TRANSCRIPT OF ENERJİSA ENERJİ FY 2023 EARNINGS CALL

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SPEAKERS:	Dr. Philipp Ulbrich – CFO
	Cem Gökmen Gökkaya – Treasury, Risk, Investor Relations and Tax Director
	Çiğdem Armağan Asil – Investor Relations Process Leader

PRESENTATION SESSION

Çiğdem Asil: Dear Investors and Analysts, this is Çiğdem Asil, Investor Relations Process Leader speaking.

Welcome to Enerjisa Enerji's FY 2023 Earnings Results call. The call will be presented by our CFO Dr. Philipp Ulbrich and Treasury, Risk, Investor Relations & Tax Director Cem Gökkaya for 30 minutes. Thereafter we will open the line for Q&A.

Before starting our presentation, I would like to remind you about our disclaimer on the forward-looking statements and highlight that we will present the 2023 results both with inflation accounting and without it. As you all know, Public Oversight Accounting and Auditing Standards Authority has decided to apply Turkish Accounting Standard 29 in Turkish Financial Reporting Standards as of end of 2023. However, since we set out our guidance based on figures without inflation accounting, we are presenting results of 2023 also without inflation accounting in order to provide our investors with a holistic and corresponding view on our financials. Just last Thursday, the Capital Markets Board gave its approval for this method of presentation. On our homepage you will find the earnings presentation as well as the full financial statements with inflation accounting. Now, I would like to give the floor to our CFO, Dr. Philipp Ulbrich.

Page 2: Executive Summary

Dr. Philipp Ulbrich: Thank you, Çiğdem. Good evening, everyone. I welcome you to our full year 2023 financial results call also from my side. Let me share with you our key messages first.

- We achieved a strong operational and financial performance despite a difficult environment in all three segments,
- 2023 Operational Earnings w/o IAS 29 grew by 38%, meeting the upper end of the guidance,
- Also, UNI is delivered at the upper end of the guidance, standing at 5.8 billion TL, non-inflated,
- Investments more than tripled, reaching 15.7 billion TL, even exceeding the guidance and ensuring the Company's profitability in the future,

- FCF after interest and tax stood at minus (-) 12.9 billion TL mainly driven by this deployment of capital to profitable investments and a temporary mismatch between energy costs and tariffs w/o P&L impact and also being cash-neutral over time,

- Leverage ratio is still at a very moderate level of 1.4x, providing headroom for further profitable investments; please be reminded that the ratio is artificially high as we are showing earnings from distribution investments only from the year following the capitalization and financing,

- Our dividend proposal to AGM of 2.79 TL/share implies a pay-out ratio of 98% UNI with IAS 29 and of approximately 60% w/o IAS 29.

Before we dive into our financial performance and outlook, I'd like to frame our results within both the global and local environment that have shaped our operations in the past year.

The earthquake that hit Türkiye and Syria in February was a major disaster. Our hearts are and will be with everyone affected by this tragedy. One of the most impacted areas was within Enerjisa's Toroslar region, where we sadly lost 17 of our colleagues. We remember them with grief and respect.

The physical destruction caused by the earthquake was immense, almost completely destroying the infrastructure we manage in Hatay and its surroundings. We continue to provide safe shelters for our employees, we support local communities and we are committed to rebuilding a stronger and more resilient infrastructure there.

Globally, 2023 has been a year of economic recovery phases. Locally, in Türkiye, the journey through 2023 has been especially about managing the impacts of high inflation rates and spending deficits as well as stabilizing the national currency. This environment impacted operational costs escalating them beyond official inflation rates and led to a significant increase of interest rates for accessible funding.

The general elections in May created an additional level of uncertainty around these macro policies and regulation. I am very proud to be able to say that, through hard work, proactive risk management and strategic foresight, we have achieved to mitigate these challenges, ensuring our financials remaining healthy and our growth trajectory remaining robust, both in line with our long-term objectives and pledges. Certainly, the challenging environment prevails and the Enerjisa team thus remains fully engaged in identifying solutions to refine our operational efficiency and ensure competitive financing. Let me as an example refer to the five-year, 100 million USD equivalent TL loan from the EBRD, indexed with TLREF, we obtained a couple of weeks ago.

Despite the challenges on access to funding for Turkish corporates, Enerjisa has been able to invest into its distribution grids 180% of the regulatory allowance in 2023 showing its commitment to meeting the needs of its customers and certainly also reflecting our engagement in the earthquake regions.

Like many in our industry, Enerjisa also had to navigate through the complexity of an energy landscape significantly shaped by regulatory and governmental policies. A notable aspect of this landscape in Türkiye has been the government's intervention in electricity pricing through subsidies, aiming at decreasing the cost-of-living pressures for consumers. While these measures reflect a commitment to social stability, they also present financial and operational challenges for energy providers, including an impact on our gross profit margins. We have been able to compensate for this once more in 2023 and will also do so in 2024. However, let me clearly state that we expect a return to cost-based electricity prices as the highly subsidized system is not sustainable from a macroeconomic perspective and certainly not setting the right incentives to meet emission targets.

As we present today our 2023 performance, it's important to recognize these global and local contexts. They have not only shaped the challenges we faced but have also highlighted the resilience of our team, the strength of our business model, and our commitment to delivering value to our shareholders and stakeholders alike. I can full heartedly state after being with Enerjisa for 9 months now that I am proud to serve this company, my almost 11.500 colleagues and our customers.

One more technical note at the end of this introduction: As mentioned, inflation accounting was introduced at short notice. We have been able to provide our year-end financial accounts following our initial schedule even many details were clarified by the regulators only during the closing process. In the next step we will translate our planning for 2024 into the new accounting framework and present to you our guidance as last year with the Q1 2024 earnings call.

Page 3: Impact of Inflation Accounting on Enerjisa Financials

Since it is the first time, we are explaining our inflation adjusted figures, we want to give you a simple understanding of how Enerjisa's main financial KPIs are affected by it.

Inflation accounting adjusts the values of non-monetary assets, liabilities and earnings, while the values of monetary items, such as cash or debt, remain inherently the same. It is regulated internationally by IAS 29 and locally by TAS 29. We will use the terms "inflation adjusted" or "IAS 29" throughout the presentation to denote inflation accounting.

As you can see in the upper part of the graphic, all Operational Earnings items are escalated from the months they are realized to the end of the year with the relevant inflation rates. This leads to additional 6.2 bn TL of Operational Earnings. Of the total escalation difference, 3.2 bn TL is related to CAPEX reimbursements, which fall outside the P&L. The remainder is subsequently offset in a lower line item called "monetary gain or loss," therefore, neither element impacts the P&L's bottom line.

In the balance sheet, all non-monetary items are escalated with inflation, and any difference this escalation creates between the totals of assets and liabilities is recorded as a monetary gain or loss in the P&L, which then, through retained earnings, is reclassified under the equity section, thereby restoring the balance of the balance sheet.

In Enerjisa's case, most of the escalation difference comes from the fact that the financial assets arising from our distribution investments, which are of major importance for us, are treated as monetary assets and are not escalated, however our equity which is higher than our non-monetary assets are both escalated. This creates a 2.4 bn TL delta negatively affecting our underlying net income.

Page 4: Financial Highlights

In 2023, Enerjisa Enerji showed once more a strong operational and financial performance and is delivering on its targets despite the challenging environment.

- Operational Earnings of Enerjisa Enerji not adjusted for inflation, compared to last year are up by 38% and stand now at close to 20.8 bn TL, mostly driven by increases in distribution financial income and CAPEX reimbursements, as well as the gross profits of the retail and customer solutions businesses.

  - ✓ The main effect that reduces Operational Earnings is the increase in operational expenses in the distribution business, especially personnel costs, rising more than inflation. Similarly, CAPEX unit prices are escalating at a rate higher than inflation, but the regulator's actions in this matter prevents us from having any shortfall on investments. However, on the OPEX side, despite rises of the OPEX ceiling, we find ourselves exceeding it, prompting us to undertake and implement necessary actions.

  - ✓ For retail, operational performance remains overall stable. We've observed a decline in margins relative to the previous year, attributed to higher energy procurement from EÜAŞ, the government owned generation company, and the lack of fixed-price sales stemming from reduced liquidity in the power hedging market. On the other side however, there has been an uptick in volumes across both regulated and liberalized segments, showing Enerjisa being continuously the preferred choice amongst customers. Additionally, the warmer temperatures in the Toroslar region increased the demand.

  - ✓ Demand for solar PV installations among our industrial and commercial clients has risen, substantially enhancing our gross profits. Similarly, Eşarj, our 100% owned subsidiary investing in and operating its e-vehicles charging infrastructure, has expanded its network to all 81 provinces of Türkiye with more than 1,000 locations and realized a threefold increase in gross profits, fueled by the still nascent, however steadily growing adoption of electric vehicles in the country.

  The only difference between inflation adjusted and unadjusted figures of Operational Earnings is the inflation indexation of operational earnings to year-end from their respective months, creating a difference of 6.2 bn TL as explained before.

- Underlying Net Income, without inflation adjustments, has seen a rise of more than 30% compared to 2022, reaching 5.8 bn TL. This increase is primarily driven by the increase in operational earnings excluding CAPEX reimbursements, although partly offset by deposit valuation expenses in the retail business and higher interest expenses associated with our investments, whose returns are distributed over a longer period. The difference, of -2.4 bn TL between inflation adjusted and unadjusted results of the Underlying Net Income is the difference of the inflation indexation of assets and liabilities of our Balance Sheet also as explained before.

- In 2023, our investments reached 15.7 bn TL, a significant leap of 240% from the 4.6 bn TL invested in the previous year. This substantial increase underscores our confidence in Türkiye and the regulatory frameworks, despite some short-term hurdles. The amount that we have realized at distribution business is 180% of the annual regulatory allowances and we remain committed to continuing our investments across all our businesses, as they are strategically important and profitable.

- When it comes to cash, the 14.5 bn TL difference comes from mainly these profitable investments and the mismatch between energy costs and tariff prices which is both compensated for associated financing costs and expected to vanish throughout the year.

- Our Leverage i.e., Financial Net Debt over Operational Earnings, stands now at approximately 1.4x, compared to 0.7x at the end of 2022. This increase reflects our success in deploying profitable investments. The comparable low leverage for an infrastructure business allows for more investments that we are prepared to carry out if financial market conditions become more stable.

- Lastly, we are proposing a dividend payment of 2.79 TL per share to our AGM, amounting to 98% of our UNI with inflation accounting and approximately 60% of the UNI without inflation accounting, which was the basis of our communication up until the announcement regarding the application of inflation accounting, demonstrating our dedication to fulfilling our commitments to our investors.

For more details on the 2023 results, I now hand over to you Cem.

Page 5: Operational Earnings Developments

Cem Gökkaya: Thank you, Philipp. Page 5 provides Operational Earnings figures for 2022 and 2023 both on an inflation adjusted and unadjusted basis.

As you can see, Operational Earnings, not adjusted for inflation, increased by 38% year-over-year to 20.8 bn TL.

Per segment breakdown of the 5.7 bn TL increase in 2023 is; 4.3 bn TL from our distribution segment, 0.5 bn TL generated from our retail business, and 0.9 bn TL from customer solutions. Per segment basis:

- Our distribution business generated a segment growth of 34% year-over-year, with the 3 main components highlighted in the bridge, as follows:

  - ✓ Financial income increased by 5.8 bn TL on the back of higher financial asset base.

  - ✓ CAPEX reimbursement, which is a part of our Operational Earnings, but not included in the Underlying Net Income increased by 2.1 bn TL due to higher inflation, reflecting also the result of our growth investment policies in past years, and additional investments in 2023.

  - ✓ Efficiency and Quality had a 3.3 bn TL negative impact mainly due to a high OPEX underperformance of 2.1 bn TL driven by personnel expenses which increased mainly due to minimum wage. Despite EMRA's additional 30% increase in OPEX ceiling for 2023, operational expenses exceeded the ceiling. CAPEX unit prices were similarly affected by inflation, however EMRA covered this loss for the whole sector retrospectively and we expect the same going forward. Last major item, amounting to almost 1.5 bn TL, that impacted Efficiency and Quality figure was the revision of the quality bonus by EMRA for the years between 2021 and 2023. We have raised our objections to these calculations, and EMRA is currently in the process of developing new regulations to more effectively measure the quality bonus.

These variances that I described indicates that, managing financials in a high inflationary environment presents a distinct challenge. It's imperative for us to exercise caution, prioritize creating efficiencies, and find ways to fit in regulatory ceilings.

- Our Retail segment also contributed to increased earnings, with a growth rate of 21% year-over-year, generated both from our regulated portfolio and liberalized portfolio. Sales volumes of both segments have increased 10% due to our ability to consistently satisfy our customers and attract new business, as well as the increasing demand driven by high temperatures during summer months, especially in Toroslar region.

  - ✓ The regulated gross profit increased by 675 million TL, year-over-year as a result of higher retail service revenues and higher sales volumes.
  - ✓ The liberalized segment contributed to the growth with an increase in gross profit by 215 million TL in 2023, mainly due to higher sales volumes as well and efficient cost management.

- Moreover, our customer solutions segment generated an increase in Operational Earnings of 895 million TL, on the back of growth observed in the solar PV and e-mobility businesses, details of which will be provided in the Operations slide.

Page 6: Underlying Net Income

Now, let me elaborate on the bottom-line development on page 6.

Our Underlying Net Income, not adjusted for inflation, increased by more than 30% and reached 5.8 bn TL in 2023. The 3.6 bn TL positive impact from Operational Earnings, excluding CAPEX reimbursements, was partly offset by financial results driven by the high inflation and interest rates.

- Our operational FX losses increased by 606 million TL 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 active hedging mechanisms are offsetting almost all of this effect. Relevant FX hedges are reported under operational earnings.

- Net interest expenses, of loans and bonds, including the impact of cash and derivatives, increased year-over-year by 2.2 bn TL, due to a higher average interest rate and higher average financial debt volume which is a result of our investments strategy. Here, I particularly want to emphasize that the interest expenses we pay for the financing of the investments we make in our distribution business, start affecting our financials immediately, however the returns are spread over time. Importantly, we have secured these financings at attractive rates compared to the market, demonstrating our commitment to efficient financial management and optimizing our cost of capital.

- The revaluation of the deposits we collect from our customers, as collaterals, have increased 741 million TL due to accumulating high inflation.

- We also have 1.9 bn TL deferred tax effect of temporary differences arising from inflation accounting in accordance with tax procedure law.

Page 7: Operations

Let's now have a look at our operations on page 7, starting with Distribution:

- CAPEX came in at 13.6 bn TL in 2023, up from the 4.5 bn TL during last year. The main drivers for the 11.1 bn TL increase are ramped up investments as well as higher inflation that increases the prices of the respective materials and services that get capitalized. One of the key factors behind tripling our investments is the anticipated advantage from the revaluation of our Regulated Asset Base with higher inflation figures in the initial years.

- As a consequence, our Regulated Asset Base increased beyond inflation by 73% year-over-year, reaching 34.3 bn TL in 2023 compared to 19.9 bn TL last year. Inflation impact on this growth is only 7,6 bn TL.

- Efficiency and quality earnings differences were detailed in the operational earnings slide.

Now over to our retail and customer solutions segments.

- Both regulated and liberalized volumes increased by 10% year over year, indicating that Enerjisa remains the first choice for customers. Another major driver is the higher consumption due to high temperatures, especially in the Toroslar region, more than offsetting any negative impact from the earthquake.

- Regulated margins experienced a decrease from 8.1% to 7.3%, due to an increase in procurement from EÜAŞ which led to a reduction in the compensation for working capital associated with other resources, which are recorded under operations. Meanwhile, margins in the liberalized segment dropped from 4.2% to 3.8%, driven by the lack of profitable fixed price products, a consequence of the lack of a liquid power hedging market. However, it is important to highlight that the increase in sales volume across both segments has more than compensated for these margin decreases.

- Our Customer Solutions gross profit increased significantly from 160 million TL in 2022 to 872 million TL in 2023. This equals to a growth rate of 445% year-over-year, driven by increased demand for solar power projects, where we install solar panels for our industrial and commercial our customers, providing them with access to green energy. Here, as we only present the capacities of projects that have already received approval from TEDAŞ, you may notice that there is no parallel increase in the installed capacity numbers, which increased 5.4 MWp, with the gross profit figures. This discrepancy is due to the TFRS application, which recognizes some of the revenues of these contracted projects even in the later stages of implementation, before TEDAŞ approval. In addition to the displayed installed capacity on this slide, we currently have 112 MWp of contracted projects. Revenues from 20.7 MWp of these projects are being partially recorded in our P&L.

- Enerjisa's E-mobility business experienced a significant growth too, with the number of our charging plugs more than doubling from 788 to 1,780. This expansion was driven by the rapid increase in the number of electric vehicles in Türkiye, alongside our investments linked to the public tender secured in the second half of 2022.

Page 8: Free Cash Flow

On page 8, you can see the breakdown of our FCF development, investments and tariff impact on retail business.

- I want to highlight that managing free cash flow is a crucial part of our business, and we have strong expertise in managing it. As you can see, free cash flow decreased from 1.5 bn TL to minus (-) 12.9 bn TL. This decline was an expected outcome, as it had been signaled in our last two earnings calls. The two main reasons for this decrease are the lack of tariff changes to reflect energy costs and the significant amount of investments we have made.

- The mismatch between the energy costs and tariff prices have been the reality in the last two years. 3.8 bn TL surplus we had at the end of 2022 turned to a 3.1 bn TL deficit at the end of 2023 creating a negative cash impact of almost 7 bn TL in 2023. The negative cash impact at the end of 2023 is expected to be compensated in 2024.

- Furthermore, our investments in 2023 realized 11.1 bn TL above 2022 closing the year at the level of 15.7 bn TL. Enerjisa directed all these investments, which increased more than threefold compared to 2022, towards profitable investments that meet our ambitious internal hurdle rates in distribution infrastructure, customer solutions, and e-mobility.

FCF is not a short term KPI for us as this is the nature of this business to raise financing and deploy the capital to profitable investments. In addition, in the usual course of the business, there may be short term fluctuations in FCF due to regulatory changes but in the long term they are sufficiently compensated over time including the respective financing cost. It is worthwhile to note that we maintain a much lower leverage compared to other utilities in more stable markets.

Page 9: Economic Net Debt

Turning to page 9, I want to walk you through the major changes in our net debt position.

- Our Economic Net Debt increased by 137%, going from 15.2 bn TL in December 2022 to 36.0 bn TL in 2023. I would like to highlight once again that most of the increase in borrowings is a result of our CAPEX overspending on profitable investments and the temporary regulatory impacts as the mismatch between tariff and energy costs.

Even after the high amount of investments we made in 2023 our leverage ratio increased from 0.7x last year to 1.4x this year, still allowing us to continue profitable investments if we consider the combined regulated and market conditions as sufficiently advantageous.

Page 10: Financing Developments

Looking at the financing developments in 2023 on page 10, Enerjisa delivered its targets in 2023 in the very challenging financial market environment in Türkiye.

- During a period of limited liquidity, having successfully diversified our resources in advance to the regulations that restricted bank funding, helped us reaching the required funding effectively.

- Our bond issuances, for which we laid the groundwork in the last quarter of 2022, became a highly effective source for us. In 2023, we issued 17 bn TL worth of bonds which made us the biggest issuer in the real sector. Besides issuing bonds and limited borrowings from local banks, we continued borrowing from multinational institutions like the EBRD, with which we enjoy a strong and collaborative partnership.

- Expanding our funding sources and reaching attractive interest rates allowed us to sustain our investments well beyond the regulatory allowances, ensuring profitability even in an environment where capital is scarce and costly.

- In 2024, we continue to utilize these sources to effectively finance our investments and operations. In January, we signed a contract with the EBRD for a five-year, 100 million USD equivalent TL loan to finance our investments in the earthquake region. Additionally, in January and February, we issued a total of 5.5 bn TL worth of two-year bonds in two separate offerings. We structured all these borrowings with variable interest rates in line with our expectations of interest rate developments.

- For the remaining period of the year, we are continuing processes with multinational institutions for additional long-term loans, while also engaging with Turkish banks and bond investors for our financing needs.

I'll now turn it back over to Philipp for his concluding remarks.

Page 11: 2023 targets delivered

Dr. Philipp Ulbrich: Thank you, Cem. Enerjisa Enerji achieved all its targets despite the very challenging environment in Türkiye. As we presented you, we especially met all of our financial KPIs that were calculated and provided as a guidance without inflation accounting, as we had set at them at Q1 2023. A highlight is certainly the increase in our investments despite the high interest environment. We expect this to drive the Company’s profitability according to our long-term outlook provided, especially when we manage our cost basis according to the ceilings provided by the regulator. The whole management team is committed to this.

As we conclude our presentation, I want to underscore Enerjisa's dedication to upholding its position as clear and profitable market leader in the interest of all of its stakeholders and especially an attractive investment for its shareholders. Thank you for your continued trust.

With this let me pass back to Çiğdem to open up for questions.

Q&A Session

Q1: Muharrem Gülsever – Kona Capital Advisors

Thank you very much for the presentation. My question will be regarding the earthquake region and the total damage on the infrastructure side. According to the reports, there was a close to 600 million USD damage. What will be Enerjisa's responsibility on that; rebuilding the power infrastructure in the earthquake region? And if you are going to make the entire investment, is it going to be included in the existent reimbursement mechanism or should you make a different agreement with the government? Or how should we see the development on that part particular region and the consequent financial impact on the company? Thank you.

Thank you very much for the question. First of all, our assets were insured and we got the insurance compensation from our insurers. Second, our regulated asset base has not been amortized for this. So, whatever we have spent until now, all of them will remain in our regulated asset base and the new investments will again pile up in our regulated asset base. Until now we have spent close to 2 billion TL for earthquake relief, not only for investments, but also for operations, for our employees there. In the next 3 years we are expecting our investments in that region to be around 8 billion Turkish Liras. As I mentioned, which will again go to our regulated asset base and will be reimbursed via the tariff.

Q2: Muharrem Gülsever – Kona Capital Advisors

My second question will be the collection in the region. How do you manage the collections given the postponement right of the consumers?

Our collections have not been affected significantly and the effect is being paid to us via the tariff. Until now we had a 300 million TL effect, that is, as I said paid to us via the tariff.

Q3: Cenk Orcan - HSBC

Thank you for the fair amount of disclosure on inflation accounting effects. What will be the basis for dividends going forward? What happens with the 60-70% pay-out policy?

Thanks for the question. I think we will be explaining and disclosing information about this in our Q1 Earnings Call as Philipp also mentioned, together with our Guidance going forward. For the time being, I will not answer this question, because we will need to look at the inflation accounting and how we translate that to our Guidance going forward.

Q4: Umut Öztürk – Ata Yatırım

Thanks for the presentation. When do you think, you will start to generate positive free cash flow?

This is Philipp, thank you for the question, a quite interesting one. I think there can always be the misunderstanding that free cash flows for a company like ours, infrastructure heavy electricity distribution, is something negative, if they are not positive. I would see this differently and I think there are also lots of examples if you look to companies operating especially across Europe, where we see a lot of companies now disclosing negative free cash flows due to investments. The answer lies very much in what is the investing environment. As also mentioned, if we see stable financial markets offering us the possibility to even increase our gearing, which is really low so far, then we will continue to invest. If we see really high profitability in what we are doing on the CAPEX side, then free cash flows might remain negative. If certainly, the investment environment is not so positive, then we might reduce our investments and that will turn free cash flow very easily to positive.

Q5: Alihan Gürleyen – İş Yatırım

Will you be publishing detailed non-IAS29 financials for 2023?

Thanks again for the question. That will not be possible unfortunately. Actually, this presentation was prepared before Friday last week and in the version before Friday we had these financials in the appendix. But the communiqué published by CMB is not allowing us to do that. They only allow us to present the main KPIs, main metrics without inflation accounting.

Q6: Emre Sezan – İş Yatırım

The OPEX in excess of the ceiling; do you expect a revision in the ceiling? Do you expect to collect it in the future?

Again, this is Philipp, thank you for the question Emre. Yes, we expect a revision in the ceiling. And the mechanism is very clearly, that the regulator, this is also coming with its responsibility to the public, has to first understand, what is the cost basis of the distribution companies in Türkiye. I think they are all suffering, like us, from high inflation. The increase of cost of living is high, which is certainly then also creating a demand amongst the employees. So, there is analysis done by the regulator and we clearly expect an ex-post revision of the ceiling. And with this we certainly expect that it is collected, because then it is transferred to the tariff. This is then more the question about how it is going cash wise. As long as we are also getting sufficient interest on it, this is fine for us, as certainly the credibility of the government that stands behind it is fully sufficient.

Q7: Cenk Orcan - HSBC

Is it possible to give us a sense how much tariff increases are required to offset the negative free cash flow that stemmed from the shortfall between procurement costs and tariffs?

This is a decision of the regulator as you know. And we do not want to speculate or comment on that.

Closing

Cem Gökkaya: It seems that we have no further questions for now. Thank you very much for attending today's Earnings Call. If you have any further questions, please do not hesitate to reach us through investorrelations@enerjisa.com.