ENERJİSA

TRANSCRIPT OF ENERJİSA ENERJİ H1 2023 EARNINGS CALL

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SPEAKERS:	Dr. Philipp Ulbrich – CFO
	Rawand Faraj – Head of Investor Relations, Tax & Corporate Office
	Pınar Saatçioğlu – Investor Relations Manager

PRESENTATION SESSION

Rawand Faraj: Good evening, dear investors and analysts, this is Rawand speaking.

I welcome you to Enerjisa Enerji's Earnings Results call for the first half of 2023.

I would like to start with the opportunity, to briefly introduce our new CFO Dr. Philipp Ulbrich, who has joined us from E.ON in June this year. We welcome him to the organization and look forward to work with him closely.

Philipp has extensive experience from the energy sector, as he spent almost two decades within the industry, in various global roles. Both across Germany and France, as well as overseeing investment activities in areas as San Francisco, US, and Tel-Aviv, Israel.

His background, and latest position as Senior Vice President for Business Controlling – Digital at E.ON, will be a valuable addition to the Enerjisa management team, and we are confident that our company has a bright future under his leadership.

The call will be presented by Philipp and myself for 30 min, and thereafter we will open the line for Q&A. Now, without further ado, over to you, Philipp.

Dr. Philipp Ulbrich: Thank you for the warm welcome Rawand and hello everyone also from my side. I am Philipp Ulbrich, the new CFO of Enerjisa Enerji.

"Merhaba, ben Philipp. Türkiye'de olmaktan çok mutluyum."

As this is my first Earning Release Call in the new role, let me say share some words on my background. I started my professional career, after a doctorate education in economics, at the energy company E.ON, where I have spent my last 18 years working in various finance roles.

Between 2009-2013, I held the position as Head of Finance for E.ON's activities in France, and in the following 10 years I have held various roles based in Germany overseeing international finance activities and projects. This includes, among many other things, also managing E.ON's international innovation and acquisition portfolio, and also large international projects.

Most recently, I served as the company's Senior Vice President - Business Controlling, so as the CFO for the board area Digital. At this moment, having spent two months in my new role, I am still in the stage of getting to know our wide organization and processes, as well as understanding the specific business and macroeconomic dynamics that currently prevail.

Already today, I can share with you that I very much appreciate to work with the Enerjisa team. I am impressed with what I have seen during my visits in Istanbul, Ankara, Adana and Hatay, and can truly say that this is a company that is very well positioned in its markets and has a highly dedicated and

professional work force. What is also evident for me, is that Enerjisa is a company that goes above and beyond what is expected, in times of challenges and difficulties.

Executive Summary: Pg. 2

Now moving to our presentation, let me start by giving you a highlight of the major developments of our First half 2023 financial results on page 2;

We have now received the official decision from the regulator on how earthquake related expenses are to be handled and compensated for in the regulatory framework. Via this, earthquake related costs are classified as pass-through uncontrollable OPEX, and thus have, for the majority of the items, no impact on our financial result.

We welcome this decision, and see this as a testament for the pragmatic and supportive framework we are operating under, which underpins Enerjisa's robust profile. Underlying Net Income grew by 118% year over year in the first half of 2023, driven by strong earnings growth from all of our three segments, and a relatively lesser increase in financial expenses. Free Cash flow in the first half of 2023 increased to 2.2 billion Turkish Lira, compared to negative 4.5 billion Turkish Lira in the first half of 2022, driven by lower energy costs and continued support mechanisms in our regulated businesses.

Our leverage ratio is at a low level of 0.6. We reiterate our 2023 and mid-term outlook, with an upward revision of the 2023 Underlying Net Income, which is now expected to be 5.0 – 6.0 billion TL, thus in the upper part of the previous guidance range. All other parameters, as operational earnings, investments and RAB are expected to be in line with our previous communicated guidance.

Earthquake Impact on Enerjisa Enerji's Financials: Pg. 3

Before we look at the key financial highlights, let me please start of by sharing some details around the situation related to the earthquake, that was situated in our Toroslar region at the beginning of this year.

While I was not yet in Türkiye, I closely observed this tragic news from abroad with a lot of empathy and sorrow, and want to express my personal condolences to all the people of this nation. I want to let you know that I also, as my almost 12,000 colleagues, am doing all in my power to support the rebuild, reactivation and ease in these impacted regions.

From a pure financial perspective, we can conclude that the earthquake has had limited financial impact on our earnings capacity and financials. The first key message, that I want to reiterate today, is that our Regulatory Asset Base is not impacted by the earthquake. There are no write-offs or impairments, and the company's planned returns generated from the asset base are unchanged. This means that Financial Income and CAPEX reimbursement, the two main investment return components are safeguarded. While there are physical damages to the grid, these are protected by the regulation and the insurance there within, which we insured to the maximum amount before the earthquake.

Costs related to the earthquake have mainly been restoration and repair costs, in addition to humanitarian support expenditures of providing accommodation, food and infrastructure to the people affected. These costs will be, with the official decision from the regulator communicated two weeks ago, compensated as they are from now on classified as pass-through uncontrollable OPEX, and thus to be matched with additional regulatory revenues. This relates to the cost of 780 million booked in our Q1 results, and the further expenses in Q2, which have no negative net income effect in our first half 2023 results. This is because they both have now been mitigated with the additional income accruals, that will be received with certainty in the future.

The same compensation metric is also valid, for the 60 million theft and loss related expenses occurred in the first half of this year, due to higher theft as a consequence of interrupted meter reading activities. These will also be compensated and the effect will be reflected in our Q3 results. The only OPEX related effect negatively impacting our business, is the 98 million lira of humanitarian aid, which the company has

voluntarily given to its employees and their families, which is a temporary expense and outside the company's regulatory activities.

For these reasons, these 98 million are adjusted for as non-recurring items and not part of our Underlying Net Income. We expect these expenses to be, more or less, in the same magnitude also during the second half of the year, and also then to be classified as a one-off adjustment. Before moving on to the financial highlights, also note that we don't expect any changes to our total investment budget as a consequence of the earthquake.

I also want to share with you our continuous efforts in the most impacted regions, and in this regard one important step is the opening of our new customer center in Hatay. This is an important step back to normalization, not only for our employees but also for the people of Hatay. Therefore, I was personally on site, in mid of last month, together with our CEO Murat Pinar and almost the entire management team, for the opening of this new facility.

Financial Highlights: Pg. 4

Now let's turn to page 4 where I will walk you through the highlights and key developments of our first half 2023 financial results.

Operational earnings were up by 49% year-over-year, reaching 9.9 billion TL in the first half of 2023, driven predominantly by strong growth from our customer solutions and distribution business. The main driver is the 1.5 billion addition to the Financial Income coming from the new IFRIC methodology introduced in Q3 2022. In addition, Customer solutions grew significantly and contributed 0.5 billion lira thanks to new solar PV projects together with the related gains on FX hedges. Further on, please note that the negative effect stemming from the 780 million OPEX costs booked in Q1 related to the earthquake, has now been mitigated as previously mentioned.

Underlying net Income, i.e. our adjusted net income figure, grew by 118% from 1.3 billion TL in first half of 2022 to 2.8 billion in the first half of 2023, mainly due to a far lower increase in financial expenses compared to operational earnings, thanks to lower combined net of cash loan & bond interest costs as well as lower customer deposit revaluation expenses. Free Cash flow came in at 2.2 billion TL, translating to an increase of 6.7 billion year-over-year, on the back of support from the regulatory mechanism compensating for the insufficient tariff levels, which was not yet introduced to the same extent in the first half of last year.

As highlighted in our last call, the Q2 energy tariff levels for end users were decreased by the regulator, effective as of April 1st. With it, our Free Cash Flow also declined in the isolated second quarter of this year by roughly 0.9 billion, but nevertheless remained at a positive level year to date. I would like to reiterate our communication in Q1, that the positive FCF observed in the first quarter is not a proxy for the FCF levels going forward, as these are during these extraordinary times of the energy market highly dependent on the regulatory compensation schemes. Regardless of how long these are expected to continue, we still see that our business is operating cost-effectively and with solid returns, and all working capital fluctuations will, regardless of size in the end, be compensated with interest over time.

Our strong earnings developments, together with our positive cash generation also translates into a decrease in leverage. Our leverage ratio, net financial debt over operational earnings, came down from 1.5 in first half 2022 to 0.6 in first half of 2023. This is a further decrease from the already low leverage achieved in December last year, which was 0.7. Please note that while we don't provide a leverage target, we anticipate that this will increase going forward. As we continue to see an attractive margin for our investments, despite the increase in debt and current market rates. While the low leverage has been supportive, in terms of prudent risk management during extraordinary volatile times, it is not reflecting the debt bearing capacity our robust business model can absorb. Therefore, I prompt you to expect that leverage will not continue to be on these low levels as it has been in the last quarters.

Operations: Pg. 5

Let's now have a look at our operations on page 5, starting with **Distribution**:

CAPEX came in at 3.7 billion Turkish Lira in first half of 2023, up from the 934 million figure during the same period last year. The main drivers for the 2.7 billion increase are higher inflation as well as the low activity level at the first half of last year. We see no changes to our investment plans, and therefore yet again reiterate the guidance for investments, which is 11-15 billion lira for this year. Please note that roughly 80% of this figure is dedicated towards our distribution business, while the rest are investments into the new fast-growing Customer Solutions segment.

Our Regulated Asset Base increased by 50% year-over-year, reaching 28 billion TL in the first half of 2023 compared to 18.7 billion TL in the mid-point of last year. The RAB in Q2 is a bit lower than in Q1, where the RAB stood at 29.4 billion, due to a lower inflation revaluation as the mid-year CPI realized lower than expected. Efficiency and Quality earnings in the first half of 2023 were negative to the tune of 425 million TL, predominantly due to negative OPEX outperformance. Let me please provide some context around these cost developments in our distribution business, to better understand the drivers behind the figures.

In Q1 2023 the OPEX outperformance was negative due to two effects.

1. Firstly, the OPEX spending related to repair of the grid and humanitarian support activities, as a respond to the earthquake impacting our Toroslar region. This was recorded as -780 MTL in our Q1 results.
   These costs, have now been reversed in our P&L, in light of the verdict from the regulator that these are cost items that will be treated as pass through non-controllable OPEX, and thus to be compensated to us in due time, via the normal tariff mechanisms.
2. The second effect is the increased price levels of wages, fuel costs and other material components that are increasing beyond inflation.
   This was recorded as a 258 million TL negative effect in Q1, and now has increased to -1 billion in our first half results. The majority of the impact is derived from the minimum wage increases, that have raised salaries for employees.
   For Enerjisa the total basket of regulatory OPEX in our distribution business increased by 110%, year over year for the first half of 2023, while the regulatory cost compensation index was 39%, close to the mid-year inflation number. The difference between the two is thus resulting in the negative OPEX outperformance, seen in the lower Efficiency and quality earnings in our financial results.
   This is an effect not specific to Enerjisa, as it is a regulatory mechanism impacting all distribution and retail companies in Türkiye.
   We have already initiated discussions with the regulator and constructive discussions have been initiated to develop a new indexation methodology that captures costs beyond CPI in our OPEX Compensation allowance.

Now over to our **retail and customer solutions segments**.

In our regulated retail segment, the gross profit margin increased to the high and strong level of 7.8% in the first half of 2023 compared to 7.0% in the first half of 2022, on the back of increased cost coverage for higher inflation and doubtful receivables.

Regulated volumes increased by 6% year over year, mainly due to an inflow of liberalized customers due to more attractive regulated prices. Vis-a-vis, the opposite effect is seen in our liberalized volumes, which decreased 2% year over year due to the same reason.

In our liberalized segments, margins came down to 3.9%, compared to 4.3% in the same period of last year, due to a lower portion of attractive fixed price contracts as a consequence of the illiquid and volatile energy market observed in the last quarter of this year.

Our Customer Solutions gross profit increased significantly from 61 million TL in the first half of 2022 to 183 million in the first half of 2023. This resulted in a growth rate of 200% year-over-year, driven by primarily by new solar power projects, where we install solar panels on our customers' facilities, providing them with

access to green energy. Please remember that in the last quarter we stated that the low growth in the customer solutions business is only a temporary effect, as some solar projects were delayed and will be contributing to our financials in the coming quarters. We are glad to highlight that these have now been catched-up and therefore translate to the higher growth rate in Q2 compared to the first quarter of the year. Accordingly, our solar capacity for customers reached 27.9 MWp in the first half of 2023 compared to 22.6 MWp in the same period last year.

Our E-mobility business took a substantial leap forward in the last 12 months, as the charging plug base increased more than twofold from 520 to 1164 plugs on the back of the fast growth delivered, not the least thanks to the tender agreement secured in the second half of 2022. We can also share the positive developments, that the last six percent ownership shares of Esarj, where purchased by Enerjisa in July this year, making it now a 100% owned subsidiary.

I now hand over to Rawand, who will walk you through our key financial drivers.

Operational Earnings Development: Pg. 6

Rawand Faraj: Thank you Philipp.

As you can see, on page 6, operational earnings increased by 49% year-over-year to 9.9 billion Turkish Lira. The breakdown per segment of the first half of 2023 operational earnings are; 7.6 billion from our distribution segment, 1.9 billion TL generated from our retail business, and 0.5 billion from our customer solutions segment. Looking at the main drivers of the 3.3 billion increase in operational earnings, the following contributed to the growth:

- Our distribution business generated growth, both from its return on assets and investments activities, resulting in a segment growth of 45% year-over-year, with the 3 main components highlighted in the bridge, as follows:
- Financial income increased by 2.5 billion lira on the back of higher inflation and investments, as well as the IFRIC methodology change incorporated in Q3 last year, which alone contributed with 1.5 billion of higher earnings.
- CAPEX reimbursement, which is a part of our Operational Earnings, but not included in the Underlying Net Income increased by 1.0 billion.
- Partially offsetting these positive contributions in our distribution segment, was the 910 million year-over-year drop in Efficiency & Quality, due to the already mentioned effects of higher OPEX costs, in light of the increases in commodity prices and employee related wages above inflation.

Our Retail segment also contributed to increased earnings, with a growth rate of 28% year over year, generated mainly from our regulated portfolio.

- Here, the gross profit increased by 472 million, year-over-year thanks to higher energy prices and higher volumes, as well as the increased cost coverage, mentioned earlier.
- The liberalized segment also contributed to the growth, with an increase in gross profit of 164 million TL in the first half of 2023, mainly due to the low comparison base in the first half of last year, where the liberalized margins were suppressed in Q1 because of the then newly introduced Feed In Tariff mechanism.

Moreover, our customer solutions segment generated an increase in gross profit of 122 million, on the back of the high degree of growth observed in the solar PV business, thanks to the delivery of new customer projects.

Lastly, as a minor negative effect, we have 69 million lira higher expenses due to OPEX increases in the retail and customer solutions segments, which have almost been fully offset by gains from FX hedges.

All in all, the contributions from all three segments, generated an increase of 3 billion and 274 million Turkish Lira, leading to our H1 2023 Operational Earnings of 9 billion and 938 million.

Underlying Net income Development: Pg. 7

Now, let me elaborate on the bottom-line development on page 7:

Our Underlying Net Income increased by 118% and reached 2.8 billion Turkish Lira in first half of this year, up significantly from the six-month results of last year, which was 1.3 billion. Our Operational Earnings, excluding CAPEX reimbursement, increased by 2.2 billion, on the back of the drivers just mentioned on the previous slide. Also operational, but classified as a line item in the financial expenses, are our operational FX losses, which increased by 516 million Turkish lira year-over-year, due to a revaluation effect of procurement contracts in our distribution business, which are denominated in FX prices.

Please note, that here are active hedging mechanisms offsetting a large portion of this effect. Therefore, the impact observed on this line item, is largely mitigated by earnings generated by FX hedges, which you will only find in the line item operational earnings.

Further on, net interest expenses, of loans and bonds, including the impact of cash and derivatives, decreased year-over-year by 335 million lira, predominantly due to a lower financial net debt, in combination with a stable average total financing rate.

Let me elaborate on the financing costs, by first explaining that the main change in our debt portfolio, is the gradual shift towards a higher portion of bonds instead of loans. This is a circumstance of the illiquid loan market in Türkiye in the last months, and thus consequently our several successful bond issuances. Worthy to mention is that, Enerjisa has shown itself to be one of the few actors in Türkiye, who have consequently managed to access debt in times of a very restricted debt market, when others could not.

On July 17 we issued our latest and fifth consecutive bond for this year, with the amount of 3.1 billion lira. The interest rate and maturity were 42.5% and 24 months. In this context, our debt portfolio mix shifted from a predominantly loan financed portfolio, to now a more equal distribution between loan and bonds. Bonds now constitute 45% of our debt portfolio, which is an average throughout the first six months of 2023, compared to only 16% for the same period last year.

Our average financing rates, for loan and bonds increased from 23.6% in first half of 2022, to 24.8% at the same period of this year. The increase is very limited, of merely 1.2%, when comparing to the high surges in market rates for new financings in the last 12 months. The reasons for this limited hike on Enerjisa's financing rates, are that our average interest rate also enjoys some loans from the last year, which have yet not fully reached maturity. Another driver is, that our bond rates decreased substantially due to the phasing out of CPI linked bonds, which were very expensive in the high inflation environment, and included in the comparison base of last year. We do not have any CPI linked bonds anymore.

Further on, financings indexed to the Turkish Lira Reference rate, which are a material part of our debt instruments, increased in cost to a lesser degree than expected. This is related to the policy interest rate set by the central bank, which was first increased post the election, and thus has a limited impact in our H1 2023 results, as it was in the very last days of this period.

In addition to the rates mentioned above, we also have an interest rate portion of roughly 5 percentage points, which are added to the total average financing rate of our company, stemming from the impact of cash and derivatives. As a natural risk mitigation of the current illiquid and volatile funding environment, we have at several points during the year, had cash at hand to finance upcoming working capital needs. Especially as access to debt could not always be guaranteed. The current figure, as of the end of Q2 are 6.2 billion TL of cash, and 1.6 billion of derivatives. As such, our total all in, financing rate for Enerjisa, net of cash and derivatives are 29.5% in H1 2023, which is 1.4% higher than in the first half of last year.

Going forward we expect our financing rates to increase more in line with the observed trajectory of interest rates on the market. This is due to the recent increases in the policy rate, impacting our TL-REF indexed financings, as well as higher bond rates. Especially as CPI-linked bonds were not as predominant in the second half of last year, as it were in Q1 and Q2 of 2022, and thus will provide a lower positive comparison base effect.

Now back to our Underlying Net Income bridge, where our bottom line also benefited from a lower deposit revaluation expenses of 300 million year-over-year, due to a lower inflation index.

Please remember that the calculation metric for indexing our customer deposits is the two-month lagging inflation rate, meaning that half year revaluation of customer deposits are incorporating the six-month inflation rate between October and April, which is 20% now in 2023, and was 55% in 2022.

Other financial expenses increased by 445 million Turkish Lira mainly due to the base effect related to last year, where interest income generated in the retail business were absent in the first half of this year. This is because last year, energy procurement prices were higher than the end user tariff, and thus created negative cash flows, and consequently higher interest income on the outstanding price equalization receivables, owed to us by the regulator. This year, the situation has much improved, and our positive cash flow from our regulated portfolio, have not required a compensating interest income, and thereof the negative year-over-year comparison on this line item.

Economic Net Debt: Pg. 8

Lastly, turning to page 8, before presenting our new 2023 guidance, I want to walk you through the major changes in our net debt position.

Our Economic Net Debt increased by 5%, year over year, going from 15.2 billion Turkish lira in December 2022 to 16.0 billion at H1 2023. Accordingly, our leverage ratio decreased to 0.6 times, on the back of our strong operational earnings expansion, outpacing our accumulated debt development. Free cash flow BEFORE interest and tax was strongly positive and reduced the debt level by 5.6 billion lira year to date.

Net interest payments increased our debt with 1.6 billion. Likewise, our tax payments increased by 1.8 billion because of the higher earnings base. Change in customer deposits were 1.1 billion lira, mainly due to the revaluation with inflation as well as addition of new deposits from customers.

Please note that the dividend related to the fiscal year of 2022, was approved and paid out to our shareholders in April, and is thus now reflected in our first half results net debt position. This effect consequently further added to our debt by 2.7 billion. Lastly, gains from FX derivatives contributed positively to our deleveraging with 0.8 billion TL, due to higher FX rates and increased amounts of forward contracts.

I now hand over to Philipp for providing you with our latest guidance.

Guidance: Pg. 9

Dr. Philipp Ulbrich: Thank you. Let me now finally walk you through our outlook and comment on our guidance.

Firstly, we again reiterate our mid-term outlook for 2022 to 2025. We confirm a compounded average growth rate of 30-40% for our operational earnings and 25-35% for our bottom line, namely Underlying Net income. In addition, we reiterate our 2023 guidance and further enhance our underlying net income range, which now is expected to be in the upper part of the previous outlook.

Thus, our updated guidance is as follows:

- Operational earnings in 2023 is reiterated and expected to be in the range of 20 -24 billion TL.
- 2023 Underlying net Income, is now expected to reach 5.0 - 6.0 billion. This is an updated guidance, with an increased floor of the previous wider range of 4.5 - 6.0 billion.
- Our 2023 Regulated Asset Base guidance is kept unchanged at 30-35 billion TL, and so is our investment guidance of 11-15 billion.

Please remember that we highlighted that roughly 80% are RAB related investments in our distribution business, and the remaining 20% are related to our new fast-growing Customer Solutions business.

The latter will be recorded in our financial statements as Net working capital in the line item operational cash flow, instead of a CAPEX classification, due to the fact that the customer solutions assets are handed over to the customer at completion.

The main parameters to impact our outlook going forward will be the key energy regulation parameters, as tariff levels and energy procurement costs, as well as the inflation and interest rate environment subject to monetary policies decided by the central bank.

While Enerjisa is on a long-term basis well protected from increasing inflation rates, the rapid change of interest rate can translate to short-term deviation to our growth rate in the upcoming years, to both an increasing or decreasing outcome. We are therefore as all other corporations in Türkiye closely observing the debt market regulations and policies, and we will continue to actively lobby for safeguarding a regulatory environment that encourages to deploy the necessary investments into the electric grids that are the backbone for Türkiye's industry and its growth as well as ensuring that the people in this country have secured access to energy.

Before opening the Q&A, I would like to share with you some news regarding our Investor Relations organization.

Rawand has decided to move on outside Enerjisa, and will join E.ON in September, in a leading position with further information to be released later on. I would like to express my sincere thanks to Rawand for his extraordinary commitment to our company. He has made significant contributions to the successful transformation of our business, with a high level of professionalism and passion. Rawand has demonstrated his ability to effectively work in dynamic international environments and will be an important addition to the E.ON team. I wish him every success in his new role.

I would in the same time also announce, and welcome to the investor community, Rawand's successor, Cem Gökkayya. Cem is currently Enerjisa's Corporate Finance, Treasury and Risk Director, and will take over the responsibility for Investor Relations and Tax in addition to his current role. In Cem, we have a very experienced colleague, who have been with the company for 15 years, while in the same time gained international experience from assignments in US and Brazil. Welcome Cem, and I look forward meeting you all in upcoming investor events, together with Cem, Pinar and the rest of the investor relations team.

Rawand, now back to you last time to start the Q&A.

Rawand Faraj: Thank you, Philipp for the kind words.

Let me please also personally thank all investors, analysts and colleagues for my time here at Enerjisa Enerj.

I am confident in that Enerjisa has a remarkable future ahead of it, and I have no doubt the that the company will reach new heights, under the outstanding leadership of our CEO Murat Pinar, now together with Philipp Ulbrich, and the rest of the almost 12.000 dedicated colleagues across the group.

Thank you.

We can now start the Q&A session.

Pınar Saatçioğlu: To all participants,

For your verbal questions please press the 'Raise Hand' button at the bottom of your screen.

When the floor is opened up for you, we kindly remind you to unmute yourself.

Q&A SESSION

Can Alagöz – QNB Finans Invest

Q1: Regarding negative revaluation impact of RAB opening balance in this quarter, is this related to authorities' revision in inflation expectations or actual declining trend in inflation on y/y basis?

Rawand Faraj: It is inflation related to our expectation of inflation. Inflation in June, which is the main metric for our regulated business, came in lower than previously expected. This is the reason of lower RAB q/q, however prior year, it went up by 15% so there is a strong growth compared to same period.

Q2: Can you reclarify the reason of q/q increase in customer solutions segment's contribution?

Rawand Faraj: Growth is heavily related to the projects delivered in our solar PV business. In the previous quarters, we communicated that we see a strong growth because we have a strong backlog of projects to be installed, delivered thus generating earnings. In the last 3-6 months, there were some projects delayed which now have been partially catched up and in addition, there is increasing interest. In the future, we will see stronger growth from this segment.

Q3: As a follow up, it may deviate on quarterly basis in the coming quarters depending on projects but in the long term will we see growth?

Rawand Faraj: Yes, fully correct. We generate earnings and cash in this specific segment from installations for a long time as we not only install but also maintain. So there is a maintenance contract. However, we generate large portion of revenues when we hand over and deliver the plant to customer. Depending on how this profile looks, when new sites are installed and handed over, there will be fluctuations. Please recall our previous communication where we gave an indication of roughly 4-6 bn TL of revenues from this segment until 2025. This means rapid and continuous growth going forward and also continuous investments.