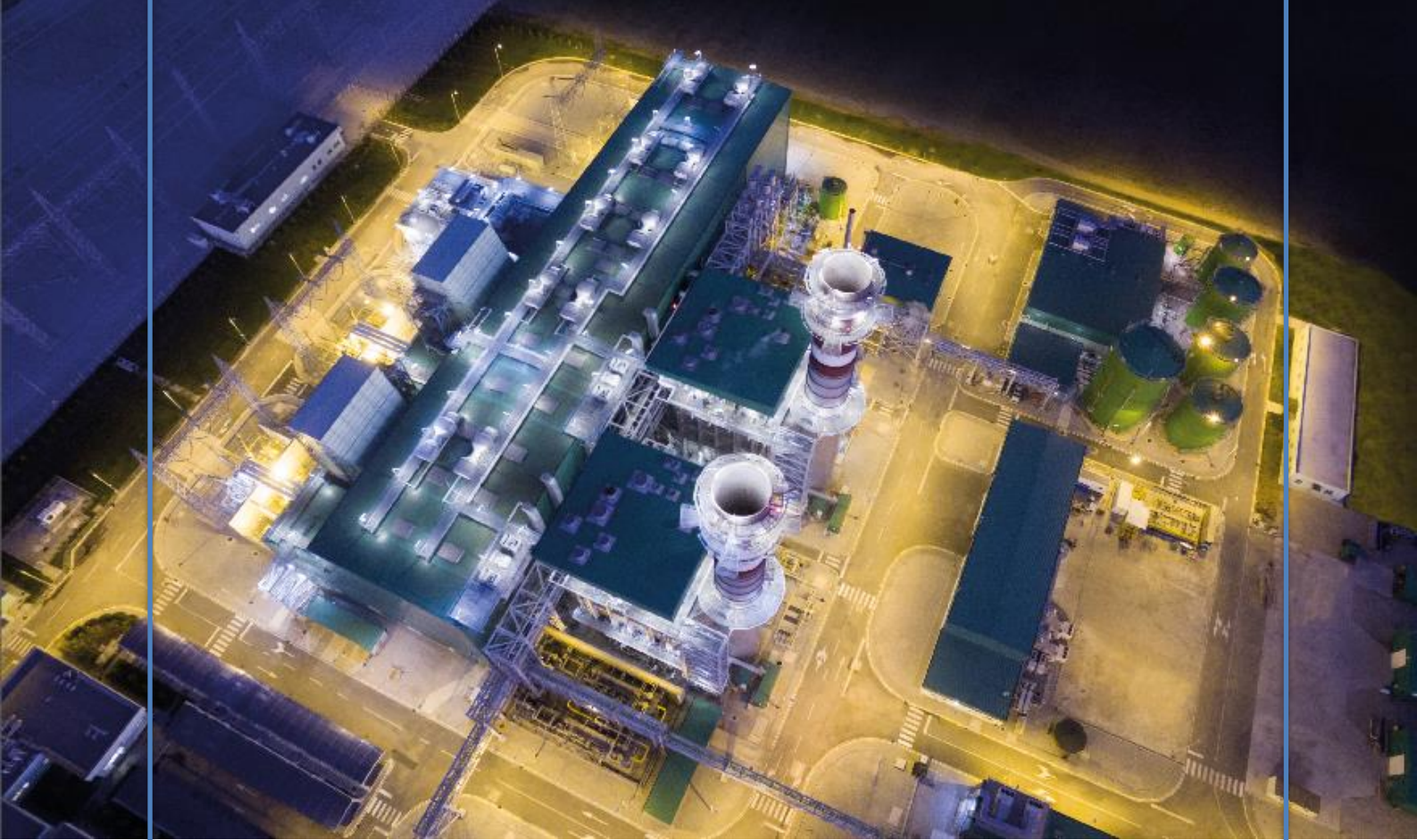




AKENERJİ ELEKTRİK ÜRETİM A.Ş.

**THE ACTIVITY REPORT OF THE BOARD OF DIRECTORS PREPARED
IN ACCORDANCE WITH THE COMMUNIQUE SERIAL II, No:14.1
PREPARED FOR THE PERIOD 1 JANUARY 2021 – 31 MARCH 2021**



ACTIVITY REPORT PREPARED FOR THE INTERIM PERIOD

CONTENTS	PAGE
I. COMPANY PROFILE	1-9
Company Information	
Akenerji in Brief	
Capital and Shareholding Structure	
Board of Directors and Committees	
II. ENERGY SECTOR IN BRIEF	10
III. SALES AND THE PERFORMANCE OF THE GROUP	10
IV. GENERATION AND THE CAPACITY INFORMATION	11
V. INVESTMENTS	12
VI. FINANCIAL SOURCES.....	12
VII. RISK MANAGEMENT POLICY AND INTERNAL AUDIT MECHANISM	13
VIII. MAIN FINANCIAL HIGHLIGHTS.....	13
IX. CHANGES IN THE ARTICLES OF ASSOCIATION IN THE PERIOD.....	14
X. SIGNIFICANT EVENTS REGARDING THE GROUP	14

I – COMPANY PROFILE

Company Information

Title of Partnership	: AKENERJİ ELEKTRİK ÜRETİM ANONİM ŞİRKETİ
Stock Exchange	: Istanbul Stock Exchange (“ISE”)
Addresses of our Offices	:
AKENERJİ İSTANBUL	Miralay Şefik Bey Sokak Akhan No:15 Kat:3-4 Taksim-İSTANBUL
AKENERJİ ANKARA	Ege Plaza Konya Yolu (Mevlana Bulvarı) No:182 Kat:6 Daire:23 Balgat-Çankaya/ANKARA
AYYILDIZ WEPP	Aldede Deliklitaş Mevkii Ayyıldız Tepe Edincik-Bandırma/BALIKESİR
ULUABAT HEPP	Akçalar Fadıllı Köyü Yolu 5.km Nilüfer/BURSA
BURÇ HEPP	Aşağı Ağızlı Köyü Burç Mah. Besni/ADIYAMAN
BULAM HEPP	Doğanlı Köyü Mevkii Merkez/ADIYAMAN
FEKE I HEPP	Sülemişli Mah. Sülemişli Küme Evleri No:1 Feke/ADANA
FEKE II HEPP	Kısacıklı Köyü İçmeler Mevkii Feke/ADANA
GÖKKAYA HEPP	Himmetli Köyü Suçatı Mah.No:102 Saimbeyli/ADANA
HİMMETLİ HEPP	Himmetli Mah.Dravlı Sok. No:84 Saimbeyli/ADANA
ERZİN NGCCP	Mahmutlu Mahallesi Burnaz Küme Evleri No.1 Erzin/HATAY
Web Site	: www.akenerji.com.tr
E-mail address	: info@akenerji.com.tr
Phone number	: 00 90 (212) 249 82 82
Fax number	: 00 90 (212) 249 73 55

Akenerji in Brief

Having commenced operations in 1989 as an autoproducer group under the umbrella of the Akkök Group of Companies, Akenerji Elektrik Üretim A.Ş. (“the Company”) has been operating as the first independent electricity generation company established as an autoproducer since 2005. Being one of the largest players with its experience of more than 32 years in energy sector of Turkey, Akenerji focused to become an integrated energy company by providing energy systems optimization and management services for industrial and commercial customers on energy efficiency services as well as its electricity generation and wholesale electricity trading operations.

Akenerji is a strategic partnership of joint venture between Akkök Holding, and Europe’s leading power company, the ČEZ Group and has the sole capacity to meet 3% of Turkey’s power need, with its total installed power of 1,224 MW as of today. By putting the hydroelectric power plants and wind power plants into use in stages, Akenerji in total achieved a total renewable energy generation capacity of 320 MW and the Erzin natural gas combined cycle plant with a generation capacity of 904 MW has started its operations on July, 2014.

Project works for Kemah Hydroelectric Power Plant, with an installed capacity of 198 MW and a production capacity of 560 MWh, which is planned to be established in Erzincan, are continuing.

The nature of business and registered addresses of the subsidiaries of the Company (“Subsidiaries”) are provided below:

Subsidiary	Nature of business	Registered address
Akenerji Elektrik Enerjisi İthalat İhracat ve Toptan Ticaret A.Ş.	Electricity trading	Gümüşsuyu / İstanbul
Ak-El Kemah Elektrik Üretim A.Ş.	Electricity production and trading	Gümüşsuyu / İstanbul
Akenerji Doğalgaz İthalat İhracat ve Toptan Ticaret A.Ş.	Natural gas trading	Gümüşsuyu / İstanbul

Akenerji together with its subsidiaries will be referred as “the Group”.

Capital and Shareholding Structure

Akenerji adopted the registered capital system applicable to the companies registered on the CMB and defined a limit to its registered capital for shares whose nominal value is TL1 (“one Turkish Lira”). As of 31 March 2021 and 31 December 2020 the share capital and the limit on registered share capital are as follows:

	31 March 2021	31 December 2020
Limit on registered share capital (historical)	1.500.000.000	1.500.000.000
Issued capital	729.164.000	729.164.000

The Company’s shareholders and shareholding structure as of 31 March 2021 and 31 December 2020 are as follows:

	Share (%)	31 March 2021	Share (%)	31 December 2020
CEZ a.s.	37,36	272.425.943	37,36	272.425.943
Akkök Holding A.Ş.	20,43	148.989.090	20,43	148.989.090
Akarsu Enerji Yatırımları San. ve Ticaret A.Ş.	16,93	123.436.852	16,93	123.436.852
Publicly held	25,28	184.312.115	25,28	184.312.115
	100,00	729.164.000	100,00	729.164.000
Adjustment to share capital		101.988.910		101.988.910
		831.152.910		831.152.910

The share capital of the Company consists of 72.916.400.000 shares with a nominal value of 1 Kr and no privilege rights are provided for any kind of shares.

Board of Directors and Committees

Board of Directors (“BoD”):

NAME - SURNAME	TITLE	TERM
SERHAN GENÇER	BoD Member / Chief Executive Officer	Assigned on 17 April 2019 for a three years period.
ÖZLEM ATAÜNAL	Chairman of the BoD	Assigned on 17 April 2019 for a three years period.
TOMAS PLESKAC	Vice President of the BoD	Assigned on 17 April 2019 for a three years period.
JAROSLAV MACEK	BoD Member	Assigned on 17 April 2019 for a three years period.
PETR KALAS	Independent BoD Member	Assigned on 17 April 2019 for a three years period.
ONDREJ DVORAK	BoD Member / CFO	Assigned on 17 August 2020, following the resignation of PETR DOKLADAL to complete his predecessor’s term of office.
YAHYA MEHMET İZZET ÖZBERKİ	Independent BoD Member	Assigned on 17 April 2019 for a three years period.
AHMET CEMAL DÖRDÜNCÜ	BoD Member	Assigned on 17 April 2019 for a three years period.

Key Management Compensation:

	1 January - 31 March 2021	1 January - 31 March 2020
Salaries and benefits	4.335.110	2.822.088
Bonus payment	1.562.866	1.082.039
Attendance fee	190.881	190.921
	6.088.857	4.095.048

Jurisdictions of Board of Directors:

Board of Directors of Akenerji Elektrik Üretim A.Ş. (“Company”) have adopted the following resolution in accordance with the Article 390/4 of Turkish Commercial Code:

1. ÖZLEM ATAÜNAL to be assigned as the Chairman of the Board of Directors
2. TOMAS PLESKAC to be assigned as Vice-Chairman of Board of Directors,
3. The signatories authorized to represent and bind our Company and the signatory groups be determined as follows:

GROUP (A) SIGNATURES

ÖZLEM ATAÜNAL

Chairman of Board of Directors

GROUP (B) SIGNATURES

TOMAS PLESKAC

Vice-Chairman of Board of Directors

AHMET CEMAL DÖRDÜNCÜ

Member of Board of Directors

JAROSLAV MACEK

Member of Board of Directors

SERHAN GENÇER

Member of Board of Directors

/General Manager

ONDREJ DVORAK

Member of Board of Directors/CFO

GROUP (C) SIGNATURES

SERHAT ERGİN BAYKARA

Corporate Governance Director

GROUP (D) SIGNATURES

-

GROUP (E) SIGNATURES

ÖZGE ÖZEN AKSOY

Deputy CFO

YUSUF HÜSEYİN YÜCEBAŞ

Government Relations Coordinator

CAN GÜLCAN

Energy Generation Director

ORKUN EYİLİK

Commercial Director

DUYGU ERZURUMLU CENGİZ

Business Support Director

4. The representation of our Company shall be as follows:

- I. Our Company shall be represented and bound and be indebted and engaged in the broadest sense with JOINT SIGNATURES of a GROUP (A) signatory and a GROUP (B) signatory to be affixed under the corporate seal of the Company.
- II. Our Company shall be represented and bound with JOINT SIGNATURES of GROUP (A) signatory must be the Chairman, ÖZLEM ATAÜNAL or the Member of Board of Directors/General Manager, SERHAN GENÇER and the GROUP (B) signatory must be the Vice-Chairman, TOMAS PLESKAC or the Member of Board of Directors/CFO, ONDREJ DVORAK under the corporate seal of the Company on the issues stated in Article 5/ (I) of the Internal Regulation no. 06 approved by our Board of Directors on 16.02.2018, registered by İstanbul Trade Registry Office on 27.02.2018.
- III. Our Company shall be represented and bound with JOINT SIGNATURES of a GROUP (A) signatory and a GROUP (B) signatory or GROUP (D) signatory under the corporate seal of the Company on the issues stated in Article 5/ (II) of the Internal Regulation no. 06 approved by our Board of Directors on 16.02.2018, registered by İstanbul Trade Registry Office on 27.02.2018.
- IV. Our Company shall be represented and bound with JOINT SIGNATURES of a GROUP (A) signatory or a GROUP (C) signatory and a GROUP (B) signatory or GROUP (D) signatory under the corporate seal of the Company on the issues stated in Article 5/ (III) of the Internal Regulation no. 06 approved by our Board of Directors on 16.02.2018, registered by İstanbul Trade Registry Office on 27.02.2018.
- V. Our Company shall be represented and bound (i) with JOINT SIGNATURE of any two signatories from the GROUPS (A), (B), (C) and (D) or (ii) with JOINT signature one from GROUP (E) signatory and the other from any signatory from the GROUPS (A), (B), (C) and (D) to be affixed under the corporate seal of the Company on the issues stated in Article 5/ (IV) of the Internal Regulation no. 06 approved by our Board of Directors on 16.02.2018, registered by İstanbul Trade Registry Office on 27.02.2018.

Information on BoD Members:

Özlem Ataünal Chairman of the BoD

Born in 1967 at Düzce, Özlem Ataünal graduated from Üsküdar American Academy in 1985, and from Uludağ University, department of Business Administrations in 1989. She worked in various positions, including Branch Manager and Head of the Customer Relations department at İktisat Bankası T.A.Ş. and Körfezbank A.Ş. She has been working for the Akkök Group since 2000, firstly as Budget and Finance Manager of Akenerji A. Ş., and was promoted to CFO at Akkök Holding A.Ş. in 2005. In 2012, she was appointed as Executive Committee Member responsible for Finance with her existing other duties and responsibilities. In the same year, she appointed as a board member for various companies of the group including publicly traded companies and companies with foreign partners. Strategy and business development was added to her responsibilities in 2016. Ataünal is a member of the Early Detection of Risk Board at Akkök Holding, and since 2017, she has also been working as the Executive Committee Member responsible for the Energy Group. She has been appointed as the member of the Board of Directors at Akkök Holding A.Ş. in 2017.

Tomáš Pleskač Vice President of the BoD

Born in 1966, Tomáš Pleskač graduated from Mendel University of Agriculture and Forestry (Brno), Faculty of Business and Economics in 1989, and received his MBA from Prague University. In 1994, Mr. Pleskač started his career at ČEZ Group and served as senior executive at various positions within the Group. Since 2006, Mr. Pleskač serves as member of the Board of Directors (and Vice-Chairman of the Board since September 26, 2017) at the ČEZ, a. s. He became a Division International Chief Officer in January 2008 and served as a Division International Chief Officer until December 2016 while between April 2012 and May 2014 he led Division Distribution and International Affairs. Following the transformation of ČEZ, a. s., Mr. Pleskač has served as the Chief Renewables and Distribution Officer since March 1, 2017. Mr. Pleskač is member of the Board of Directors at Akenerji since May 2009. Currently he holds a position of Deputy Chairman of the Board of Directors at Akenerji.

Ondřej DVORAK BoD Member / CFO

After graduating from University of Economics in Prague, Ondřej obtained his executive MBA degree from Katz Business School, University of Pittsburgh. Ondřej started in CEZ Group in 2006 in Corporate Finance, between 2014 and 2016 he was CFO of CEZ ICTS and then served as Head of Group Performance Department before joining Akenerji. As of January 2018, Ondřej Dvořák is the head of CEZ Turkey Operations Department, while at the same time he assumes the role of Akenerji Financing and Financial Affairs Assistant General Manager.

Serhan GENÇER
BoD Member / General Manager

Born in 1975 in Istanbul, Mr. Serhan Gençer graduated from the Department of Mechanical Engineering at Middle East Technical University. Started his professional career in 1998 at Unit Int. SA located in Belgium, where he worked in various countries in a variety of roles on several investment, business development projects, such as Project Manager and Project Development Manager, until December 2007. He worked as Project Director at Turcas Power & Gas Group from December 2007 to October 2009. Joined Akenerji as General Manager of Egemer Elektrik Üretim A.Ş. in October 2009, Gençer was appointed as Assistant General Manager of Akenerji responsible from generation at the beginning of 2013. In 2016, he appointed as the Vice General Manager of Akenerji responsible from trading by proxy in addition to his current duties and responsibilities. At the beginning of 2017, he was appointed as General Manager of Akenerji.

Jaroslav MACEK
BoD Member

Jaroslav Macek is currently responsible for the development of energy services in the CEZ Group companies outside the Czech Republic. He previously taken responsibility for the development and operation of the CEZ Group's foreign operations in and outside the Czech Republic. Jaroslav Macek also serves as Vice President or Member of the Audit Committee of various foreign companies belong to the CEZ Group. Jaroslav Macek speaks Russian on the basic level besides his fluent Czech and English. Before joining CEZ, he served as a member of the management team at Ukrsibbank (BNP Paribas group), and has been in charge of the Bank's Corporate Development Department, including preparation of the Bank's strategy and strategic developments. In addition, he worked at advisory department of PricewaterhouseCoopers responsible of performance improvement, financial and operational efficiency and development of practices.

Ahmet Cemal Dördüncü
BoD Member

Born in Istanbul in 1953, Ahmet C. Dördüncü, graduated from Çukurova University, Department of Business Administration. Later, he pursued his postgraduate studies at Mannheim and Hannover Universities. Mr. Dördüncü began his professional career at Claas OHG Company in Germany, and after returning to Turkey, he worked at Mercedes Benz A.Ş. between 1984 and 1987. He joined Sabancı Group in 1987, and assumed several positions at Kordsa A.Ş. until 1998. Mr. Dördüncü served as General Manager/President at DUSA South America, and later at DUSA North America in 1998. After working as Group President of Strategic Planning and Business Development at H.O. Sabancı Holding A.Ş. in 2004, he assumed the position of Chairman of the Executive Board of Sabancı Holding from 2005 to 2010. Being the Chairman of the Executive Board of Akkök Holding since January 2013, Mr. Dördüncü serves as the Chairman of BoD of Akcez, Akiş GYO, Akyaşam and Gizem Frit'in and member of BoD at Akenerji, Akkök Holding and several other Akkök Group Companies. He also serves on the Boards of Directors at International Paper Co.

Petr KALAS
Independent BoD Member

Born in 1940, Petr KALAS had his master's degree in 1963 from Czech Technical University in Prague as Honor Student. He has worked as an international consultant in the management of numerous programs and projects, including UNIDO (United Nations Industrial Development Organization) in energy and industrial planning areas in 55 countries. After that; He joined the Swiss government in charge of development support of 24 countries in Asia, Africa and Latin America. Kalas, with the World Bank, has conducted the donor-funded "Environment for Europe" program since 1994. He then served as director of the World Bank / Swiss National Joint Implementation / Clean Development Mechanism Strategy Work Program. In September 2006, he was appointed as the Czech Government Minister of Environment as a non-political expert. Between 2007 and 2013, he served as advisor to several ministers, including three prime ministers and ministers of environment and agriculture. As a member of international organizations, including the World Energy Council, he is also vice-president of the Czech branch of the World Business Council for Sustainable Development. Since 2014, he has chaired the Sustainable Energy Committee at the Government Council of Sustainable Development under the auspices of the Prime Ministry.

İzzet Özberki
Independent BoD Member

In 1979 Mr. Özberki graduated from the Faculty of Political Sciences at Ankara University. During 1979-1984, he worked as a lecturer at Gazi University in the Economics Department. From 1989-1991 he worked at Midland Bank Istanbul Branch at various levels, including Head of the Investment Banking Department. Between 1992 and 2001, he worked as a Corporate Consultant at Arkan & Arkan. In 2001 he joined Arkan & Ergin as a partner. He has a Corporate Financier (CF) degree from the Institute of Chartered Accountants of England and Wales.

Corporate Governance Committee:

NAME-SURNAME	TITLE
Petr KALAS	Chairman
Yahya Mehmet İzzet ÖZBERKİ	Member
Ondrej DVORAK	Member
Özge ÖZEN AKSOY	Member

Audit Committee:

NAME-SURNAME	TITLE
Yahya Mehmet İzzet ÖZBERKİ	Chairman
Petr KALAS	Member

Early Detection of Risk Committee:

NAME-SURNAME	TITLE
Yahya Mehmet İzzet ÖZBERKİ	Chairman
Petr KALAS	Member

II – ENERGY SECTOR IN BRIEF

According to TEİAŞ data, total electricity consumption was 78,9 TWh in the first three months of 2021, increasing by 2,74% compared to 76,8 TWh in the first three months of 2020.

Total installed capacity of Turkey as of the end of March 2021 is announced as 97.070 MW (including unlicensed power plants). Private sector has the largest share in the installed capacity with a share of 67,6%, followed by EÜAŞ with a share of 22% followed by unlicensed power plants with a share of 7,2% and followed by operating rights transferred plants with a share of 2,9% and followed by built-operate and built-operate-transfer plants with a share of 0,13%. Renewable sourced power plants hold a share of 52% in total installed capacity.

The average market price of the electricity in the first three months of 2021, in nominal terms, realized as TL 298,67, which is 4,42% higher compared to the average market price of electricity in the first three months of 2020.

Ministry of Energy and Natural Resources has announced the tender for the allocation of Renewable Energy Resource Areas (YEKA) and Connection Capacities based on solar energy. In 2021, mini YEKA tenders will be held in 36 cities to allocate a total capacity of 1.000 MW. For the purpose of allocating the connection capacity, 74 solar energy YEKA tenders will be held, with a capacity of 10, 15 and 20 MW.

III – SALES AND THE PERFORMANCE OF THE COMPANY

Details of the electricity sales quantities of the Group in MWh terms are as below:

	1 January - 31 March 2021	1 January - 31 March 2020
STABILIZATION AND RECONCILIATION MARKET (*)	530.444	1.127.669
BILATERAL AGREEMENTS	876.777	113.605
ANCILLARY SERVICES (SFC)	241.849	249.703
RENEWABLE ENERGY RESOURCES SUPPORT MECHANISM	203.878	263.886
TOTAL	1.852.948	1.754.863

* Includes Renewable Energy Resources Support Mechanism sales.

IV – GENERATION AND CAPACITY INFORMATION

- Generation type of our Erzin Plant is Thermal-Combined Cycle and its total electricity generation was 1.141.797.280 kWh and its steam generation was 1.093.932 tons in the first three months of 2021. Capacity utilization rate, according to actual generation, is 58,47%. Generation scope of our plant is Electricity and Steam generation. 19,07% increase occurred in electricity generation compared to the first three months of the last year.

- Generation type of our Balıkesir Ayyıldız WEPP Plant is electricity generation based on wind energy and its total electricity generation was 24.497.557 kWh in the first three months of 2021. Capacity utilization rate, according to actual generation, is 40,22%. Generation scope of our plant is Electricity generation. 1,06% increase occurred in electricity generation compared to the first three months of the last year.

-Generation type of our Bulam HEPP Plant is electricity generation based on Channel-type hydraulic energy and its total electricity generation was 7.518.991 kWh in the first three months of 2021. Capacity utilization rate, according to actual generation, is 49,52%. Generation scope of our plant is Electricity generation. 27,33% decrease occurred in electricity generation compared to the first three months of the last year.

-Generation type of our Uluabat HEPP Plant is electricity generation based on Reservoir Hydraulic energy and its total electricity generation was 65.644.000 kWh in the first three months of 2021. Capacity utilization rate, according to actual generation, is 30,39%. Generation scope of our plant is Electricity generation. 66,28% increase occurred in electricity generation compared to the first three months of the last year.

-Generation type of our Burç HEPP Plant is electricity generation based on River type HEPP energy and its total electricity generation was 24.553.350 kWh in the first three months of 2021. Capacity utilization rate, according to actual generation, is 41,59%. Generation scope of our plant is Electricity generation. 43,26% decrease occurred in electricity generation compared to the first three months of the last year.

-Generation type of our Feke II HEPP Plant is electricity generation based on Channel-type hydraulic energy and its total electricity generation was 39.801.400 kWh in the first three months of 2021. Capacity utilization rate, according to actual generation, is 26,48%. Generation scope of our plant is Electricity generation. 35,96% decrease occurred in electricity generation compared to the first three months of the last year.

-Generation type of our Himmetli HEPP Plant is electricity generation based on Reservoir Hydraulic energy and its total electricity generation was 25.251.520 kWh in the first three months of 2021. Capacity utilization rate, according to actual generation, is 43,33%. Generation scope of our plant is Electricity generation. 30,87% decrease occurred in electricity generation compared to the first three months of the last year.

-Generation type of our Feke I HEPP Plant is electricity generation based on Channel-type hydraulic energy and its total electricity generation was 26.842.380 kWh in the first three months of 2021. Capacity utilization rate, according to actual generation, is 42,27%. Generation scope of our plant is Electricity generation. 32,51% decrease occurred in electricity generation compared to the first three months of the last year.

-Generation type of our Gökçaya HEPP Plant is electricity generation based on Reservoir Hydraulic energy and its total electricity generation was 25.212.630 kWh in the first three months of 2021. Capacity utilization rate, according to actual generation, is 40,90%. Generation scope of our plant is Electricity generation. 31,43% decrease occurred in electricity generation compared to the first three months of the last year.

V – INVESTMENTS

As a result of the completed investments, taking into consideration of the long-term energy policy of Turkey, Akenerji sustained its competitive position with an installed power of 1.224 MW and a flexible portfolio that can adapt to rapidly changing market conditions. In addition to its current operational portfolio, the project works for Kemah Hydroelectric Power Plant, with 198 MW, which is planned to be established in Erzincan, are on-going.

The fundamental strategy of Akenerji is to operate its existing power plants to the optimum level in line with market prices. The operations and maintenance works of all power plants of Akenerji, included in its portfolio, are performed by its own personnel in an attentive and effective way. Additionally, to comply with the changing market conditions and to strengthen its competitive position, Akenerji constantly reviews the strategies and takes necessary steps to achieve a more efficient and innovative way of generation.

VI – FINANCIAL SOURCES

The main financial sources of our Company are comprised of the cash created from the operations, the funds derived from the financial institutions and the share capital.

As of 31 March 2021, the Group has;

- USD 34,3 million short-term borrowings and EUR 1,1 million and TL 2,5 million short-term leasing liabilities, and
- TL 2,6 billion and USD 441,9 million long-term borrowings and EUR 7,6 million and TL 28 million long-term leasing liabilities.

Akenerji aims to focus on the unpredictability of financial markets including the changes in foreign exchange rates and interest rates and seeks to minimize potential adverse effects on the Group's financial performance.

The total share capital of Akenerji is TL 729.164.000 and 25,28% shares of its shares is traded in Istanbul Stock Exchange.

VII – RISK MANAGEMENT POLICY AND INTERNAL AUDIT MECHANISM

The Board of Directors establishes internal control systems, including risk management and information systems and processes that aim at minimizing the effects of risks that would affect the stakeholders of the Company, particularly the shareholders, by obtaining the suggestions of the related committees of the Board of Directors.

The Company's risk inventory is one of the most important follow-up tools used in Akenerji's risk management activities. The risk inventory includes the operational, financial, reputational and strategic risks of the Company. Risks with high or very high level risk scores are monitored at the level of the Board of Directors. Detailed action plans are created for such risks, and a risk owner is assigned for each of these risks. The risk owner is responsible for managing the related risk within the framework of the agreed action plan. Thus, the risk management philosophy grew into a permanent item on the agenda of routine business of Akenerji executives. Updated in line with sectoral and institutional developments, this philosophy has become an integral part of the Company's applications.

The current internal control system, particularly enhancing the efficiency and productivity of Company operations, ensuring reliability in financial reporting, and compliance with applicable law and legislation, is being audited by the Akenerj Internal Audit Department in coordination with the Internal Audit Departments in Akkök Holding A.Ş. and ČEZ a.s., in accordance with the annual internal audit plan. The outcome of the audit is reported to the Audit Committee. The effectiveness of internal auditing operations has been reviewed during the year by Audit Committee. Opinions of the internal auditor, external auditor, or other Company executives have also been obtained when required.

When required, the internal auditors come in contact with independent auditors in scope of auditing activities and from time to time execute process auditing with them.

VIII – MAIN FINANCIAL HIGHLIGHTS

Current Period Ratios

Debt / Liability Ratio	$\frac{\text{SHORT-TERM LIABILITIES \& LONG-TERM LIABILITIES}}{\text{TOTAL LIABILITIES}}$	109%
Debt / Equity Ratio	$\frac{\text{SHORT-TERM LIABILITIES \& LONG-TERM LIABILITIES}}{\text{TOTAL EQUITY}}$	-1264%
Gross Profit Margin (%)	$\frac{\text{GROSS PROFIT / (LOSS)}}{\text{NET SALES}}$	11%
Net Profit Margin (%)	$\frac{\text{NET PROFIT / (LOSS) FOR THE PERIOD}}{\text{NET SALES}}$	-73%

IX – CHANGES IN THE ARTICLES OF ASSOCIATION IN THE PERIOD

There are no incidents happened in the Company in this period, particularly important and with such nature might influence the rights of shareholders, creditors as well as any other persons and entities concerned.

X – SIGNIFICANT EVENTS REGARDING THE GROUP

There are no material lawsuits filed in the subject period against the Company, which might have significant impact on the Company's financial status and activities and there are no administrative and legal sanctions imposed on the Company or the members of the management board.

Best Regards,

Ondrej DVORAK
Chief Financial Officer

Serhan GENÇER
Chief Executive Officer