



AKENERJİ ELEKTRİK ÜRETİM A.Ş.

ACTIVITY REPORT FOR THE INTERIM PERIOD
OF
1 JANUARY 2024- 30 SEPTEMBER 2024
PREPARED IN ACCORDANCE WITH
THE CAPITAL MARKETS BOARD
COMMUNIQUE NO:II-14.1

8 November 2024

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1. VISION and MISSION

Vision

To maintain its leading position in the Turkish energy sector, and become one of the largest integrated companies that shape the industry.

Mission

To make reliable and long-term contributions to Türkiye's energy needs by operating with a quality-focused approach at every stage of the energy sector value chain.

Corporate Culture and Values

Corporate culture is a set of characteristics that hold the organization together, unite and integrate it and distinguish it from others. Common beliefs and values form the basis of its culture.

2. GENERAL INFORMATION

2.1. 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 35 years in energy sector of Türkiye, 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.

As of today, Akenerji's total installed capacity is 1,224 MW, which is a 50%-50% strategic partnership between Akkök Holding and the Czech energy company ČEZ Group, one of the leading energy companies in Europe, and it can meet approximately 2.5% of Türkiye's energy needs on its own. Akenerji became the first Turkish company to register on the "European Energy Exchange" in 2021, the largest energy exchange in Europe.

Akenerji is continuing the project planning for the Kemah Hydroelectric Power Plant, which is planned to be established in the Erzincan province, with an installed capacity of 198 MW and an annual generation capacity of 560 GWh.

Operations Map



*Kemah is in the project phase.

Khabat - Operation and Maintenance Services

***Sungurlu - Construction Management, Operation, and Maintenance Services

****Konya - Construction Management, Operation, and Maintenance Services

In 2000, Akenerji's shares were listed on Borsa İstanbul under the ticker AKENR

Akenerji's shares are traded on BIST Electricity, BIST Stars and BIST Sustainability Indices.

Our company's website is: <http://www.akenerji.com.tr> , the Company's commercial information is as follows:

Accounting period that the report relates to	01.01.2024-30.09.2024
Trade Name of the Company	Akenerji Üretim A.Ş.
Trade Registry Date	12.05.1989
Trade Registration number	255005
Tax Office and Tax Number	Büyük Mükellefler Vergi Dairesi 0110031317
Headquarter Address	Miralay Şefik Bey Sokak No:15 Akhan Kat:3-4 Gümüşsuyu/İstanbul-Türkiye

The addresses of our Branches are listed below:

Uluabat Branch	Akçalar Fadıllı Köyü Yolu 5. km, Nilüfer-Bursa
Bandırma Branch	Edincik Beldesi Aldede ve Deliklitaş Mevkii, Bandırma-Balıkesir
Burç Branch	Besni İlçesi Aşağı Ağzı Köyü, Burç Mahallesi-Adıyaman
Feke-I Branch	Sülemişli Mah. Sülemişli Küme Evler, No:33 Feke-Adana
Feke-II Branch	Kısacıklı Mah. Alıçlı Küme Evler No: 14, Feke-Adana
Gökkaya Branch	Himmetli Mah. Kazaklı Küme Evler No:73, Saimbeyli-Adana
Himmetli Branch	Kovuk Çınar Mah. Kiraz Küme Evler No:73, Feke-Adana
Bulam Branch	Doğanlı Köyü Mevkii, Merkez-Adıyaman
ErzinBranch	Aşağıburnaz Mah. 2202 Sok. No:7/20 İç Kapı No:1 Erzin-Hatay

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. ("Akenerji Toptan")	Electricity trading	Gümüşsuyu/İstanbul
Akel Kemah Elektrik Üretim A.Ş. ("Akel Kemah")	Electricity generation and trading	Gümüşsuyu/İstanbul
Akenerji Doğalgaz İthalat İhracat ve Toptan Ticaret A.Ş. ("Akenerji Doğalgaz")	Natural gas trading	Gümüşsuyu/İstanbul
Akel Sungurlu Elektrik Üretim A.Ş. ("Akel Sungurlu")*	Electricity generation	Gümüşsuyu/İstanbul
5ER Enerji Tarım Hayvancılık A.Ş. ("5ER Enerji")*	Electricity generation	Gümüşsuyu/İstanbul
Akenerji Company For Electric Energy Import And Export and Wholesale Trading/Contribution Branch ("Akenerji Toptan Khabat")**	Electricity trading	Erbil/Iraq
Aken Europe B.V. ("Aken B.V.")***	Electricity trading	Amsterdam/Netherlands

*Akel Sungurlu and 5ER Enerji Company's shares are consolidated in the financial statements through a full consolidation method due to the capacity lease agreements and usufruct agreements signed by Akenerji Toptan, which includes an option for Akenerji Toptan to acquire the shares of Akel Sungurlu and 5ER Enerji at no cost at any time, and the control power being with Akenerji Toptan.

**The subsidiary branch operating in a different country is separately specified.

***Established on July 31, 2023, and included in the consolidated financial statements through the entire consolidation method.

3. CAPITAL AND SHAREHOLDER 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. The share capital and the limit on registered share capital as of 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
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 30 September 2024 and 31 December 2023 are as follows:

	Share (%)	30 September 2024	Share (%)	31 December 2023
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		11,532,694,825		11,532,694,825
		12,261,858,825		12,261,858,825

The share capital of the Company consists of 72,916,400,000 shares with a nominal value of 1 (one) Kr and no privilege rights are provided for any kind of shares.

4. BOARD OF DIRECTORS

4.1. Members of the Board of Directors

Member of Board of Directors	Duty	Date of Appointment	End of Duty
Özlem Ataüenal	Chairperson	12.04.2022	12.04.2025
Tomas Pleskac	Vice Chairperson	12.04.2022	12.04.2025
Serhan Gençer	Member / Chief Executive Officer	12.04.2022	12.04.2025
Ondrej Dvorak	Member	12.04.2022	12.04.2025
Jaroslav Macek	Member	12.04.2022	12.04.2025
Mehmet Kocaoğlu	Member	01.06.2023	12.04.2025
Demet Özdemir	Independent Member	12.04.2022	12.04.2025
Libor Kudlacek	Independent Member	26.03.2024	12.04.2025

4.2. Information on BoD Members:

Özlem Ataüenal Chairperson of the BoD

She graduated from Üsküdar American High School in 1985 and Uludağ University, Department of Business Administration in 1989. Starting her career at İktisat Bank, Ataüenal held various positions from Branch Manager to Customer Relations Management at Körfezbank. She joined Akkök Group in 2000 as Budget and Finance Manager of Akenerji. In 2005, Ataüenal was promoted to the position of CFO of Akkök Holding. In 2012, she was appointed as the Executive Committee Member in charge of Finance. In 2017, she became a member of the Board of Directors of Akkök Holding. She has assumed various responsibilities over the years and is currently the President of the Energy Group. In addition to being a member of the Board of Directors of Akkök Holding, Ataüenal has been a member of the Board of Directors of Akenerji, Sepaş Enerji, AKCEZ and Akgirişim. Ms. Ataüenal has been a member of TÜSİAD since 2013.

Tomáš Pleskač
Vice Chairperson 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 CEZ Group and served as senior executive at various positions within the Group. Since 2006, Mr. Pleskač has served as member of the Board of Directors at CEZ, 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 CEZ, a.s., Mr. Pleskač has served as the Chief Renewables and Distribution Officer since January 1, 2016. Mr. Pleskač is member of the Board of Directors at Akenerji since May 2009. Currently he holds a position of Deputy Chairperson of the Board of Directors at Akenerji.

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.

Ondřej DVORAK
BoD Member

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 Türkiye Operations Department. At the same time, he assumed the role of Akenerji Financing and Financial Affairs Assistant General Manager between January 2018 and April 2023. Since August 2020, he has been serving as a Board Member, Deputy Chairperson of the Executive Committee and Deputy Chairperson of the Investment Committee.

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 Uksibbank (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.

Mehmet Kocaoğlu
BoD Member

Mehmet Kocaoğlu graduated from Middle East Technical University, Department of Electrical and Electronics Engineering in 2007. After his graduation, he worked as Project Manager, Business Development and Operations Manager in various companies. Mehmet Kocaoğlu, who has 15 years of experience in the energy sector with a background in management and technical consultancy, has worked as a consultant in various projects during the privatization process of the energy distribution sector in Türkiye and has undertaken various roles in projects funded by international financial institutions such as the World Bank, the European Bank for Reconstruction and Development (EBRD) and the United States Agency for International Development (USAID). Since 2011, Mehmet Kocaoğlu continued his career at MRC Türkiye (formerly AF Mercados EMI) and has been the General Manager of MRC Türkiye since 2017 and GETA Energy since 2022. He is also the Chairman of the Board of Directors at MRC Türkiye and GETA Energy, and a Board Member at Akenerji, SEPAŞ and AKCEZ.

Demet Özdemir
Independent BoD Member

Ms. Demet Özdemir started her career at Arthur Andersen. During her nearly 30-year career, where she spent the last 15 years as a Corporate Finance Senior Partner at EY (Ernst & Young), she provided merger, acquisition, public offering, restructuring and financial advisory services to nearly 1000 local and international companies. As Private Equity Sector Leader and Corporate Finance Partner at EY Türkiye and Central and Southeast Europe region, Ms. Özdemir assumed the role of Emerging Markets Leader in EMEIA (Europe, Middle East, India and Africa). Ms. Özdemir, who has been actively working on gender equality and women's empowerment in business life, has been a member of the EY Global Businesswomen Advisory Board, a member of the Management Committee of the EY WomenFast Forward and Women 3 Forum, and the EMEIA Leader who implemented the EY Entrepreneurial Women Leaders (EWW) Program. In 2015, she co-chaired the session on "Empowering Women Entrepreneurs" at the W20 Summit, which was held for the first time within the scope of the G20 in Istanbul. Currently, she is the member of the Board of Directors of Inveo Investment Holding and Osmanlı Yatırım Menkul Değerler A.Ş. and the British Turkish Chamber of Commerce. She is a Board Member of the Women's Association and Young Success Foundation, of which she is one of the founders. Ms. Özdemir is a Board Member of the Young Achievement Education Foundation and Women's Association, of which she is one of the founders. A graduate of METU Business Administration, Ms. Özdemir has a graduate degree in International Finance from the London School of Economics. Ms. Özdemir, a former national skier who won Turkish championships between 1987-1991, is married and has a son.

Libor Kudláček
Independent BoD Member

Born in 1957 in the Czech Republic, Mr. Libor Kudláček graduated from the Department of Economics and Regional Geography, Faculty of Natural Sciences, Charles University in Prague in 1981 and completed his PhD in 1983. Libor Kudláček started his professional career in 1982 at the Stavoprojekt Center for Urban Planning as a Project Manager on Town Planning, where he worked as Senior Project Manager until 1990. Between 1989 and 1992, he was a member of the Economic Committee and Budget Committee of the Federal Assembly of the Czech and Slovak Republic. From 1992 to 1996, he served as a Ministerial Advisor at the Ministry of National Real Estate Administration and Privatization of the Czech Republic and from 1996 to 1998 as a Ministerial Advisor at the Ministry of Environment of the Czech Republic, and from 1996 to 1998 as a Deputy Chairman of the Committee on Constitutional and Legal Affairs at the Chamber of Deputies of the Czech Republic Parliament. Since 1998, Mr. Kudláček has been working at Eurooffice Praha - Brussel a.s. as a Senior Project Manager on various projects. He is currently the owner of Eurooffice Praha - Brussel a.s., a Member of the Board of Directors, and a Consultant.

4.3. Board Committees

The Company's Board of Directors revises the structure and activities of the existing committees within the framework of provisions set under the Capital Markets Board's Corporate Governance Communiqué. Hence, the Audit Committee, Early Detection of Risk Committee and Corporate Governance Committee have been established. The duties and responsibilities of the Nomination Committee and the Remuneration Committee are fulfilled by the Corporate Governance Committee.

4.3.1. Corporate Governance Committee

The Corporate Governance Committee has been established to monitor the Company's compliance with the Corporate Governance Principles, to carry out improvement activities in this regard and to submit proposals to the Board of Directors. The committee is responsible for determining whether the Corporate Governance Principles are applied in the Company or not, and if not, the reasons behind it and conflicts of interest arising from not following them

The Corporate Governance Committee serves as the Nomination Committee and the Remuneration Committee as well. It is responsible for the following duties; Establishing a transparent system for identifying, evaluating and training appropriate candidates for the Board of Directors and managerial positions with administrative responsibility, and determining policies and strategies in this regard, To make regular evaluations regarding the structure and efficiency of the Board of Directors and to present to the Board of Directors the recommendations regarding the amendments to these issues, Expressing its opinions on establishing the remuneration principles by taking the recommendations of the members of the Board of Directors and senior executives, while at the same time by taking into consideration the long-term objectives of the Company. It also carries out the duties of determining the criteria that can be used in remuneration in connection with the performance of the Company and the members of the Board of Directors.

The members of the Corporate Governance Committee are listed in the table below:

Full Name	Title
Libor KUDLACEK	Chairperson
Demet ÖZDEMİR	Member
Ondrej DVORAK	Member
Özge ÖZEN AKSOY	Member

4.3.2. Committee in Charge of Audit

The Audit Committee is responsible for taking all necessary measures to ensure that all internal and independent audits are conducted in an adequate and transparent manner and for effectively implementing the internal control system. In this context, the Committee has forwarded its suggestions to the Board of Directors on the issues that it is responsible for, including conveying its opinions and suggestions regarding the internal audit and internal control system.

The actions taken by the Board of Directors on the following issues are taken based on these reports:

- Selection of an independent audit firm,
- Determining the scope of service to be received from the independent audit firm,
- Examination of financial reports before they are submitted to the Board of Directors,
- Preparation of the Internal Audit plan, follow-up of audit reports, findings and corrective actions,

The company has fulfilled its obligation to monitor the operation and effectiveness of the internal control system. Among the members of the Audit Committee within the Company, there are members who have experience in the fields of accounting / auditing and finance. The committee oversees the Company's accounting system, public disclosure of financial information, and independent audit, as well as the functioning and effectiveness of the Company's internal control and internal audit systems. The selection of an independent auditing firm, identification of the services to be received from this firm, preparation of independent audit contracts, initiation of the independent audit process, and the works of the independent auditing firm at every stage, are all carried out under the supervision of the audit committee. The independent auditing firm that will provide services to the Company, and the services to be received from this firm, are determined by the Audit Committee and then submitted to the Board of Directors for approval. The examination and conclusion of the complaints received by the Company regarding the Company's accounting, internal control system and independent audit are carried out by the Committee in Charge of Audit. The Audit Committee reports its evaluations concerning the truthfulness and accuracy of the annual and interim financial statements to be disclosed to the public, according to the accounting principles followed by the Company, together with the evaluations of the Company's respective executives and independent auditors, to the Board of Directors in written form. The Audit Committee immediately notifies the Board of Directors in writing about its findings that fall under the Committee's duties and responsibilities, as well as its evaluations and recommendations in respect thereof.

The members of the Audit Committee are listed in the table below:

Full Name	Title
Demet ÖZDEMİR	Chairperson
Petr KALAS	Member

4.3.3. Early Risk Detection Committee

Due to the alignment with article 378 of the Turkish Commercial Code, which was enacted in July 2012, the Early Detection of Risk Committee was established under the supervision of the Akenerji Board of Directors. The Committee ensures early detection of risk, taking the necessary precautions related to the risks identified, and management of the risk.

To fulfill its duties and responsibilities, the Committee presents reports to the Board of Directors, every two months. The Committee for the Early Detection of Risk was established by the Board of Directors on 24.09.2013 in accordance with the provisions of the relevant legislation. The Committee makes recommendations and suggestions to the Board of Directors on early detection, evaluation and assessment of the impact and probabilities of any type of risks that may affect the Company, be it strategic, financial or operational. The committee also makes proposals on the management of these risks in accordance with the corporate risk-taking profile of the Company, reporting, implementation of necessary measures related to identified risks, taking into consideration in decision making mechanisms and establishment and integration of effective internal control systems. The effectiveness of the Company's risk management and internal control systems is reviewed at least once a year by the Early Risk Detection Committee.

The members of the Early Detection of Risk Committee are listed in the table below:

Full Name	Title
Demet ÖZDEMİR	Chairperson
Petr KALAS	Member

4.4. Key Management Compensation (TRY):

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Salaries and benefits	29,337,594	28,069,409	10,151,352	7,939,701
Bonus payment	9,299,425	15,261,782	(408,189)	(1,037,996)
Attendance fee	3,591,389	3,177,129	1,411,992	1,285,736
	42,228,408	46,508,320	11,155,155	8,187,441

4.5. 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 Chairperson of the Board of Directors
2. TOMAS PLESKAC to be assigned as Vice-Chairperson 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

Chairperson of Board of Directors

MEHMET KOCAOĞLU

Member of Board of Directors

SERHAN GENÇER

Member of Board of Directors / General Manager

GROUP (C) SIGNATURES

CAN GÜLCAN

Energy Generation Assistant General Manager

ORKUN EYİLİK

Commercial Director

DUYGU ERZURUMLU CENGİZ

HR & Business Support Director

GROUP (B) SIGNATURES

TOMAS PLESKAC

Vice-Chairperson of Board of Directors

JAROSLAV MACEK

Member of Board of Directors

ONDREJ DVORAK

Member of Board of Directors

ÖZGE ÖZEN AKSOY

CFO

GROUP (D) SIGNATURES

-

GROUP (E) SIGNATURES

YUSUF HÜSEYİN YÜCEBAŞ

Government Relations Coordinator

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. However, the Board of Directors is authorized to implement the issues stated in Article 5/ (I) of the Internal Regulation no. 09 approved by our Board of Directors on 13.12.2023. Before these issues are implemented, a decision of the Board of Directors is required.

III. Our Company shall be represented and bound with JOINT SIGNATURES of a GROUP (A) signatory and a GROUP (D) signatory under the corporate seal of the Company on the issues stated in Article 5/ (II) of the Internal Regulation no. 09 approved by our Board of Directors on 13.12.2023.

IV. Our Company shall be represented and bound with JOINT SIGNATURES of a GROUP (B) signatory and a GROUP (C) signatory or GROUP (B) signatory and GROUP (D) signatory under the corporate seal of the Company on the issues stated in Article 5/ (III) of the Internal Regulation no. 09 approved by our Board of Directors on 13.12.2023.

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. 09 approved by our Board of Directors on 13.12.2023.

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:

To appoint Dr. Tamer EMRE, as Strategic Planning and Corporate Governance Director of our Company, to be responsible for our Company's strategic planning and risk, government relations and legal consultancy functions, as of 13.05.2024 and to grant him the authority to represent and bind our Company as Group (C) Signatory in accordance with the Article 5 of the Internal Regulation no. 09 approved by our Board of Directors on 13.12.2023, registered by İstanbul Trade Registry Office on 21.02.2024.

5. EMPLOYEES

5.1. Number of employees

As of 30 September 2024, the number of employees employed by the Company is 296 (31 December 2023: 319).

5.2. Salary and Benefits Management

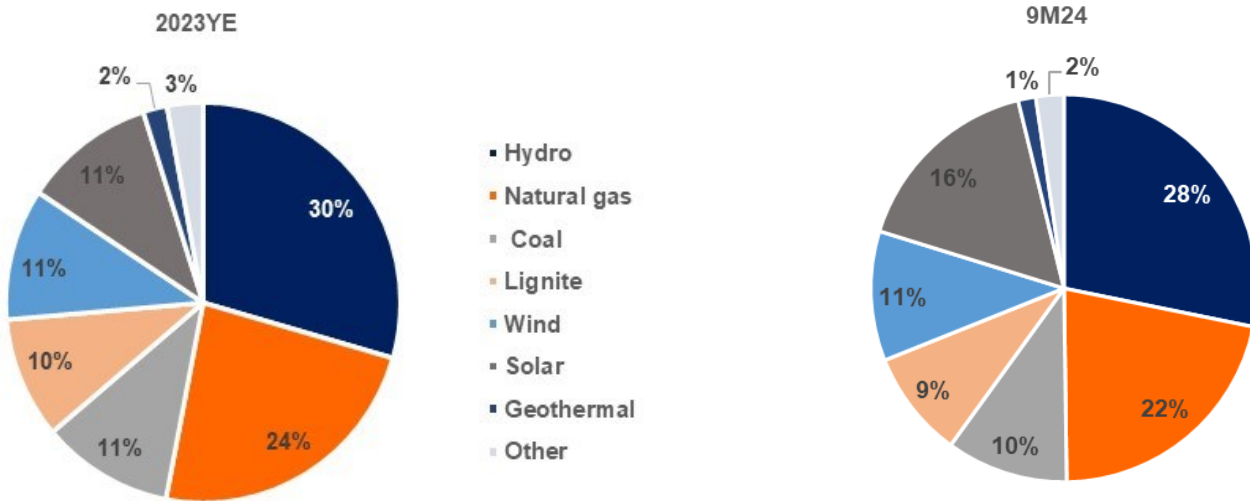
While creating the wage policy, we work with independent consultants to analyze the current data of both the sector and the market, and determine the wages of the level and position according to the job evaluations. We regularly review our wage and benefits systems every year and follow a fair and competitive policy. In line with our Human Resources Policy and Ethical Principles, as is the same with out other human resources processes, when determining wages and benefits, we make decisions free of discrimination, independent of issues such as race, language, religion, gender, ethnicity, and continue our work by only taking into account the value of the relevant position and level.

Our Company does not have any employees under the collective bargaining agreement. On the other hand, there are no obstacles to freedom of association or the effective recognition of the right to collective bargaining.

6. COMPANY OPERATIONS AND MATERIAL DEVELOPMENTS

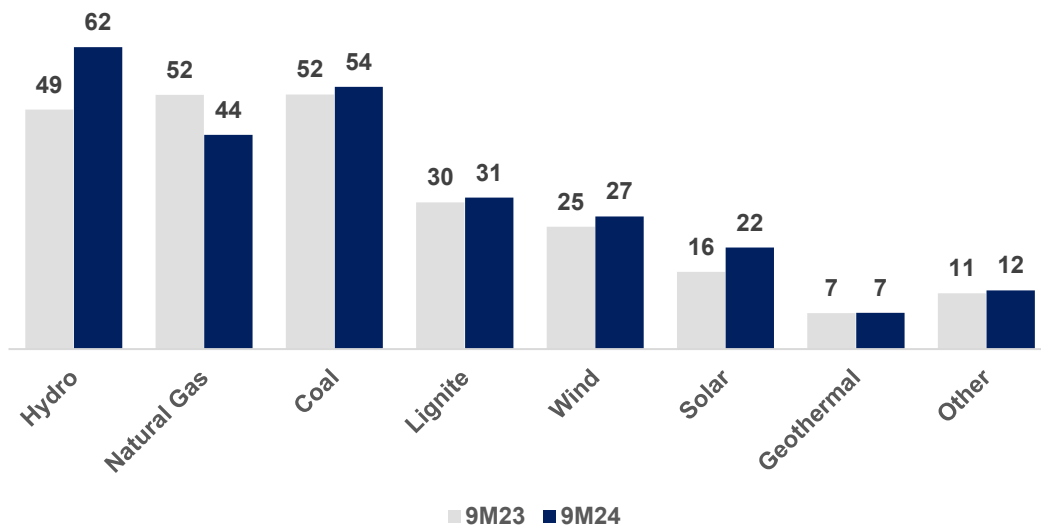
6.1. Sector Developments

The total installed capacity of the Turkish electricity market reached 114,144 MW by the end of September 2024, marking a 7% increase compared to the end of 2023. Of the total installed capacity, 28% is hydro, 22% is natural gas, 19% is domestic and imported coal, 16% is solar, 11% is wind, 2% is biomass, 2% is geothermal, and the remaining 1% comes from other energy sources.

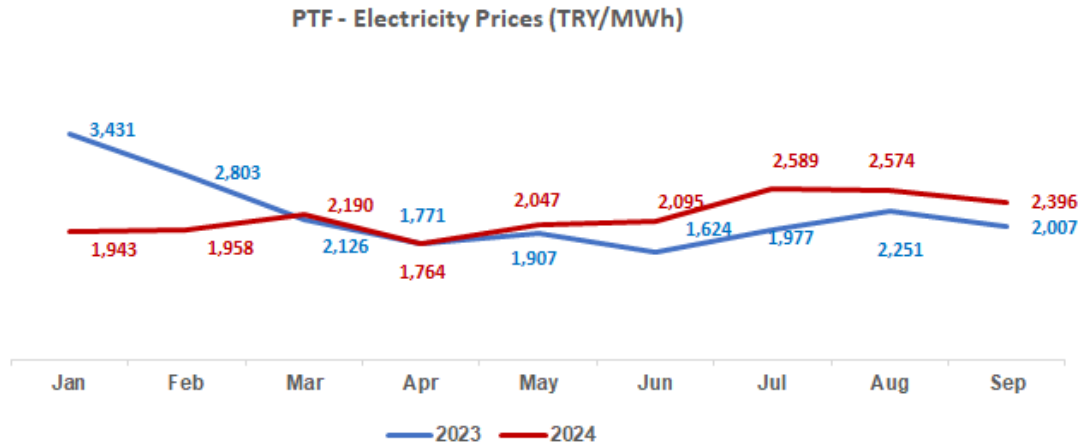


In the first nine months of the year, electricity generation in Türkiye increased by 7% compared to the same period last year, reaching 258,940GWh. The share of natural gas in total electricity generation was 21% in the first nine months of 2023, but due to decreased spark spreads and lower profit margins, it declined to 17% in the same period of 2024. Additionally, due to higher precipitation compared to the previous year, the share of hydroelectric power plants in total generation rose from 21% to 24%. In the first nine months of 2024, Türkiye's electricity consumption increased by 5% year-on-year, reaching 259,050 GWh.

Electricity generation in billion kWh in Türkiye by sources:



Market Clearing Prices (PTF) decreased by 1.6% y/y in 9M24, with a nine-month average of TRY 2,173/MWh. During the same period, electricity prices in USD terms decreased by 35% due to the depreciation of the TRY against the USD. The average of The Botaş natural gas tariff was realized at TRY 12,000/1000 m³ in the first nine months of 2024 compared to an average of TRY 11,667/1000 m³ in the first nine months of 2023.



According to regulations published in the Official Gazette on December 31, 2023, power plants receiving loading and deloading instructions in the balancing power market will not receive capacity payments. Additionally, under the new regulation, hydroelectric power plants will also be excluded from the capacity mechanism. The methods for calculating capacity payments have been updated, with additional payments provided for the use of domestic coal or natural gas. As of 2024, a total of 43 power plants (including Erzin natural gas combined cycle power plant) will benefit from the capacity mechanism.

The Renewable Energy Resource Areas (YEKA) RES-3 auctions, developed by the Ministry of Energy and Natural Resources under the YEKA model, were completed on June 14, 2022. The YEKA GES-5 auction, initially planned for 2023, is expected to take place in 2024.

6.2. Electricity Generation of the Company

We generated a gross electricity production of 2,807 GWh in the first nine months of 2024 thanks to our balanced, sustainable, efficient and environmentally friendly portfolio.

POWER PLANTS	Installed Capacity (MW)	1 January- 30 September 2024 Gross Electricity Generation (MWh)	Capacity Utilization Rate (%)
Ayyıldız WPP	28	60,028	32%
Bulam HEPP	7	23,240	50%
Burç Bendi ve HEPP	28	58,530	33%
Uluabat HEPP	100	195,043	30%
Feke II HEPP	70	75,673	17%
Feke I HEPP	30	63,103	33%
Gökkaya HEPP	30	56,394	30%
Himmetli HEPP	27	57,432	32%
Erzin NGPP	904	2,218,004	37%

6.3. Sales details of the Company

The details of the Company's electricity sales in MWh are as follows:

	1 January- 30 September 2024	1 January - 30 September 2023
BILATERAL AGREEMENTS	942,942	1,878,985
STABILIZATION AND RECONCILIATION MARKET (*)	1,995,781	1,402,477
ANCILLARY SERVICES (SFC)	670,128	572,906
CROSS BORDER ELECTRICITY TRADE	49,250	62,036
TOTAL	3,658,100	3,916,404

*Includes 43,443 MWh Renewable Energy Resources Support Mechanism sales (30 September 2023:5,511 MWh).

6.4. Investments

We are in favor of a diverse approach to energy supply that considers all resources. This diversity is crucial both for sectoral sustainability and for creating added value by evaluating periodic cost advantages. We manage our operations with this resource diversity perspective. Under the regulations published regarding hybrid facilities, we are working on the installation of hybrid plants at our existing facilities, including Erzin NGCC, Burç Bendi, and HES.

The Kemah Hydroelectric Power Plant project stands out as one of Türkiye's leading hydroelectric projects with a high installed capacity of 198 MW, reservoir capacity, and strategic location. The State Hydraulic Works Final Project approval process of the project, which is planned to be established in Erzincan and expected to generate an average of 560 GWh of electricity per year, was completed in 2017, the license was modified in 2020 and the pre - construction period was extended. As one of the most significant investments of Akenerji Elektrik Üretim A.Ş., the project continues to undergo economic analyses focusing on conventional energy production alternatives, opportunities to benefit from YEKDEM incentives, and pumped storage systems as of 30 September 2024. The existing railway line passes through the reservoir area of the Kemah HPP, and after the project is completed, a portion of this line will be under water (inundated). The repositioning of this line is planned to be included in the upcoming period's investment plan as a public investment by the state, in coordination with Turkey Republic State Railways and the Ministry of Transport. Once the relocation plan is realized, the Company plans to proceed with the other necessary works for the investment. Due to the aforementioned economic analysis and alternative assessments and ongoing relocation plans, construction of Kemah project has not begun as of 30 September 2024, thus the project is not presented in financial statements. Additionally, licensing and investment planning processes are ongoing for the additional 6.2 MW capacity for the Ayyıldız Wind Power Plant. Once there are completed, the installed capacity of Ayyıldız WPP will increase to 34.4 MW. As Akenerji, we will continue our goal of creating added value not only through the operations at our own plants but also through the Operation and Maintenance services and capacity leasing activities that we plan to offer to potential clients.

6.5. Research and developement activities of the Company

Akenerji does not conduct any R&D activities. Market research and other necessary analyses are carried out by means of organizations providing professional consulting services.

6.6. Information on the Company's acquisition of its own shares:

The Company hasn't acquired any of its own shares within the 01.01.2024-30.09.2024 interim accounting period.

6.7. Disclosure regarding the private and public audits conducted during the accounting period:

Akenerji hasn't been subject to any private or public audits within the 01.01.2024-30.09.2024 interim accounting period.

6.8. Information on any material lawsuit filed against the Company, which might have material impact on the Company's financial status and activities, and the possible outcomes of such lawsuits, and explanations about administrative or judicial sanctions imposed on the Company and the members of the governing body due to practices in violation of applicable legislation:

There are no material lawsuits filed within the 01.01.2024-30.09.2024 interim accounting period against the Company, which might have material impact on the Company's financial status and activities, or administrative or judicial sanctions imposed on the Company and the members of the governing body due to practices in violation of the applicable legislation.

6.9. Information regarding the related party transactions and balances required to be submitted to the partners in accordance with the legislation:

Information regarding the related party transactions and balances required to be submitted to the partners in accordance with the legislation is provided in footnote No. 15, named Related Party Disclosures, in the Financial Statements section.

7. FINANCIAL ANALYSIS

7.1. Financial Summary:

Akenerji's condensed consolidated balance sheet and income statement for 9M2024 are as follows:

Condensed consolidated balance sheet (TRY mn)	30 September 2024	31 December 2023
Current Assets	3,357.8	3,433.2
Non-Current Assets	38,353.9	39,973.7
Total Assets	41,711.7	43,406.9
Current Liabilities	3,587.1	11,172.5
Non-current Liabilities	18,422.3	13,511.2
Equity	19,702.3	18,723.2
Total Equity & Liabilities	41,711.7	43,406.9
Net Debt	(16,169.2)	(19,681.5)

Current Assets: The company's current assets have decreased by 2% compared to December 31, 2023. Despite an increase of 326 million TRY in cash and cash equivalents as of 31 December 31 2023, the decrease of 113 million TRY in receivables, 82 million TRY in inventories, 129 million TRY in prepaid expenses, and 76 million TRY in other current assets had an impact.

Non-Current Assets: The Company's non-current assets decreased by TRY 1,620 million compared to 31 December 2023, primarily due to a reduction of TRY 1,317 million in property, plant and equipment.

Short-Term Liabilities: As of 30 September 2024, the Company's short-term financial liabilities stand at TRY 1.8 billion. The Facility Agreement is executed for the purpose of restructuring the terms of the whole portion amounting to TRY 3.9 billion and USD 64 million, with a maturity date of December 3, 2024 of the loan provided to our company within the Facility Agreement and as a result of this amendment, the maturity was redetermined as 18 months and the mentioned amount denominated in USD.

Long-Term Liabilities: After the restructuring of the loan, its long term financial liabilities increased by TRY 4.3 billion compared to 31 December 2023.

Summary Consolidated Income Statement (TRY mn)	1 January -30 September 2024	1 January - 30 September 2023	Change y/y (%)
Revenue	18,103.4	26,019.1	-30%
Gross profit	261.6	1,725.0	-85%
Gross Margin (%)	1.4%	6.6%	-5.2 bp
Operating Profit/loss	(109.0)	1,557.7	N.M.
Financial Income/(expense)	(3,493.5)	(7,941.6)	-56%
Net income/	986.5	1,234.8	-20%
EBITDA	1,352.0	3,052.0	-56%
EBITDA margin (%)	7.5%	11.7%	-4.2 bp

Revenue: Revenues decreased by 30% y/y, reaching TRY 18 billion due to a decline in total generation volume and electricity prices. Additionally, regulations related to load-taking and load-dumping instructions led to an 89% reduction in revenue from this segment, further putting pressure on total revenue.

Gross Margin: Natural gas purchases have an important role within the production costs due to the operational activities of the Company's Erzin NGPP. Despite a reduction in production at the Erzin plant, the 30% decline in revenues has pressured the Company's gross profit.

Financial expenses: Its FX losses declined by 56% y/y in 9M24, mainly due to the lower depreciation of TRY in the same period last year.

Net income: Akenerji recorded a net income of TRY 986 million in 9M24 thanks to lower financial expenses.

7.2 Determination on whether the Company has any unredeemed capital, or the Company is in a debt-choked status, and the evaluations of the management body:

The Company has no unredemmed capital, and the Company is not in a debt-choked status.

8. 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 30 September 2024, the Company has;

- TRY 281 million, USD 43 million short-term borrowings and EUR 1.2 million and TRY 15.6 million short-term leasing liabilities, and
- USD 474 million long-term borrowings and EUR 3.8 million and TRY 119.6 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 Company's financial performance.

9. 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 Akenerji 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.

10. SIGNIFICANT EVENTS REGARDING THE COMPANY

10.1. The Ordinary General Assembly Meeting of the Company for the year 2023:

It was held on 3 May 2024. Shareholders representing 74.87% of the Company's capital attended the meeting. Shareholders used their right to ask questions and no motion with the exception of the agenda was presented. There were no questions from shareholders answered in writing after the General Assembly in line with principle 1.3.5 of Corporate Governance Notification no. II-17.1 of the Board of Directors that could not be responded to during the meeting.

At the Ordinary General Assembly Meeting of the Company for the year 2023 held on 3 May 2024, it was decided to select PwC Bağımsız Denetim Ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi as the independent auditor of our Company for auditing financial statements and reports of our Company for the year of 2024, in line with the report of the Audit Committee and as per the resolution of the Board of Directors, in accordance with the relevant provisions of Turkish Commercial Code, "Communique on Independent Auditing Standards in Capital Markets" Serial:X, No:28 of Capital Markets Board and the Decision of Energy Market Regulatory Authority on Auditing of Real Persons and Legal Entities Displaying Activity in Energy Market" dated 03.03.2015 and numbered 5507.

10.2. Changes in the Articles of Association in the period

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

10.3. Corporate Governance Rating:

Our Company has completed the 'Corporate Governance Rating Report,' carried out by SAHA Corporate Governance and Credit Rating Services Inc., an authorized rating agency with permission to conduct evaluations by the Capital Markets Board (SPK) Corporate Governance Principles in Türkiye. The Corporate Governance Rating for our Company has been determined as 9.57 out of 10, with sub-scores as follows: Shareholders 95.28, Public Disclosure and Transparency 97.79, Stakeholders 97.43, and Board of Directors 93.81, all on a scale of 100.

Best Regards,

Ondrej DVORAK

BoD Member

Serhan GENÇER

Chief Executive Officer