS GRANTED TO THE MEMBERS OF THE MANAGEMENT BODY AND THE SENIOR-LEVEL EXECUTIVE OFFICERS

Key management includes Chairman and members of the Board of Directors, Senior Management, Heads of Units and Directors. The compensation paid or payable to key management for employee services is shown below in thousands of Turkish Lira:

	1 January - 30 September 2024	1 January - 30 September 2023
Short-term key management benefits	206,411	224,121
Long-term key management benefits	6,122	6,749
	<u>212,533</u>	<u>230,870</u>

3- RESEARCH AND DEVELOPMENT ACTIVITIES

During the period of 01.01.2024- 30.09.2024, TL 18,055,793.35 was spent on the projects supported by EU Framework Programs, TÜBİTAK and EMRA R&D funds.

4- COMPANY'S OPERATIONS AND RELATED MAJOR DEVELOPMENTS

a) Information on the main developments during the related fiscal period:

Dividend Distribution

Pursuant to the review of the Consolidated Financial Statements for the year 2023, prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards, the profit was distributed as it was resolved at the General Assembly as follows:

Distribution of a cash dividend in an amount of TL 2.79 per TL 1 nominal share, with a payout ratio of 97.87% based on an underlying net income (net income excluding any exceptional items) of TL 3,366,897,331.42, Distribution of total TL 3,295,182,418.26 dividend (Gross 279%, Net 251%) from TL 4,423,808,287.49 Consolidated Net Distributable Profit including the donations incurred between 01.01.2023 - 31.12.2023 in cash to the shareholders who are representing the TL 1,181,068,967.12 capital.

Determination of Independent Audit Company

Deloitte- DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. has been appointed for a period of 1 (one) year, covering the period from 01.01.2024 to 31.12.2024, by the General Assembly Resolution dated April 4, 2024, and announced in the Turkish Trade Registry Gazette dated May 7, 2024, issue number 11076.

Appointment of Board of Directors

At the General Assembly dated April 4, 2024 it was resolved to appoint the below-stated members to the Board of Directors for 3 years until the Annual General Assembly meeting of 2026 to be held in 2027.

Kıvanç Zaimler, Attila Kiss, Yeşim Özlale Önen, Thorsten Lott, Nusret Orhun Köstem, Guntram Würzburg'in (as Board of Directors members), Mehtap Anık Zorbozan and Kamuran Uçar (as Independent Board of Directors members).

Bond Issuance

Enerjisa Enerji has issued a TL bond on 03.01.2024, amounting to TL 2,000,000,000 with 730 days term, interest with TLREF+4.75% rate, redemption date of 02.01.2026, and with TRSENSA12613 code.

Enerjisa Enerji has issued a TL bond on 08.02.2024, amounting to TL 3,500,000,000 with 728 days term, interest with TLREF+4.25% rate, redemption date of 05.02.2026, and with TRSENSA22612 code.

Enerjisa Enerji has issued a TL bond on 08.04.2024, amounting to TL 1,100,000,000 with 364 days term, interest with 52.5% rate, redemption date of 07.04.2025, and with TRFENSA42518 code.

Enerjisa Enerji has issued a TL bond on 06.05.2024, amounting to TL 1,600,000,000 with 364 days term, interest with 52% rate, redemption date of 05.05.2025, and with TRFENSA52517 code.

Enerjisa Enerji has issued a TL bond on 14.05.2024, amounting to TL 1,000,000,000 with 364 days term, interest with 50.2% rate, redemption date of 13.05.2025, and with TRFENSA52525 code.

Enerjisa Enerji has issued a TL bond on 26.07.2024, amounting to TL 3,255,000,000 with 728 days term, interest with TLREF+1.00% rate, redemption date of 24.07.2026, and with TRSENSA72617 code.

Enerjisa Enerji has issued a TL bond on 30.07.2024, amounting to TL 1,000,000,000 with 724 days term, interest with TLREF+1.00% rate, redemption date of 24.07.2026, and with TRSENSA72625 code.

Approval Of Energy Storage Facilities Pre-License Application

As per our Public Disclosure made on August 10, 2023, the Energy Market Regulatory Authority (EMRA) has approved the pre-license application for solar energy-based storage power plant facility in Ankara province with installed capacity of 70 MWp / 50 MWe, submitted by Enerjisa Müşteri Çözümleri A.Ş., a subsidiary of our Company. The approval was announced on January 1, 2024.

Conclusion of Collective Bargaining Agreement Negotiations

Ongoing Collective Bargaining Agreement negotiations with TES-İŞ Union (Türkiye Energy, Water and Gas Workers' Union) for the workplaces of our Electricity Distribution Companies, İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş., Başkent Elektrik Dağıtım A.Ş. and Toroslar Elektrik Dağıtım A.Ş., has been concluded with an agreement between parties for a period of 2 years, effective as of March 1, 2024.

Credit Rating Revisions

International credit rating agency Fitch Ratings has downgraded Enerjisa Enerji A.S.'s National Long-Term Credit Rating from AA(tur) to A(tur) with a negative outlook.

On 26.06.2024, JCR Eurasia Rating has evaluated the consolidated structure of Enerjisa Enerji A.Ş. and revised the Long-Term National Issuer Credit Rating from "AAA (tr) / Stable Outlook" to "AA (tr) / Stable Outlook" and affirmed the Short-Term National Issuer Credit Rating at "J1+ (tr) / Stable Outlook". Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were affirmed at "BBB+/Stable Outlook".

MAJOR LEGISLATIVE CHANGES IN THE DISTRIBUTION BUSINESS SEGMENT:

Eligible Consumer Limit: With the Energy Market Regulatory Board (hereinafter also referred to as “EMRA” or “Board”) or decision dated 28.12.2023 and numbered 12295 published in the Official Gazette dated December 30, 2023 and numbered 32415, it was decided to apply the eligible consumer limit as 950 kWh for 2024 (The eligible consumer limit was set as 1000 kWh in 2023).

Elektrik Üretim A.Ş. Tariffs: The active electricity energy wholesale tariff applied to the sales made by EÜAŞ to distribution companies within the scope of technical and non-technical lost energy is determined by EMRA Board decisions in quarterly periods within the scope of Article 17 of the Electricity Market Law No. 6446, and with the EMRA Board Decision dated 17.08.2023 and numbered 12031 published in the Official Gazette dated 18.08.2023 and numbered 32283, it was decided to apply 100.0000 kr/kWh as of 18.08.2023. As of 18.08.2023, the active electricity energy wholesale tariff to be applied for sales made to distribution companies within the scope of general lighting has been determined as 380.0000 kr/kWh.

Electricity Tariffs: The Energy Market Regulatory Authority publishes the Final Tariff Table and the general lighting unit cost tariffs for consumers receiving energy (low voltage - single term) by the incumbent supply companies in quarterly periods, and the electricity tariff tables to be valid as of 01.01.2024 were determined by the EMRA Board Decision dated 28.12.2023 and numbered 12318 published in the Official Gazette dated December 30, 2023 and numbered 32415 2nd Repeated Edition. As of 01.01.2024, the General Lighting Unit Price is applied as 473.1539 kr/kWh.

The Energy Market Regulatory Authority’s (EMRA) Board Decision No. 12719 dated 27.06.2024: In accordance with the Decision published in the Official Gazette dated 29.06.2024 and numbered 32587, effective as of 01.07.2024:

- For distribution system users by distribution companies,
- For non-eligible consumers (= Eligible Consumer Limit 2024: 950 kWh) and
 - i) consumers who are eligible but have not selected their supplier,
 - ii) low-consumption consumers as defined in the Communiqué on Regulating the Last Resort Supply Tariff by assigned supply companies,

- For consumers who have chosen the Green Tariff by the assigned supply company, the tariff tables to be applied have been approved.

The most recent amendment to the tariff tables was made by the Board Decision No. 12318 dated 28.12.2023, published in the Official Gazette No. 32415 (2nd Repeated Issue) on 30.12.2023, effective as of 01.01.2024.

Considering the final tariff tables effective as of 01.07.2024, the single-term general lighting tariff has increased by approximately 10% from 473.1539 kr/kWh to 522.7352 kr/kWh. The distribution fee for consumer tariffs based on activity type, covering the Industrial, Public and Private Services Sector, and Other, Residential, and Agricultural Activities subscriber groups, has increased by approximately 59%.

Cutting- Connecting Fee for the year 2024: The Board Decision dated 28.12.2023 and numbered 12302-2 published in the 2nd Repeated Official Gazette dated December 30, 2023 and numbered 32415 determined the cutting and connection fees to be valid as of 01.01.2024. TL 72.6 for Low Voltage (was TL 44.8 in 2023); TL 543.6 for Medium Voltage (was TL 335.6 in 2023).

Meter Control Fees for the year 2024: With the Board Decision dated 28.12.2023 and numbered 12302-3 published in the 2nd Repeated Official Gazette dated December 30, 2023 and numbered 32415, the meter control fees to be valid as of 01.01.2024 have been determined. The fee for directly connected single-phase active or three-phase active and/or reactive meters is TL 100.6 (it was TL 62.1 in 2023). For active and/or reactive meters with current transformer and/or voltage transformer, it is TL 127.5 (it was TL 78.7 in 2023).

Payment Notice and Second Notice Release Fees for the year 2024: With the Board Decision dated 28.12.2023 and numbered 12302-4 published in the 2nd Repeated Official Gazette dated December 30, 2023 and numbered 32415, as of 01.01.2024, the fees for the payment notification and second notification release services received by the authorized supply companies from the distribution companies have been determined as follows:

	Fee (TL/Transaction)	
	Low Voltage	Medium Voltage
Payment Notice Release Fee	0.215 (it was 0.133 in 2023)	2.15 (it was 1.33 in 2023)
Second Notification Fee	4.31 (it was 2.66 in 2023)	43.22 (it was 26.68 in 2023)
Fee To Be Applied in Case of Leaving a Second Notification Together with The Payment Notification	TL 0	

Network Operator Application Fee for the year 2024: With the Board Decision dated 28.12.2023 and numbered 12302-5 published in the 2nd Repeated Official Gazette dated 30 December 2023 and numbered 32415, the application fee to be collected by the grid operator pursuant to subparagraph (a) of paragraph 2 of Article 36 of the Unlicensed Electricity Generation Regulation, which will be valid as of 01.01.2024, has been determined as follows:

Power Range	Fee (TL/Year)
0-50 kW (Included)	0
50 – 250 kW (Included)	1,716.5
250 kW – 5 MW (Included)	3,433.0
Above 5 MW	6,865.9

Network Operator Annual Operating Fee for the year 2024: Pursuant to the Board Decision dated 28.12.2023 and numbered 12302-7 published in the 2nd Repeated Official Gazette dated 30 December 2023 and numbered 32415, the annual operating fee to be collected by the relevant network operator pursuant to subparagraph (b) of paragraph 2 of Article 36 of the Unlicensed Electricity Generation Regulation to be effective as of 01.01.2024 has been determined as follows:

Power Range	Fee (TL/Year)
0-50 kW (Included)	0

50-250 kW (Included)	4,800.3
250 kW – 5 MW (Included)	9,599.8
Above 5 MW	19,199.2

Transaction Fees for the year 2024: Pursuant to the Board Decision dated 28.12.2023 and numbered 12302-8 published in the 2nd Repeated Official Gazette dated 30 December 2023 and numbered 32415, the transaction fee to be collected by the relevant network operator and the responsible supply companies pursuant to subparagraph (c) of paragraph 2 of Article 36 of the Unlicensed Electricity Generation Regulation, which will be valid as of 01.01.2024, has been determined as follows:

Type of Transaction	Fee (TL)
Share Transfer	0
Other Transactions	2,183.7

Project Approval and Acceptance Fees to Solar Energy Based Generation Facilities with Roof and Facade Applications of 50 kW and Below for the year 2024: With the Board Decision dated 28.12.2023 and numbered 12302-9 published in the 2nd Repeated Official Gazette dated December 30, 2023 and numbered 32415, the Project Approval and Acceptance Fee for Solar Energy Based Generation Facilities with Roof and Facade Application of 50 kW and Below, which will be valid as of 01.01.2024, has been determined as zero.

OSOS Additional Data Request Fee for the year 2024: Pursuant to the Board Decision dated 28.12.2023 and numbered 12302-10 published in the 2nd Repeated Official Gazette dated December 30, 2023 and numbered 32415 and Article 4 of the Board Decision numbered 6520, the fee to be charged in case additional data is requested within the scope of the Automatic Meter Reading System has been determined as TL 31.9 per meter/month as of 01.01.2024 (it was TL 19.7 in 2023).

Connection Fees for the year 2024: As of 01.01.2024 with the Board Decision dated 28.12.2023 and numbered 12302-11 published in the 2nd Repeated Official Gazette dated December 30, 2023 and numbered 32415, following was decided:

- Calculating the unit price by considering the length of each overhead and underground lines separately in case both overhead and underground cables are used in the connection line,
- When calculating the connection fee for lines above 100 kW, the price of 445.75 TL/meter up to 100 kW shall be calculated by adding the price calculated by multiplying each kW above 100 kW by 1.80 TL/m,
- Not to impose any charges under any other name other than TL/meter-based charges to the consumer receiving connection service.
- Taking the power in Article 3/1 of the Distribution Connection Agreement as the basis for the connection fee.

Fees for the year 2024	
Connection Fee	TL/meter
Low Voltage	
0-15 kW (Included)	
Underground	241.17
Overhead Line	112.12
15- 50 kW (Included)	
Underground	326.45
Overhead Line	190.28
50-100 kW (Included)	
Underground	445.77
Overhead Line	237.03
Above 100 kW	
Underground	445.77 + 1.80 x (Power-100)
Medium Voltage	

Underground	1139.63
Overhead Line	304.65

Project Approval and Acceptance Fees for Unlicensed Electricity Generation Facilities Based on Solar Energy for the year 2024: With the Board Decision dated 28.12.2023 and numbered 12302-12 published in the 2nd Repeated Official Gazette dated 30 December 2023 and numbered 32415, it has been decided that the fees for project approval and acceptance procedures to be carried out by electricity distribution companies for unlicensed solar energy-based electricity generation facilities will be applied as follows as of 01.01.2024:

Project Approval and Acceptance Fees for Unlicensed Electricity Generation (“GES”) Facilities Based on Solar Energy			
Project Approval Fee of GES Facilities within the Scope of Unlicensed Electricity Generation Regulation (“LÜY”)	Fee TL (Excluding VAT)	Acceptance Fees of GES Facilities within the Scope of Unlicensed Electricity Generation Regulation	Fee TL (Excluding VAT)
50 kWe and below Electrical Project Approval of GES Production Facilities within the scope of LÜY	0	Acceptance of 50 kWe and below GES Production Facilities within the scope of LÜY	0
50 kWe - 100 kWe (including 100 kWe) Electrical Project Approval of GES Production Facilities within the scope of LÜY	1120.9	50 kWe - 100 kWe (including 100 kWe) Acceptance Fee for GES Generation Facilities within the scope of LÜY	2133.1
100 kWe - 300 kWe (including 300 kWe) Electrical Project Approval of GES Generation Facilities within the Scope of LÜY	4265.9	100 kWe - 300 kWe (including 300 kWe) Acceptance Fee for GES Generation Facilities within the Scope of LÜY	6163.2
300 kWe - 500 kWe (including 500 kWe) Electrical Project Approval of GES Production Facilities within the Scope of LÜY	9126.9	300 kWe - 500 kWe (including 500 kWe) Acceptance Fee for GES Generation Facilities within the Scope of LÜY	9312.4
500 kWe - 700 kWe (including 700 kWe) Electrical Project Approval of GES Production Facilities within the Scope of LÜY	15052.3	500 kWe - 700 kWe (including 700 kWe) Acceptance Fee for GES Generation Facilities within the Scope of LÜY	16489.4
700 kWe - 1 MWe (excluding 1 MWe) Electrical Project Approval of GES Production Facilities within the Scope of LÜY	20755.8	700 kWe - 1 MWe (except 1 MWe) Acceptance Fee for GES Generation Facilities within the Scope of LÜY	20977.4
Electricity Project Approval for each MWe of GES Production Facilities above 1 MWe within the scope of LÜY; For GES production facilities	10378.9	Acceptance Fee for each MWe of SPP Production Facilities above 1 MWe within the scope of LÜY; For GES production facilities above 1 MWe	10489.7

above 1 MWe within the scope of LÜY, an additional project approval service fee of 50% of the service fee in the 700 kWe - 1 MWe index is charged for each MWe.		within the scope of LÜY, an additional acceptance fee of 50% of the service fee in the 700 kWe - 1 MWe index is charged for each MWe.	
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Technical Quality Measurement Service Fees for the year 2024: With the Board Decision dated 28.12.2023 and numbered 12302-12 published in the 2nd Repeated Official Gazette dated December 30, 2023 and numbered 32415, the technical quality measurement service fee has been determined as follows as of 01.01.2024.

Technical Quality Measurement Service Fees		
Instrument Class	Bedel (TL)	
	Low Voltage	Medium Voltage
S Class	328.0 (it was 202.5 in 2023)	865.2 (it was 540.3 in 2023)
A Class	504.7 (it was 311.6 in 2023)	1346.4 (it was 831.2 in 2023)

Amendment to the Procedures and Principles Regarding the Implementation of Distribution Activity Quality Factor for the 4th Tariff Implementation Period: With the Board Decision dated 28.12.2023 and numbered 12296 published in the 2nd Repeated Official Gazette dated 30 December 2023 and numbered 32415, 'Procedures and Principles Amending the Procedures and Principles Regarding the Implementation of Distribution Activity Quality Factor for the 4th Tariff Implementation Period' was adopted. The same Procedures and Principles were amended by the Board Decision dated 22.02.2024 and numbered 12444 published in the Official Gazette dated 24 February 2024 and numbered 32470.

In summary, according to the principles set out in the Quality Regulation on Distribution and Retail Sales Activities in the Electricity Market, a punitive provision has been added that the average undistributed energy indicator score will be considered as -2.5 as of the 2nd year of the implementation period of the distribution companies that do not fulfil the obligation to fully and accurately record the Undistributed Energy Table (Table 3) and Average Undistributed Energy Indicator (Table 4) tables for the year 't-1' and to submit and report the tables and the data based on the formation of the records in these tables.

In case of inaccurate data in the calculation of the continuity of supply performance score, an 'inaccurate data coefficient' has been added as a penalization mechanism.

In the event that the data for the year 't-1' fulfils the obligation to provide accurate data, but in the data for any of the years 't-2', 't-3' and 't-4', it is determined that the obligation to provide accurate data at a level that will affect the supply continuity quality indicators and/or the distribution company's annual and/or long-term compensation payment obligation is violated, the supply continuity performance score will be given as-5.

In the event that 95% of the connection opinions are not formed within maximum 7 (seven) business days, the distribution company-specific performance indicator score will be taken into account gradually in a negative direction. A penalizing mechanism has been determined in the event that the data based on the scores for the calculation of the connection demand fulfilment index performance score are not submitted correctly.

A penalizing mechanism has been determined in case the data for the calculation of the Occupational Health and Safety Performance Score is not submitted correctly. The formulas for determining the performance score have been changed.

The implementation year of the parameters based on the legislative amendment is specific to the last two years (connection performance score) and the last 3 years (other performance scores) of the implementation period.

Due to the earthquakes on 6 February 2023, new metrics were determined for the performance score calculations (continuity of supply, occupational health and safety, technical quality, connection) between 06/02/2023 and 08/05/2023 with the Board Decision.

Change in Methodology for the Establishment of Distribution Assets by Users: With the Board Decision dated 18.01.2024 and numbered 12357 published in the Official Gazette dated 24.01.2024 and numbered 32439, the calculation method of the approximate contractual cost of distribution assets in the 'Methodology for the Establishment of Distribution Assets by Users' ('Methodology') has been amended. The Methodology sets out the rules on the method of reimbursement of distribution assets constructed by the users under Article 21 of the Regulation on Connection and System Usage.

With the amendment, the price paid for the facilities with similar characteristics, which is taken as a basis in the calculation of the approximate cost of the asset to be paid to the user and which was realized in the previous year in accordance with the procurement procedures (provided that at least 3 tenders were made), will be equalized according to the December CPI index in the year of the tender (CPI Index for December at the end of the year of the tender / CPI Index for the month of the tender) and will be included in the calculation. Before the amendment, the lowest of the prices determined in the tenders held on different dates during the year was selected, but with the amendment, the prices determined in the tenders during the year are synchronized with the year-end CPI index.

Another calculation parameter, the value to be obtained by making a 20% discount from TEDAŞ (Region II unit prices updated with current year prices), has not been changed, and the lowest price between the reduced TEDAŞ unit prices and the tender unit prices described above will continue to be used in the payment.

Regulation Amending the General Lighting Regulation: With the amendment published in the Official Gazette dated 02.03.2024 and entered into force as of 1.1.2024; the periods in the Provisional Article 7 of the General Lighting Regulation were postponed to a later date;

The deadline set in the regulation for the general lighting meters to be included in the Automatic Meter Reading System ('AMRS') has been extended from 31.12.2023 to 31.12.2024; and the deadline in the provision regarding the non-payment of general lighting fees to distribution companies due to the fact that general lighting meters cannot be monitored instantly and/or online by TEDAŞ as of 1.1.2024 has been extended to 1.1.2025.

With the amendment made, the obstacle to receive general lighting payments from the budget determined in the provisional Article 6 of the Electricity Market Law, including the January / 2024 period, has been eliminated.

Regulations Regarding the Advance Payment Notifications specified in Article 132/C of the Electricity Market Balancing and Settlement Regulation: In 2023, the Board Decision dated 09.02.2023 and numbered 11629, the Board Decision dated 04.05.2023 and numbered 11827, the Board Decision dated 11.05.2023 and numbered 11846, the Board Decision dated 22.06.2023 and numbered 11928, the Board Decision dated 28.09.2023 and numbered 12095, and the Board Decision dated 28.09.2023 and numbered 12095 which was cancelled to be applied until 31.12.2024; the Board Decision dated 28.09.2023 and numbered 12095 were taken in 2023 regarding the payment dates and interest applications of the amounts included in the advance payment notifications specified in Article 132/Ç of the DUY, which were obliged to be paid due to the earthquake that occurred on 6 February 2023.

In the decision of the Energy Market Regulatory Board dated 28.03.2024 and numbered 12532 published in the Official Gazette dated 29 March 2024 and numbered 32504; due to the continuing effects of the Kahramanmaraş-based earthquakes dated 6 February 2023, pursuant to Article 140 of the Electricity Market Balancing and Settlement Regulation (Regulation), until 30 September 2024;

In order for Akedaş Elektrik Dağıtım A.Ş., Dicle Elektrik Dağıtım A.Ş., Fırat Elektrik Dağıtım A.Ş., **Toroslar Elektrik Dağıtım A.Ş.** and the incumbent supply companies operating in the said distribution regions;

- The categories of the incumbent supply companies within the scope of subparagraphs (a), (b), (c) and (ç) of the second paragraph of Article 17 of the Regulation,

- Supply companies in which Organized Industrial Zones are directly or indirectly shareholders,

the amounts included in the advance payment notifications specified in the first paragraph of Article 132/Ç of the Regulation, which are obliged to be paid for the related invoice period, shall be postponed until the invoice due date for the relevant invoice period, and default interest shall not be applied to the market operator and market participant during the period of postponement of advance payments. The decision enters into force on 1 April 2024.

The abovementioned date “September 30, 2024” is postponed to March 31, 2025 with the decision of the EMRA Board dated 26.09.2024 and numbered 12899, which was published in the Official Gazette dated September 28, 2024 and numbered 12899 and entered into force on October 1, 2024.

Determination of Interest Rates to be Applied in Rediscount and Advance Transactions: The Central Bank of the Republic of Turkey has changed the discount interest rates to be applied in rediscount transactions and the interest rates to be applied in advance transactions against bills with a maximum of 3 months to maturity on the dates and at the rates indicated below. The amendments entered into force on the date of publication.

Communiqué	Rediscount Rate (Annual - %)	Advance Rate (Annual - %)
Central Bank of the Republic of Turkey Communiqué published in the Official Gazette dated April 1, 2024 and numbered 32386	50.75%	51.75%

Consumption amounts specified in Articles 5 and 6 of the Communiqué on the Regulation of the Last Source Supply Tariff and the coefficient rate determined by the Board: With the Board Decision published in the Official Gazette dated October 28, 2023 and numbered 32353, the consumption amounts in Articles 5 and 6 of the Communiqué on the Regulation of the Last Source Supply Tariff and the coefficient determined by the Board were determined for 2024.

- The consumption amount specified in the third paragraph* of Article 5 of the Communiqué on the Regulation of the End-Source Supply Tariff is applied as 100 million kWh/year for residential and agricultural activities consumer groups and 1 million kWh/year for other consumer groups for 2024.

Consumer Group	Consumption Amount (kWh/year)	
	2023	2024
Household	100 million	100 million
Agricultural Activities	100 million	100 million
Public and Private Sector Services Sector and Other	1 million	1 million
Industry	1 million	1 million
Lighting	1 million	1 million

- The KBK in the fifth paragraph of Article 6 of the Communiqué on the Regulation of the End-Source Supply Tariff continued to be applied as 1.0938, as of January 1, 2024 (it was also applied as 1.0938 in 2023).

Tax Procedure Law General Communiqué (Sequence No: 554): In accordance with the Tax Procedural Law General Communiqué No. 554 published in the Official Gazette No. 32380 dated 25 November 2023 and paragraph (B) of Article 298 bis of the Tax Procedure Law No. 213, the revaluation rate is the average price increase rate in the Domestic Producer Price Index of the Turkish Statistical Institute in October of the year to be revalued (including October) compared to the same period of the previous year. This rate must be announced in the Official Gazette by the Ministry of Treasury and Finance. In accordance with this provision, the revaluation

rate has been determined as 58.46% (fifty-eight point forty-six) for 2023. On the other hand, it has been notified that the previously published Communiqués on this subject are also in force.

Communiqué on Administrative Fines to be Imposed in 2024 Pursuant to Article 16 of the Electricity Market Law: With the Communiqué published in the Official Gazette dated December 27, 2023 and numbered 32412, the administrative fines regulated in Article 16 of the Electricity Market Law (“Law”) were increased by 58.46%, which was determined as the revaluation rate for 2023, and redetermined as follows. The Communiqué entered into force on 01/01/2024.

	ADMINISTRATIVE FINES ANTICIPATED IN LAW	ADMINISTRATIVE FINES IMPLEMENTED IN 2023	ADMINISTRATIVE FINES TO BE IMPLEMENTED IN 2024
RELEVANT ARTICLE	(TL)	(TL)	(TL)
In cases of request for information or on-site inspection by the Board; if it is determined that the requested information is provided inaccurately, incompletely or misleadingly, or if no information is provided at all, or if the opportunity for on-site inspection is not provided, it shall be warned to provide accurate information or to provide the opportunity for inspection within fifteen days. The administrative fine to be imposed on those who continue to violate despite the written warning Paragraph (a) of the First Paragraph of Article 16	500,000	3,607,749	5,716,839
In the event that it is determined that there is a violation of the Law, secondary legislation or license provisions, Board decisions and instructions, it shall be warned to eliminate the violation within thirty days or not to repeat it, depending on the nature of the violation, and the administrative fine to be imposed on those who continue or repeat the violations despite the written warning Paragraph (b) of the First Paragraph of Article 16	500,000	3,607,749	5,716,839
Administrative fine to be imposed without the need for warning in case of violation of the provisions of the Law, secondary legislation or license in a way that cannot be corrected after the violation has been made Paragraph (c) of the First Paragraph of Article 16	500,000	3,607,749	5,716,839
Administrative fine to be imposed in case of submitting untrue documents or misleading information about the conditions	800,000	5,772,413	9,146,965

required for the issuance of a license, or failing to notify the Board of changes in license conditions that will affect the issuance of a license during the license application or license execution Paragraph (ç) of the First Paragraph of Article 16			
In case of violation of the prohibition of affiliate relationship during the license period, the affiliate relationship shall be warned to be corrected within thirty days. Administrative fine to be imposed on those who continue to violate despite the written warning Paragraph (d) of the First Paragraph of Article 16	900,000	6,493,959	10,290,327
In the event that it is determined that there is activity outside the scope of the license in the market, it shall be warned to stop the out-of-scope activity or adverse activity within fifteen days. Administrative fines to be imposed on those who continue their violations despite the written warning Paragraph (e) of the First Paragraph of Article 16	1,000,000	7,215,524	11,433,719
Except for the inspections of electricity distribution companies, a period of time is given for the elimination of deficiencies related to unlit, out-of-place luminaires and/or poles detected within the scope of general lighting. An administrative fine of five hundred Turkish liras shall be imposed by the Board for each pole or luminaire determined by the determination that the deficiencies are not eliminated within the specified periods, following the notification of the Ministry to the Board. The periods to be given for the elimination of the identified deficiencies and the principles of determining the deficiencies shall be determined by regulation. Administrative fines imposed pursuant to this Law shall be paid within one month following the notification. Eighth Paragraph of Article 16	500	2,864	4,538

Minimum Wage Determination Commission Decision: With the Decision of the Ministry of Labor and Social Security dated 27.12.2023 and numbered 2023/2 published in the Official Gazette dated 30 December 2023 and

numbered 32415, pursuant to Article 39 of the Labor Law No. 4857 and Article 522 of the Presidential Decree No. 1 on the Organization of the Presidency, it is decided;

- 1) To determine a single minimum wage at the national level
- 2) To determine the minimum wage of the worker for one day of normal work as: TL 666.75 between 01/01/2024 - 31.12.2024,
- 3) To propose to redefine the scope of the support and the procedures and principles in order to maintain the minimum wage support as TL 700 from January to December 2024

by the Minimum Wage Determination Commission, which is responsible for determining the minimum wage of all kinds of workers working with an employment contract and whether or not covered by this Law.

Electricity Market Measurement Systems Regulation: Regulation on Electricity Market Measurement Systems published on December 28, 2023 and entered into force on January 1, 2024 has following transition provisions:

- The user mobile application to be established by EPIAŞ (June 1, 2024) and the distribution company to provide data to this application as of July 1, 2024.
- (ii) National smart meter system ("MASS") transition period implementations (the distribution company shall install the central communication software by April 1, 2025; ensure integration for the transfer and processing of meter data by August 1, 2025; the meters to be supplied by the distribution company as of June 1, 2025 shall comply with the interoperability principle).

The National Smart Meter System (MASS) consists of the following hardware and software components, and these components should work in harmony without the need for any revision:

- Smart meters
- Modem
- Central communication software
- Data concentrator
- User mobile app

The duties and responsibilities of the distribution company regarding the Smart Meter System Infrastructure are as follows:

- Inclusion of meters connected to the distribution system in the scope of MASS (until 1/8/2025),
- Installation, operation and maintenance of the equipment, infrastructure and smart meters necessary for establishing communication; and
- Replacement of existing meters with smart meters.

The User Mobile Application to be established by EPIAŞ until 1/6/2024 is operated by EPIAŞ in order to enable users to view and analyze some of their information and is based on the principle that the distribution company is responsible for the accuracy of the data it will provide until 1/7/2024.

The following features will be available in the user mobile application:

- Ability to view daily, monthly, yearly consumption and/or production data (by time period)
- Ability to alert the user in case of unexpected overconsumption, consumption when not in use
- Informing the user even if the limit value set is exceeded
- Displaying the interruption list of the current and previous year interruption data affected by the users, the total interruption duration and total number of interruptions based on the continuity of supply compensation on a yearly basis, the start and end time of each interruption, the interruption duration, long-term and annual interruption compensation information

- Advance notification of notifiable outages
- Ability to view meter data related to technical quality events
- Reporting complaints and malfunctions

The procedures and principles regarding the sharing of data in the user mobile application with public institutions and organizations will be determined by the Authority.

Electricity meters are divided into 2 categories as Smart Meter EKO and Smart Meter PRO by the Regulation. According to the order of priority, the meters that should be within the scope of Smart Meter EKO are determined as follows:

- Newly installed meters and meters that need to be replaced due to expiration of the stamp period.
- Meters that must be installed at the output of each distribution transformer.
- Meters that need to be replaced due to malfunction.
- Meters replaced due to suspicion of illegal electricity use.

The meters that should be within the scope of Smart Meter PRO are determined as follows.

- Meters that measure the electricity drawn from the distribution system by the consumption units of licensed generation facilities.
- Meters that measure the electrical energy supplied by licensed generation facilities to the distribution system.
- Meters that measure the electrical energy exchanged between two distribution systems.
- Meters that measure the electrical energy supplied and withdrawn from the electricity storage unit within the electricity storage facility with storage, the electricity storage unit integrated to the generation facility and the stand-alone electricity storage facilities.
- Existing meters for places of use whose consumption in the previous year or consumption during the year is over 10 MWh.
- Meters to be used for measuring the electricity consumption of charging stations with a separate electricity subscription and at least one DC 50 kW and above charging unit and charging stations with an annual consumption of over 10 MWh.
- Unlicensed generation facilities with an installed capacity of over 10 kW.

Distribution companies shall record the data related to continuity of supply on the meters in such a way that there will be no data loss within the framework of the procedures defined in the Quality Regulation on Distribution and Retail Sales Activities in the Electricity Market and the procedures defined in the Procedures and Principles Regarding the Technical Quality of the Electricity Distribution System.

For meters that are not within the scope of remote communication, interruption and technical quality records on the meter will be read at least every 6 months by electricity distribution companies and recorded in their related systems.

The Procedures and Principles on the Scope of Automatic Meter Reading Systems and Determination of Meter Values and the Communiqué on Meters to be Used in the Electricity Market have been repealed.

The dates foreseen for the MASS Transition Period are as follows:

- Meters purchased according to TEDAŞ - MLZ/2017-062.A coded Electronic Electricity Meters Technical Specification can be installed until 1/1/2025.
- Communication units purchased according to TEDAŞ - MLZ/2019-064.A coded Communication Unit Technical Specification can be installed until 1/1/2025.

- Meters and modems compatible with the Automatic Meter Reading System can be installed until 1/1/2025 in places where Smart Meter PRO must be installed.
Existing meters in the places of use with previous year consumption or consumption over 10 MWh within the year shall be replaced with Smart Meter PRO or Automatic Meter Reading System compatible meters and modems until 1/1/2025, starting with the ones with high consumption and not less than twenty percent on distribution company basis.

The Regulation Amending the Electricity Market Measurement Systems Regulation: With the Regulation Amending the Electricity Market Measurement Systems Regulation published in the Official Gazette dated 7 June 2024 and numbered 32569, and dated 25.09.2024 numbered 32673 Official Gazette the periods set for the establishment of the ‘User Mobile Application*’ by EPIAŞ and the submission of data by distribution companies in the provisional article 2 of the Electricity Market Measurement Systems Regulation published in the Official Gazette dated 28/12/2023 and numbered 32413 have been changed prospectively.

- The User Mobile Application shall be established by EPIAŞ until 1/9/2024 (Before the amendment, this period was determined as 1/6/2024). It is operated by EPIAŞ in order to enable users to view and analyse some of their information and is based on the principle that the distribution company is responsible for the accuracy of the data that it will provide until 1/10/2024 (Before the amendment, this period was determined as 1/7/2024).
- The User Mobile Application shall be established by EPIAŞ by 1/3/2025. (Previously, this deadline was set as 1/6/2024 before the change and later as 1/9/2024.) It will be operated by EPIAŞ to enable users to view and analyze certain information. The distribution company will be responsible for ensuring the accuracy of the data it provides by 1/4/2025 (Previously, this deadline was set as 1/7/2024 before the change and later as 1/10/2024).

Regulation Amending the Regulation on Unlicensed Electricity Generation in the Electricity Market: With the Amendment Regulation published in the Official Gazette dated 14.05.2024 and numbered 32546, the following regulations have been made in the Unlicensed Electricity Generation Regulation:

Temporary subscriptions

- Except for temporary subscriptions of consumption facilities under construction, no generation facility can be established by real or legal persons within the scope of this Regulation for consumption facilities within the scope of temporary connection. However, the consumptions within the scope of temporary subscriptions may be included in the offsetting with the operating generation facilities belonging to the same real or legal person and located in the same subscriber group.

Connection agreement application

- It has been regulated that those who have been notified of the letter of invitation to the connection agreement will be given a period of one year from the date of notification of the letter of invitation to the connection agreement. (Previously, the period was 180 days). The one-year period is also applied for the existing letters of invitation to the connection agreement in terms of their remaining duration. However, if this period is less than one hundred and eighty days, the remaining period is applied as one hundred and eighty days.
- It is obligatory for the holders of the invitation letter to the connection agreement to have the generation facility and the connection line project, if any, approved by the Ministry or the institutions and/or legal entities authorised by the Ministry within the said period.

- It has been regulated that the mechanical installed capacity increase requested for generation facilities that are entitled to receive an invitation letter for the connection agreement before 12/5/2019 cannot exceed twenty percent of the electrical installed capacity; the mechanical installed capacity requested for generation facilities that are entitled to receive an invitation letter for the connection agreement after 12/5/2019 cannot exceed twice the electrical installed capacity.

Partial provisional acceptance and obtaining environmental impact assessment and zoning permits / Failure to sign the system usage agreement

- Partial acceptance can be made not less than 10 MWe each time. However, if the power other than the accepted part is not accepted within the period, the connection agreement is updated based on the accepted part.
- It is obligatory to be completed acceptance procedures for the ones which environmental impact assessment, zoning and other permits and approvals got as of the date of signature of the connection agreement,
 - For all generation facilities using the distribution transformer of the relevant grid operator within one year,
 - Not using the distribution transformer of the relevant network operator,
 - For generation facilities based on hydraulic resources within three years,
 - For generation facilities based on other resources within two years.
- In the case that the system usage agreement is not signed by the parties within one month following the date when the facility commences commercial activity in the generation facilities whose acceptance is completed and commissioned, the energy generated by the relevant grid operator until the disconnection of the generation facility from the grid is deemed to have been generated and given to the system by the incumbent supply company and taken into consideration as a free contribution to Support Mechanism for Renewable Energy Sources. The system usage fee to be incurred for the amount of energy considered as free contribution to Support Mechanism for Renewable Energy Sources is paid to the relevant grid operator through the incumbent supply company and no invoice is notified to the unlicensed generation facility owners for the energy considered as free contribution to Support Mechanism for Renewable Energy Sources.

Law No. 7551 on Amendments to the Mining Law and Certain Laws: Law No. 7501 on Amendments to the Mining Law and Certain Laws published in the Official Gazette dated 11 May 2024 and numbered 32543 is as follows:

- The following paragraph was added to Article 9 titled ‘Distribution activities’ of the Electricity Market Law No. 6446

“(16) In places where a state of emergency is declared or considered as a disaster zone affecting general life, temporary electricity energy demands may be met within the framework of the procedures and principles determined by the Board decision in order to ensure uninterrupted electricity services.”

In the recital of the article, it is stated that, considering that our country is located on the earthquake zone to a large extent, in order to ensure the uninterrupted delivery of electrical energy to the users, it is aimed not to seek the occupancy permit and other information and documents required by the legislation for electrical energy requests, if the existing electricity distribution network is sufficient for temporary connection requests in places that are accepted as a state of emergency decision or a disaster zone affecting general life. In addition, it is stated that it is aimed to provide electrical energy immediately to the new places of use of persons whose buildings have been destroyed or whose buildings have become unusable after disasters such as earthquakes and floods, and to temporarily not to request the information and documents required under the legislation, but to complete the aforementioned obligations later.

Presidential Decree No. 8485: By the Presidential Decree No. 8485 published in the Official Gazette dated 21 May 2024 and numbered 32552, it has been decided that the legal interest rate set forth in Article 1 of the Law No. 3095 on Legal Interest and Default Interest shall be applied as 24% per annum effective from 1/6/2024 in accordance with Article 1 of the aforementioned Law. The legal interest rate had been applied as 9% per annum since 1 January 2006.

Presidential Decree No. 8484: By the Presidential Decree No. 8484 published in the Official Gazette No. 32552 dated 21 May 2024 and numbered 32552, it has been decided that the default interest rate in the first paragraph of Article 51 of the Law No. 6183 on the Procedure for Collection of Public Receivables shall be determined as 4.5% to be applied separately for each month in accordance with the aforementioned article of the Law No. 6183. The default interest rate had been applied as 3.5% for each month since 14.11.2023.

Constitutional Court Decision on Electricity Market Law: With the Constitutional Court Decision dated 7.12.2023, numbered 2018/117 and Decision numbered 2023/212, published in the Official Gazette dated 4 June 2024 and numbered 32566, and the Decree Law on Amendments to Certain Laws and Decree Laws in Order to Comply with the Amendments Made to the Constitution numbered 703, and the Electricity Market Law numbered 6446, titled "EÜAŞ's rights and obligations", were unanimously decided to enter into force twelve months after the decision was published in the Official Gazette, on the grounds that it cannot be regulated by a Statutory Decree. The issues that were annulled regarding distribution companies are as follows:

- EÜAŞ sells electrical energy to authorized supply companies at the wholesale tariff for consumers whose tariffs are subject to regulation.
- Distribution companies procure their energy needs for general lighting and technical and non-technical losses from EÜAŞ.

The Regulation Amending the Electricity Market Connection and System Utilisation Regulation: With the Regulation Amending the Electricity Market Connection and System Usage Regulation published in the Official Gazette dated 25 June 2024 and numbered 32583, the phrase 'two' in the second paragraph of Article 25 titled 'Payment Procedure' of the Electricity Market Connection and System Usage Regulation published in the Official Gazette dated 28/1/2014 and numbered 28896 has been amended as '1,3'. The Regulation enters into force on the date of publication.

'(2) The user pays the amount stated in the notification to TEİAŞ or the distribution company within fifteen days following the day on which the payment notification is notified. For the period of delay in payment, the default increase calculated according to Article 51 of the Law on Procedure for Collection of Public Receivables dated 21/7/1953 and numbered 6183 shall be applied. This rate is applied as two* 1,3 times for transmission system users.'

*This rate was determined as two times with the Regulation Amending the Electricity Market Connection and System Usage Regulation published in the Official Gazette dated 29 July 2023 and numbered 32263.

National Artificial Intelligence Strategy 2024-2025 Action Plan: The Presidential Circular No. 2021/18 regarding the "National Artificial Intelligence Strategy 2021-2025", prepared in cooperation with the Presidential Digital Transformation Office and the Ministry of Industry and Technology and with the active participation of all relevant stakeholders, was published in the Official Gazette No. 31574 dated 20/08/2021 and entered into force on the same date. The Action Plan for the 2021-2025 period has been updated as the 2024-2025 Action Plan, taking into account the recent developments in the field of Artificial Intelligence and the needs of the country, in line with the 12th Development Plan.

On July 24, 2024, it was announced that the National Artificial Intelligence Strategy 2024-2025 Action Plan was published on the Presidential Digital Transformation Office website.

The Strategy was designed around the following 6 strategic priorities with the vision "producing value on a global scale with an agile and sustainable artificial intelligence ecosystem for a prosperous Türkiye". Also 24 objectives and 119 measures were determined within the scope of these strategic priorities.

1. Training AI Experts and Increasing Employment in the Field
2. Supporting Research, Entrepreneurship and Innovation
3. Expanding Access to Quality Data and Technical Infrastructure
4. Making Regulations to Accelerate Socioeconomic Adaptation
5. Strengthening International Collaborations
6. Accelerating Structural and Workforce Transformation

Presidential Circular No. 2024/9 on Türkiye's International Direct Investment Strategy (2024-2028): The important headings specified in the Circular No. 2024/9 on "Türkiye International Direct Investment Strategy (2024-2028)" published in the Official Gazette dated July 29, 2024 and numbered 32616 are as follows:

- International direct investments, which play an important role in the economic growth and development of our country, are complementary elements of industrial, trade and fiscal policies, and Türkiye, which continuously improves the investment environment through dynamic reform processes, has become one of the countries that attracts the highest number of investments in its region by offering an attractive investment environment to international investors,
- In the new period, Türkiye's role as a production and distribution base in its region is expected to strengthen,
- The "Türkiye International Direct Investment Strategy (2024-2028)" prepared under the coordination of the Investment Office of the Presidency of the Republic of Türkiye in line with all national policy documents, especially the 12th Development Plan (2024-2028), and by analyzing the opportunities offered to investors, will be published at www.invest.gov.tr,
- The Strategy Document, which supports green and digital transformation, will be monitored by the Coordination Board for the Improvement of the Investment Environment,
- All public institutions and organizations within the scope of the Strategy should fulfill their duties and responsibilities with sensitivity.

National Cyber Security Strategy and Action Plan (2024-2028): With the Action Plan published in the Official Gazette dated 7 September 2024 and numbered 32655, it was stated that the intensive use of information and communication technologies in all sectors such as communication, transportation, energy, banking, finance and health, and the key role it plays in sustainable growth and development have made cyber security an integral part of national security. It has been reported that the "National Cyber Security Strategy and Action Plan (2024 2028)", which determines the goals, strategies and actions of the upcoming period in order to further improve the leading position of our country in the field of cyber security and the gains achieved in the studies carried out so far, has been prepared in cooperation with the public, private sector, non-governmental organizations and universities under the coordination of the Ministry of Transport and Infrastructure.

The National Cyber Security Strategy (2024-2028) will be published on the official website of the Ministry of Transport and Infrastructure (www.uab.gov.tr) and the National Cyber Security Action Plan (2024-2028), which was prepared in line with the aforementioned Strategy, will be shared with the institutions that are responsible for the activities determined and will cooperate in the realization of these activities.

The Medium-Term Program (2025-2027): The Medium-Term Program, approved by the Presidential Decree No. 8906 published in the Official Gazette No. 32653 dated September 5, 2024, has been published on the official website of the Presidency of Strategy and Budget. The highlights of the Program are as follows:

Accelerating green transformation: By implementing policies to accelerate the green transformation process for sustainable growth, compliance with international regulations will be strengthened, and the use of renewable energy resources and energy efficiency will be increased.

- Preparations for a legislation addressing climate change related practices in a holistic manner will be finalized and put into practice.
- Preparatory work for the Second Nationally Determined Contribution (NDC), which includes greenhouse gas emission mitigation and climate change adaptation targets and commitments, and the 2053 Long Term Climate Change Strategy will be finalized.
- A carbon pricing mechanism, that aims to reduce greenhouse gas emissions, will be established to maintain competitiveness during the green transformation process, minimize the impacts of Carbon Border Adjustment Mechanism (CBAM), and support the transition to a low-carbon economy.
- The impacts of the European Green Deal (EGD) and CBAM on various sectors will be assessed, and low-carbon sectoral roadmaps will be finalized for sectors that will be affected by EU regulations.
- To promote electric vehicles, charging station network will be improved and the use of domestic electric vehicles will be encouraged.
- Taxes that qualify as carbon taxes will be reviewed. The economic and social impacts of carbon pricing instruments, including a complementary carbon tax, on the development and investment environment will be analyzed.

Supporting the transition to digital transformation: By accelerating the digital transformation process and supporting the capacity and capabilities of companies, especially SMEs, in adopting digital technologies, the sustainability of growth will be ensured.

- Necessary legal regulatory work will be conducted to harmonize regulations with the European Union Artificial Intelligence Act.
- A dedicated legal regulation regarding cybersecurity, as well as the necessary secondary regulations, will be made in compliance with EU acquis.
- A Cybersecurity Strategy and Action Plan will be prepared and implemented.
- A national policy framework, including data ownership, data sharing responsibilities, and technical methods, will be prepared to accelerate the transition to the data economy. The data governance legal framework and governance infrastructure will be established in line with this policy framework.
- A National Data Strategy and Action Plan will be prepared and implemented.

New generation working styles and sectoral transformations under the heading of employment: Labor market reforms will be implemented to increase employment and skill matching while ensuring balanced and employment-supporting growth.

- In line with new generation working models such as remote, part-time and temporary work and platform work, it is aimed to make regulations that take into account the needs of the labor market, equal opportunities for women and men and work-life balance.
- Amendments to the Labor Law and secondary legislation are planned.
- Analyzing the reflections of green and digital transformation on labor markets were shared as topics.

Regulation on the Procedures and Principles Regarding the Transfer of Personal Data Abroad: The regulation, which was published in the Official Gazette on July 10, 2024, and entered into force on the same day, is summarized below.

- **The transfer of personal data abroad** is defined as “the transfer of personal data within the scope of Law No. 6698 (‘the Law’) by a data controller or data processor to a data controller or data processor abroad, or making it accessible to them in another way.”
- **Data Transferor:** The data controller or data processor who transfers personal data abroad.
- **Data Recipient:** The data controller or data processor abroad who receives personal data from the data transferor.

In cases where the conditions specified in Articles 5 and 6 of the Law regarding the processing of personal data and special categories of personal data are met, the data controller or data processor may transfer personal data abroad based on the following conditions:

1. **Adequacy Decision:** Personal data can be transferred abroad upon the adequacy decision of the Personal Data Protection Board (for countries, sectors, or international organizations). The Board considers other conditions as well as reciprocity as stipulated in the Personal Data Protection Law and may set preconditions. The adequacy decision is reassessed every four years. The Board may review its decision at any time without being bound by the four-year period.
2. **Transfer Based on Appropriate Safeguards:** If one of the data processing conditions set forth in the Law (Articles 5 and 6) exists, and provided that the data subject has the opportunity to exercise their rights and access effective legal remedies in the country of destination, the data can be transferred abroad if one of the following appropriate safeguards is provided by the transferor:
 - Existence of a non-international agreement (to be made between public institutions and organizations in Turkey and public institutions and organizations or international organizations abroad) and the Board's approval.
 - Binding corporate rules (for companies within a group of undertakings engaged in joint economic activities).
 - Existence of a standard contract (announced by the Board. No modifications can be made. The Turkish version is the original text. It is signed by the parties to the transfer. It must be physically submitted to the Institution or notified via a registered email address (KEP) or other methods determined by the Board within 5 business days after signatures are completed. If modifications are made to the standard contract announced by the Board, or if the standard contract does not have valid signatures from one or both parties, the Board will conduct an investigation in accordance with the provision regulating sanctions).
 - A written commitment approved by the Board (to be executed between the parties to the transfer).
3. **Incidental Transfers:** If the above conditions are not met, personal data may be transferred abroad only if one of the exceptional transfer cases listed below is present. Transfers that are irregular, occur once or a few times, are not continuous, and are not part of the regular flow of business activities are considered incidental.
 - The data subject's explicit consent to the transfer after being informed about potential risks.
 - The transfer is necessary for the performance of a contract between the data subject and the data controller or for taking pre-contractual measures at the request of the data subject.
 - The transfer is necessary for the establishment or performance of a contract made for the benefit of the data subject between the data controller and another natural or legal person.
 - The transfer is necessary for a superior public interest.
 - The transfer is necessary for the establishment, exercise, or protection of a right.
 - The transfer is necessary for the protection of the life or physical integrity of the data subject or another person who is unable to express their consent due to actual impossibility or whose consent cannot be legally recognized.
 - The transfer is made from a publicly available registry to which access is granted under the relevant legislation, provided that the conditions required for accessing the registry are met and the transfer is requested by a person with a legitimate interest.

Public Announcement Regarding Standard Contracts and Binding Corporate Rules by the Personal Data Protection Authority: In Article 9, titled "Transfer of personal data abroad" of Law No. 6698 on the Protection of Personal Data, an amendment was made by Article 34 of the Law on Amendments to the Code of Criminal Procedure and Certain Laws No. 7499. Within the scope of the amendment, "standard contracts" and "binding

corporate rules” are envisaged as methods that data controllers and data processors can apply to ensure appropriate safeguards for the transfer of personal data abroad.

With the decision of the Personal Data Protection Board dated 4/6/2024 and numbered 2024/959, it was decided to approve the standard contract texts to be used for the transfer of personal data abroad, the application forms for binding corporate rules, and the guidance documents containing the fundamental issues that must be included in the binding corporate rules.

Decision of the Public Oversight, Accounting, and Auditing Standards Board dated 2/9/2024 and numbered 75935942-050.01.04-[01/25684]:

Subject: Board Decision on the Mandatory Assurance Audits for Sustainability Reports

With the Decision published in the Official Gazette dated September 5, 2024, and numbered 32653, a regulation was made regarding the mandatory assurance audits for sustainability reports.

- It was stated that sustainability reports prepared in accordance with the Turkish Sustainability Reporting Standards will be subject to assurance audits starting from the first year of their preparation, for accounting periods starting on or after 01/01/2024.
- With the amendment made in Article 84(a) of TSRS 1 General Provisions on the Disclosure of Sustainability-Related Financial Information, the expression "financial reports" has been updated to "sustainability-related financial disclosures."

MAJOR LEGISLATIVE CHANGES IN THE RETAIL BUSINESS SEGMENT

Communiqué on the Default Interest Rate to be applied for Late Payments in the Supply of Goods and Services and the Minimum Expense Amount that can be Claimed for the Collection Costs of Receivables:

Pursuant to the Communiqué published by the Central Bank of the Republic of Turkey in the Official Gazette dated 02.01.2024 and numbered 32417, pursuant to Article 1530 of the Turkish Commercial Code No. 6102, effective from 01.01.2024, the default interest rate for late payments made to the creditor in the supply of goods and services between commercial enterprises has been determined as 48.00 percent per annum in cases where it is not stipulated in the contract or the relevant provisions are invalid, and the minimum amount of expenses to be claimed for the collection of receivables as TL 1310.

Energy Market Regulatory Board Decision dated 01.02.2024 and numbered 12404: With the Board Decision No. 12404 published in the Official Gazette dated 02.02.2024 and numbered 32448, it was decided to adopt the "Procedures and Principles Regarding the Procedures to be Established in Case of Incorrect Measurement Recording or Non-Recording of Measurement in the Meters Located in the Transmission System and Intervention in the Meter / Measurement Circuit". With the Procedures and Principles, it is aimed to determine the methods to be used in determining the user's meter data and the time of intervention in cases where it is determined that the main meter or the main and backup meters cannot be read remotely or are read incorrectly, do not record or make incorrect measurements as a result of control and testing, the seal is broken or any intervention is made to the meters or the measurement circuit in a way that prevents the meters from measuring correctly. The Procedures and Principles cover the meters that measure the electric energy transferred to or withdrawn from the transmission system.

In case it is determined that the data of the main meter for settlement cannot be read automatically remotely or that the remote reading system reads incorrectly, the data of the main meter will be obtained by on-site reading.

The measurement differences arising from the meter not measuring or measuring incorrectly and the transmission charges calculated on the basis of the transmission tariffs for the relevant period shall be invoiced or refunded to the user at once within 10 business days after the detection of the problem and no default interest shall be applied in these transactions. Measurement differences will be sent to EPIAŞ within 10 business days from the detection of the problem for Retrospective Correction Item transactions.

The period during which the data determined retrospectively within the scope of the Procedures and Principles will be used shall not exceed the Retrospective Adjustment Item objection period specified in the Electricity

Market Balancing and Settlement Regulation in terms of settlement calculations carried out by EPIAŞ, and the statute of limitations in the relevant legislation in terms of calculations regarding transmission costs and system usage violations.

In addition to these, the published Procedures and Principles also regulate issues such as incorrect data recording or non-recording of data by the meter(s) subject to settlement, measurement of the meter outside the sensitivity class, intervention of the meter and/or meter circuit by the user, and determination of the retroactive correction date.

The Procedures and Principles enter into force on the date of publication.

Decision of the Energy Market Regulatory Board dated 14.03.2024 and numbered 12495: With the Board Decision No. 12495 published in the Official Gazette dated 16.03.2024 and numbered 32491, it was decided to adopt the "Procedures and Principles Amending the Collateral Procedures and Principles".

With the amendment, the obligation to electronically submit the letters of guarantee required to be submitted by the market participants regarding the day-ahead market, intraday market, balancing power market and financial settlement transactions within the scope of the Electricity Market Balancing and Settlement Regulation has been introduced, and it has been regulated that the foreign exchange buying rate announced by the Central Bank of the Republic of Turkey at 15:30 one business day before the calculation day will be taken as the basis for the electronic letters of guarantee to be submitted in foreign currency.

The deadline for the replacement of existing letters of guarantee with electronic letters of guarantee has been set as 01.01.2025, and the letters of guarantee that are not replaced by this date will not be taken into account in collateral calculations.

In addition, the amendment allows the collaterals provided to be partially or completely replaced with other securities accepted as collateral in the Procedures and Principles; in case there is an interim injunction decision issued by the legal authorities regarding the collaterals provided by the market participant or in case of detection of situations that eliminate the ability of the securities provided as collateral to be collateral, such securities will not be taken into account in the total collateral calculation.

Finally, with the amendment, the records of all eligible consumers registered in the Market Management System on behalf of the market participant will be deleted, effective from the first business day when the participant's collateral level does not meet the additional collateral amount required to be submitted as of 11: 00, and for the eligible consumers in the portfolio of the sanctioned market participant, the amount of energy received as imbalance due to the withdrawals of the relevant eligible consumers by the market participant supplying energy to the incumbent supply company and the relevant Organized Industrial Zone with a distribution license will be evaluated at the market clearing price for the settlement periods determined by the Market Operator for the settlement periods, including the second business day following the notification made to the relevant parties from the date of the drop to the portfolio.

Board Decision of the Energy Market Regulatory Authority dated 28.03.2024 and numbered 12532: With the Board Decision No. 12532 published in the Official Gazette dated 29.03.2024 and numbered 32504, due to the ongoing effects of the Kahramanmaraş-centered earthquakes dated February 6, 2023, pursuant to Article 140 of the Electricity Market Balancing and Settlement Regulation (Regulation), until September 30, 2024;

Akedaş Elektrik Dağıtım A.Ş., Dicle Elektrik Dağıtım A.Ş., Fırat Elektrik Dağıtım A.Ş., Toroslar Elektrik Dağıtım A.Ş. and the incumbent supply companies operating in the said distribution regions;

- The categories of the incumbent supply companies within the scope of subparagraphs (a), (b), (c) and (ç) of the second paragraph of Article 17 of the Regulation,
- It has been decided that the amounts included in the advance payment notifications specified in the first paragraph of Article 132/Ç of the Regulation, which are obliged to be paid for the supply companies in

which the Organized Industrial Zones are directly or indirectly shareholders, shall be postponed until the invoice due date for the relevant invoice period, no default interest shall be applied to the market operator and market participant during the period of postponement of advance payments, and the Decision shall enter into force on April 1, 2024.

Determination of Interest Rates Applicable to Rediscount and Advance Transactions: With the Official Gazette dated 01.04.2024 and numbered 32507, the discount interest rate to be applied in rediscount transactions was determined by the Central Bank of Turkey as 50.75 percent per annum and the interest rate to be applied in advance transactions as 51.75 percent per annum, and these rates entered into force as of 01.04.2024.

Regulation on the Payment of Lighting Expenses of Cemevis: Published in the Official Gazette No. 32523 dated 20.04.2024, the Regulation on the Payment of the Lighting Expenses of Cemevis, which was issued on the basis of “ANNEX ARTICLE 6” of the Electricity Market Law No. 6446 dated 14.03.2013 and Article 292/A of the Presidential Decree No. 1 on the Organization of the Presidency, aims to determine the principles and procedures to be applied in the payment of the lighting expenses of cemevis from the budget of the Ministry of Culture and Tourism.

Energy Market Regulatory Board’s Board Decision dated 25.04.2024 and numbered 12583: With the Board Decision numbered 12583 published in the Official Gazette dated 28.04.2024 and numbered 32530, it has been decided to determine the Turkish Average Wholesale Electricity Price for 2023 as 222.96 kr/kWh within the scope of the Law No. 5346 on the Use of Renewable Energy Resources for Electricity Generation.

Energy Market Regulatory Board’s Board Decision dated 02.05.2024 and numbered 12608: With the Board Decision numbered 12608 published in the Official Gazette dated 07.05.2024 and numbered 32539, it has been decided to revise the Method Statement for Calculation and Implementation of Transmission System System Usage and System Operation Tariffs approved by the Board Decision dated 28.12.2023 and numbered 12316.

In the Method Statement, which has started to be legally implemented as of the effective date of TEİAŞ Transmission License and started its seventh implementation period as of 2024; 15 tariff regions to be applied in the seventh implementation period have been determined based on the Regional Connectable Capacity Report prepared by TEİAŞ within the scope of the Electricity Market Law No. 6446. The system utilization and system operation tariffs based on the transmission fees to be charged to the interconnection users, separately for all interconnection lines, can be determined separately by TEİAŞ with the opinion of the Ministry of Energy and Natural Resources and in this case, the relevant fees are submitted to EMRA for approval.

7501 Law Amending the Mining Law and Certain Laws: The significant amendments of the 7501 Law Amending the Mining Law and Certain Laws published in the Official Gazette dated 11.05.2024 and numbered 32543 are as follows;

- **Regarding the Law on the Usage of Renewable Energy Resources for The Purpose of Generating Electricity No. 5346**

With the amendments to the second and third sentences of the second paragraph of the second paragraph of Article 4 titled “Determination, protection and usage of resource areas”, it is aimed to determine the method and other elements that can be competed in YEKA competitions held by open auction method by the Ministry of Energy and Natural Resources in the relevant competition specifications. Thus, a more dynamic structure is aimed by eliminating the factors that delay investments depending on the changing conditions of the day.

With the amendment made in the second paragraph of Article 6 titled “YEK Support Mechanism”, the contribution fee determined for the transition of unlicensed electricity generation facilities that have completed their ten-year period to licensed generation activities has been changed and associated with the YEK Support Mechanism prices. In this way, it is aimed to ensure that the generation facilities that will complete their ten-year period and switch to licensed generation activities will generate income in line

with other facilities that are included in the YEK Support Mechanism or that obtain generation licenses as a result of YEKA competitions and carry out licensed generation activities.

- **Regarding the Electricity Market Law No. 6446**

Provisional Article 32 titled “Right to terminate licenses and pre-licenses” has been added. With this paragraph, legal entities that have been granted the right to connection capacity and have generation licenses, preliminary licenses or license applications will be given the right to cancel the relevant contracts, licenses, preliminary licenses or preliminary license/license applications by applying to the Ministry of Energy and Natural Resources and the Energy Market Regulatory Authority upon their request. Thus, it is aimed to release the connection capacities granted to facilities that cannot be installed.

- **Regarding the Energy Efficiency Law No. 5627**

Article 3 titled “Definitions”, subparagraph b has been amended and subparagraphs “ü” and “v” have been added to the paragraph.

“b) Applicant: Real or legal persons who wish to benefit from energy efficiency supports,”

“ü) Carbon intensity: The amount of carbon dioxide emissions emitted per unit of product and/or area or similar,

“v) Specific energy consumption: The amount of energy consumed per unit of product and/or area or similar,”

Article 8 titled “Supports” has been revised in line with the support for energy efficiency implementation projects, reduction of energy intensity, research and development projects.

Regulation Amending the Regulation on Unlicensed Electricity Generation in the Electricity Market:

Significant amendments in the Regulation Amending the Regulation on Unlicensed Electricity Generation in the Electricity Market published in the Official Gazette dated 14.05.2024 and numbered 32546 are as follows:

In Article 7, it is regulated that real or legal persons cannot establish a generation facility within the scope of this Regulation for consumption facilities within the scope of temporary connection, except for temporary subscriptions of consumption facilities under construction, but the consumption within the scope of temporary subscriptions can be included in offsetting with the generation facilities in operation belonging to the same real or legal person and in the same subscriber group.

Article 10 regulates states that no document return will be made for applications received electronically,

Article 16 regulates that in case the technical interaction permits for applications based on wind energy is negative, the applicant shall be given the right to apply to the relevant grid operator for site change or revision within sixty days.

Article 17 regulates that those who have been notified of a letter of invitation to the connection agreement will be given one year from the date of notification of the letter of invitation to the connection agreement. It is obligatory for the holders of the letter of invitation to the connection agreement to have the generation facility and the connection line project, if any, approved by the Ministry or the institutions and/or legal entities authorized by the Ministry within this period.

It has been regulated that the mechanical installed capacity increase requested for generation facilities that are entitled to receive a letter of invitation to the connection agreement before 12/5/2019 cannot exceed twenty percent of the electrical installed capacity; and the mechanical installed capacity requested for generation facilities that are entitled to receive a letter of invitation to the connection agreement after 12/5/2019 cannot exceed twice the electrical installed capacity.

Article 19 regulates that the environmental impact assessment, zoning and other permits and approvals required for the generation facilities to be connected to the grid to start investment and the acceptance procedures, from the date of signature of the connection agreement, without prejudice to the provision of the seventh paragraph of Article 30;

- a) One year for all generation facilities using the distribution transformer of the relevant grid operator,
- b) Not using the distribution transformer of the relevant network operator,
 - 1) Three years for production facilities based on hydraulic resources,
 - 2) Two years for generation facilities based on other resources.
- c) For generation facilities to be connected to the transmission network, the period stipulated for generation facilities with the same qualifications within the framework of the Electricity Market License Regulation published in the Official Gazette dated 2/11/2013 and numbered 28809.

In addition, it is regulated that partial acceptance can also be made, but not less than 10 MWe each time. However, if the power other than the accepted part is not accepted within the period, the connection agreement shall be updated based on the accepted part.

In the case that the system utilization agreement is not signed by the parties within one month following the date of the start of commercial operation of the facility in the generation facilities whose acceptance is completed and commissioned, the energy produced by the relevant grid operator until the disconnection of the generation facility from the grid is considered to be produced by the designated supply company and given to the system and taken into consideration as a free contribution to YEKDEM. The system usage fee to be incurred for the amount of energy considered as free contribution to YEKDEM within the scope of this paragraph shall be paid to the relevant grid operator through the responsible supply company and no invoice shall be notified to the unlicensed generation facility owners for the energy considered as free contribution to YEKDEM.

Article 37 regulates that in the event that a legal entity that owns an unlicensed generation facility wishes to merge under its own legal entity or under another legal entity, together with all its assets and liabilities, the relevant grid operator shall notify the merger or demerger information to the responsible supply company.

Provisional Article 10 regulates that the one-year period under Article 17 shall also apply to the call letters for existing connection agreements in terms of their remaining duration. However, if this period is less than one hundred and eighty days, the remaining period will be applied as one hundred and eighty days.

Presidential Decree No. 8484: With the Presidential Decree No. 8484 published in the Official Gazette dated 21.05.2024 and numbered 32552, it has been decided to determine the rate of late payment increase in the first paragraph of Article 51 of the Law No. 6183 on the Procedure for Collection of Public Receivables as 4.5% to be applied separately for each month. Prior to the amendment, this rate was applied as 4%.

Presidential Decree No. 8485: With the Presidential Decree No. 8485 published in the Official Gazette dated 21.05.2024 and numbered 32552, it has been decided to apply the legal interest rate regulated in Article 1 of the Law No. 3095 on Legal Interest and Default Interest as 24% per annum, effective from 01.06.2024.

Prior to the amendment, this rate was stipulated as 9% per annum effective from 01.01.2006.

General Communiqué on Collection (Serial: C Sequence No: 8): According to the Communiqué published by the Ministry of Treasury and Finance in the Official Gazette dated 21.05.2024 and numbered 32552, the deferral interest rate, which is applied as 36% per annum within the scope of the authority granted to the Ministry by Article 48 of the Law No. 6183 on the Procedure for Collection of Public Receivables, has been determined as 48% per annum as of the publication date of the Communiqué.

Energy Market Regulatory Board's Board Decision dated 30.05.2024 and numbered 12667: With the Board Decision No. 12667 published in the Official Gazette dated 01.06.2024 and numbered 32563, it has been decided to revise the YEKDEM cost foreseen per unit energy amount supplied for May 2024 and beyond within the scope

of Articles 13/4 and 14/2 of the Regulation on Certification and Support of Renewable Energy Resources as follows;

Months	2024 Foreseen YEKDEM Cost (TL/MWh)
May	472,39
June	517,14
July	385,20
August	368,02
September	411,89
October	469,49
November	421,17
December	421,16

Energy Market Regulatory Board's Board Decision dated 30.05.2024 and numbered 12665: Within the scope of the Board Decision No. 12665 published in the Official Gazette dated 01.06.2024 and numbered 32563 and the Communiqué on Regulation of Market Operating Income published in the Official Gazette dated 02.12.2015 and numbered 29570 it has been decided;

- To add an additional amount of 486.849.672-TL to the market operating income ceiling of EPIAŞ for the year 2024 approved by the Board Decision dated 21.12.2023 and numbered 12280 as additional market operating income ceiling,
- Unit fees to be updated and implemented by EPIAŞ as of 01.06.2024 in order to meet the updated revenue ceiling in the markets operated by EPIAŞ.

Constitutional Court Decision dated 07.12.2023, numbered 2018/117E., 2023/212 K.: In the Decision published in the Official Gazette dated 04.06.2024 and numbered 32566; annulment of certain legislative amendments made by the Decree Law No. 703 dated 02.07.2018 on the Amendment of Certain Laws and Decree Laws in order to Ensure Compliance with the Amendments to the Constitution ("Decree Law No. 703") was requested. In this context;

- Paragraphs (7), (8), (9), (10), (11), (12), (13) and (14) added to Article 26 of the Electricity Market Law No. 6446 regulating the rights and obligations of EÜAŞ by the Decree Law No. 703 are annulled by a majority vote on the grounds that they do not aim compliance with the amendments made to the Constitution and are contrary to the abrogated Article 91 of the Constitution.

"Rights and obligations of EUAS

ARTICLE 26 –

....

(9) (Annex: 2/7/2018-DL-703/9 art.) EUAS sells electricity from wholesale tariffs to authorized supply companies for consumers whose tariffs are subject to regulation.

(10) (Annex: 2/7/2018-DL-703/9 art.) Prices, terms and conditions regarding the sale of electrical energy to assigned supply companies for consumers whose tariffs are not subject to regulation by EÜAŞ are determined freely between the parties.

(11) (Annex: 2/7/2018-DL-703/9 art.) The suppliers authorized by the Board as the last welding supplier are obliged to procure from EUAS the ratio of the electrical energy provided for the customers within the scope of the last resource supplier to be determined by the Board every year.

...

(13) (Annex: 2/7/2018-DL-703/9 art.) In the event that EUAS cannot meet the amount of electrical energy

specified in the ninth, eleventh and twelfth paragraphs within the scope of the existing contracts, it shall procure it from the companies operating domestic coal-fired electricity generation plants. Other procedures and principles including the amount, duration and price determination related to the said supply shall be determined by the Ministry.

...”

It has been unanimously decided that the annulment provisions shall enter into force 12 (twelve) months after the publication of the Decision in the Official Gazette.

Regulation Amending the Electricity Market Connection and System Utilization Regulation: With the Amending Regulation published in the Official Gazette dated 25.06.2024 and numbered 32583, the phrase “two” in the second paragraph of Article 25 of the Electricity Market Connection and System Utilization Regulation published in the Official Gazette dated 28/1/2014 and numbered 28896 has been amended as “1,3”.

“(Amended: OG-29/7/2023-32263) The user pays the amount in the notification to TEİAŞ or the distribution company within fifteen days following the day of notification of the payment notification. For the period of delay in payment, the late payment surcharge calculated according to Article 51 of the Law on Procedure for Collection of Public Receivables dated 21/7/1953 and numbered 6183 shall be applied. This rate shall be applied ~~two~~ “1.3” times for transmission system users.”

The amendment entered into force as of the date of publication.

Energy Market Regulatory Board’s Board Decision dated 27.06.2024 and numbered 12716: With the Board Decision No. 12716 published in the Official Gazette dated 29.06.2024 and numbered 32587, the fifth paragraph of the provisional Article 1 of the Procedures and Principles for Determining Minimum and Maximum Price Limits in the Day-Ahead Market and Balancing Power Market has been amended.

“(5) From the effective date of this paragraph until a new decision is taken by the Board; minimum price limits are applied as 0 TL/MWh and maximum price limits are applied as ~~2.700~~ 3.000 TL/MWh in the relevant markets. During this implementation period, the provisions of the second paragraph of Article 4 of these Procedures and Principles shall not apply.”

The amendment entered into force on 1/7/2024.

Energy Market Regulatory Board’s Board Decision dated 27.06.2024 and numbered 12719: With the Board Decision No. 12719 published in the Official Gazette dated 29.06.2024 and numbered 32587, with the Board Decision No. 12719 published in the Official Gazette dated 29.06.2024 and numbered 32587, it was decided that the distribution system users by the distribution companies and the non-eligible consumers by the authorized supply companies and the low-consumption consumers defined within the scope of the Communiqué on Regulation of the Last Source Supply Tariff published in the Official Gazette dated 20.01.2018 and numbered 30307. 2018 dated 20.01.2018 and numbered 30307 published in the Official Gazette dated 20.01.2018 and numbered 30307, it was decided to approve the tariff tables to be applied as of 01.07.2024 to the low consumption consumers defined within the scope of the Communiqué on the Regulation of the End Source Supply Tariff and the tariff table to be applied as of 01.07.2024 to the consumers who have chosen the Green Tariff by the authorized supply companies.

The activity-based tariff table published by the Enerji Market Regulatory Board is as follows:

Activity Based Tariffs Approved by EMRA and Applicable as of July 1, 2024		
1/7/2024	Activity Based Consumer Tariffs (kr/kWh)	Total Tariffs Excluding Power Fee (kr/kWh)

Transmission System Users	Transmission System Users Receiving Energy from the Incumbent Supply Company	Retail Single Time Energy Fee	Retail Daytime Energy Fee	Retail Peak Energy Fee	Retail Night Energy Fee	Distribution Fee	Single Time	Daytime	Peak	Night
	Consumer	312,4942	316,4941	507,6545	162,2084	0,0000	312,4942	316,4941	507,6545	162,2084
Distribution System Users	Distribution System Users	Retail Single Time Energy Fee	Retail Daytime Energy Fee	Retail Peak Energy Fee	Retail Night Energy Fee	Distribution Fee	Single Time	Daytime	Peak	Night
	Medium Voltage					Medium Voltage				
	Double Term					Double Term				
	Industry	274,2853	278,1487	462,8456	129,0797	60,2673	334,5526	338,4160	523,1129	189,3470
	Public and Private Services Sector and Other	306,6641	310,2889	517,9165	145,0883	93,9251	400,5892	404,2140	611,8416	239,0134
	Residence	151,8262	155,3345	283,1156	53,1505	93,0324	244,8586	248,3669	376,1480	146,1829
	Agricultural Activities	200,9917	203,5594	350,1303	86,4353	77,3544	278,3461	280,9138	427,4847	163,7897
	Lighting	311,4197				90,1476	401,5673			
	Single Term					Single Term				
	Industry	284,7019	288,7020	479,8624	134,4163	66,5704	351,2723	355,2724	546,4328	200,9867
	Public and Private Services Sector and Other	306,0686	309,6935	517,3211	144,4918	117,1606	423,2292	426,8541	634,4817	261,6524
	Residence	145,9788	149,4873	277,2666	47,3019	114,8713	260,8501	264,3586	392,1379	162,1732
	Agricultural Activities	198,2802	200,8482	347,4192	83,7224	96,3144	294,5946	297,1626	443,7336	180,0368
	Lighting	311,8006				112,4522	424,2528			
	Low Voltage					Low Voltage				
	Single Term					Single Term				
	Industry	267,5627	271,3632	453,0836	124,6970	102,9981	370,5608	374,3613	556,0817	227,6951
	Public and Private Services Sector and Other (30 kWh/day and below)	246,3661	310,4593	518,0865	145,2583	139,5844	385,9505	450,0437	657,6709	284,8427
	Public and Private Services Sector and Other (Above 30 kWh/day)	306,8350	310,4593	518,0865	145,2583	139,5844	446,4194	450,0437	657,6709	284,8427

Residence (8 kWh/day and below)	49,4065	142,6273	270,4077	40,4418	136,5179	185,9244	279,1452	406,9256	176,9597
Residence (Above 8 kWh/day)	139,1181	142,6273	270,4077	40,4418	136,5179	275,6360	279,1452	406,9256	176,9597
Martyr Families and War Veterans	6,1590				82,8453	89,0043			
Agricultural Activities	195,0087	201,7331	344,1485	80,4509	114,6937	309,7024	316,4268	458,8422	195,1446
Lighting	314,2697				133,6912	447,9609			
General Lighting	389,0440				133,6912	522,7352			

The green tariff table published by the Board Decision is as follows:

Green Tariff Excluding Taxes, Funds and Shares to be applied as of July 1, 2024, approved by EMRA						
Transmission System Users						
	Green Energy Fee					
	kr/kWh					
	314,2697					
Distribution System Users						
Consumers Receiving Energy from the Incumbent Supply Company						
	Green Energy Fee	Distribution Fee	Capacity		Green Energy + Distribution	Reactive Energy
			Power Fee	Power Overrun Fee	Single Time	
	kr/kWh	kr/kWh	kr/Month/kW	kr/Month/kW	kr/kWh	kr/kVARh
Medium Voltage						
Double Term						
Industry	314,2697	60,2673	2.002,8284	4.005,6568	374,5370	196,6895
Public and Private Services Sector and Other	314,2697	93,9251	3.224,5379	6.449,0758	408,1948	196,6895
Residence	314,2697	93,0324	3.144,6224	6.289,2448	407,3021	
Agricultural Activities	314,2697	77,3544	3.111,8866	6.223,7732	391,6241	196,6895
Lighting	314,2697	90,1476	3.205,1390	6.410,2780	404,4173	
Single Term						
Industry	314,2697	66,5704			380,8401	196,6895
Public and Private Services Sector and Other	314,2697	117,1606			431,4303	196,6895
Residence	314,2697	114,8713			429,1410	

Agricultural Activities	314,2697	96,3144			410,5841	196,6895
Lighting	314,2697	112,4522			426,7219	
Low Voltage						
Single Term						
Industry	314,2697	102,9981			417,2678	196,6895
Public and Private Services Sector and Other	314,2697	139,5844			453,8541	196,6895
Residence	314,2697	136,5179			450,7876	
Agricultural Activities	314,2697	114,6937			428,9634	196,6895
Lighting	314,2697	133,6912			447,9609	

Regulation Amending the Electricity Market License Regulation: With the Regulation Amending the Electricity Market License Regulation published in the Official Gazette dated 17.08.2024 and numbered 32635, the following sentences were added to the first paragraph of Article 57 of the Electricity Market License Regulation to come before the last sentence,

“However, changes in the shareholding structure planned to be made other than subparagraphs (a), (b), (ç), (d), (f), (j) and (k) are subject to Board approval each time. In this context, in the event of a change in the shareholding structure without the approval of the Board, the pre-license in question shall be canceled within the framework of the third paragraph of Article 6 of the Law.”

Energy Market Regulatory Board’s Board Decision dated 19.09.2024 and numbered 12891: With the Board Decision No. 12891 published in the Official Gazette dated 21.09.2024 and numbered 32669, regarding the transmission surcharge to be applied in 2025, effective from 01.01.2025, pursuant to subparagraph (h) of the seventh paragraph of the seventh paragraph of Article 5 of the Law No. 4628 on the Organization and Duties of the Energy Market Regulatory Authority, subparagraph (e) of paragraph (A) of the first paragraph of Article 10 and the third paragraph of Article 7 of the Electricity Market Tariffs Regulation, the transmission surcharge to be applied in 2025 has been determined as 0.5% (five per thousand) of the transmission tariff of the Turkish Electricity Transmission Corporation. Transmission surcharges are calculated monthly by the Turkish Electricity Transmission Joint Stock Company and deposited to the Energy Market Regulatory Authority account until the 25th of the following month.

Energy Market Regulatory Board’s Board Decision dated 26.09.2024 and numbered 12899: With the Board Decision No. 12899 published in the Official Gazette dated 28.09.2024 and numbered 32676, due to the ongoing effects of the Kahramanmaraş-centered earthquakes dated February 6, 2023, pursuant to Article 140 of the Electricity Market Balancing and Settlement Regulation, until 31.03.2025;

Akedaş Elektrik Dağıtım A.Ş., Dicle Elektrik Dağıtım A.Ş., Fırat Elektrik Dağıtım A.Ş., Toroslar Elektrik Dağıtım A.Ş. and the authorized supply companies operating in the said distribution regions;

- The categories of the incumbent supply companies within the scope of subparagraphs (a), (b), (c) and (ç) of the second paragraph of Article 17 of the Regulation,
- Supply companies in which Organized Industrial Zones are directly or indirectly shareholders,

It has been decided that the amounts included in the advance payment notifications specified in the first paragraph of Article 132/Ç of the Regulation, which are obliged to be paid for the related invoice period, shall be postponed until the invoice due date for the relevant invoice period, and no default interest shall be applied to the market operator and market participant during the period of postponement of advance payments. The decision entered into force on 01.10.2024.

Major Legislative Changes in the Electric Vehicle Charging Segment

Within the period between 01.01.2024 and 30.09.2024, there were no major legislative changes within the electric vehicle charging sector.

b) Information on the investments made by the Company during the related fiscal period:

Within the period between 01.01.2024 and 30.09.2024, the Company made investment expenditures related to the concession agreement amounting to TL 9,302,815,000 (TL 8,291,660,000 of this investment amount consists of the main balance arising from the presentation before TAS 29 and TL 1,011,155,000 consists of the monetary loss gain arising from the 30.09.2024 purchasing power indexation presentation after TAS 29) and TL 1,164,058,000 of tangible and intangible assets.

c) Information on the internal control system and internal audit activities of the Company and the related opinion of the management body:

Internal audit activities related with the efficiency of the internal control system of the Company are planned and conducted by the Internal Audit Department. The audit results are shared with Enerjisa Enerji A.Ş. Audit Committee composed of independent BoD members only and the Company management and the planned actions are monitored.

Enerjisa Enerji Internal Audit Department directly reports to the Audit Committee, which is a sub-committee of the Enerjisa Board of Directors per the necessity of independence and objectivity principles. The purpose of internal audit is to provide an opinion to the Board of Directors about the compliance of the Company and its subsidiaries' activities with laws, other applicable legislation, internal strategies, policies and procedures and the effectiveness and adequacy of internal controls. With these efforts and structuring, it is aimed to take preventive measures, protect the Company assets, improve business processes and provide added value for the entity by way of giving opinions and suggestions to increase operational efficiency. In accordance with this objective, internal audit activities are conducted in the frame defined through approved audit committee and internal audit charters. The risk assessment results of the Company are updated every year and the risk-based annual internal audit plan is submitted to the approval of the Audit Committee and the Board of Directors after obtaining the comments of the management. Each year, the audits within the scope of the approved audit plan are performed in accordance with international audit standards and COSO (Committee of Sponsoring Organizations of the Treadway Commission) requirements. Full compliance to the International Audit Standards was certified again in 2023, with the independent quality assurance audit conducted by KPMG.

Internal Audit is responsible from the evaluation and examination processes of ethics notifications related to the employees and other stakeholders (shareholders, customers, suppliers, public institutions). In addition to its auditing function, internal audit also provides consultancy services in line with its vision and mission, as required by its principle of being a "reliable business partner" and upon the requests of the executive management.

d) Information on the Company's direct or indirect participations/subsidiaries and the share ratios:

The direct participation shares held by the Company are as follows:

	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group (%)		Principal activity
		30 September 2024	31 December 2023	
Başkent Elektrik Dağıtım A.Ş.	Ankara	100	100	Electricity Distribution Services
Enerjisa Başkent Elektrik Perakende Satış A.Ş.	Ankara	100	100	Electricity Retail Services
İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş.	İstanbul	100	100	Electricity Distribution Services
Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş.	İstanbul	100	100	Electricity Retail Services
Toroslar Elektrik Dağıtım A.Ş.	Adana	100	100	Electricity Distribution Services
Enerjisa Toroslar Elektrik Perakende Satış A.Ş.	Adana	100	100	Electricity Retail Services
Enerjisa Müşteri Çözümleri A.Ş.	İstanbul	100	100	Renewable Energy and Energy Efficiency Solutions
E-şarj Elektrikli Araçlar Şarj Sistemleri A.Ş.	İstanbul	100	100	Electric Vehicles and Charging Stations Services
Enerjisa Araç Filo Hizmetleri A.Ş.	Ankara	100	-	Operational Car Rental and Fleet Services

e) Information on the own shares of the company acquired:

The company does not own any shares in the related period.

f) Information on private audit conducted in the fiscal period:

None.

g) Information on legal actions filed against the Company which might adversely affect the financial situation and operations of the Company and their possible consequences:

There are no cases filed against the Company within the period of 01.01.2024 – 30.09.2024, which may adversely affect the financial situation and operations of the Company.

h) Information on the administrative or judicial sanctions imposed on the Company and the members of its management body for practices in breach of the provisions of applicable legislation:

There is no judicial or administrative sanction imposed on the Company and the members of the Board of Directors for practices contrary to applicable laws and regulations.

i) Information and evaluation on whether the goals set in the previous periods were achieved, and whether the decisions of the general assembly were implemented, and if not, the related reasons for failure to achieve such goals or to implement such decisions:

The Company has achieved its budgetary targets for the period of 01.01.2023 – 31.12.2023. Details are specified in the section of “Financial Situation” in the activity report as of 31.12.2023. The 9M 2024 performance of the Company is explained in the section of “Financial Situation” in this activity report for the period of 01.01.2024 – 30.09.2024.

j) If any extraordinary general assembly meeting has been held during the year, information on such extraordinary general assembly meeting including the date of the meeting, the decisions taken in such meeting and the related activities:

No such meeting has been held.

k) Information on the Company’s donations and aids and its expenditures made on social responsibility projects during the year:

The Company has made donations and aids at the amount of TL 29,434,322 within the period of 01.01.2024 – 30.09.2024.

l) If a company operating under a group of companies; legal actions taken with the parent company, or any subsidiary of the parent company in favor of the parent company or any subsidiary thereof upon the instructions of the parent company and all the other measures taken or avoided in favor of the parent company or any subsidiary thereof in the previous fiscal year:

There are no legal actions that we have taken with Hacı Ömer Sabancı Holding A.Ş., E.ON International Participations N.V. or any subsidiary thereof or in favor of them or any of their subsidiaries upon their instructions; and there are no actions taken or avoided in favor of Hacı Ömer Sabancı Holding A.Ş. and E.ON International Participations N.V. or any of their subsidiaries.

m) The company's sources of finance and the nature and value of the capital markets instruments issued, if any:

Enerjisa Enerji A.Ş. creates new financing sources through loans and bonds in Turkish Lira.

The Group has a total of TL 28,523,450,000 bonds (issued amount) in circulation as of September 30, 2024.

Issuer	Notional (million TL)	Interest / Return Rate (%)	Issue Date	Maturity Date
Enerjisa Enerji A.Ş.	600	TLREF + %16,00	21.10.2022	18.10.2024
Enerjisa Enerji A.Ş.	1,375	33,00%	3.03.2023	12.03.2025
Enerjisa Enerji A.Ş.	950	35,00%	6.04.2023	4.04.2025
Enerjisa Enerji A.Ş.	1,183	42,50%	21.06.2023	4.07.2025
Enerjisa Enerji A.Ş.	3,100	42,50%	17.07.2023	17.07.2025
Enerjisa Enerji A.Ş.	2,260	39,00%	9.08.2023	8.08.2025
Enerjisa Enerji A.Ş.	1,000	48,00%	20.09.2023	25.09.2025
Enerjisa Enerji A.Ş.	2,600	49,50%	2.10.2023	8.10.2025
Enerjisa Enerji A.Ş.	2,000	48,00%	25.10.2023	17.01.2025
Enerjisa Enerji A.Ş.	2,000	TLREF + 4,75%	3.01.2024	2.01.2026
Enerjisa Enerji A.Ş.	3,500	TLREF + 4,25%	8.02.2024	5.02.2026
Enerjisa Enerji A.Ş.	1,100	52,50%	8.04.2024	7.04.2025
Enerjisa Enerji A.Ş.	1,600	52,00%	6.05.2024	5.05.2025
Enerjisa Enerji A.Ş.	1,000	50,20%	14.05.2024	13.05.2025
Enerjisa Enerji A.Ş.	3,255	TLREF + %1	26.07.2024	24.07.2026
Enerjisa Enerji A.Ş.	1,000	TLREF + %1	30.07.2024	24.07.2026
Total	28,523			

n) Information on potential conflict of interests with consultancy and rating services obtained by the Company and preventive actions:

Our Company acts in accordance with Code of Ethics, Third Party Relations Policy and Conflict of Interest Policy which can be found in the below links.

<https://www.enerjisainvestorrelations.com/en/corporate-governance/code-of-ethics/>

<https://www.enerjisinvestorrelations.com/medium/ReportAndPresentation/File/3087/thirdpartyrelationspolicy.pdf>
<https://www.enerjisinvestorrelations.com/medium/ReportAndPresentation/File/3021/conflictinterestpolicy.pdf>

o) Events that occurred after the Balance Sheet Date:Our company has made a bond issuance on 21/10/2024, amounting to TL 2,200,000,000 with 728 days term, interest with TLREF+1% rate, coupon payments every 3 months, redemption date of 19/10/2026, and with TRSENSAE2619 ISIN code.

On October 17, 2024, Toroslar EDAŞ and TSKB signed a loan agreement with a total maturity of 6 years, the first 1 year of which is non-refundable, in the amount of USD 100 million equivalent of TL, to be used in the future, in order to strengthen the energy infrastructure in earthquake affected regions.

p) Other issues not included in the financial statements, but useful to know for interested parties:

None.

q) If a company operating under a group of companies; information about whether a counter action was provided appropriate for each legal action and whether the measure taken or avoided caused the company to suffer a loss; and if the company suffered a loss, whether it was compensated or not according to the situation and conditions known by them at the time when the legal action or the measure mentioned in the subparagraph (l) was performed or taken or avoided:

To the best of the Company's knowledge of current conditions, the legal actions taken by the Company with the controlling companies or any of their subsidiaries or in favor of the controlling companies or any of their subsidiaries upon the instructions of the controlling companies and all the other measures taken or avoided in favor of the controlling companies or any of their subsidiaries in the fiscal period of 01.01.2024 - 30.09.2024 were evaluated in the form of a report under the scope of all transactions performed between the Company and the controlling company and its affiliated companies during the Fiscal Period of 01.01.2024 - 30.09.2024, which were conducted in full conformity with the honest and fair accounting principles according to the conditions well known to us. The Company did not suffer any loss resulting from any transaction executed under known conditions in connection with the Fiscal Period of 01.01.2024- 30.09.2024.

r) Information on cross shareholding of subsidiaries with above 5% ownership:

There is no cross shareholding.

s) Information on Corporate Social Responsibility activities of the company related to social rights of employees, vocational trainings and other social and environmental aspects:

This related information can be accessed from the link below.

<https://www.enerjisa.com.tr/en/sustainability>

5- FINANCIAL SITUATION

a) Management body's analysis and assessment of the financial position and operational results, the extent of realization of planned activities, and the company's position against defined strategic goals:

The figures provided in this section have been adjusted for inflation accounting and the 2023 figures have also been restated to reflect the purchasing power parity of 2024, unless stated otherwise.

Operational Earnings (EBITDA + Capex reimbursements excluding exceptional items) of Enerjisa Enerji A.Ş. increased by 1.2% annually from TL 29,522 million in 9M 2023 to TL 29,883 million in 9M 2024.

Distribution business unit's operational earnings of TL 24,881 million accounted for 83% of Enerjisa Enerji's operational earnings in 9M2024. The main differences in the operational earnings of the Distribution business unit in 9M2024 compared to 9M2023 are mainly due to:

- **Financial Income:** Financial income increased by 14% annually reaching TL 14,543 million driven by Regulated Asset Base increase.
- **CAPEX Reimbursements:** Capex reimbursements increased by 11% realized as TL 9,527 million in 9M2024 driven by Regulated Asset Base increase.
- **Efficiency & Quality Earnings:** Total efficiency & quality item increased by 100%, from TL 629 million in 9M2023 to TL 1,258 million mainly due to the TL 447 million increase in theft and loss outperformance, TL 975 million increase in Opex outperformance and TL 454 million increase in quality bonus in 9M2024. The increase in Opex outperformance is mainly due to the additional ceiling increase expected in 2024 just like happened in 2023 Y/E.
- **Other Items:** Other items were realized as TL -447 million mainly due to negative Mark to Market effect from FX hedging activities of CAPEX and OPEX purchases (9M2023: TL 1,059 million).

The contribution of the Retail and Customer Solutions business units in operational earnings was 17% in 9M2024. The gross profit of the regulated market has decreased by 32% on an annual basis from TL 5,348 million in 9M2023 to TL 3,622 million in 9M2024, mainly due to lower sourcing costs and related lower borrowing cost compensation impact partially offset by higher Renewable Energy Resources Support Mechanism (YEKDEM) unit cost and lack of EMRA price support mechanism. Meanwhile, liberalized gross profit decreased in real terms by TL 596 million to TL 1,151 million in 9M2024 due to energy cost increases which remain below inflation and lower income from portfolio optimization partially netted with higher liberalized volume.

In contrast to the difficult market conditions, Enerjisa Enerji was able to increase its electricity volumes sold in both markets. Regulated segment sales increased by 7% from 23.5 TWh in 9M2023 to 25.1 TWh in 9M2024. Meanwhile, liberalized segment's sales increased from 9.2 TWh in 9M2023 compared to 12.5 TWh in 9M2024 (36% yoy growth).

The gross profit of emerging Customer Solutions business increased in real terms by TL 2,645 million to TL 3,239 million (9M2023: TL 595 million), mainly driven by the additional solar PV installed capacity offered to B2B customers. Operational earnings of the Customer Solutions business increased by TL 313 million in real terms and is realized as TL 1,580 million due to expenses related with discounting trade receivables with today's prices and the Mark to Market valuation of FX hedging instruments for material purchases in foreign currency (9M2023: TL 1,268 million).

Enerjisa Enerji A.Ş. **Underlying Net Income** decreased by 36% in real terms from TL 4,919 million in 9M2023 with 2024 prices to TL 3,138 million in 9M2024. Below operational earnings line, the main effects in real terms were as follows:

- TL 6,445 million higher financing net interest expenses, including net loan and bond interest expenses and operational FX gains/losses, driven by higher average financial net debt position and higher weighted average financing rates,
- TL 2,636 million lower other financial expenses mainly due to interest income accrued due to uncollected tariff receivables,

- TL 896 million higher monetary losses due to growing equity more than the non-monetary asset position at the balance sheet.
- TL 3,625 million lower taxes in real terms since, for the fiscal year ending December 31, 2023, inflation adjustments to statutory financial statements led to a reduction in corporate tax due to the indexing of equity items. This tax benefit is recognized as deferred tax income in the IFRS financial statements for 2024 FY and contributing positively in 9A 2024 compared to 9A 2023.

The average financing rate increased from 34.2% in 9A2023 to 46.4% in 9M2024. Economic Net debt (financial net debt in addition to lease liabilities and customer deposits) of TL 48.9 billion (with September 2024 purchasing power) at year end 2023 is realized as TL 49.0 billion at 9M2024.

Net Financial Debt of TL 38.8 billion (with September 2024 purchasing power) at year end 2023 is realized as TL 38.9 billion in 9M2024.

b) Company's sales, productivity, income generation capacity, profitability and debt to equity ratio within the year in comparison with the previous years, and information on any other issues that might suggest the company's operational results and future expectations:

The figures provided in this section have been adjusted for inflation accounting and the 2023 figures have also been restated to reflect the purchasing power parity of 2024, unless stated otherwise.

The Company's gross profit in 9M 2024 is TL 29,343 million (9M 2023: TL 28,220 million). The Company's net debt / (net debt + equity) ratio as of 30 September 2024 has been recorded as 36.1% (31 December 2023: 33.6%)

No going concern risk is predicted for the Company.

c) Determination about whether the Company's capital has remained without reserve or whether it has run into debt and the management body's evaluations related thereof:

The Company is not in a deep-in-debt (technical bankruptcy) situation according to the evaluations made pursuant to Article 376 of the Turkish Commercial Code.

d) Measures planned to improve the financial structure of the Company, if any:

Since the Company's financial and capital structures are strong, there are no measures planned to be taken to improve the financial structure of the Company.

e) Information on the dividend distribution policy and, if there will be no dividend distribution, a proposal on how to allocate retaining earnings with its justification:

Information on the dividend distribution policy can be found in the link below.

<https://www.enerjisainvestorrelations.com/medium/ReportAndPresentation/File/2633/dividendpolicy2023.pdf>

Distribution of cash dividend of TL 3,295,182,418.26 in total was completed as of May 2, 2024, as it was resolved at the General Assembly on April 4, 2024.

6- AMENDMENTS TO ARTICLES OF ASSOCIATION MADE IN THE PERIOD AND THE RELATED REASONS

No changes were made to the Articles of Association during the period.

7- RISKS AND THE EVALUATION OF THE MANAGEMENT BODY

a) Board of Directors Meetings

As of September 30, 2024, the Company's Board of Directors convened 4 time in total to evaluate strategic matters concerning the Company. The attendance rate of Board meetings was 93.7%.

b) Committees

i. Corporate Governance Committee

Following the IPO in February 2018, the Corporate Governance Committee has been enacted at the General Assembly Meeting held on March 29, 2018. According to the Committee Charter effective as of April 1, 2022, members of the Committee are selected from Board members and Investor Relations Manager. The Committee is chaired by an independent Board Member.

The purpose of Corporate Governance Committee is to make suggestions to the Board of Directors of the Company in order:

- To ensure the compliance of the corporate governance principles of the Company with the Corporate Governance Principles as determined by the Board and other internationally accepted corporate governance principles and best practices,
- To make advices in order for implementation of such principles,
- To follow-up compliance of the Company with such principles.

This Committee also performs the governance related duties of the Nomination Committee and the Remuneration Committee within the Company.

Corporate Governance Committee Charter can be viewed from the below link.

<https://www.enerjisinvestorrelations.com/en/corporate-governance/committee-charters/corporate-governance-committee-charter>

The Corporate Governance Committee had 2 meetings during H1 2024.

Corporate Governance Committee members are as follows:

Name Surname	Duty	Duty in the Board
Kamuran Uçar	Corporate Governance Committee Chairperson	Independent Board Member
Guntram Würzberg	Corporate Governance Committee Member	Board member
Yeşim Özlale Önen	Corporate Governance Committee Member	Board member
Harun Turan	Corporate Governance Committee Member	Investor Relations Leader

ii. Early Risk Detection Committee

The Board delegates the monitoring of risks to the Early Risk Detection Committee (ERDC). Members to the Committee are selected Board Members (including two independent members) and the Committee is chaired by

an independent Board member. Aside from receiving regular Risks and Opportunities Report, each meeting agenda includes an in-depth review of a prioritized topic. The ERDC reports directly to the Enerjisa Enerji Board.

ERDC is responsible to advise Board regarding risk and opportunity definitions which threat Company’s existence and strategies, relevant mitigation actions, early detections and precautions. Following Board review, agreed actions are monitored by the Enerjisa Enerji CFO and ERDC.

ERDC Charter can be viewed from the below link.

<https://www.enerjisainvestorrelations.com/en/corporate-governance/committee-charters/early-risk-detection-committee-charter>

The ERDC meetings and report circulations to the committee are organized at least 6 times per year. In this scope, it was held 5 times as of the end of September 2024, in form of 4 physical meetings and 1 e-mail circulation.

ERDC members are as follows:

Name Surname	Duty	Duty in the Board
Mehtap Anık Zorbozan	Chairperson	Independent Board Member
Kamuran Uçar	Committee Member	Independent Board Member
Nusret Orhun Köstem	Committee Member	Board Member
Thorsten Lott	Committee Member	Board Member

iii. Audit Committee:

Activities of the Internal Audit Department are regularly reported to the Audit Committee. In this scope, 3 Audit Committee meetings were held during in 2024. Through these meetings, the Audit Committee was informed on topics including, but not limited to, improvement areas identified in audit/consultancy activities and relevant action plans, results of follow-up activities, information about performed ethics investigation activities and significant considerations about other activities.

Audit Committee Charter can be viewed from the below link.

<https://www.enerjisainvestorrelations.com/medium/ReportAndPresentation/File/920/accharter.pdf>

Audit Committee members are as follows;

Name Surname	Duty	Duty in the Board
Mehtap Anık Zorbozan	Chairperson	Independent Board Member
Kamuran Uçar	Committee Member	Independent Board Member

7.2. Risk Assessment

a) Risk Management Approach

Enerjisa Enerji aims to ensure sustainable and predictable profitability by effectively managing the risks in the energy markets and to protect the value created as a result of sales and distribution activities with its risk management policies.

Setting risk management as an integral part of strong management, Enerjisa Enerji's Risk Management Framework aims to identify risks and opportunities which may impact the Company's financial, operational and strategic plans. The framework enables assessment, classification, and mitigation of these risks through various methodologies. The ultimate aim of this framework is to provide transparency to management functions and to support decision making processes through regular reporting.

Enerjisa Enerji acts in accordance with the principle of assigning responsibility to the business units in risk identification and risk management as recommended by quality standards in this field such as COSO and ISO 31000. In this context, risk coordinators were appointed in the business units to act as a bridge between the departments and the central risk management function.

Risk management workshops are held annually with the risk coordinators and process owners of the business units in order to raise awareness for risk management. In these workshops, the important topics of the previous year, the annual risk management calendar and risk analysis, consolidation and reporting methodology are discussed.

b) Risk Governance Structure

Enerjisa Enerji utilizes both mandatory committees in accordance with legislation and non-mandatory committees in order to ensure an effective and functional risk management. Established under the CFO organization, the Central Group Risk Management function is responsible for scoring risks, monitoring and improving risk management processes, and periodically reporting risks along with their impacts and improvement actions. The findings and risk management objectives, compiled by the central risk management function, are first presented to the Risk Management Committee, formed of the senior executives of all business units and chaired by the CFO.

At the next stage, these findings are presented to the Early Detection of Risk Committee, which is formed of the members of the Board of Directors. The Early Detection of Risk Committee is responsible for advising the Board of Directors of risks and opportunities, which may affect the existence and strategies of the Company, related mitigation actions, early detection processes and measures, as well as monitoring the effectiveness of the risk management processes. The Early Detection of Risk Committee is chaired by an independent board member. Following the Board review, agreed actions are monitored by the CFO and the Early Detection of Risk Committee.

c) Risk Management Procedure

The risks and opportunities which Enerjisa Enerji is exposed to, are identified with a detailed assessment study. This study is elaborated with two different approaches, i.e., qualitative and quantitative risk reporting methodology.

- 1. Quantitative risk and opportunity methodology:** For each risk and opportunity, the best-case, base case and worst-case scenarios are collected from the business units. The probabilities of realization of these risks and opportunities are determined, simulated by using numerical analysis methodologies and grouped according to their expected values. During the consolidation of the impacts of risks and opportunities, correlations are taken into account and any fluctuation which may affect the Company's net profit are reported.
- 2. Qualitative risk reporting methodology:** Risks whose direct financial impacts cannot be quantified but which have the potential to have a negative impact on the Company's strategic and operational activities are prioritized through the scales, which are defined according to their impact levels and probabilities, and

reported with risk heat-maps. These studies form the basis of the Risks and Opportunities Report submitted to the senior management and the Early Detection of Risk Committee.

d) Basic Categories of Risk and Opportunity

Enerjisa Enerji establishes risk management systems and prepares action plans in order to minimize the occurrence of financial and non-financial risks and their effects in order to maximize the value it creates for its stakeholders.

Financial and non-financial risks are mapped by identifying their effects on the sector and operations. The risk mapping process consists of three stages - identification, assessment and classification - covering the regular reporting and decision-making processes and enabling transparency.

Financial Risks and Opportunities

The nature of electricity distribution and retail sales activities exposes the sector players to various risks and opportunities in the value chain. At Enerjisa Enerji, risks and opportunities are categorized and monitored according to their sources. These risks are followed up and prioritized depending on their possible impact levels and recorded with risk mitigating practices. Following the sensitivity analysis, quantifiable risks and their financial implications are reported.

i. Regulatory Risks and Opportunities

Electricity distribution and retail sales activities are regulated businesses which are carried out under the supervision of EMRA and are governed according to the principles determined by the Electricity Market Law and secondary legislation. Enerjisa Enerji applies the National Tariff determined by EMRA to its regulated customers. The National Tariff consists of the tariffs to be applied to the transmission and distribution system users. EMRA determines the items of the National Tariff for each tariff period.

Revenue requirement and/or price ceilings for regulated activities is determined by EMRA and reflected to the end consumer through the National Tariff mechanism by taking into account all costs and services for the execution of the relevant activity in the fourth regulatory period, which will apply between 1 January 2021 - 31 December 2025, as in the previous regulatory periods.

Since the majority of the Company's revenues are derived from electricity distribution activities and retail sales to regulated customers at a tariff set by EMRA, changes in any component of this tariff may lead to a significant deviation in Enerjisa Enerji's plans.

In addition, regulations issued by EMRA include organizational and operational requirements and limitations regarding retail sales and distribution activities. These requirements and limitations are audited by regulatory authorities (primarily EMRA) and findings of any non-compliance may adversely affect Enerjisa Enerji's financial and operational plans.

Enerjisa Enerji conducts regular and constructive reviews with industry participants and regulatory bodies in order to manage regulatory risks and opportunities. The Company also engages in rational and fact-based negotiations with other market participants and regulatory bodies as the market leader through systematic projects and transparent reporting. As a result of the meetings conducted and in-house activities, work and initiatives are carried out which will positively contribute to all sector stakeholders, including consumers, and legislative measures in order to support the sustainability of the sector.

ii. Market Risks and Opportunities

Enerjisa Enerji is exposed to interest rate fluctuations in financial markets as a result of its financial debt, and to exchange rate fluctuations due to the Renewable Energy Resources Support Mechanism (FIT).

Enerjisa Enerji is also affected by volatility in over-the-counter market pricing and trading volumes in the commodity markets due to retail sales activities, as well as volatility in prices of other products due to material procurement in distribution activities (procurement is conducted in TL terms, but prices are correlated with prices in commodity markets).

Enerjisa Enerji uses systematic approaches in order to estimate market parameters such as price, inflation, interest rates, exchange rates and demand in the most realistic way. Existing and expected exposures are checked on a regular basis and maintained at an optimum level with hedging transactions. Derivative transactions and the effectiveness of these transactions are periodically discussed within the Finance Committee and the Commodity Risk Committee.

iii. Credit Risks and Opportunities

Enerjisa retail companies are exposed to credit risk due to sales in the regulated and liberalized markets.

Enerjisa distribution companies, on the other hand, are exposed to credit risk due to the system usage receivables to be collected from retail companies that provide retail sales services using the distribution network. In addition, invoicing for theft/illegal electricity use also poses credit risk in collection processes.

Enerjisa Enerji manages its credit risk by obtaining security deposits from regulated customers, letters of guarantee or other types of guarantees from liberalized customers. Timely invoicing, efficient receivables management and monitoring the credit ratings of large customers enables Enerjisa Enerji reduce its credit risk as much as possible.

In addition to carrying out reporting and follow-up activities aimed at reducing the credit risk arising from financial transactions, the Company works only with the counterparties having credit rating of maximum of two notches below the sovereign rating. In addition, steps are also taken to ensure the diversification of banks in the portfolio of financial derivative instruments and deposits.

iv. Liquidity Risk

Enerjisa Enerji is exposed to liquidity risk due to network investments in the distribution business or temporary funding needs driven by collection performance in the retail business. Although the Company believes this funding need can be covered by external debt capital providers, there is a risk that market conditions could limit conventional liquidity sources.

In periodically performed budget simulations where Risk Management Department highlights the levels of potential deviations from “Best Estimate” of given Net Income of the year, the most vulnerable month in regards to cash need and the level of cash volume exposed via market, operational, regulatory and credit related uncertainties is also highlighted. Additionally, this stress test is modelled in monthly intervals unlike routine budget estimates (the company were using mostly yearly aggregate cash scenarios).

Enerjisa Enerji manages liquidity risk by extending the average tenor of its debt portfolio and developing alternative debt capital sources such as corporate bonds, etc. In addition, the Company regularly forecasts its short and medium-term cash needs in order to anticipate the liquidity need in a timely manner and to take action accordingly.

v. Operational Risks

All processes in Enerjisa Enerji's value chain are exposed to operational risks arising from internal and external factors. Relevant procedures and policies are established for all operational risks and published in Enerjisa Enerji's quality management systems. Committees are appointed to review realizations and manage risk mitigation activities.

Non-Financial Risks and Opportunities

The risks and opportunities which financial impact cannot be measured are grouped under 5 headings as Occupational Health and Safety (which mostly pertains to the distribution business), Environment, Information Technologies, Economic (without material impact) and Reputation and are examined with mitigation plans.

The following 3 risks and opportunities are prioritized.

i. Occupational Health and Safety Risks and Opportunities

Enerjisa Enerji works to a goal of zero critical accidents. OHS risks and opportunities are managed within the scope of the ISO 45001:2018 Health and Safety Management System Standard. As stated in the OHS policy committed by the senior management, Enerjisa Enerji considers that occupational accidents are preventable and takes measurable and proactive actions accordingly.

ii. Environment Risks and Opportunities Related to Climate Crisis and the Environment

Enerjisa Enerji attaches great importance to the protection of biodiversity to minimize the potential negative impacts of its activities on natural life. As our objective is to minimize our impacts, we consider biodiversity a strategic priority both in our day-to-day and business decisions. In 2020, Enerjisa Enerji prepared a "Biodiversity Conservation Action Plan" for three distribution regions within the scope of the loan study carried out with the European Bank for Reconstruction and Development (EBRD). Its aim is to comply with the legal requirements arising from national legislation as well as international obligations with this valid plan. The projects carried out by the Company for the protection of biodiversity are as follows: High Voltage Aerial Line Insulator Project, Bird Deterrent, Bird Deflector. We reviewed our biodiversity risks, including risk management, within the scope of TNFD (Task Force on Nature-related Financial Disclosures). We announced the Strategy and Ambition Statement for Biodiversity for the first time in the 2023 Sustainability Report. We aim to implement actions based on this strategy in cooperation with shareholders, industry partners, NGOs and all our other stakeholders.

We focus on sustainable use of resources across all operations in collaboration with our value chain partners together with the Circular Economy Ambition Statement that we announced in the 2023 Sustainability Report. Our goal is to provide electricity efficiently while also contributing to a more sustainable and circular future.

Within the scope of the CDP Climate Change and Water Security, the issues of climate change and water security are evaluated from the perspective of risks and opportunities. In the CDP process, under heading of Risk and Opportunities, the definitions of risk and opportunity, the financial effects of risk and opportunity, methods of combating risk and the costs of these methods studies were reported. In addition, the study to quantify climate change risks was jointly completed by the OHS, Environment and Group Risk Management units. The study uses climate change related acute inventory losses and damages, disruptions to service and penalties for quality standard violations stipulated by the legislation as inputs.

We evaluate our climate risks and opportunities in accordance with the TCFD (The Task Force on Climate-related Financial Disclosures) framework and requirements. In this context, primarily two climate scenarios are taken into account. In this way, possible physical and transition risks and opportunities are determined by taking into account the priorities of all our business units and by discussing with the relevant responsible people in the business units. Taking into account all impacts related to these risks and opportunities, they are ranked according to their degree of impact. Mitigation actions and measures regarding risks and opportunities are determined.

Precautions and actions are followed and current risk and opportunity scores are periodically reviewed. Enerjisa Enerji regularly monitors and reports its environmental performance, water consumption and carbon emissions. The Company takes part in various initiatives on climate change and energy efficiency, meets with the NGOs and regulatory authorities and develops R&D projects. Enerjisa Enerji offers solutions to customers to help them reduce their carbon emissions.

Until 2030 we commit to reduce our Scope 1 and 2 emissions by 30% and our emission intensity of sold electricity related to our scope 3 emissions by 40% compared to the baseline year of 2021 together with our updated climate strategy which also disclosed in our 2023 sustainability report. We are committed to align our business with the Net Zero journey by 2050.

We completed our working groups by identifying gaps, determining our actions and targets under the leadership of the Biodiversity, Circular Economy, EU Taxonomy, International Reporting Standards, TCFD and Scope 3 working groups, which were successfully completed in line with the company's decarbonization targets.

iii. Information Technologies Risks and Opportunities Related to Digitalization and Customer Privacy

Enerjisa Enerji takes all necessary precautions in order to ensure confidentiality and security of customer information and personal data at the highest level within the framework of the legislation in force. Within that scope, rules and actions determined in accordance with corporate policies are implemented within the Company.

A holder of the ISO 27001 Information Security Management System certificate, Enerjisa Enerji fully complies with the Law on the Protection of Personal Data and provides trainings to its employees and suppliers on PDPL and information security, under the supervision of the Personal Data Protection Committee. There is a Cyber Incident Response Team under the Cyber Security Group Management to manage cyber-attack risks. In addition, the Company also has cyber risk insurance.

8- DUTIES OF THE MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVES CONDUCTED OUT OF THE COMPANY

Duties of the members of the Board of Directors and Executives conducted out of the Company is reported at the Public Disclosure Platform under the “Company Management” section.

<https://www.kap.org.tr/en/sirket-bilgileri/genel/3494-enerjisa-enerji-a-s>

9- APPENDICES

Consolidated Financial Statements
Operational Earnings and Underlying Net Income Calculations

Best regards,

Report date: 04.11.2024

Murat Pınar
CEO

Dr. Philipp Ralph Ulbrich
CFO

ENERJISA ENERJİ A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of purchasing power of the TL at 30 September 2024 unless otherwise indicated. Currencies other than TL are also expressed in thousands unless otherwise indicated.)

ASSETS	Unaudited / current period 30 September 2024	Audited / prior period 31 December 2023
Current Assets	49,737,656	55,276,131
Cash and Cash Equivalents	8,552,057	6,115,407
Financial Assets from		
Service Concession Arrangements	8,835,241	8,096,562
Trade Receivables	18,998,246	21,103,271
<i>Due from Related Parties</i>	<i>164,591</i>	<i>143,346</i>
<i>Due from Third Parties</i>	<i>18,833,655</i>	<i>20,959,925</i>
Other Receivables	5,736,918	7,446,023
<i>Due from Third Parties</i>	<i>5,736,918</i>	<i>7,446,023</i>
Derivative Financial Instruments	22,039	774,634
Inventory	4,442,909	5,361,859
Prepaid Expenses	1,656,887	1,925,104
Assets Related with Current Taxes	17,484	1,285,857
Other Current Assets	1,475,875	3,167,414
Non-Current Assets	117,084,069	124,190,493
Trade Receivables	3,400,407	1,117,938
<i>Due from Related parties</i>	<i>59,422</i>	<i>103,276</i>
<i>Due from Third parties</i>	<i>3,340,985</i>	<i>1,014,662</i>
Other Receivables	6,086,840	3,206,835
<i>Due from Third Parties</i>	<i>6,086,840</i>	<i>3,206,835</i>
Derivative Financial Instruments	-	6,440
Financial Assets from		
Service Concession Arrangements	29,816,492	35,050,247
Right of Use Assets	1,042,051	1,208,449
Property, Plant and Equipment	9,384,550	8,952,510
Intangible Assets	43,858,324	45,900,076
<i>Goodwill</i>	<i>2,688,510</i>	<i>2,688,510</i>
<i>Other Intangible Assets</i>	<i>41,169,814</i>	<i>43,211,566</i>
Prepaid Expenses	1,153,298	138,101
Deferred Tax Assets	22,320,304	28,572,419
Other Non-Current Assets	21,803	37,478
TOTAL ASSETS	166,821,725	179,466,624

ENERJISA ENERJİ A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of purchasing power of the TL at 30 September 2024 unless otherwise indicated. Currencies other than TL are also expressed in thousands unless otherwise indicated.)

LIABILITIES	Unaudited / current period 30 September 2024	Audited / prior period 31 December 2023
Current Liabilities	66,106,572	65,218,388
Short-Term Financial Liabilities	7,150,752	9,835,159
Short-Term Portion of Long Term Financial Liabilities	22,113,943	17,567,554
Other Financial Liabilities	168,659	190,100
Trade Payables	19,379,676	22,021,961
<i>Due to Related Parties</i>	<i>129,307</i>	<i>201,034</i>
<i>Due to Third Parties</i>	<i>19,250,369</i>	<i>21,820,927</i>
Payables for Employee Benefits	1,055,551	909,440
Other Payables	11,931,332	12,214,309
<i>Due to Related Parties</i>	<i>5,742</i>	<i>28,123</i>
<i>Due to Third Parties</i>	<i>11,925,590</i>	<i>12,186,186</i>
Derivative Financial Instruments	654,416	61,386
Deferred Income	33,454	42,939
Income Tax Liability	441,594	49,699
Short-Term Provisions	781,797	1,490,339
<i>Provisions for Employment Benefits</i>	<i>42,126</i>	<i>608,490</i>
<i>Other Short-Term Provisions</i>	<i>739,671</i>	<i>881,849</i>
Other Short-Term Liabilities	2,395,398	835,502
Non-Current Liabilities	30,506,598	35,755,650
Long-Term Financial Liabilities	17,440,016	17,908,329
Other Financial Liabilities	784,055	1,045,353
Deferred Income	9,394	4,215,219
Long-Term Provisions	1,935,075	1,833,093
<i>Provisions for Employment Benefits</i>	<i>1,935,075</i>	<i>1,833,093</i>
Deferred Tax Liabilities	10,338,058	10,753,656
TOTAL LIABILITIES	96,613,170	100,974,038

ENERJISA ENERJİ A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of purchasing power of the TL at 30 September 2024 unless otherwise indicated. Currencies other than TL are also expressed in thousands unless otherwise indicated.)

	Unaudited / current period 30 September 2024	Audited / prior period 31 December 2023
LIABILITIES		
Equity	70,208,555	78,492,586
Registered Share Capital	1,181,069	1,181,069
Adjustments to Share Capital	12,622,763	12,622,763
Share Premium	27,929,865	29,503,498
Total Share Capital	41,733,697	43,307,330
Other Funds	21,719	21,719
Accumulated Other Comprehensive Income / (Expense) to be Reclassified to Profit or Loss in Subsequent Periods	(275,341)	64,348
<i>Hedge Reserves</i>	(275,341)	64,348
Restricted Profit Reserves	3,243,668	3,350,071
Retained Earnings	29,658,302	25,611,864
Profit / (Loss) for the Period	(4,173,490)	6,137,254
TOTAL LIABILITIES AND EQUITY	166,821,725	179,466,624

ENERJISA ENERJİ A.Ş. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of purchasing power of the TL at 30 September 2024 unless otherwise indicated. Currencies other than TL are also expressed in thousands unless otherwise indicated.)

	Unaudited / current period 1 January - 30 September 2024	Unaudited/ prior period 1 January - 30 September 2023	Unaudited / current period 1 July - 30 September 2024	Unaudited / prior period 1 July - 30 September 2023
Revenue	133,036,071	180,745,953	52,106,585	65,590,593
Cost of Sales (-)	(103,693,392)	(152,525,920)	(42,464,937)	(54,547,913)
GROSS PROFIT	29,342,679	28,220,033	9,641,648	11,042,680
General Administrative Expenses (-)	(10,970,940)	(11,753,541)	(3,451,184)	(4,151,348)
Other Income from Operating Activities	6,113,883	7,410,268	3,505,417	3,292,069
Other Expenses from Operating Activities (-)	(4,195,175)	(7,302,827)	(1,310,087)	(2,841,143)
OPERATING PROFIT BEFORE FINANCE INCOME / (EXPENSE)	20,290,447	16,573,933	8,385,794	7,342,258
Finance Income	1,918,412	1,814,020	796,259	415,863
Finance Expense (-)	(15,904,580)	(8,184,595)	(5,623,933)	(3,520,153)
Monetary Gain / (Loss)	(2,861,626)	(1,965,598)	(601,820)	(1,308,702)
PROFIT / (LOSS) BEFORE TAX	3,442,653	8,237,760	2,956,300	2,929,266
Tax Income / (Expense)	(7,616,143)	(889,399)	(3,891,261)	5,361,211
Current Tax Income / (Expense) (-)	(1,665,158)	(444,271)	(607,554)	451,295
Deferred Tax Income / (Expense)	(5,950,985)	(445,128)	(3,283,707)	4,909,916
PROFIT / (LOSS) FOR THE PERIOD	(4,173,490)	7,348,361	(934,961)	8,290,477
OTHER COMPREHENSIVE INCOME AND EXPENSE				
Other Comprehensive Income / (Expense) to be Reclassified to Profit or Loss in Subsequent Periods	(339,689)	553,080	63,496	(507,343)
<i>Gains / (Losses) on Hedges</i>	<i>(454,157)</i>	<i>722,140</i>	<i>84,730</i>	<i>(603,295)</i>
<i>Income Tax Relating to Other Comprehensive Income</i>	<i>114,468</i>	<i>(169,060)</i>	<i>(21,234)</i>	<i>95,952</i>
TOTAL COMPREHENSIVE INCOME / (LOSS)	(4,513,179)	7,901,441	(871,465)	7,783,134
Gain / (Loss) Per Share (kr)				
Gain / (Loss) Per Share (kr)	(3.53)	6.22	(0.79)	7.02

OPERATIONAL EARNINGS AND UNDERLYING NET INCOME CALCULATION

(TL million)	1 January 30 September 2024	1 January 30 September 2023
Operating profit before financial income / (expense)	20,291	16,573
Adjustment of depreciation and amortization	3,449	3,348
Adjustments related to operational fx losses	203	1,428
Adjustments related to interest income related to tariff receivables	-3,601	-1,019
EBITDA	20,342	20,330
Capex reimbursements	9,527	8,566
EBITDA + Capex reimbursements	29,869	28,896
Non-recurring (income) / expense	14	626
Operational Earnings	29,883	29,522
Reported Net Income	-4,173	7,348
Non-recurring (income) / expense	5	2,094
Impact of asset revaluation	7,306	-4,523
Underlying Net Income	3,138	4,919

Operational Earnings refers to EBITDA plus CAPEX reimbursements excluding exceptional items. Enerjisa Enerji distribution companies are subject to the application of TFRIC12 (a TFRS standard that governs accounting for service concession arrangements). Accordingly, the Company accounts its license to operate and invest in the networks as a financial asset. This asset is not depreciated. Accordingly, P&L does not include depreciation expenses of networks. Similarly, P&L also excludes the reimbursement of CAPEX (i.e., the depreciation allowance) as a revenue item. This means that the Company's EBITDA figure is not comparable to international peers that do not apply TFRIC12 accounting and the management uses Operational Earnings as a KPI for comparability.

Underlying Net Income refers to Net Income excluding exceptional items. Exceptional items mostly refer to the non-recurring items. The resulting KPI sets the basis on which the Company's dividend pay-out policy is applied.