



**ENERJiSA**

Energy of Turkey



Orkun YILMAZ



Utku SARIASLAN



Pelda AKINCI



Muhammet KAYHANLAR



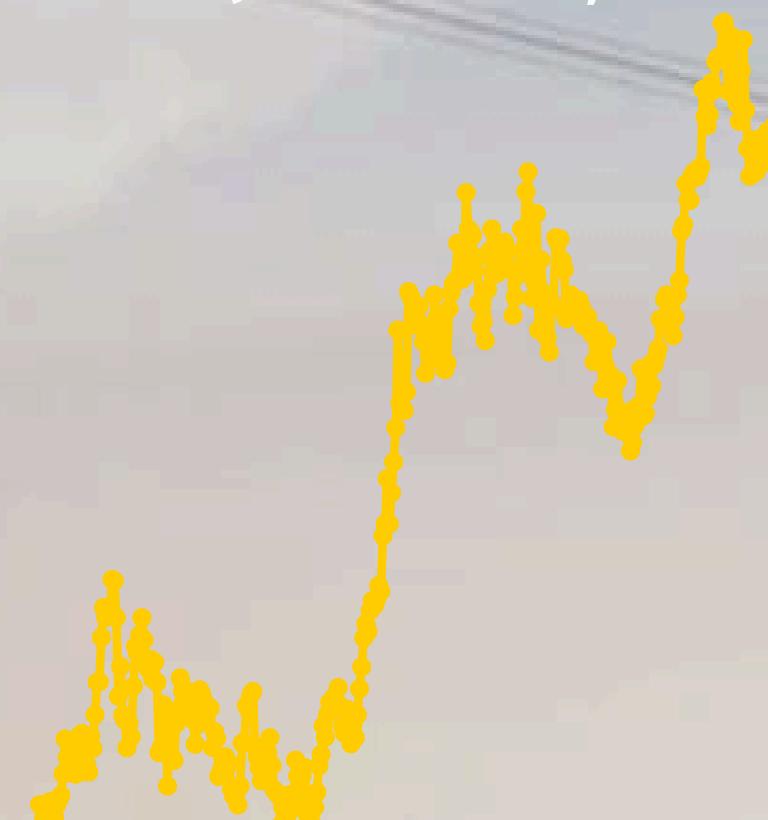
Yusuf Eren ÇELİK

**CFA INSTITUTE RESEARCH CHALLENGE 2024-25**  
**IZMIR UNIVERSITY OF ECONOMICS**

# Recommendation



TRY 62.55  
JANUARY 3, 2025



Target Price  
TRY 93.96

50.21%  
Upside

**1996**  
Foundation of ENJSA



**2009**  
Acquisition of Başkent region



**2013**  
Acquisition of Toroslar and AYEDAŞ regions



**2013**  
Acquisition of 50% shares of ENJSA by E.ON



**2017**  
Generation and wholesale spin-off from distribution and retail



**2017**  
Establishment of "Enerjisa Müşteri Çözümleri A.Ş."

**2018**  
IPO of ENJSA



**2018**  
Acquisition of 80% shares of e-mobility company (Eşarj)



**2021**  
Inception of 4th Regulatory Period  
Increase in stake in Eşarj to 94%

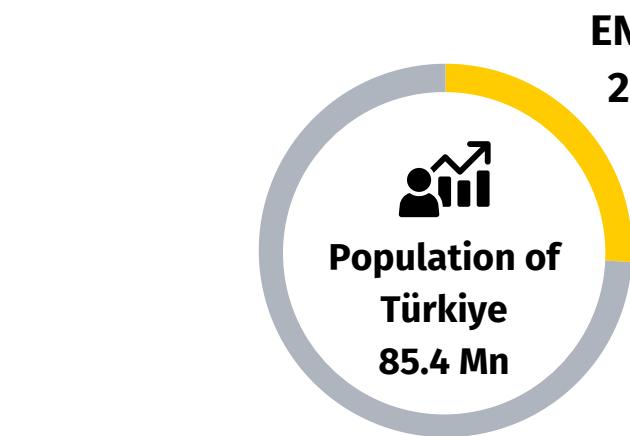
**2023**  
Increase in stake at Eşarj to 100%



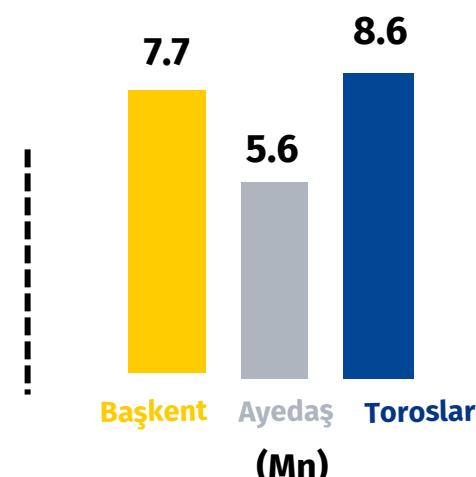
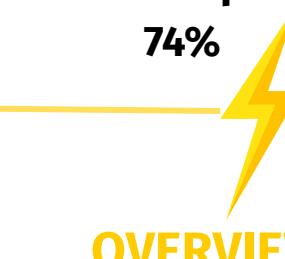
**2022**  
ENJSA's Climate Change and Water Security rating was reaffirmed as "B" at CDP, one of the largest environmental reporting platforms



# ENJSA AT A GLANCE

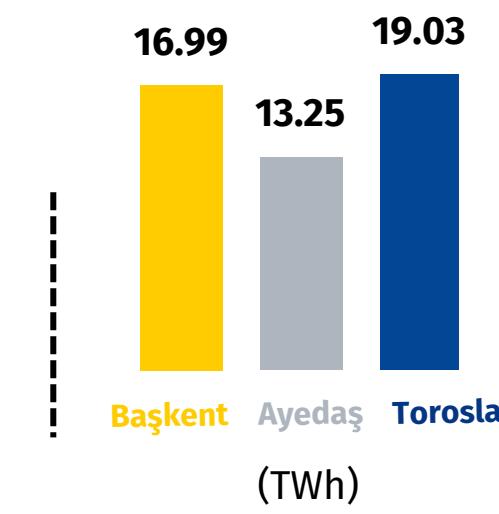
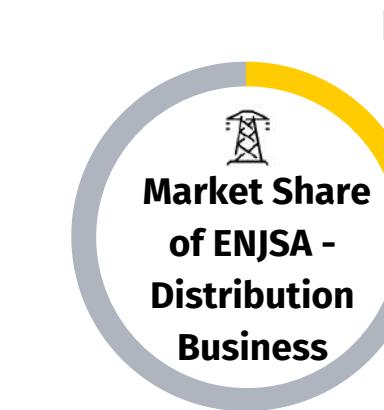


Other Companies  
74%



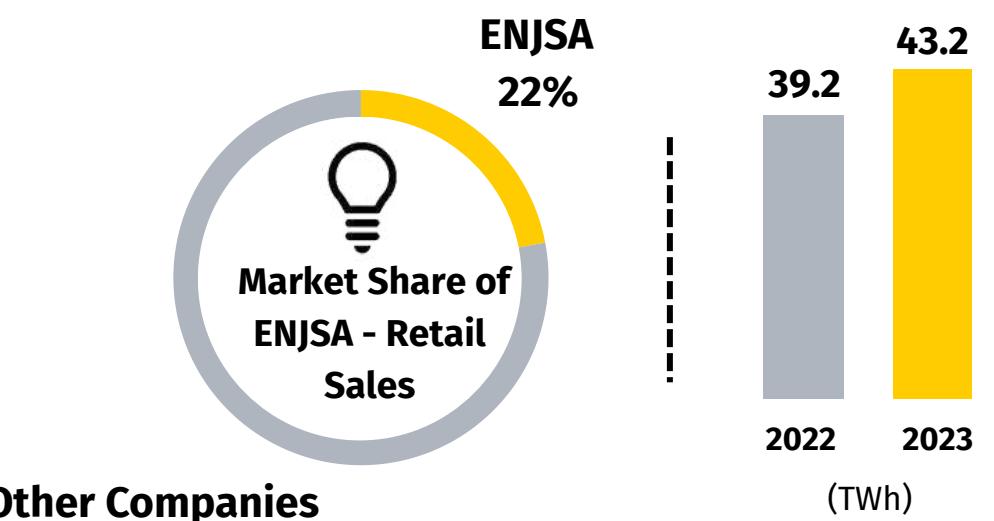
Other Companies  
74%

## INVESTMENT HIGHLIGHTS



Other Companies  
78%

## ESG

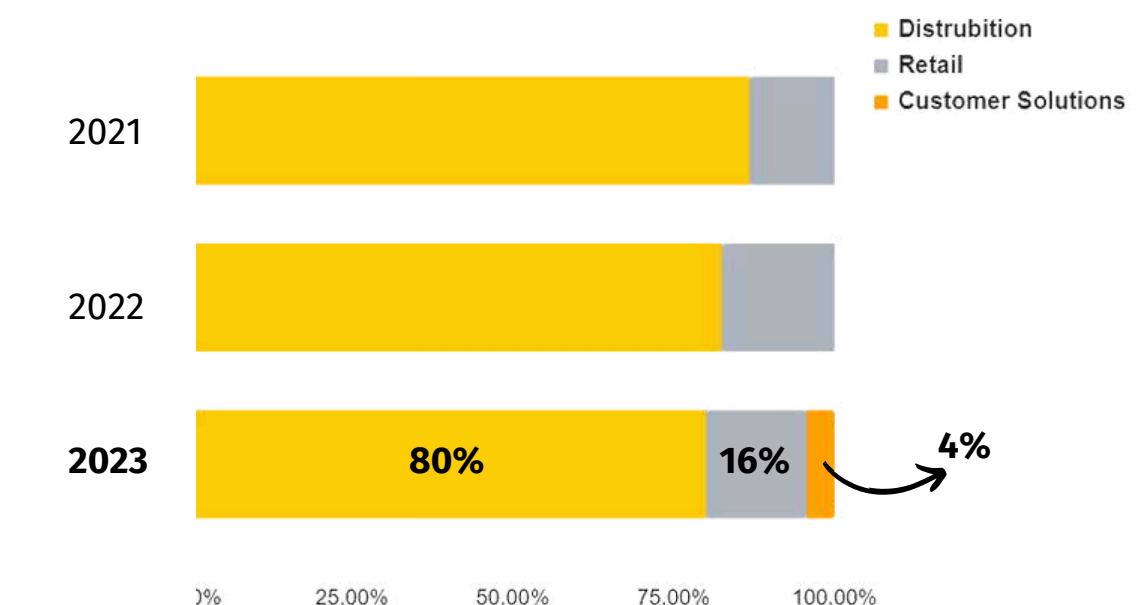


## OVERVIEW

## VALUATION

## RISKS

## INCOME STRUCTURE OF ENJSA BUSINESS SEGMENT





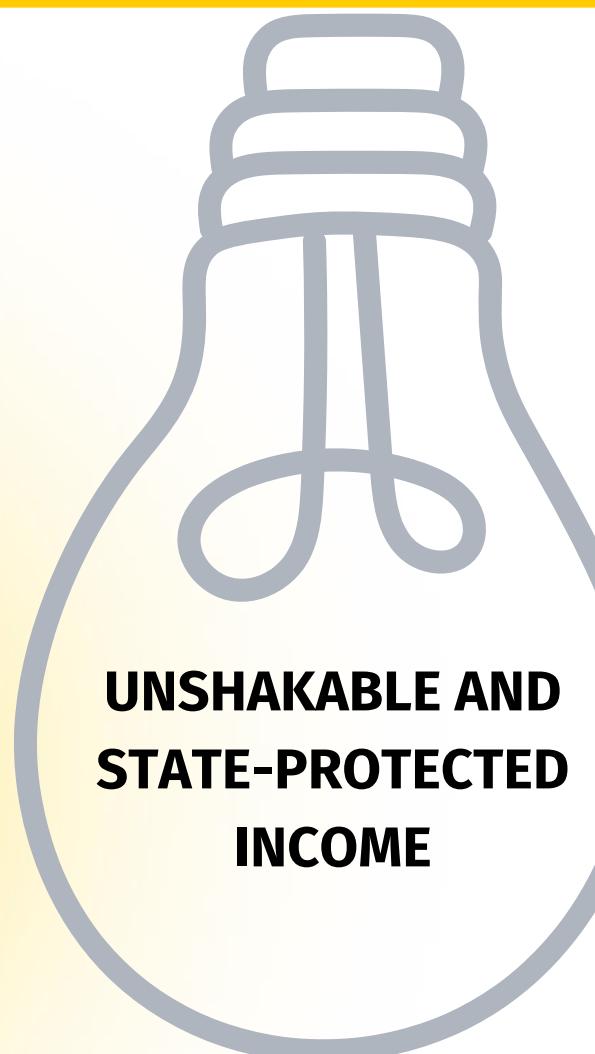
ENERJISA



# INVESTMENT HIGHLIGHTS



PROMISING MARKET OPPORTUNITIES



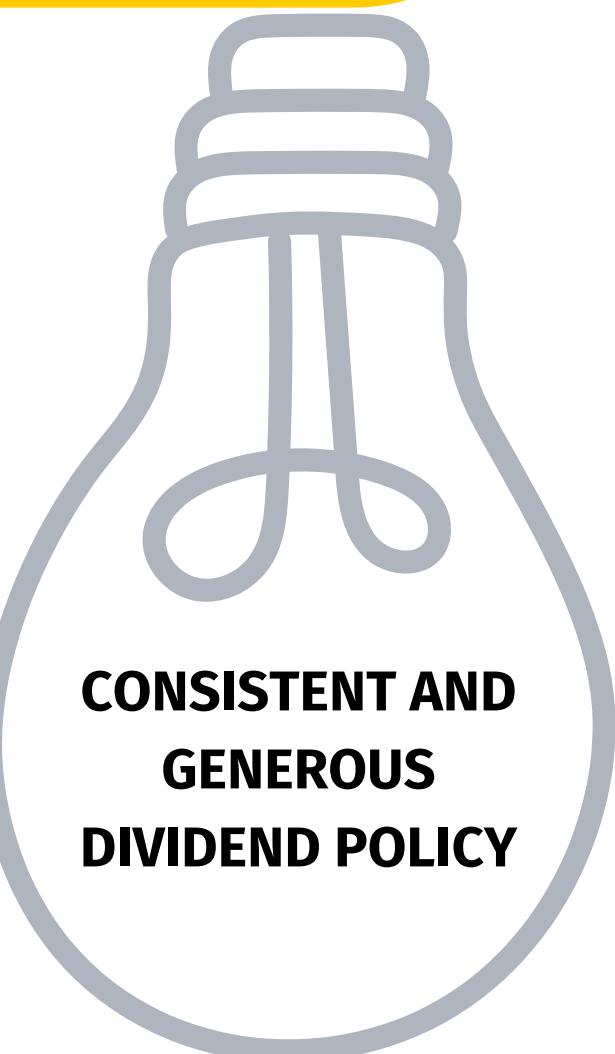
UNSHAKABLE AND STATE-PROTECTED INCOME



FINANCIAL RESILIENCE AND MARKET LEADERSHIP



LEADING SUSTAINABLE TRANSFORMATION



CONSISTENT AND GENEROUS DIVIDEND POLICY

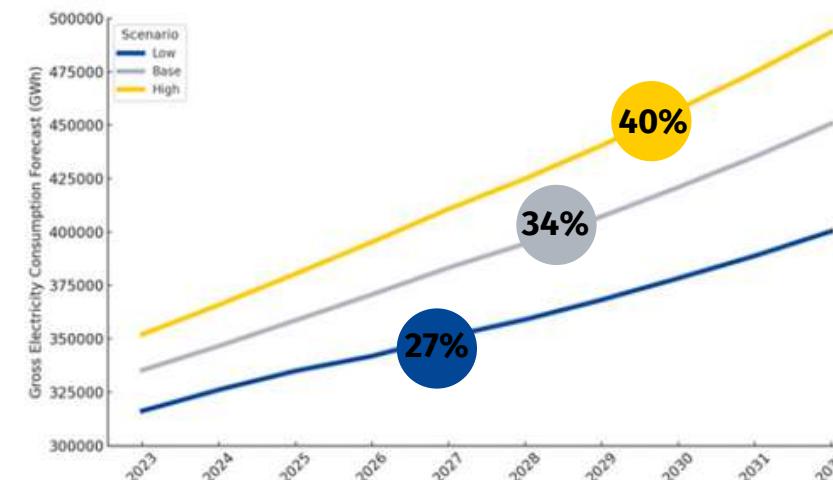




# PROMISING MARKET OPPORTUNITIES



## TÜRKİYE ELECTRICITY CONSUMPTION FORECAST (2023-2032E)



Source: TEIAS  
(Turkish Electricity Transmission Corporation)

## ENJSA Distribution Areas

Başkent

Ayedaş

Toroslar

## Consumption Growth

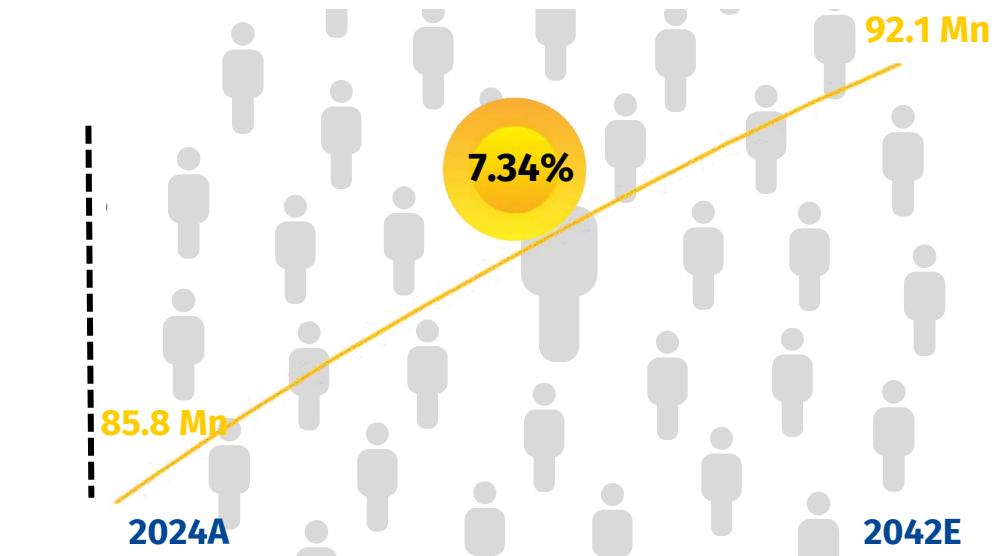
Başkent 3.1%

Ayedaş 3.1%

Toroslar 4.1%

Türkiye 3.1%

## POPULATION GROWTH (2024A-2042E)



## ENJSA Distribution Areas

Başkent

Ayedaş

Toroslar

## Population Growth

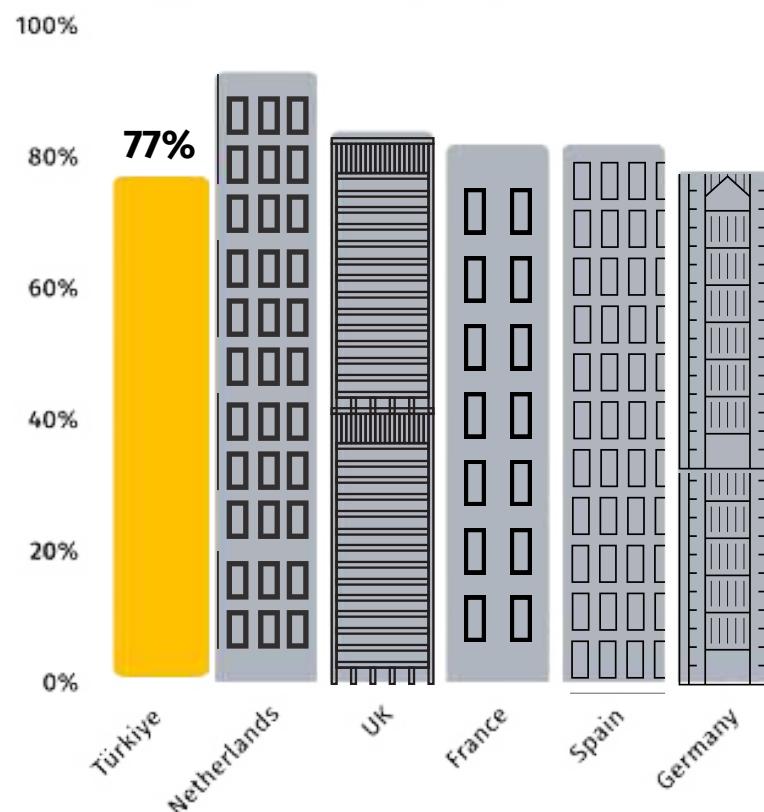
Başkent 1.3%

Ayedaş 1.3%

Toroslar 1.1%

Türkiye 1.1%

## URBANIZATION RATE (2023)



Source: World Bank World Development Indicators

## ENJSA Distribution Areas

Başkent

Ayedaş

Toroslar

## Household Size

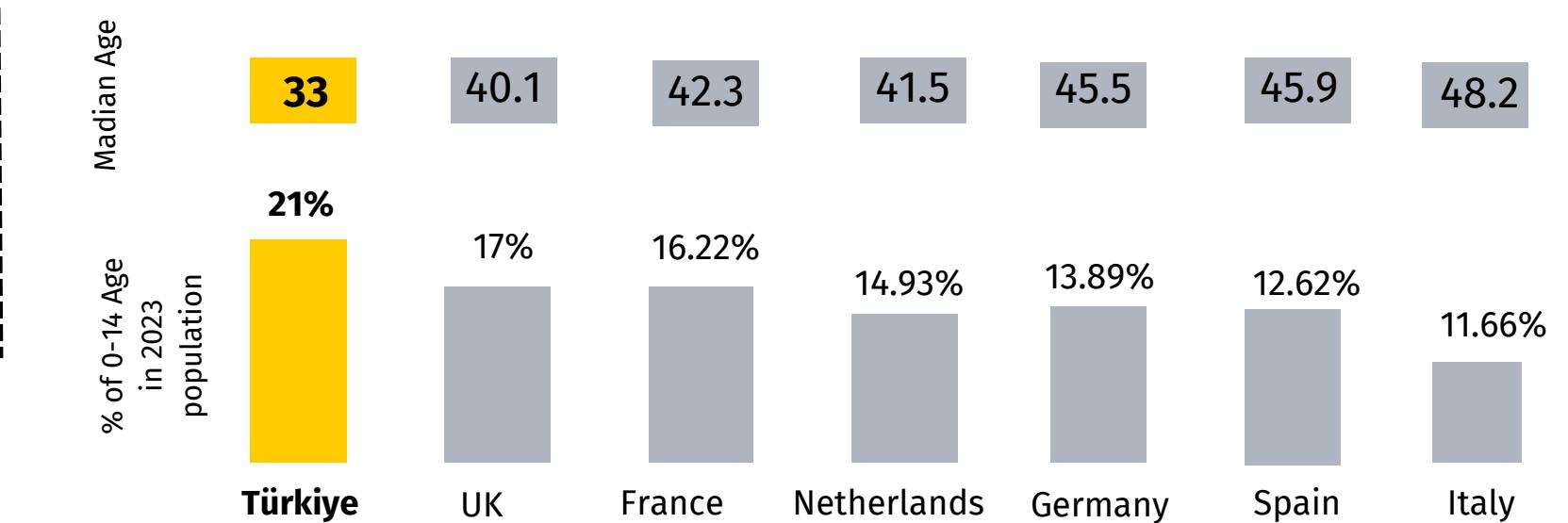
Başkent 2.8%

Ayedaş 3.2%

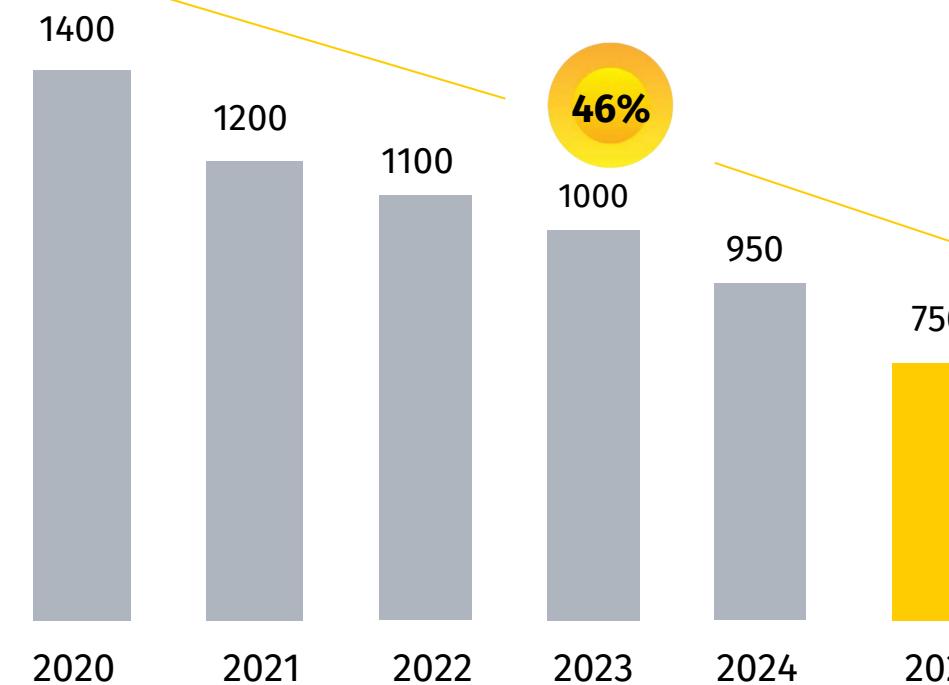
Turkey 2-2.5%

Türkiye 3.6%

## A YOUNG POPULATION (PERCENT OF 0-14 AGE IN TOTAL POPULATION)

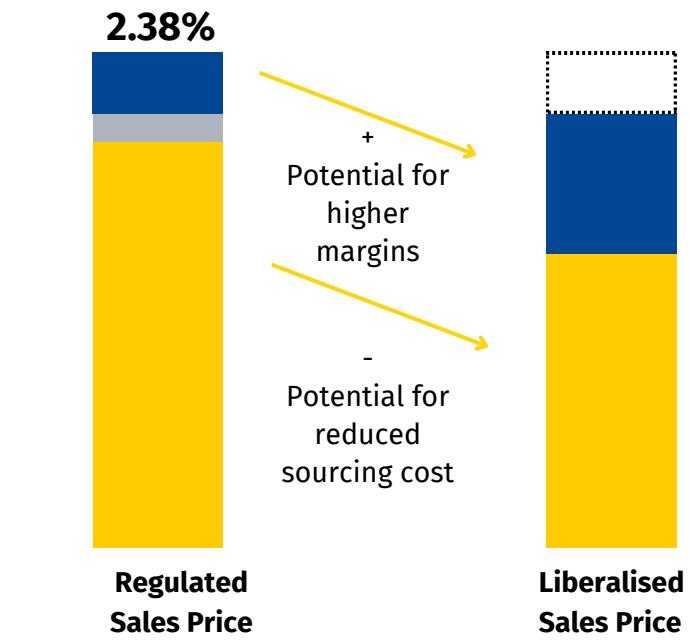


## ELIGIBLE CONSUMER LIMIT (KW)

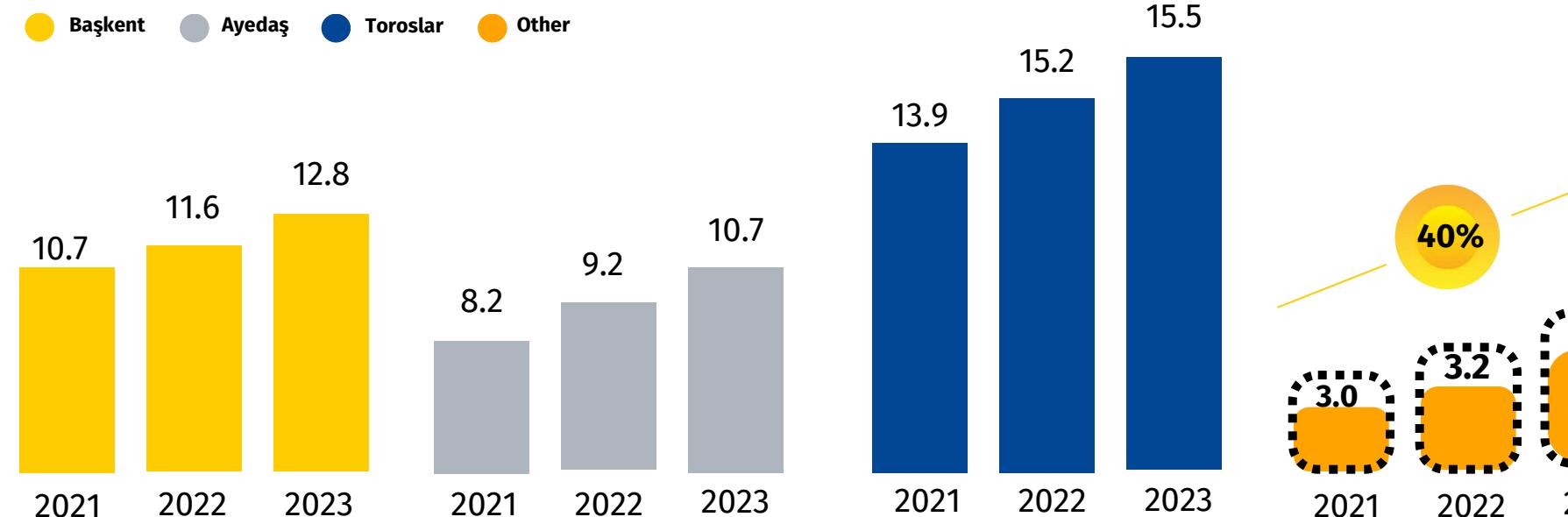


## RETAIL PROFITABILITY STRUCTURE

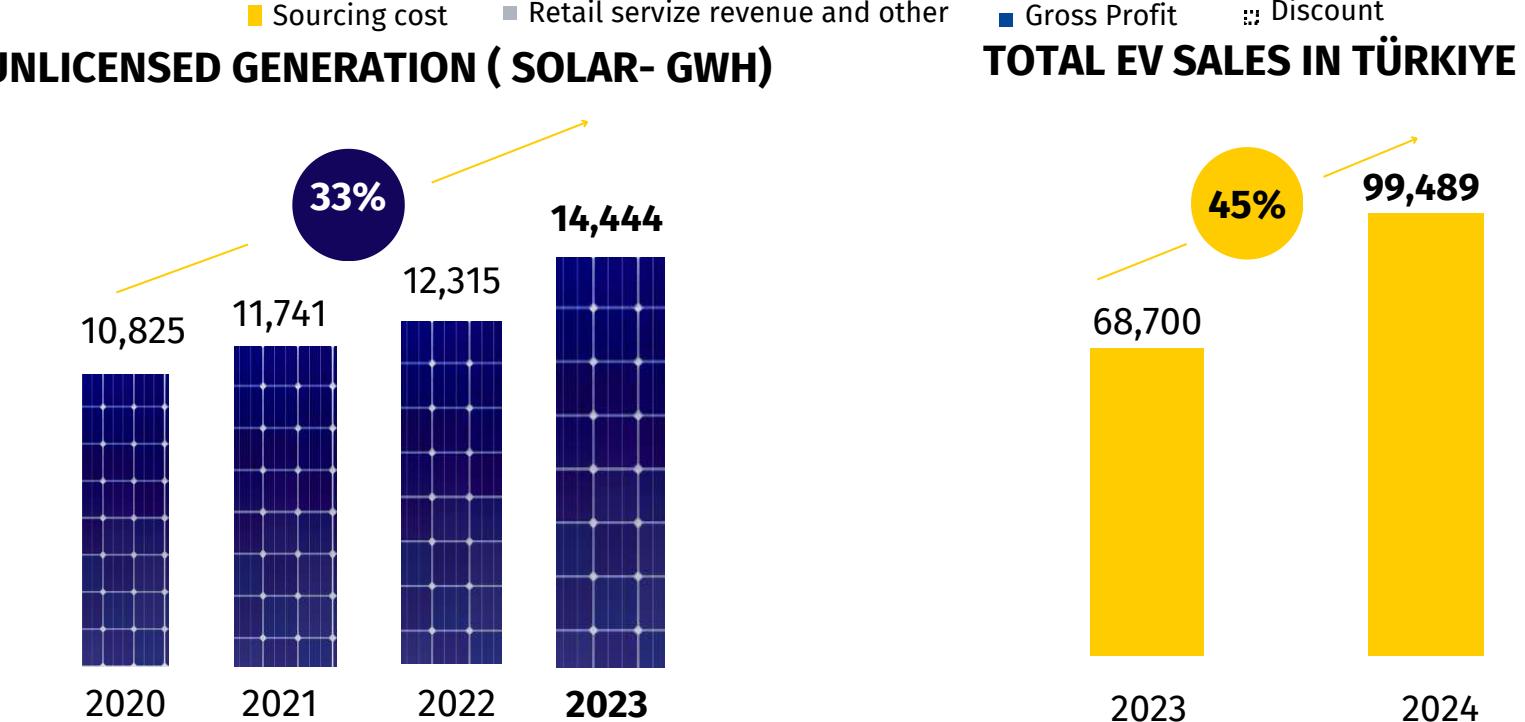
(w/o Last Resort Supply Tariff)



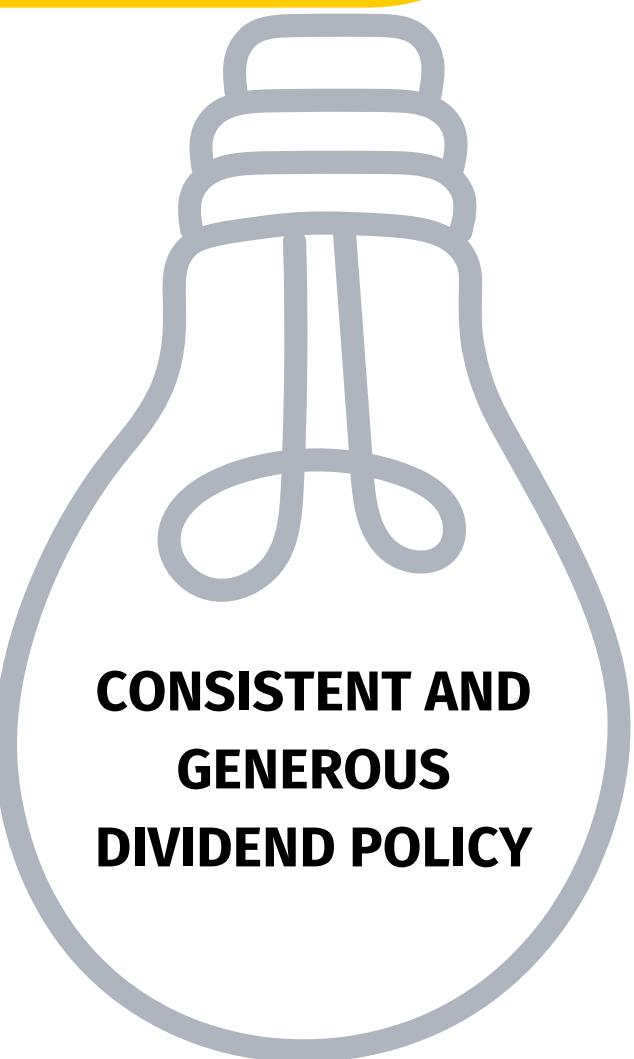
## RETAIL SALES COMPANIES IN NUMBERS SALES VOLUME BY REGIONS (TWH)



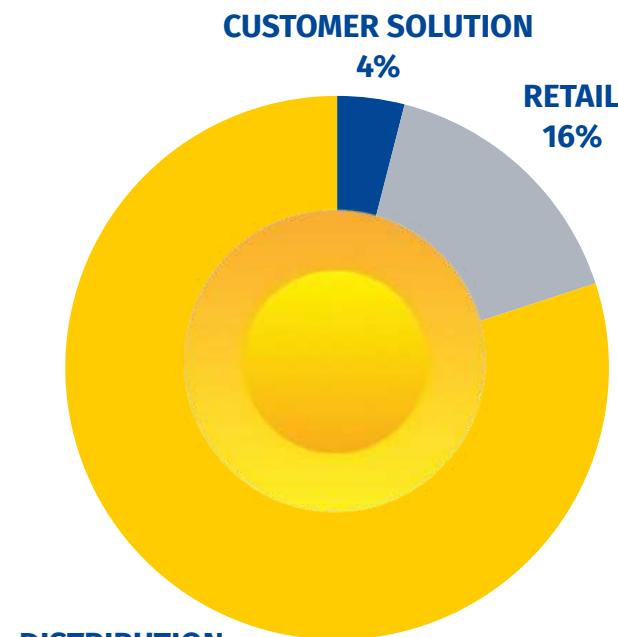
## UNLICENSED GENERATION ( SOLAR- GWH)



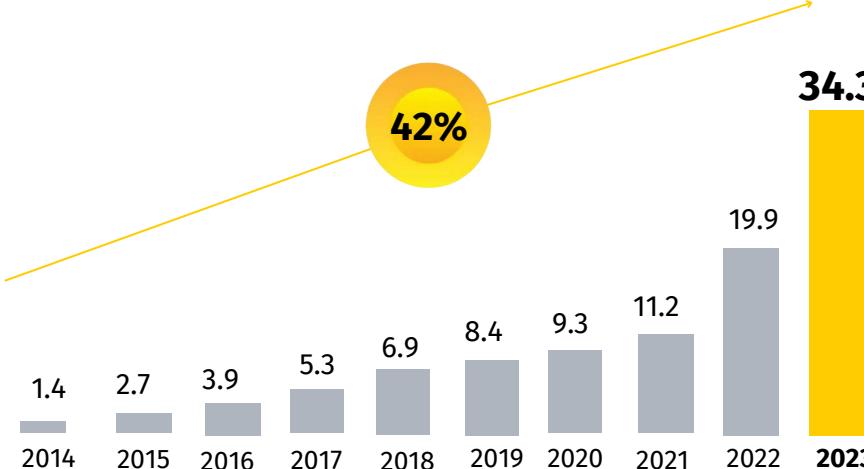
# INVESTMENT HIGHLIGHTS



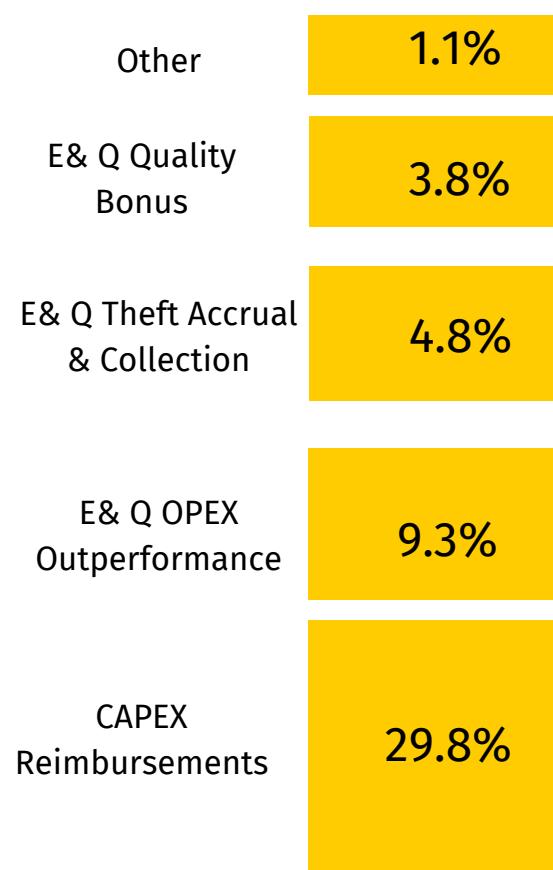
## OPERATING INCOME BREAKDOWN (2023)



## REGULATED ASSET BASE (TRY BN)

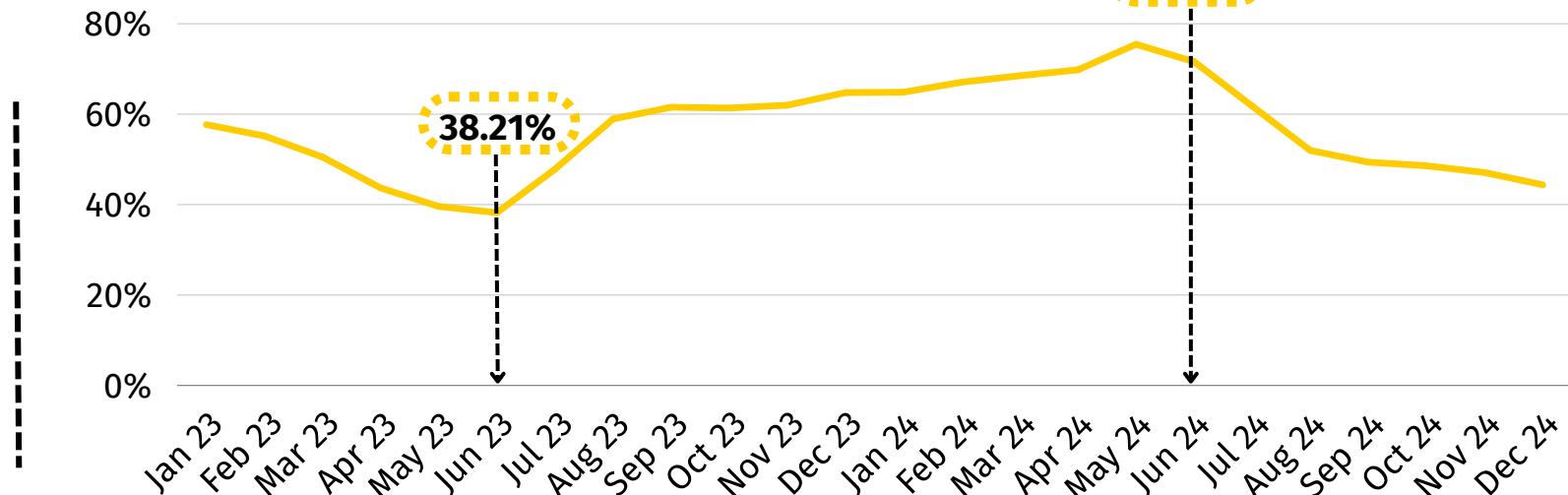


## DISTRIBUTION OPERATING INCOME BREAKDOWN (2023)



Additional Earnings beyond investment returns for being an efficient and high quality operator

## INFLATION (CPI, %)

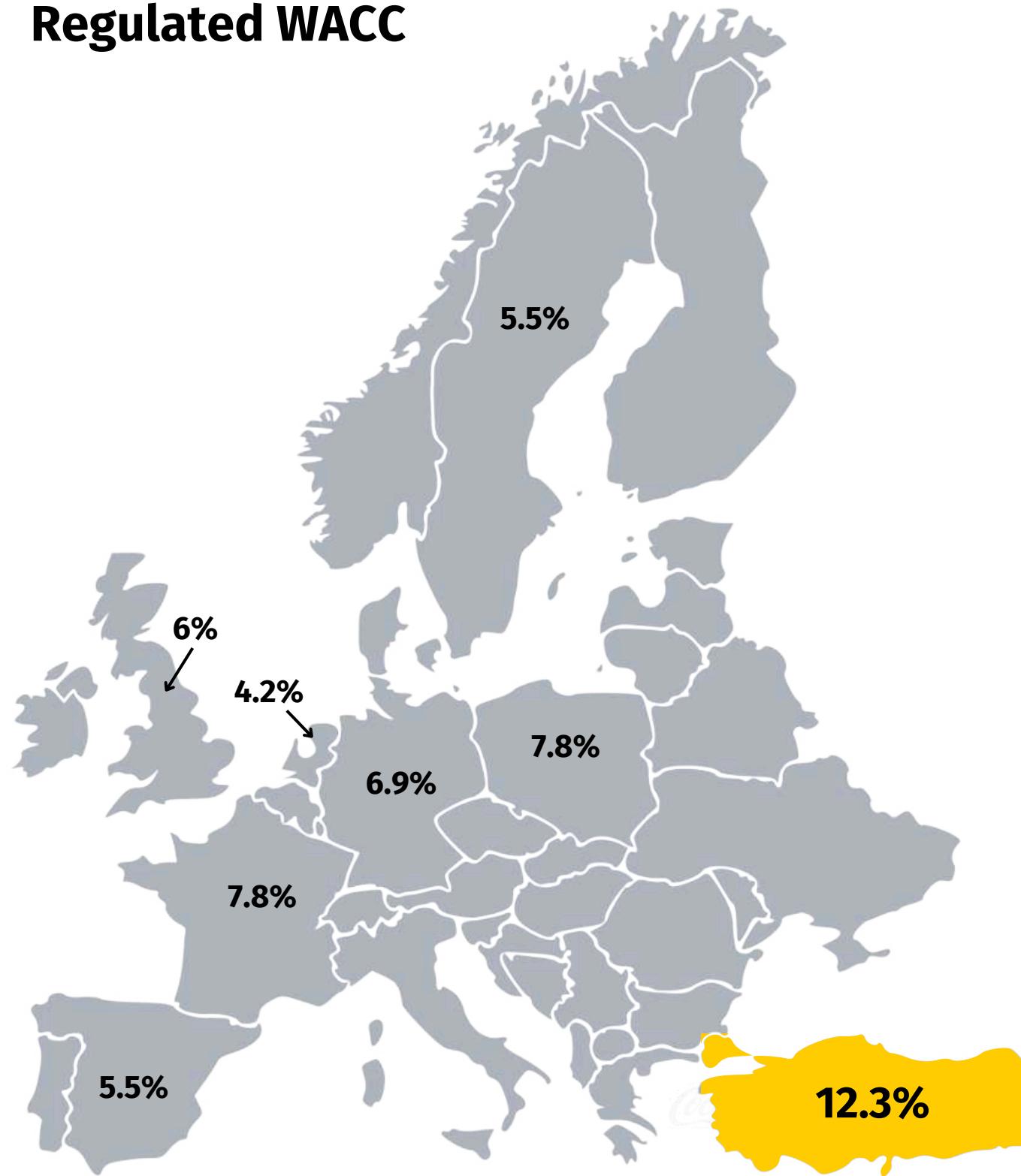


## Scenario of Falling Rates

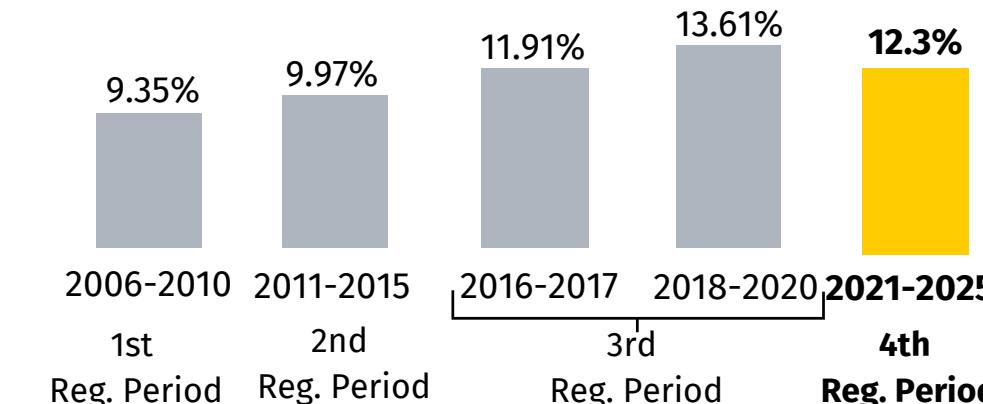
	2025	Beyond 2025
Interest rate and inflation expectation	Low to mid double digit	Low double digit
Regulated Asset Base		
Operational Earnings		
Interest Cost /Operating Earning		
Underlying Net Income		



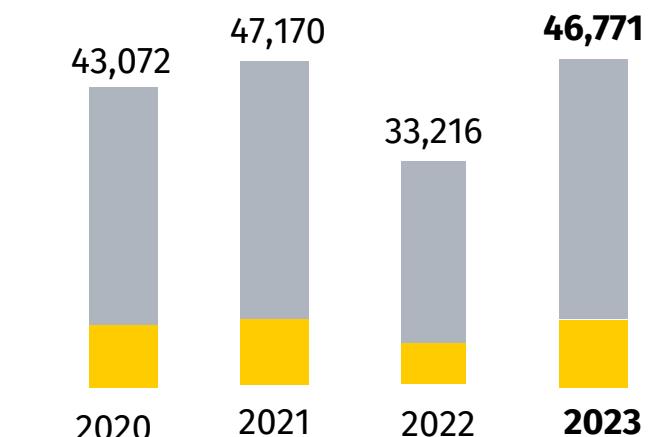
## Regulated WACC



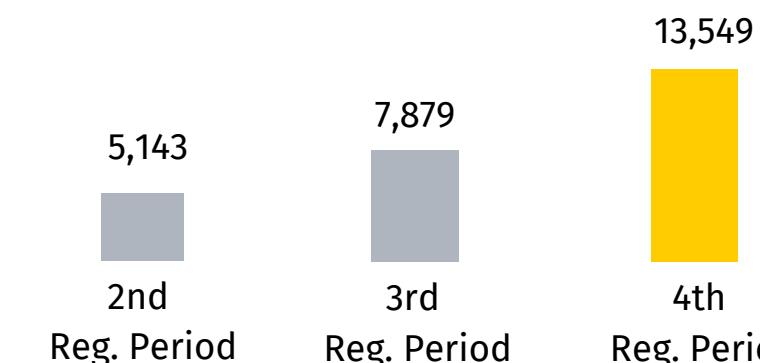
## REGULATED WACC (TÜRKİYE)



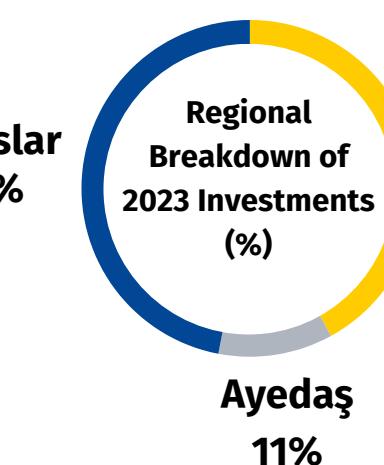
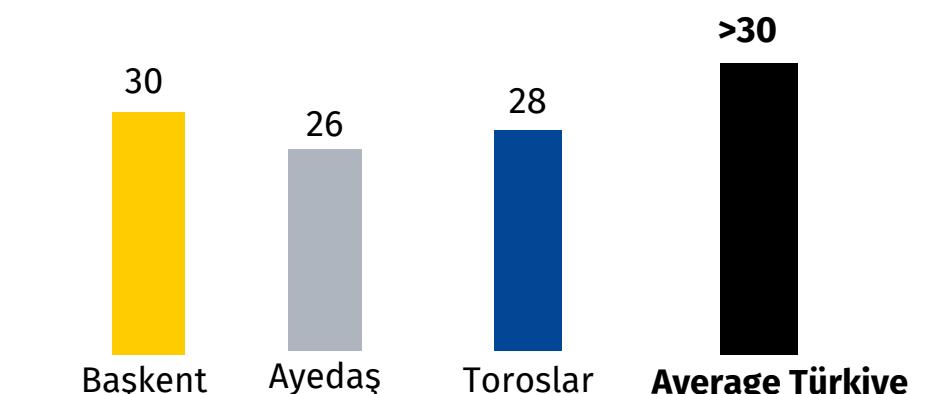
## TÜRKİYE DISTRIBUTION INVESTMENTS (TRY MN)



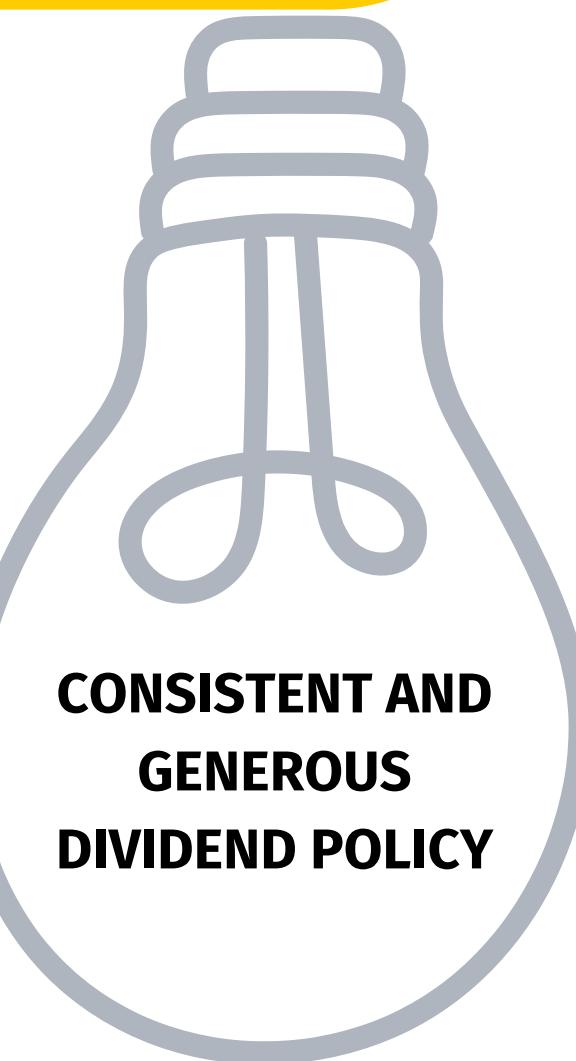
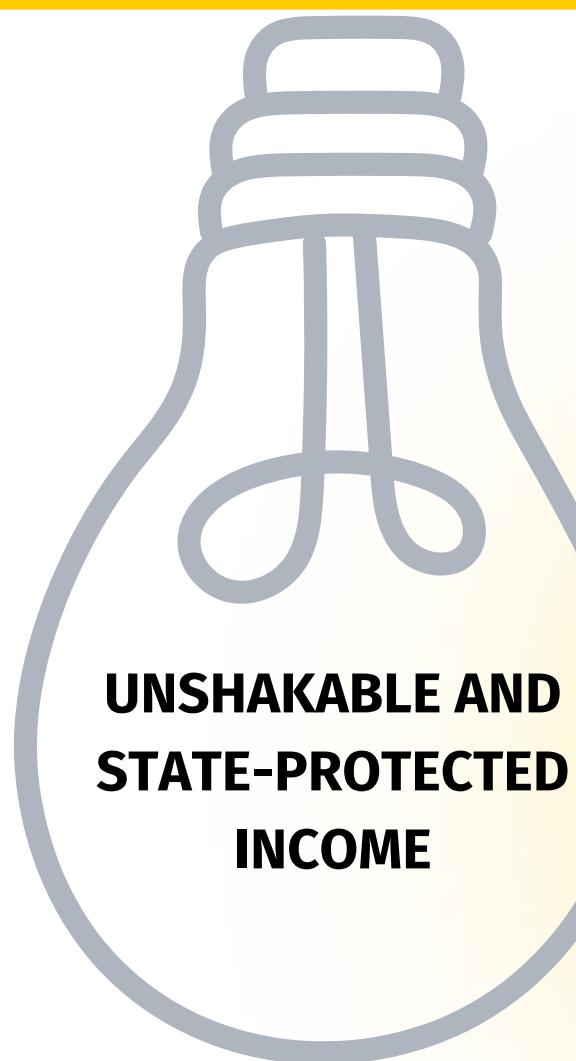
## CAPEX ALLOWANCE (TRY MN)

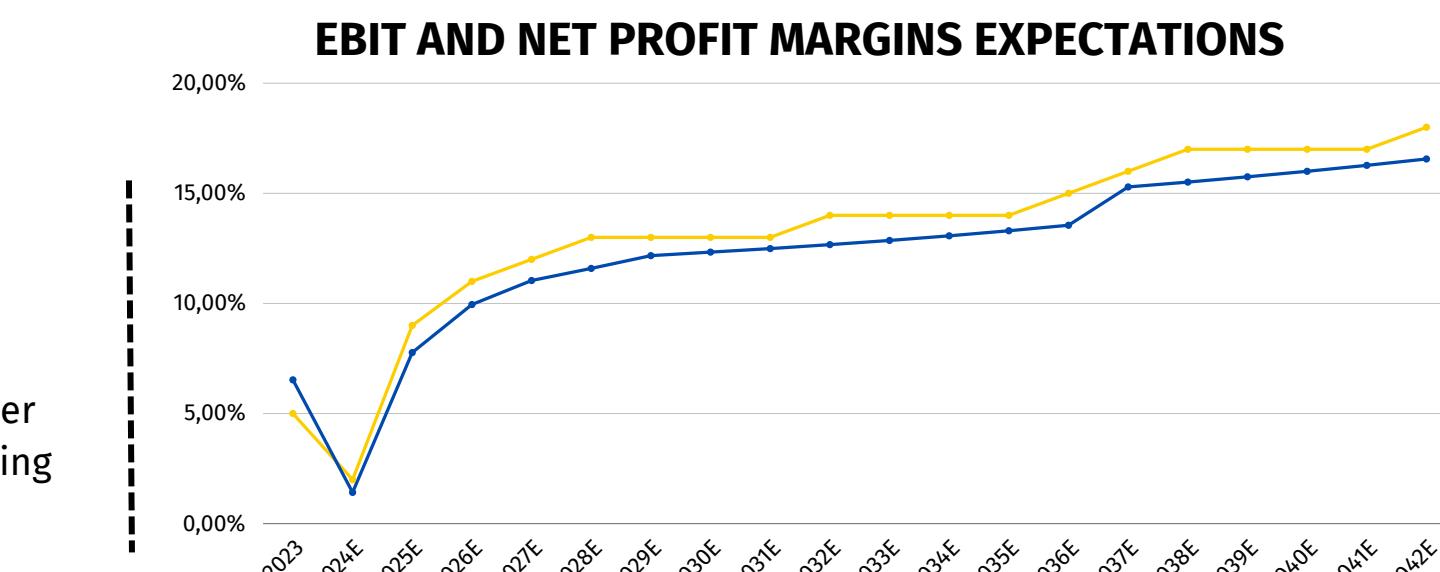
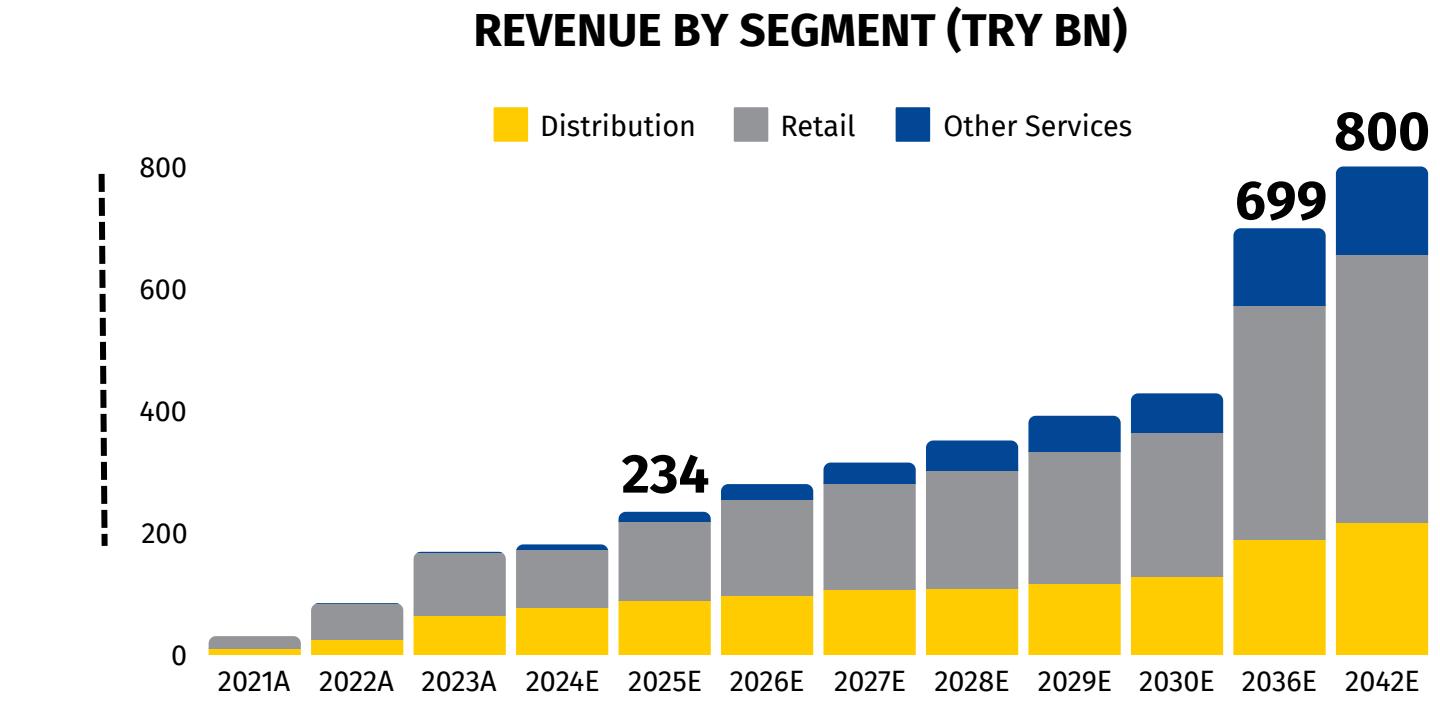
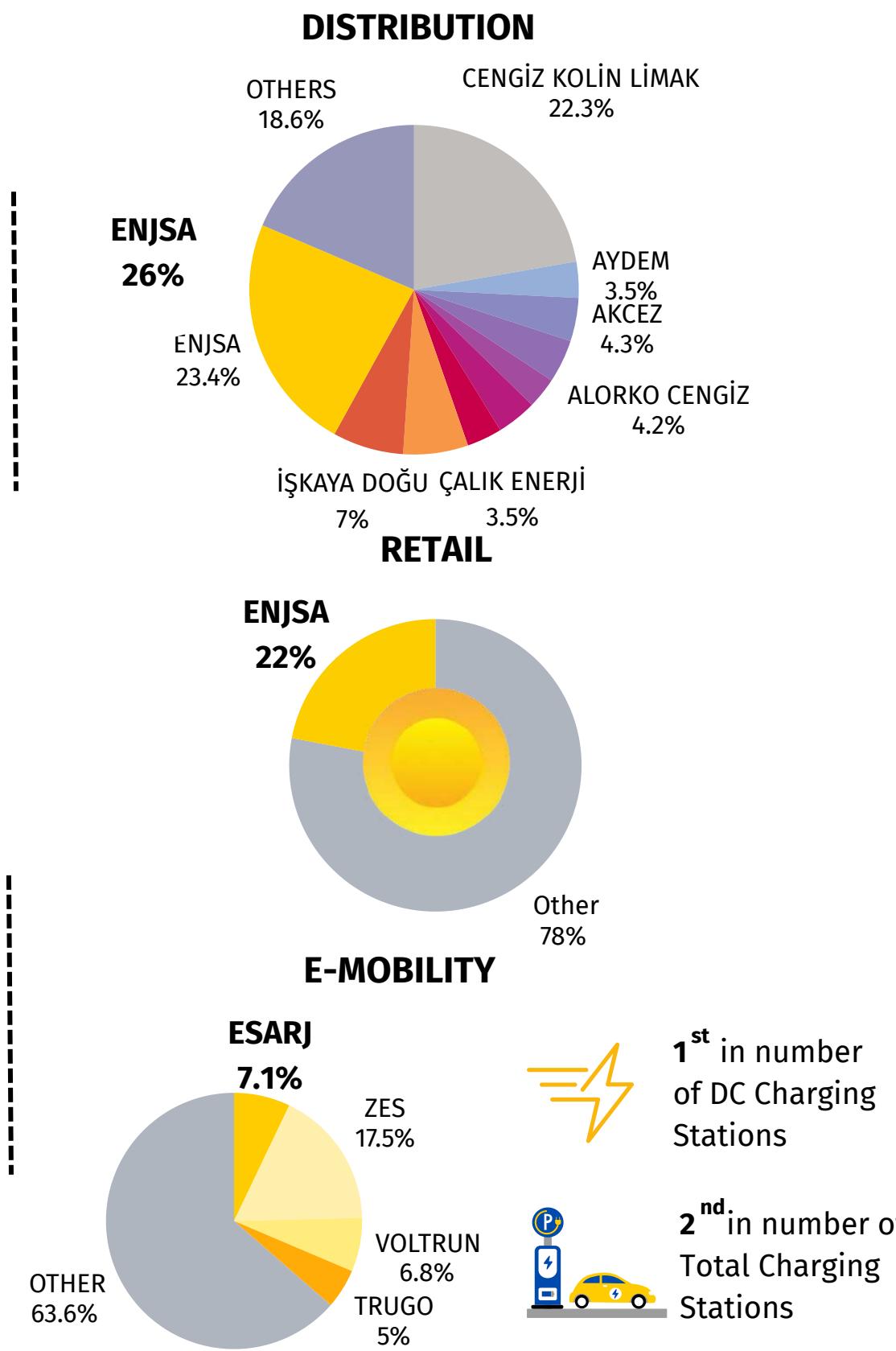
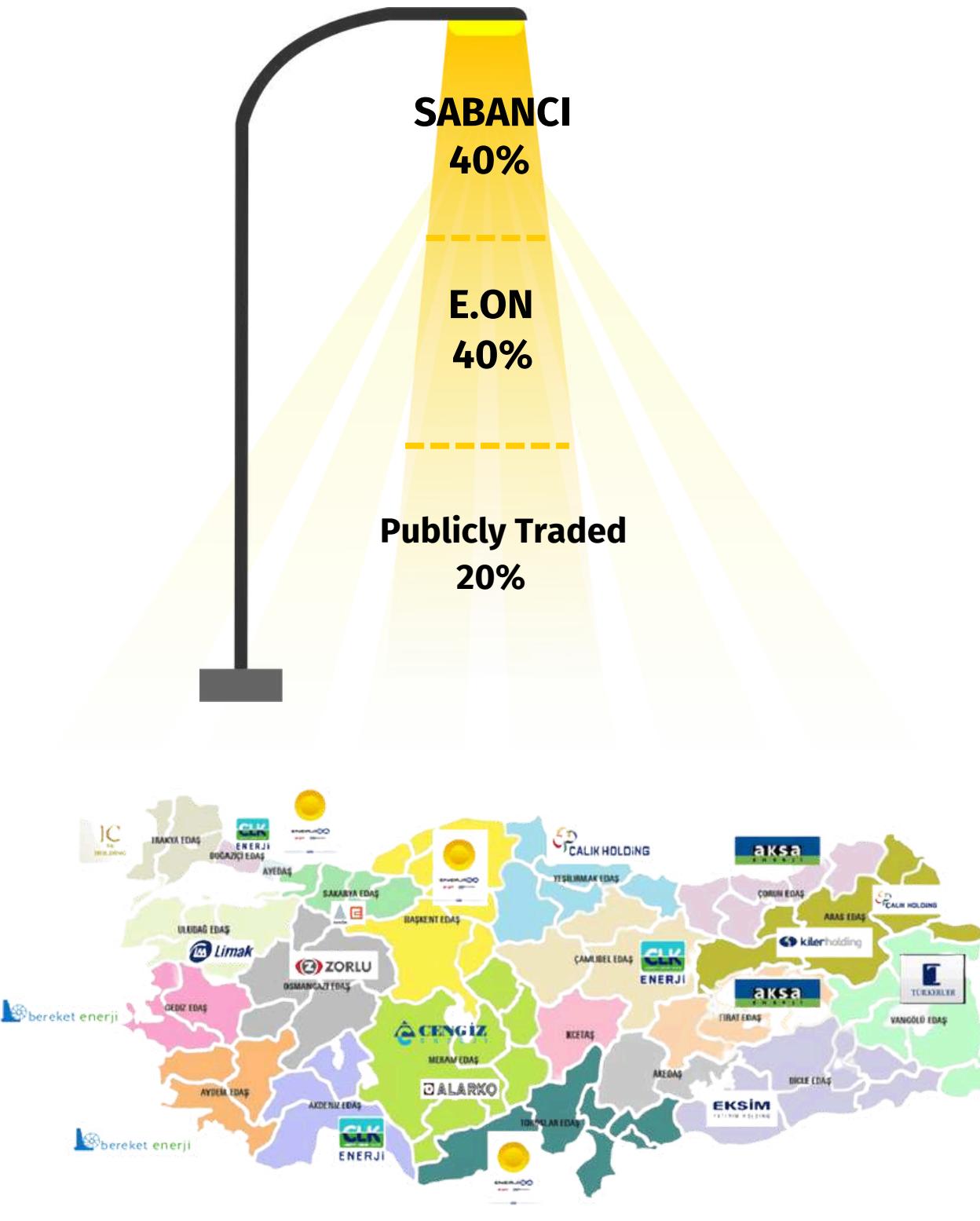


## AVERAGE AGE OF ENJSA NETWORKS (YEARS)

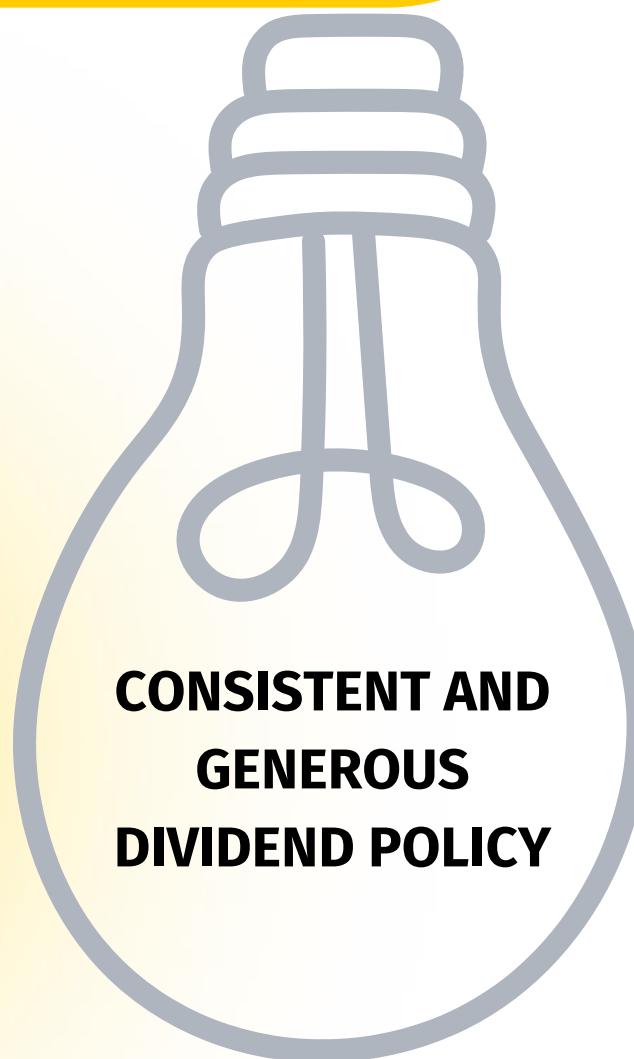


# INVESTMENT HIGHLIGHTS





# INVESTMENT HIGHLIGHTS

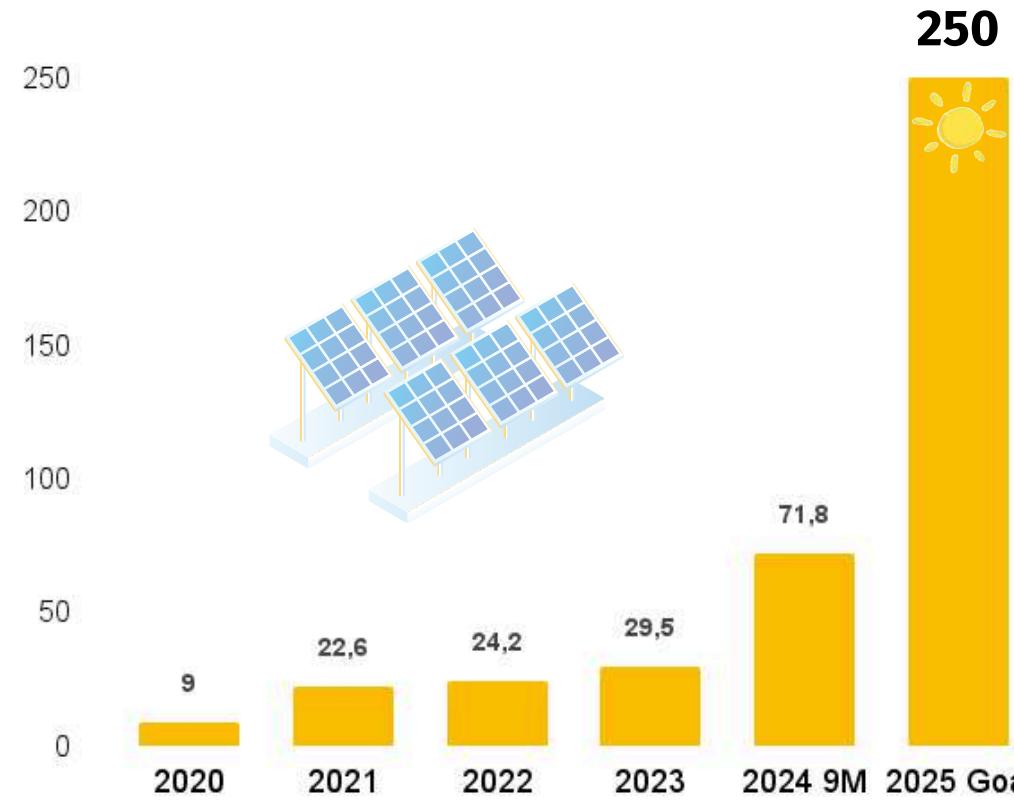




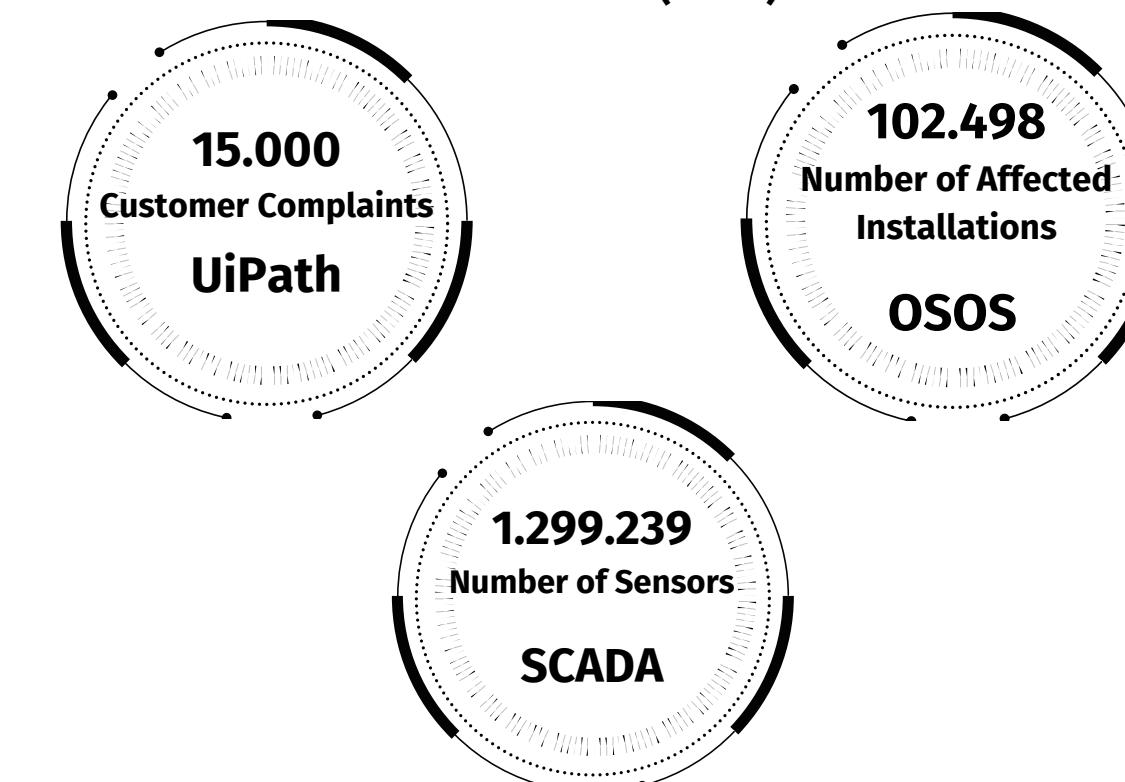
# LEADING SUSTAINABLE TRANSFORMATION



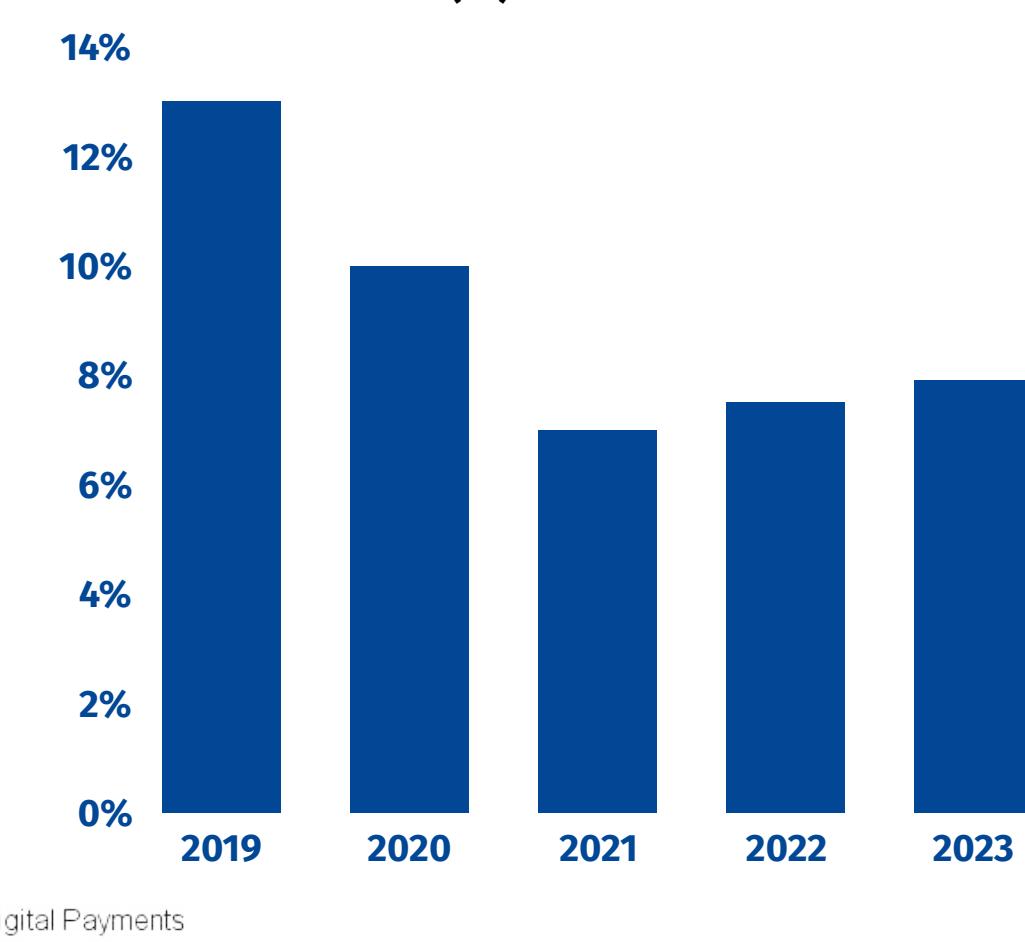
## TOTAL INSTALLED CAPACITY OF SOLAR POWER PLANT (MWP)



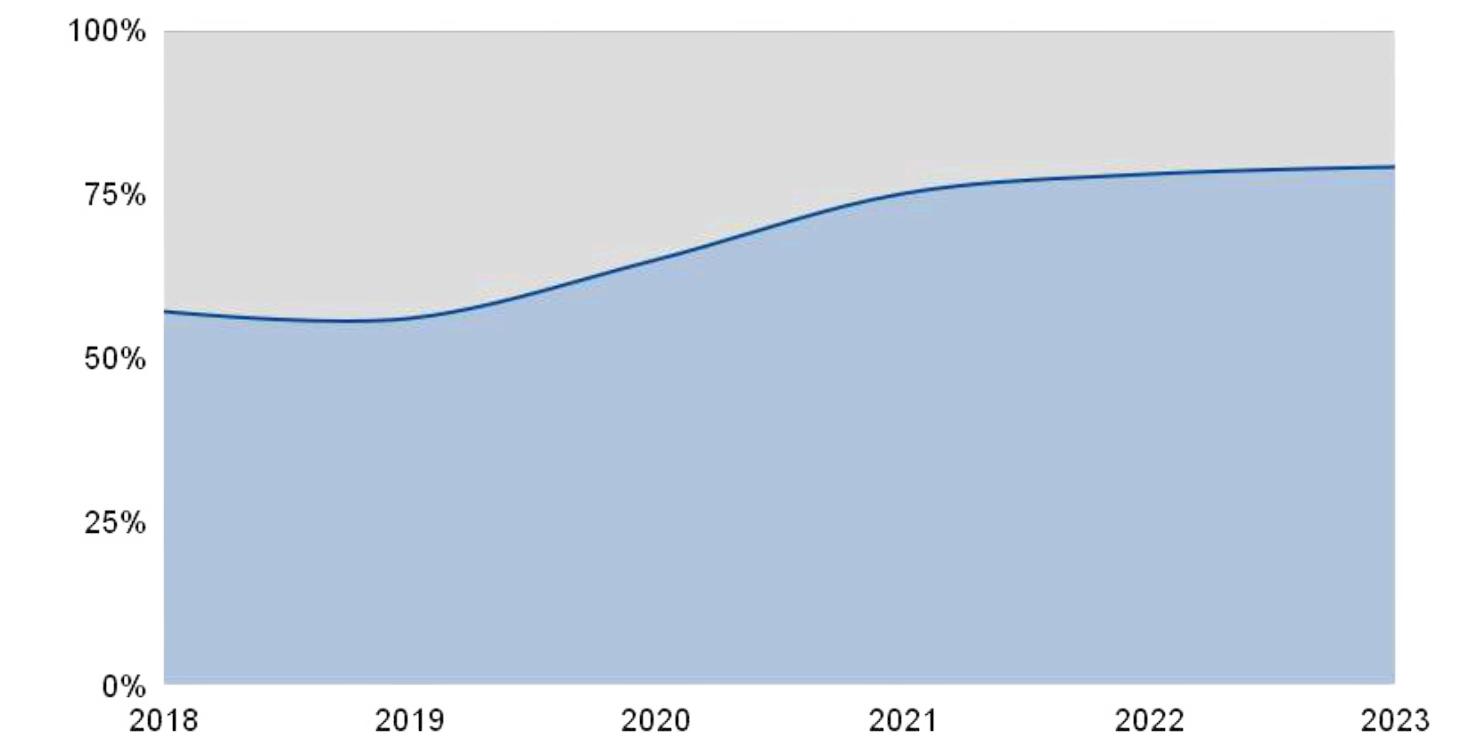
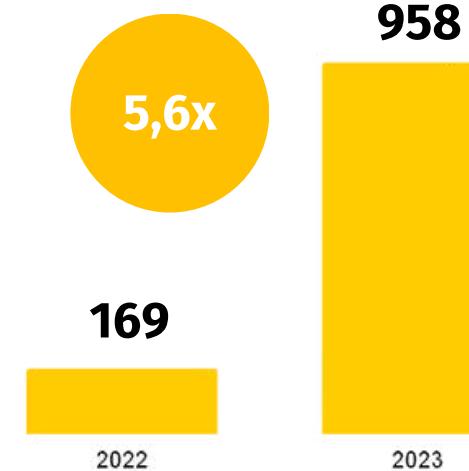
## DIGITALIZATION (MWP)



## THEFT-LOSS RATIO (%)



## CUSTOMER SOLUTIONS GROSS PROFIT (MN)



# INVESTMENT HIGHLIGHTS



**ENERGY MARKET OUTLOOK: GROWTH, TRENDS, AND OPPORTUNITIES**



**UNSHAKABLE AND STATE-PROTECTED INCOME**



**FINANCIAL RESILIENCE AND MARKET SUPREMACY**



**LEADING THE SUSTAINABLE TRANSFORMATION**



**CONSISTENT AND GENEROUS DIVIDEND POLICY**

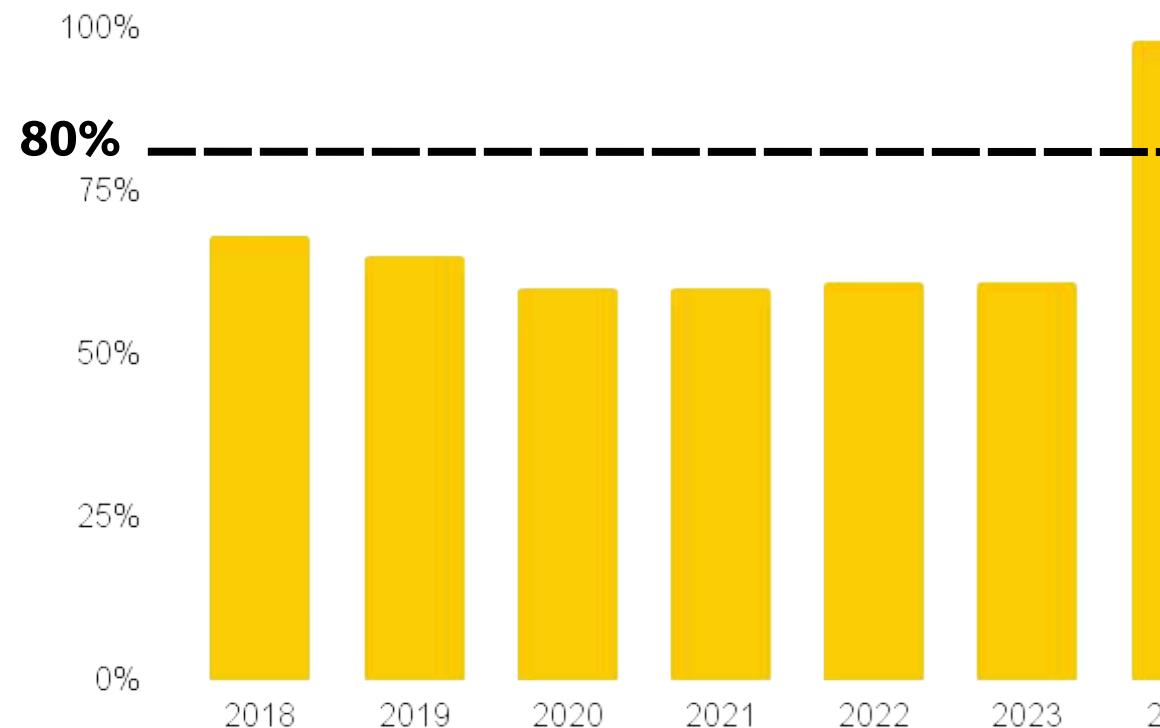




# CONSISTENT AND GENEROUS DIVIDEND POLICY

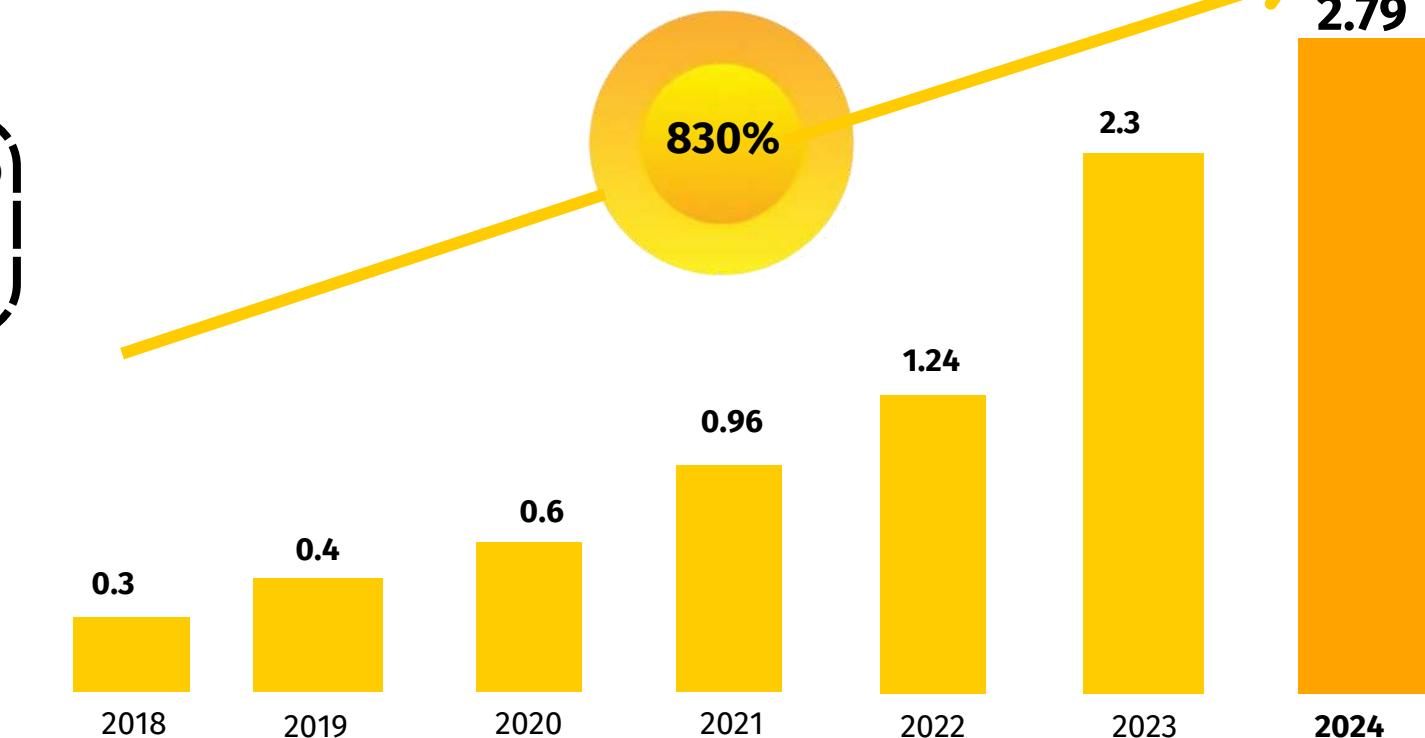


DIVIDEND PAYOUT RATIO

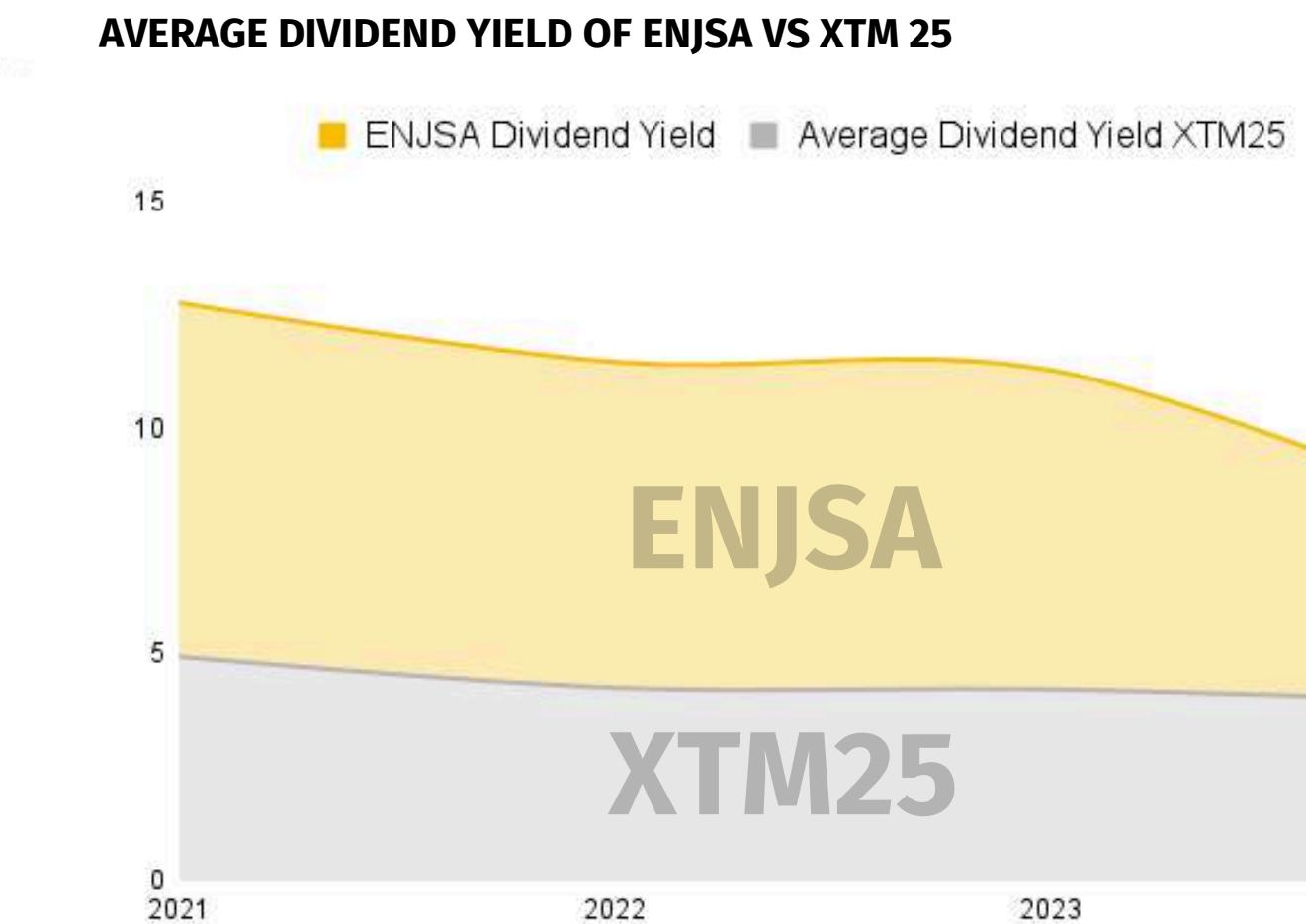
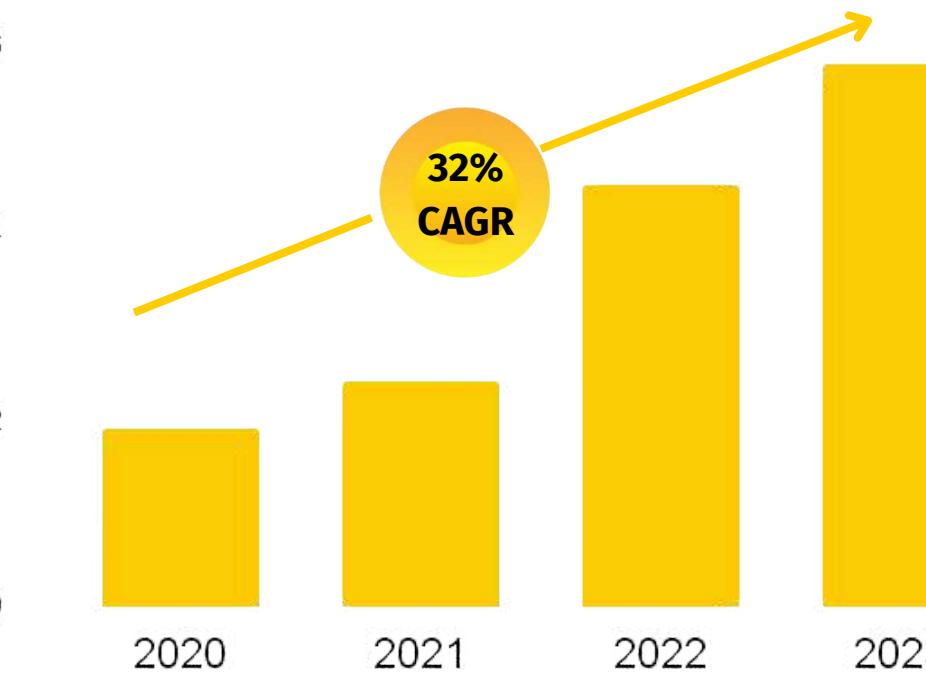


MINIMUM DIVIDEND  
PAYOUT RATIO  
IN THE FUTURE

DIVIDEND PER SHARE



UNDERLYING NET INCOME(MN)





**ESG**

# KEY ESG PRIORITIES OF ENJSA



## ENVIRONMENT



## SOCIAL



## GOVERNANCE

Greenhouse Gas Emissions

Employee Health and Safety

Ethics and Compliance

Waste Management

Diversity and Inclusion

Corporate Transparency

Energy Efficiency

Community Engagement

Sustainability Governance

Biodiversity

Customer Satisfaction

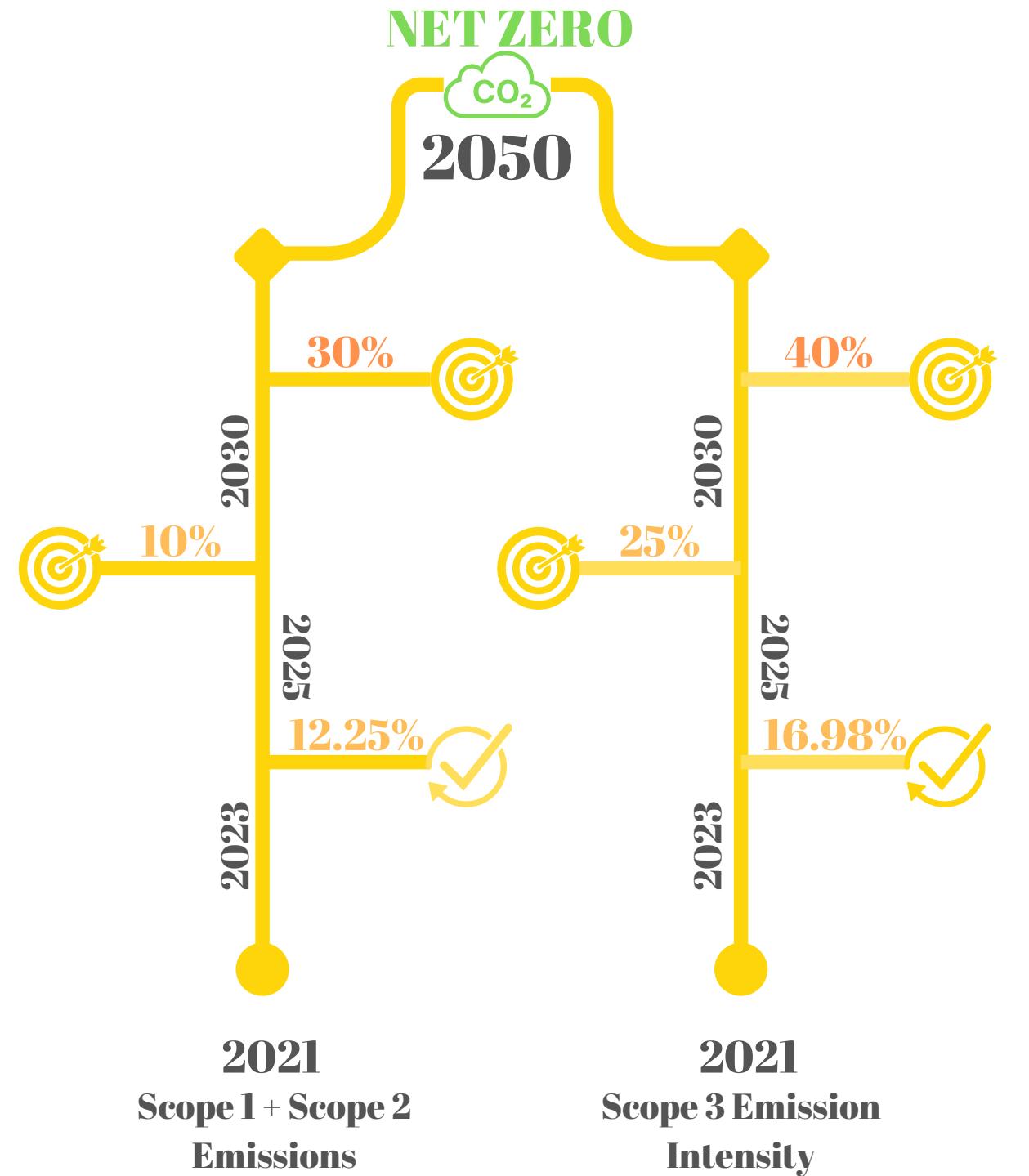
Risk Management

Water Management

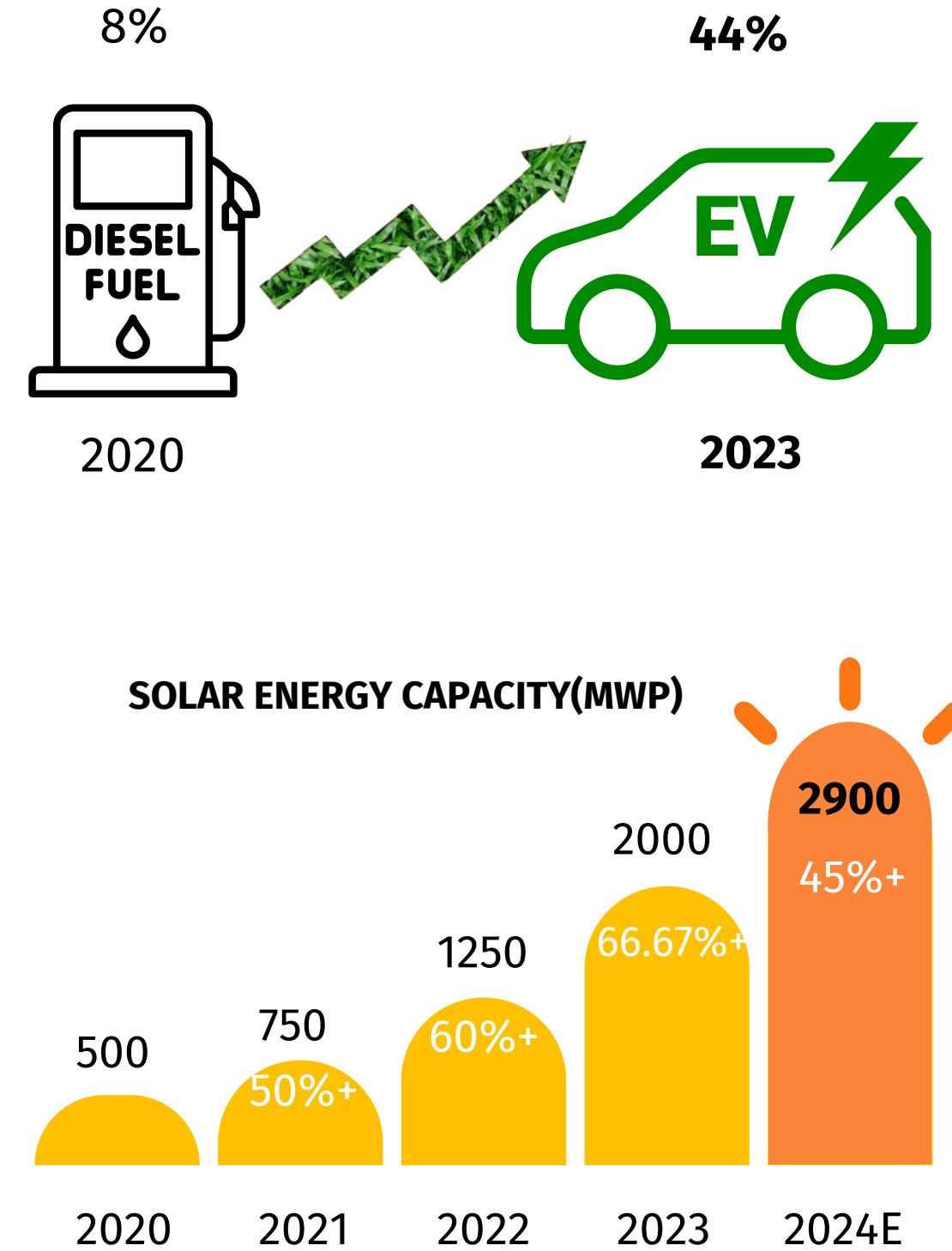
Workforce Excellence Management

Supply Chain Management

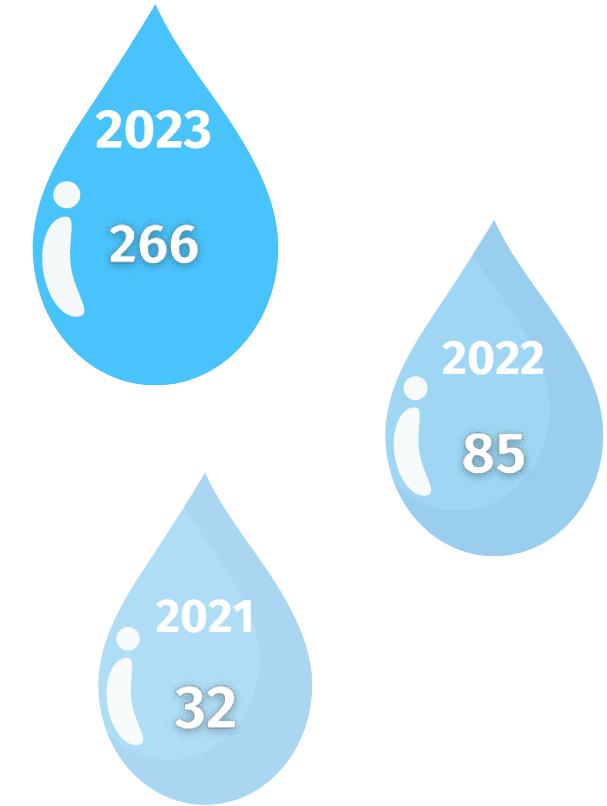
## NET ZERO PATHWAY OF ENERJISA



## EV/HYBRID CARS IN FLEET (PORTION)



## RAINFALL HARVESTING (IN TONS)

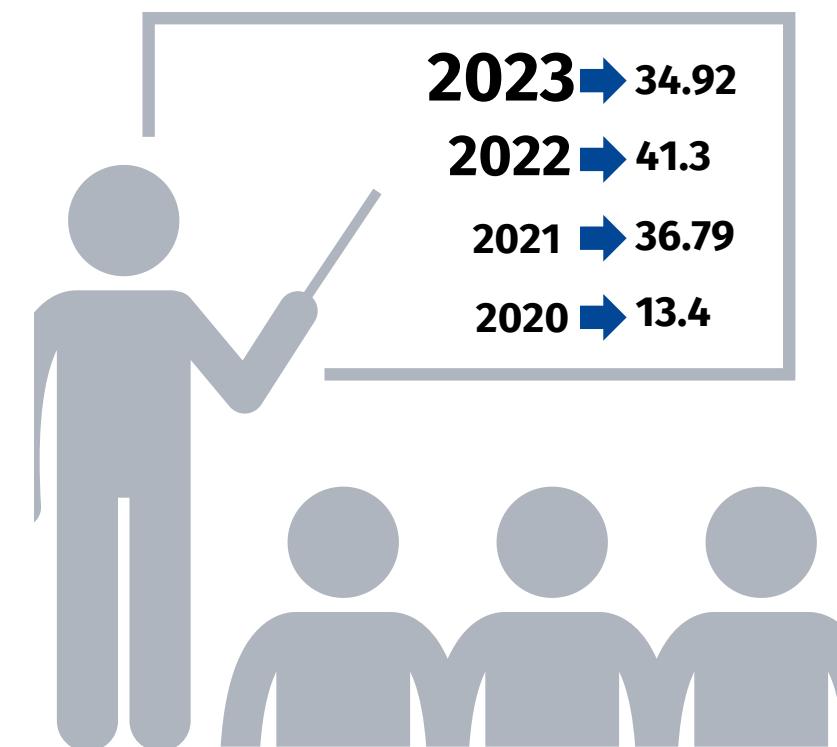


## ENERJISA'S TOTAL DESIGNATED BIRD PROTECTION AREA



“ A BETTER FUTURE FOR EVERYONE ”

## TOTAL TRAINING HOUR PER EMPLOYEE



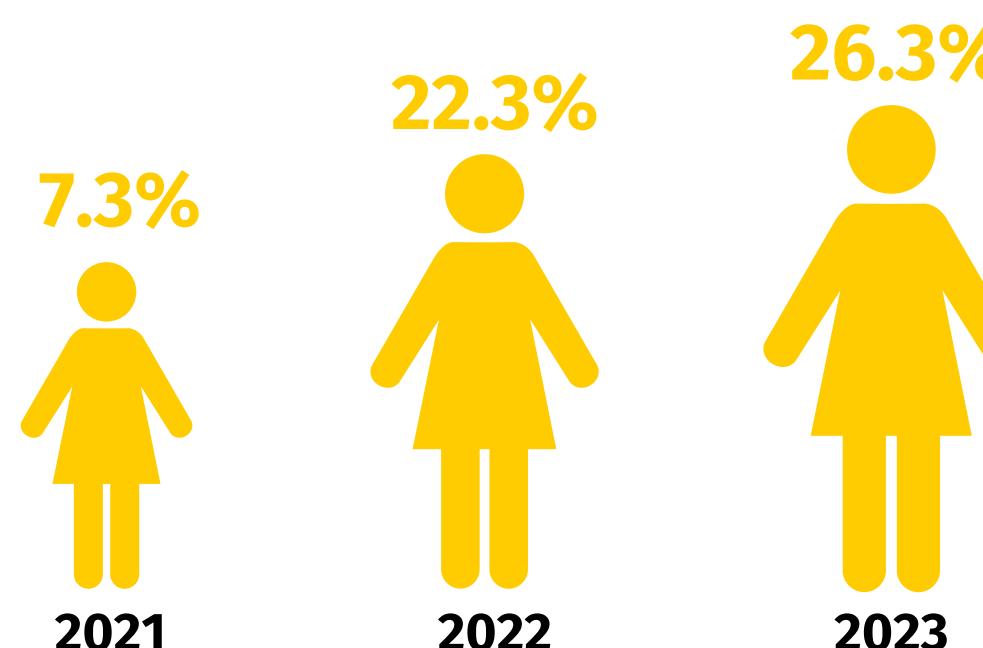
## ESG SCORES OF ENERJISA

	Enerjisa' Score	Ranking
Sustainalytics	16.8	Low Risk
Refinitiv	85	5th Globally Among Power Companies
FTSE Russell	4	91st percentile in Utilities sector
CDP Climate Change	A-	
CDP Water Security	A	

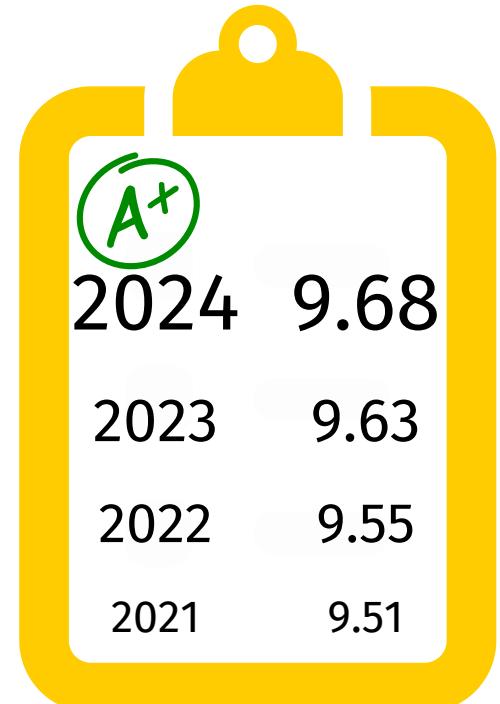
## EMPLOYEE SATISFACTION SCORE (OUT OF 100)



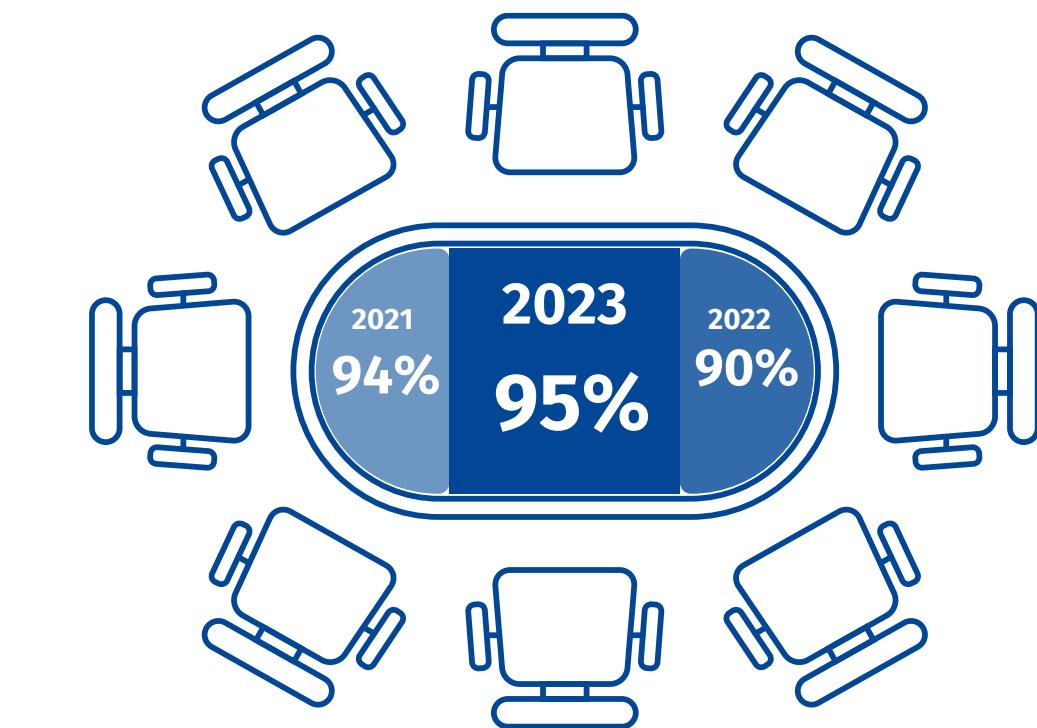
## GENDER DISTRIBUTION OF NEW HIRES (%)



## CORPORATE GOVERNANCE RATINGS



## BOARD MEETINGS ATTENDANCE RATE





# VALUATION

70%  
**Discounted  
Cash Flow**



+



=

**Target Price  
TRY 93.96**

50.21%  
  
**UPSIDE**



## TWO-STAGE DISCOUNTING: CALIBRATING WACC FOR MARKET REALITIES

Addressing the varying risk dynamics over the forecast period

### PERIOD OF 2025E-2029E

Cost of Debt	Cost of Equity	WACC
37.7%	38.64%	32.88%

**DIMINISHING INFLATION & INTEREST RATE CUTS**



### PERIOD OF 2030E-2042E

Cost of Debt	Cost of Equity	WACC
16.0%	18.48%	14.88%

**LOWER WACC**



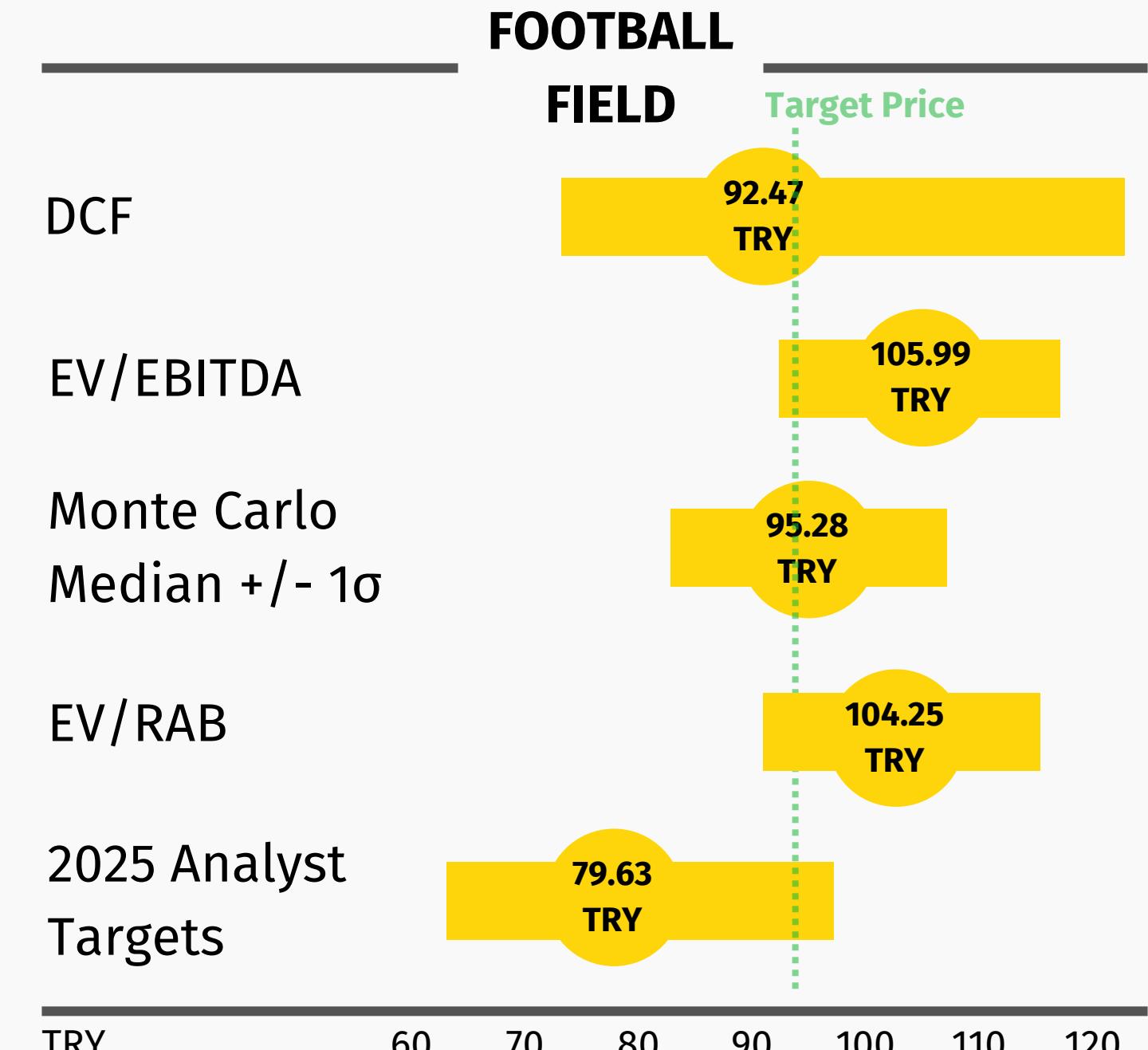


# RELATIVE VALUATION



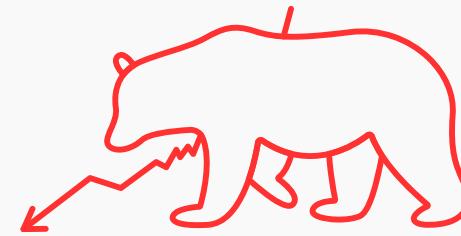
## RELATIVE VALUATION CONFIRMS OUR BUY RECOMMENDATION

PEER GROUP		EV/EBITDA	P/SALES	P/E
Closest Peers in Türkiye	aksa ENERJİ ZORLUENERJI	4.16	0.64	7.29
Industry of Türkiye	aksa ENERJİ Aydem enerji ZORLUENERJI ALARKO HOLDING A.Ş.	5.62	0.88	5.71
Global Peers	TAURON POLSKA ENERGIA RENA ENEA IREN ignitis group	8.21	0.72	9.16
ENJSA Historical Avg		4.91	0.45	6.67
ENJSA Target Ratio		4.5	0.5	8
<u>Implied Target Price (TRY)</u>		105.99	99.13	87.24
<b>RV TARGET: TRY 97.44</b>				



## ASSESSING VALUATION IMPACT ACROSS DIFFERENT MARKET CONDITIONS

To have a deeper understanding, we conducted scenario analysis showcasing varying market conditions.



### Bear

**TRY 74.01**

Electricity consumption falls below projections

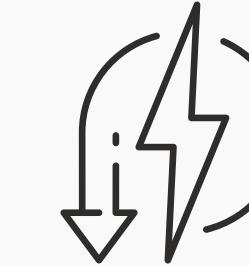
WACC applied to RAB repayment falls below projections

Failure to maintain EV charging industry position

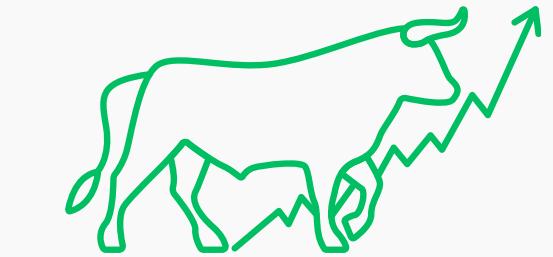
-20.17% FROM TARGET PRICE



### Base



**TRY 93.96**



### Bull

Electricity consumption exceeds projections

WACC applied to RAB repayment exceeds projections

Strengthens EV charging industry position

32.44% FROM TARGET PRICE

**TRY 124.44**



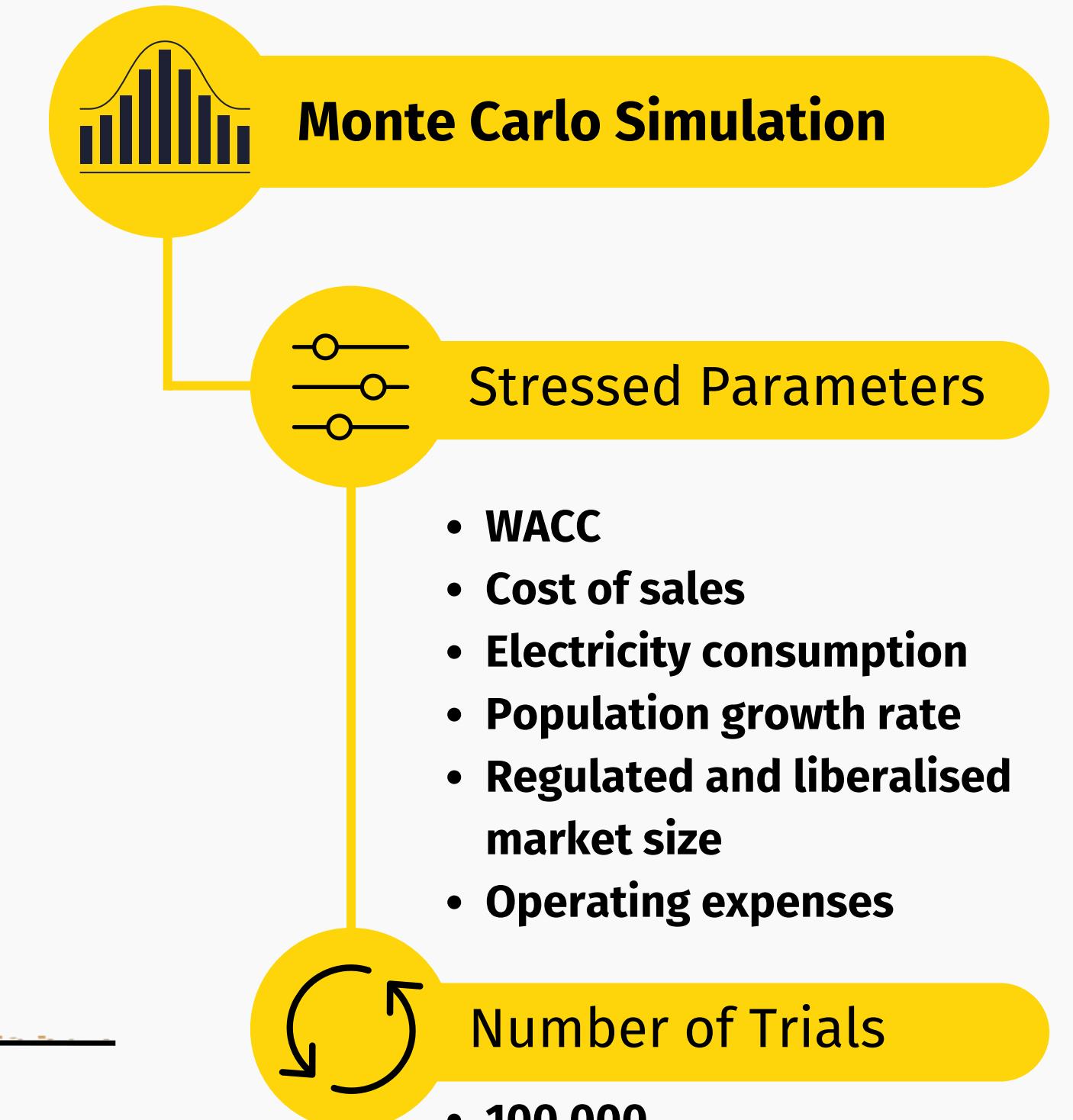
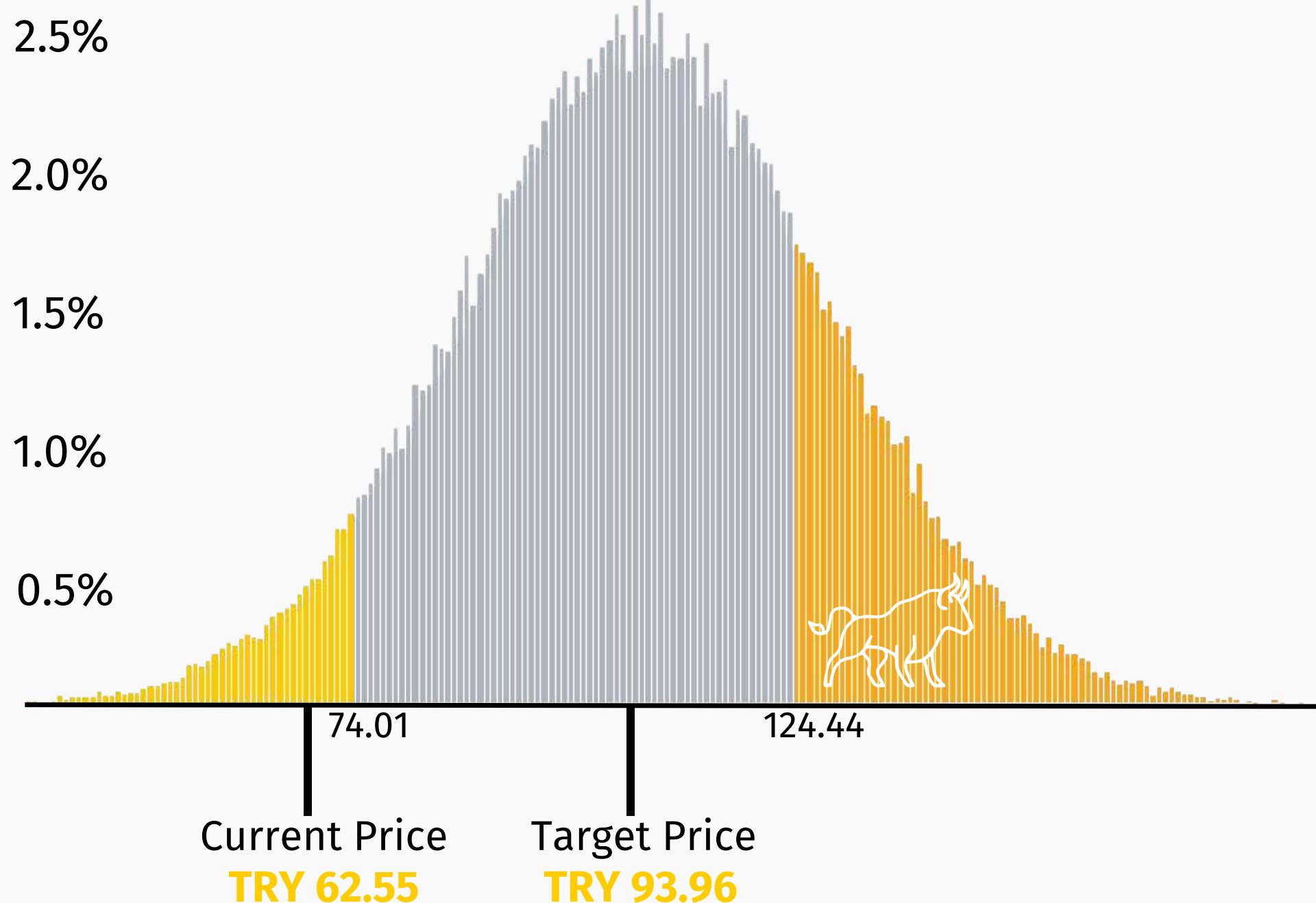
# MONTE CARLO ANALYSIS



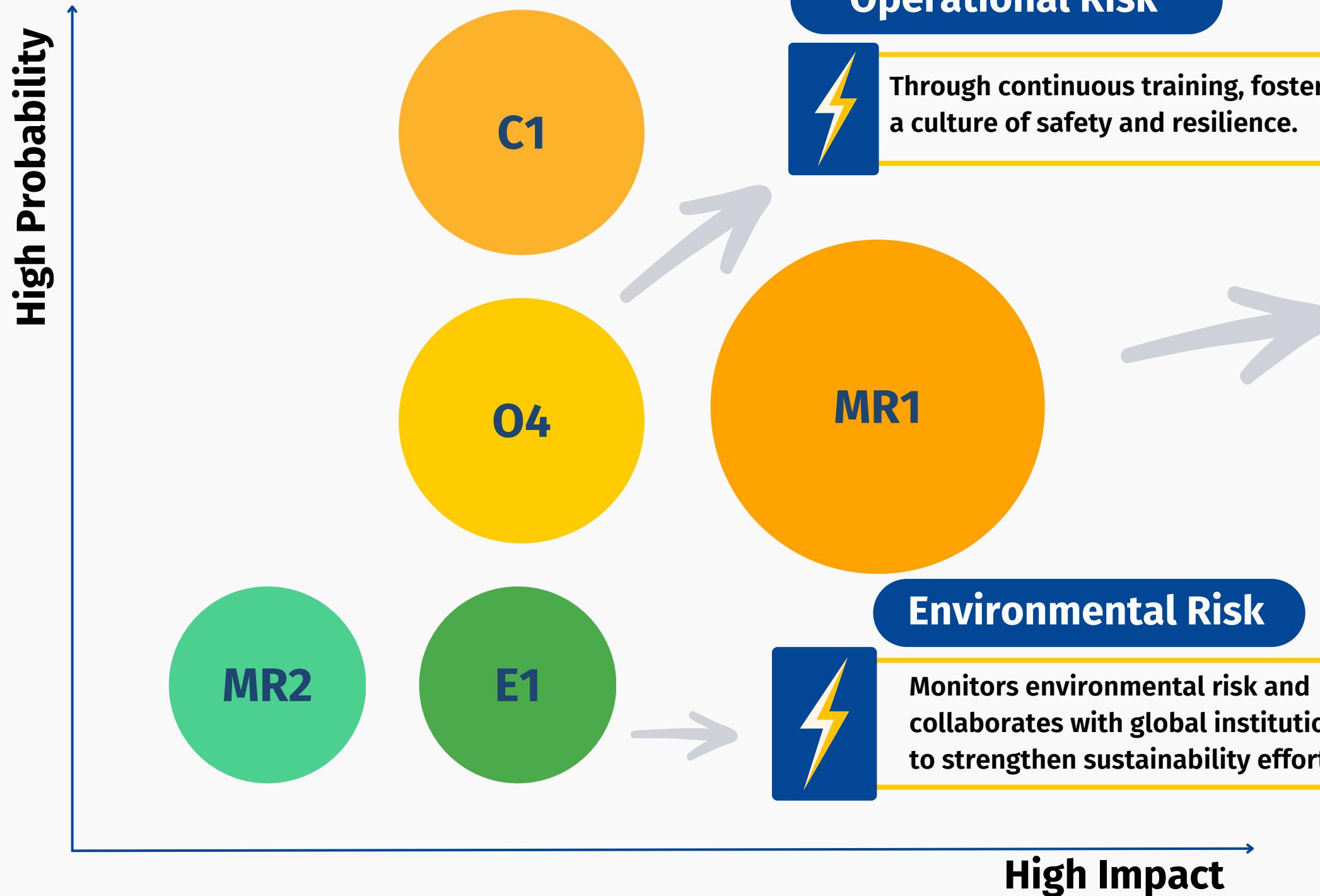
## MONTE CARLO SUPPORTS THE BUY RECOMMENDATION

100,000+ Simulations confirm bullish resilience

### MONTE CARLO



## Macroeconomic and Regulatory Risk



Potential Impact



Economic downturn



Inflation-driven decline



Mitigating Actions



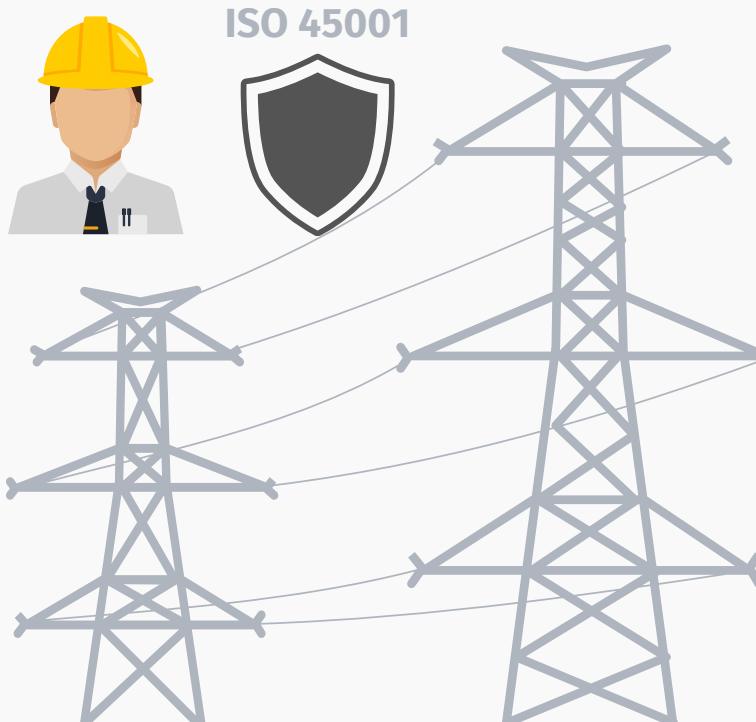
Strong financial strategies and effective policies



Alignment with regulatory frameworks

## Safe & Sustainable

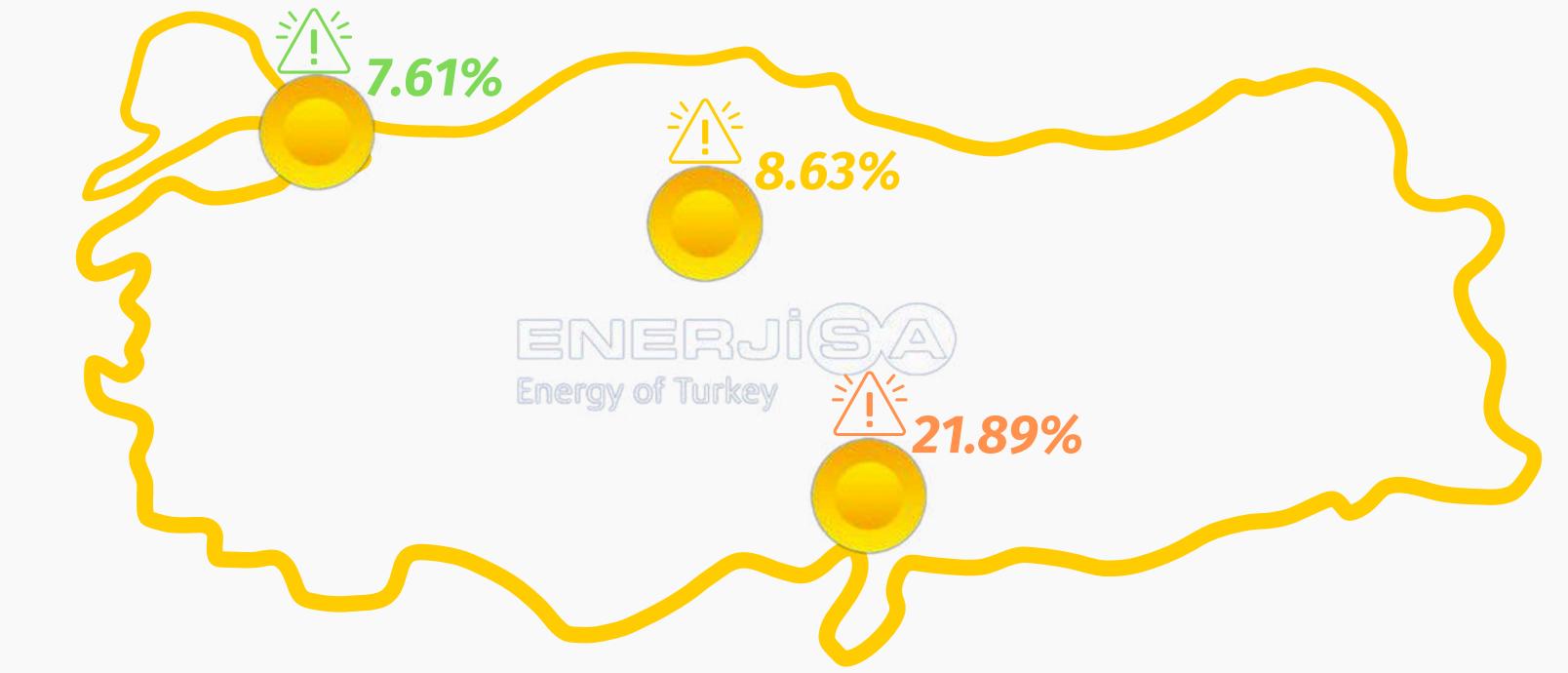
-  ISO 45001 global standard for occupational health and safety management
-  ENJSA reduces workplace risks and ensure a safe working environment



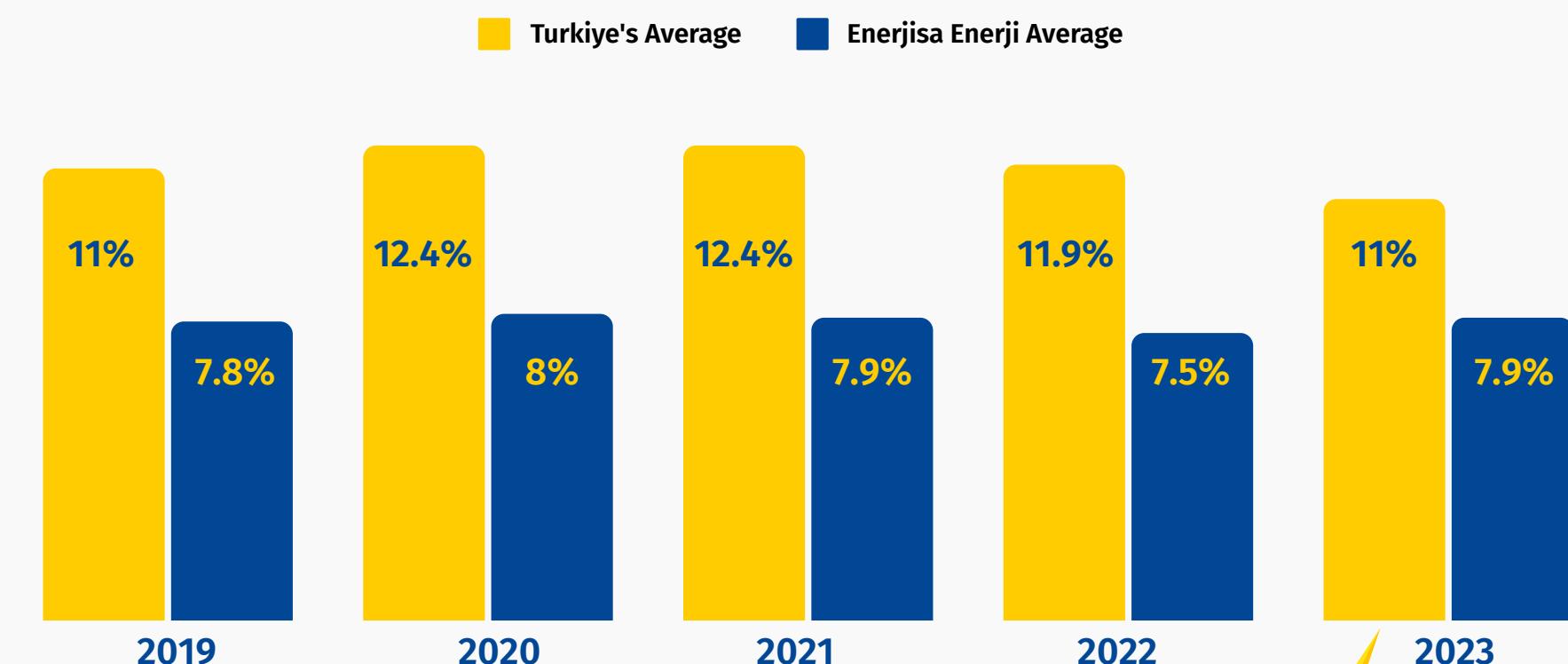
## Number of Accidents



## Theft-Loss Risk Map



## Theft-Loss Ratio





**PROMISING MARKET OPPORTUNITIES**

**UNSHAKABLE AND STATE-PROTECTED INCOME**

**FINANCIAL RESILIENCE AND MARKET LEADERSHIP**

**LEADING SUSTAINABLE TRANSFORMATION**

**CONSISTENT AND GENEROUS DIVIDEND POLICY**

**50.21% UPSIDE**

**BUY**

**TARGET PRICE  
TRY 93.96**





# Appendix Network



## Main Deck

1. Investment Highlights
2. Company Overview 1
3. Company Overview 2
4. Urbanization Gap
5. NARTD per Capita
6. NARTD per Capita Growth
7. Revenue Growth
8. Profitability Margins
9. ROE&ROIC and Leverage&Liquidity
10. Capex
11. Market Shares
12. ESG I
13. ESG II
14. Valuation
15. Discounted Cash Flow
17. Peer Valuation and Football Field
19. Scenario Analysis
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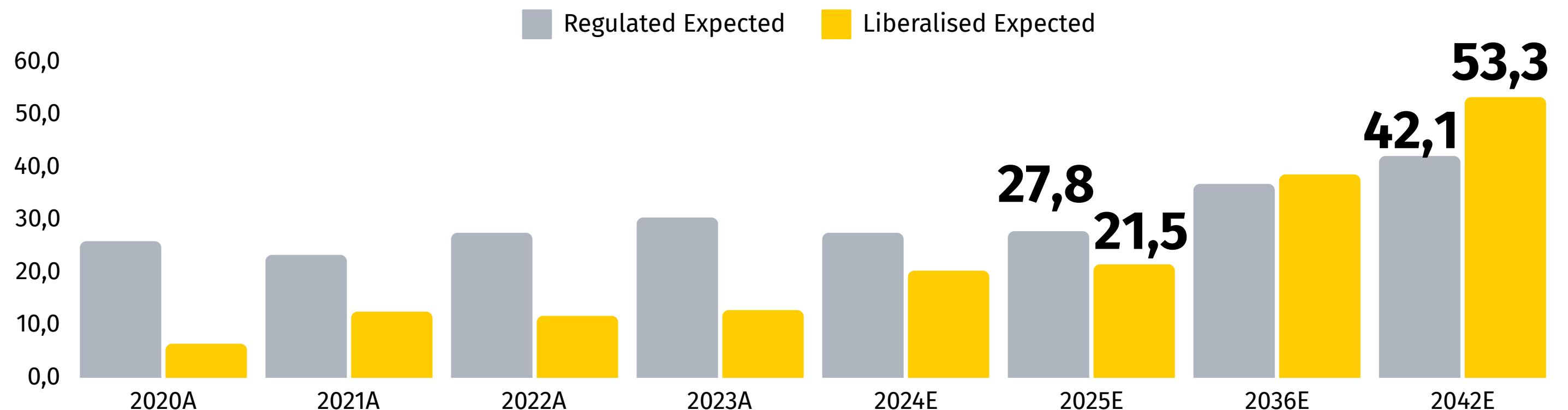
[63. Credit Ratings](#)

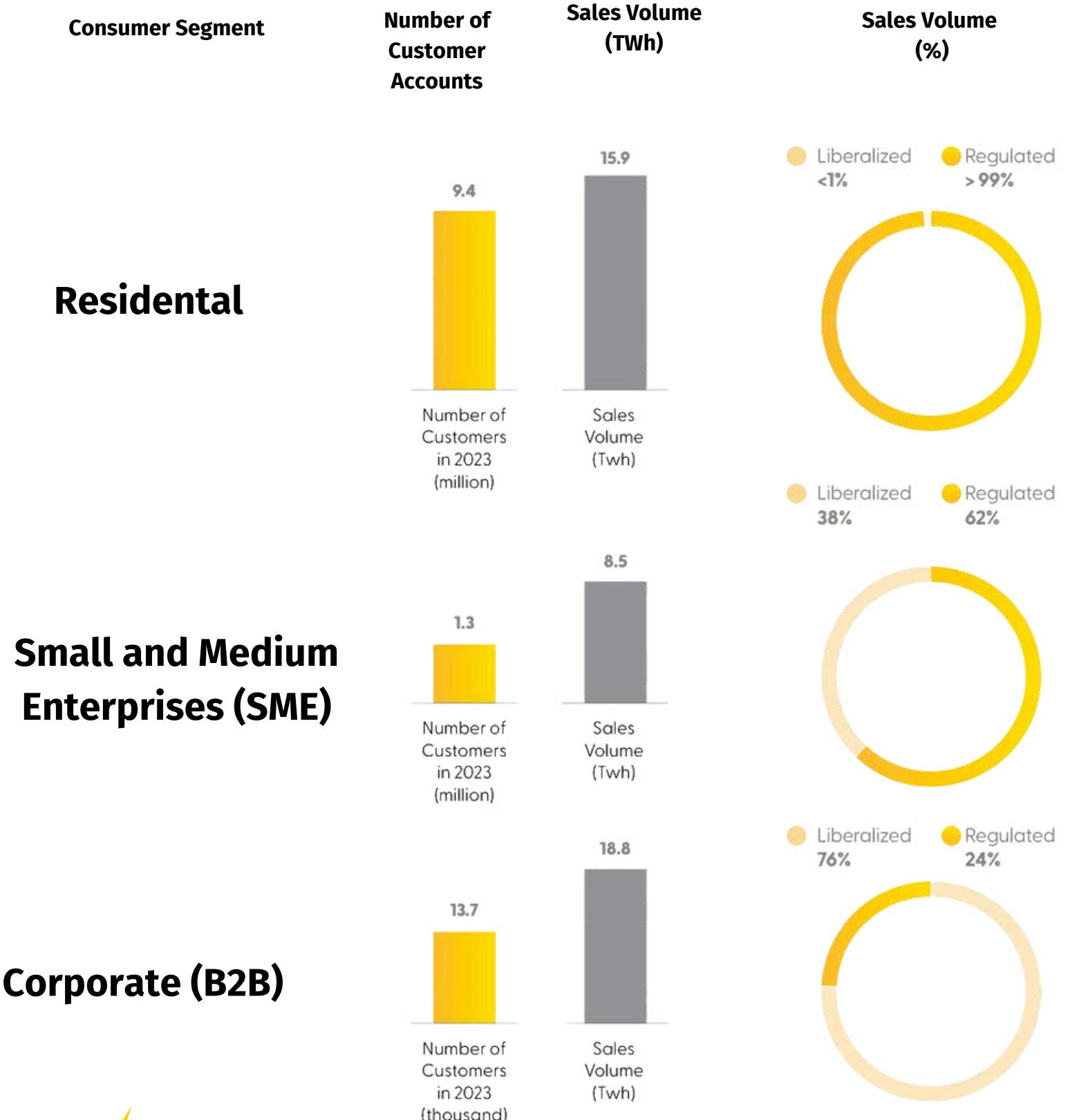
[64. Occupational Data](#)

## Other

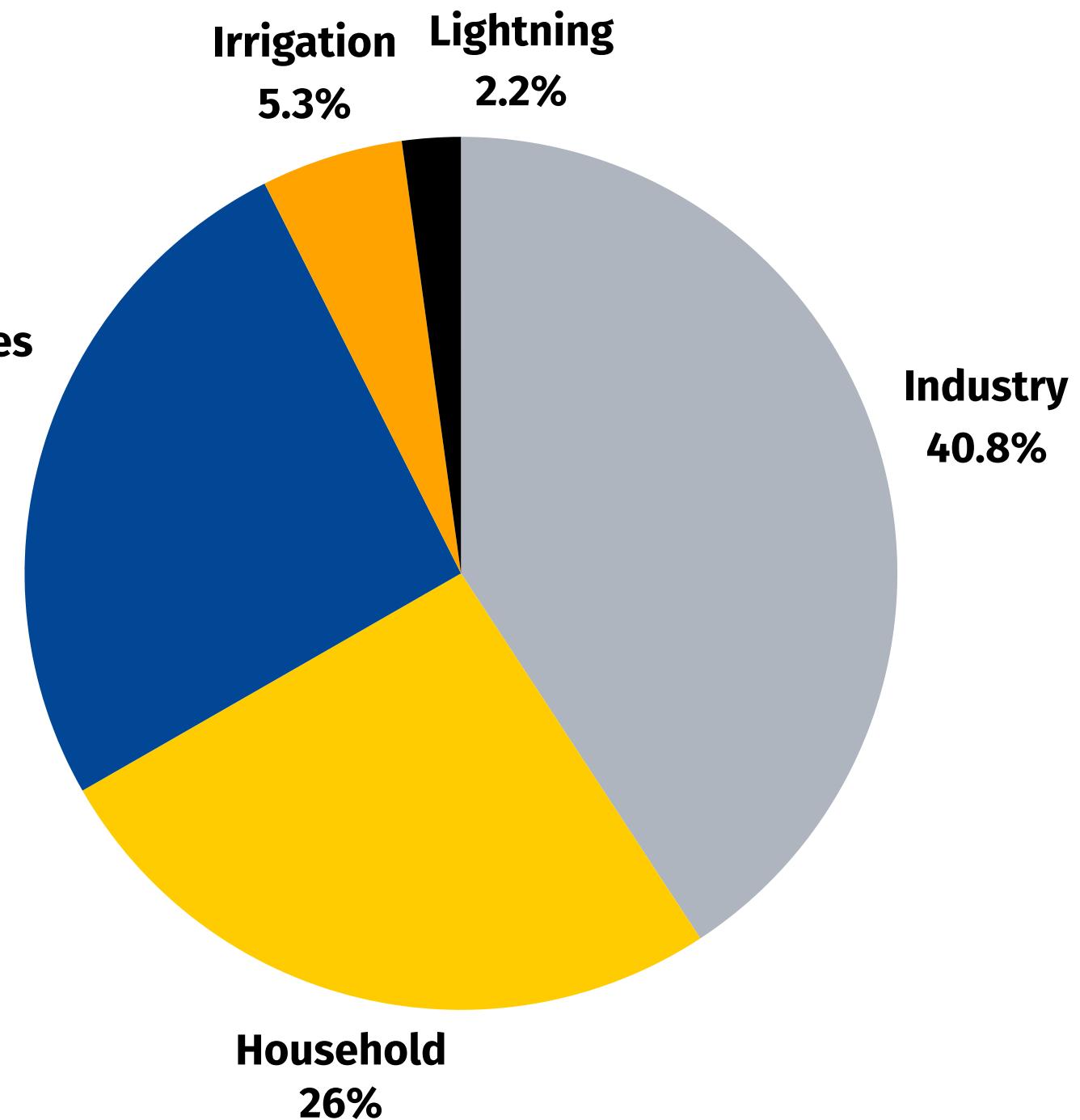
[64. Bangladesh Acquisition](#)

## RETAIL SALES VOLUME EXPECTATIONS (TRY BN)





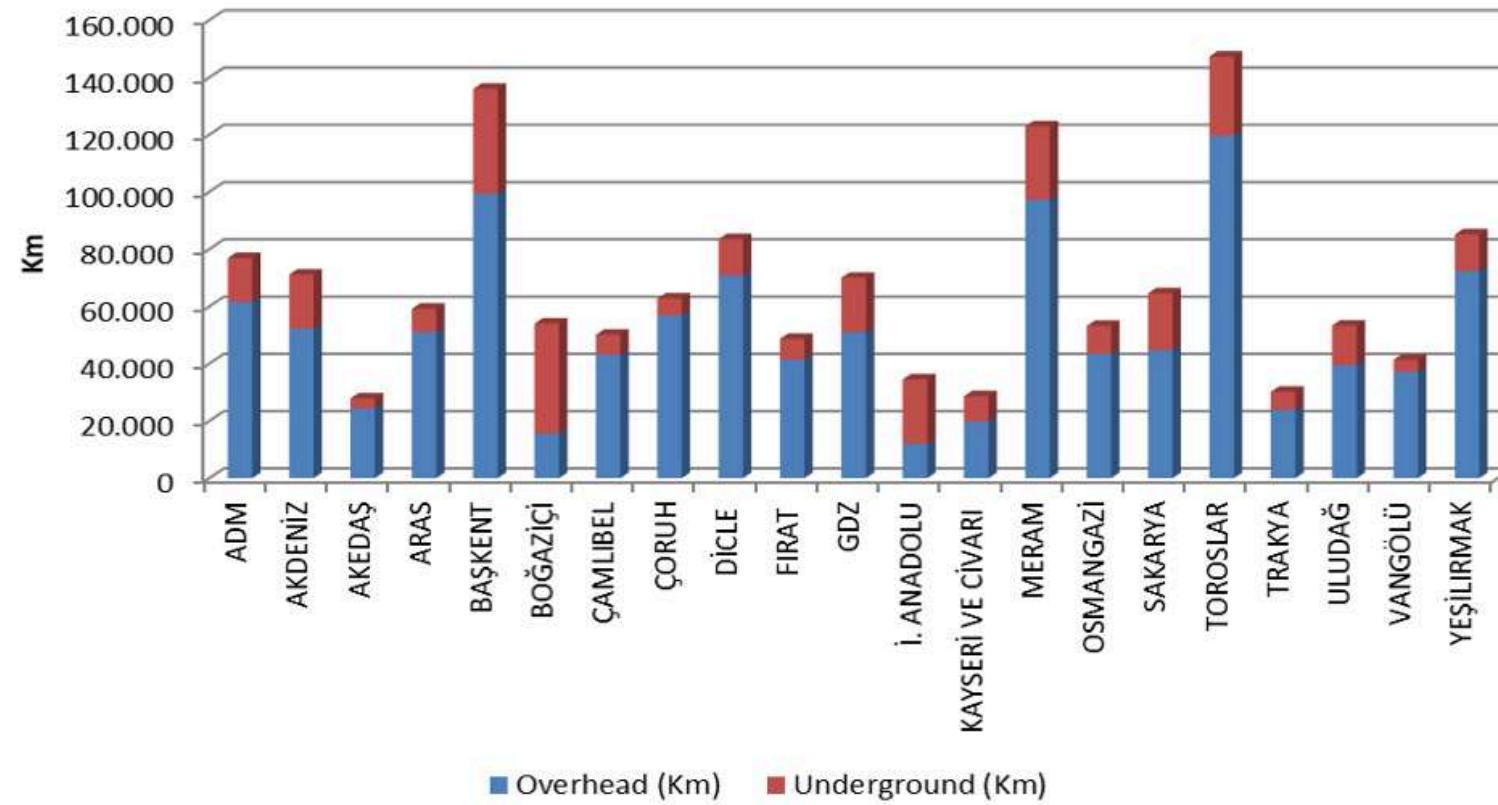
## DISTRIBUTION OF INVOICED CONSUMPTION IN 2023 BY CONSUMER TYPE IN TÜRKİYE





# DOMINATING THE GROWING MARKET

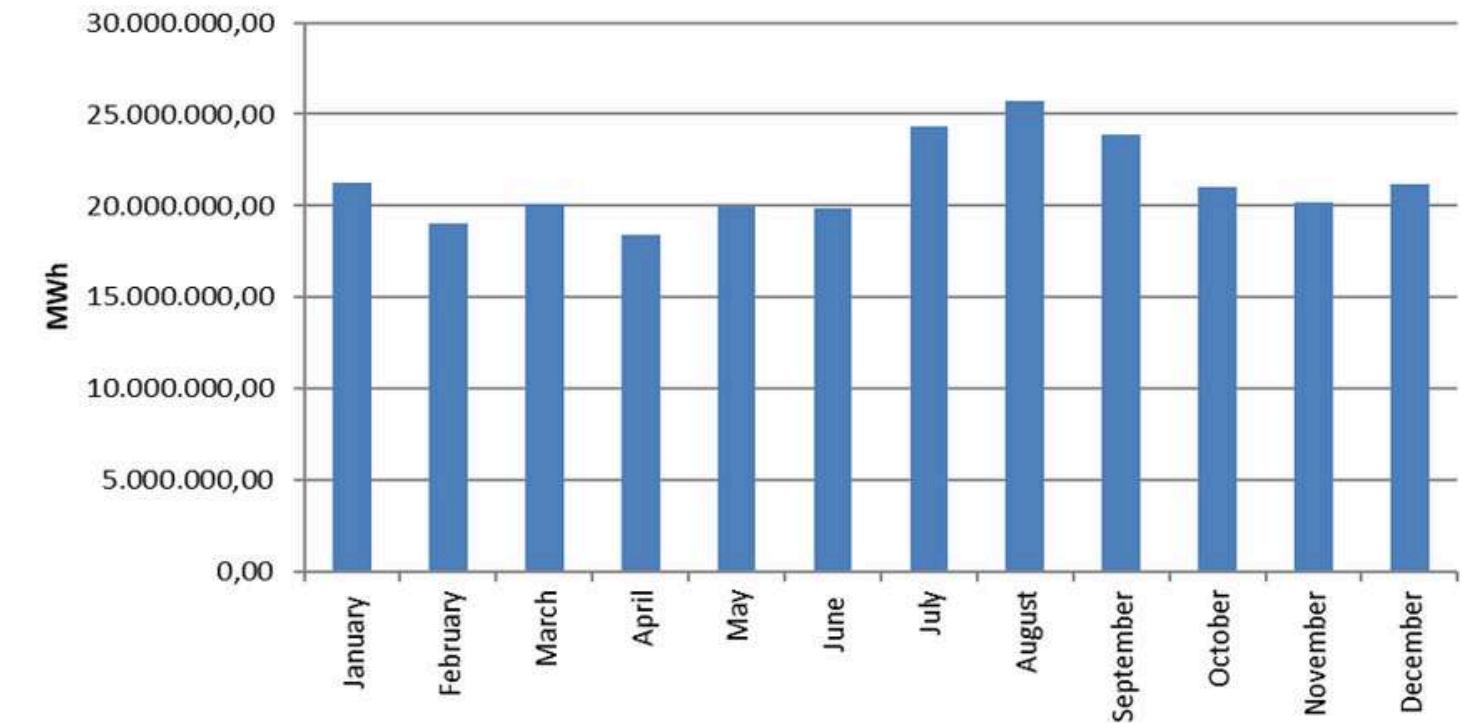
THE LENGTH OF LINES ON THE BASIS OF DISTRIBUTION COMPANIES AT THE END OF 2023 (KM)



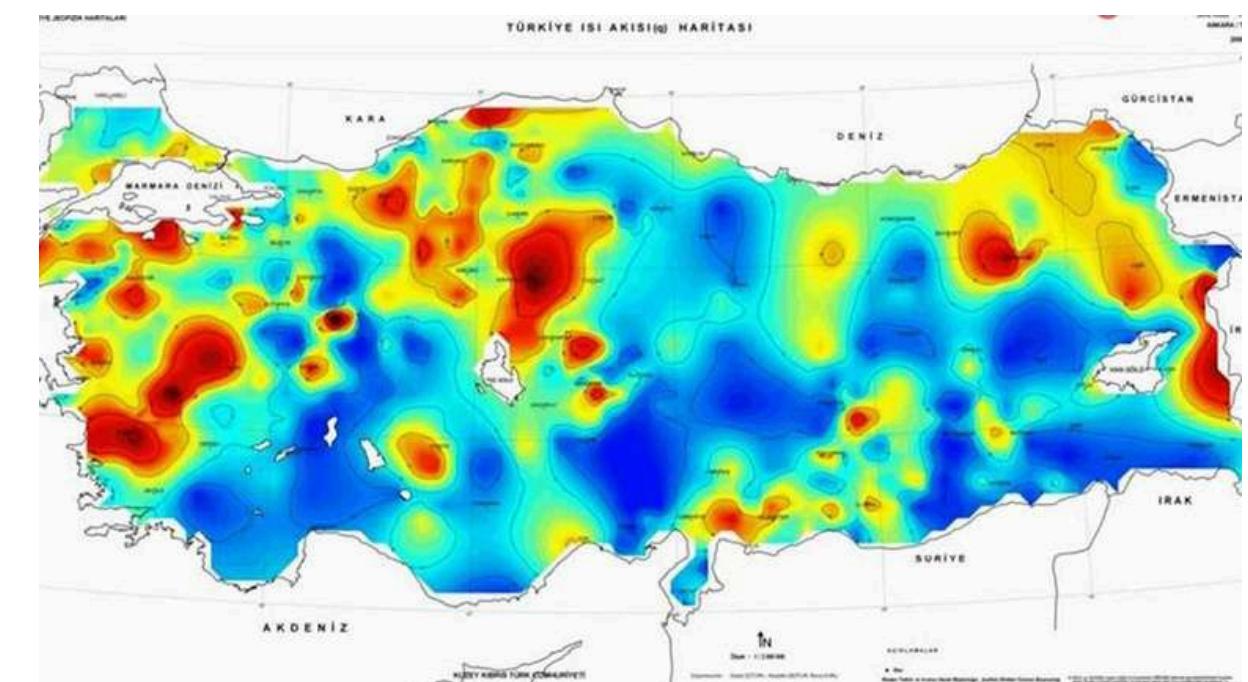
■ Overhead (Km) ■ Underground (Km)



DISTRIBUTİON OF INVOICED CONSUMPTION BY MONTH (MWh)



TÜRKİYE MAP OF HEAT (05.05.2024)

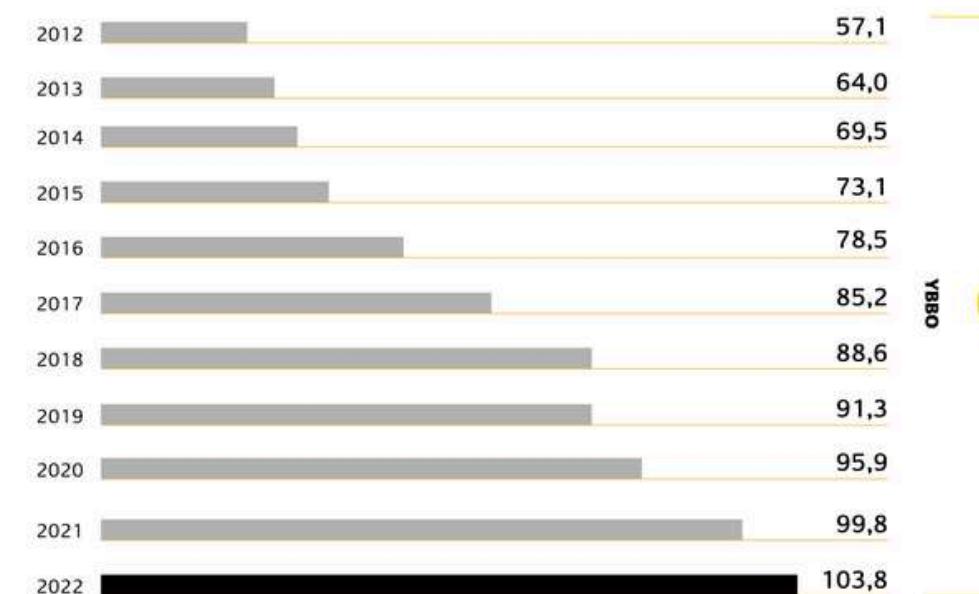




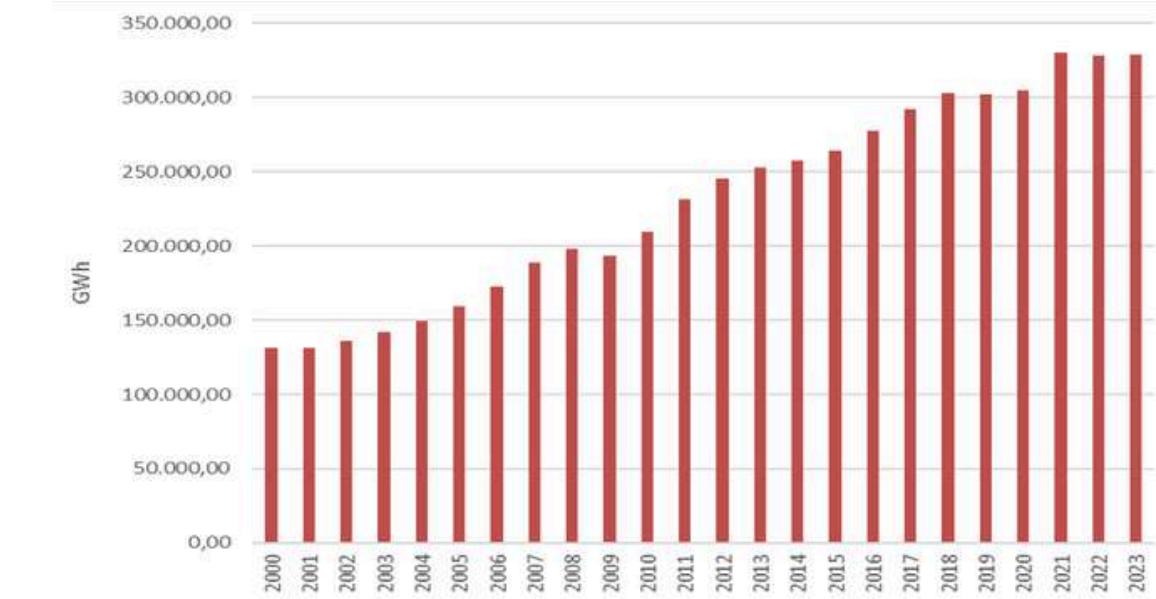
# PROMISING MARKET OPPORTUNITIES



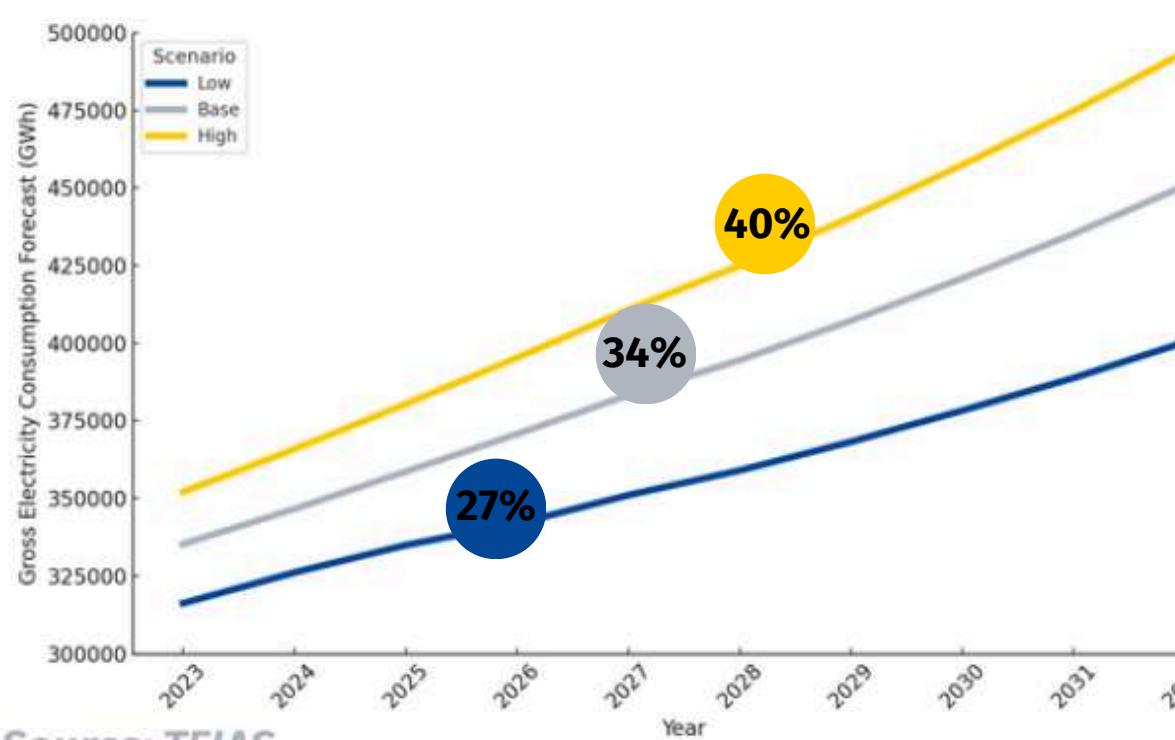
## INSTALLED CAPACITY IN TÜRKİYE



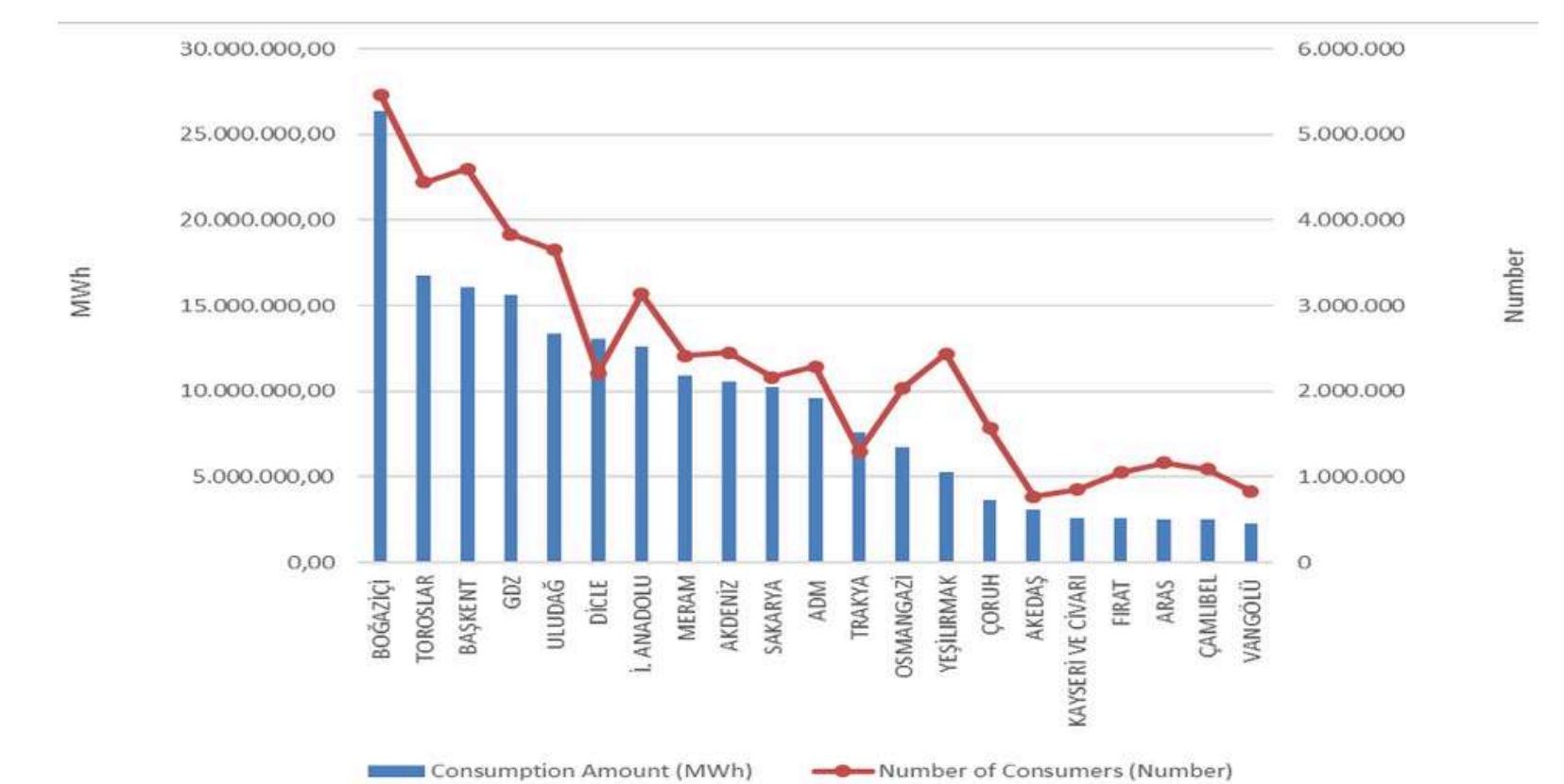
## DEVELOPMENT OF ACTUAL CONSUMPTION OVER THE YEARS (GWH)



## TÜRKİYE ELECTRICITY CONSUMPTION FORECAST (2023-2032E)



## NUMBER OF CONSUMERS AND CONSUMPTION AMOUNTS AS OF THE END OF 2023 (PIECE- MWH)

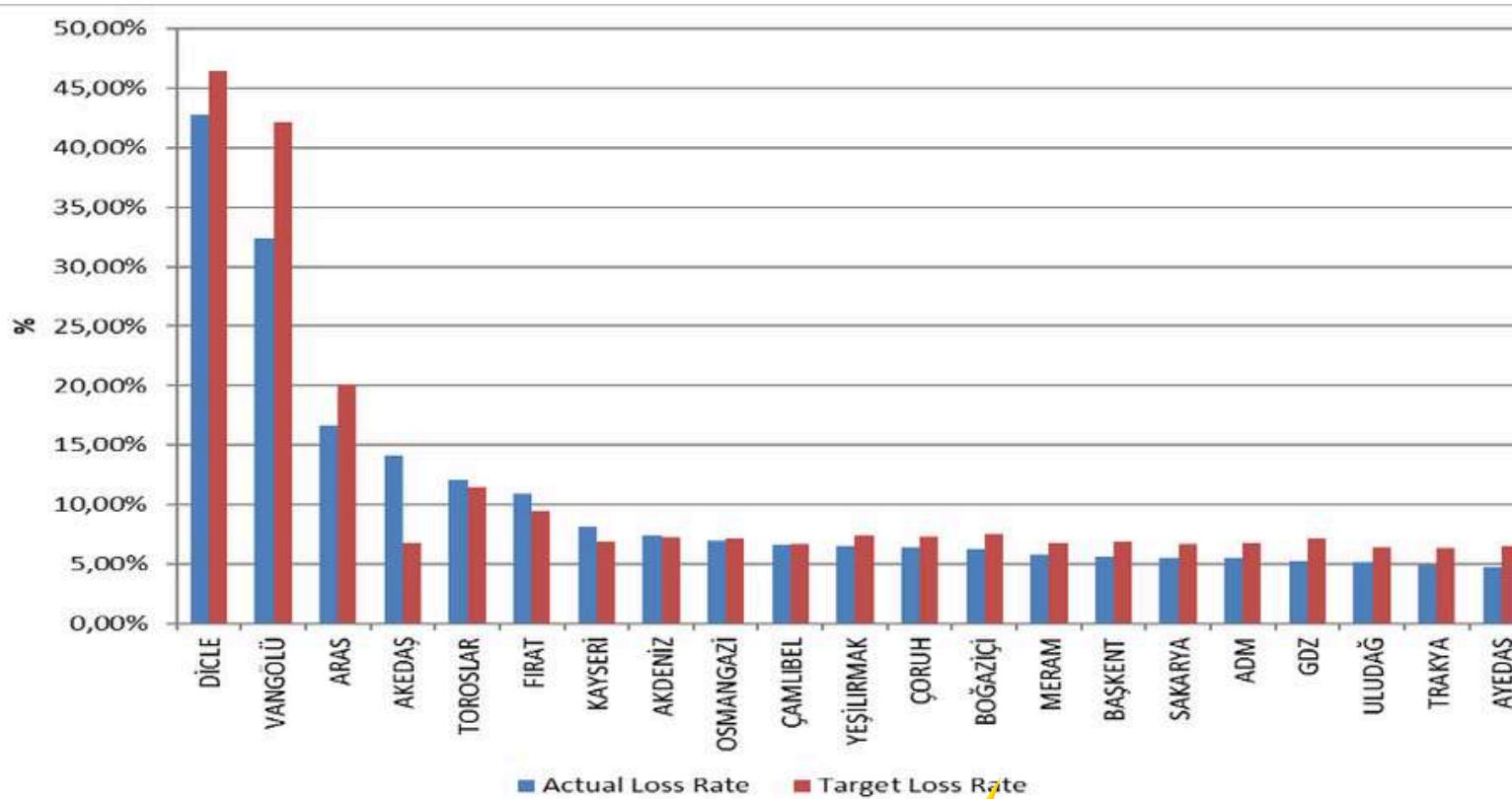




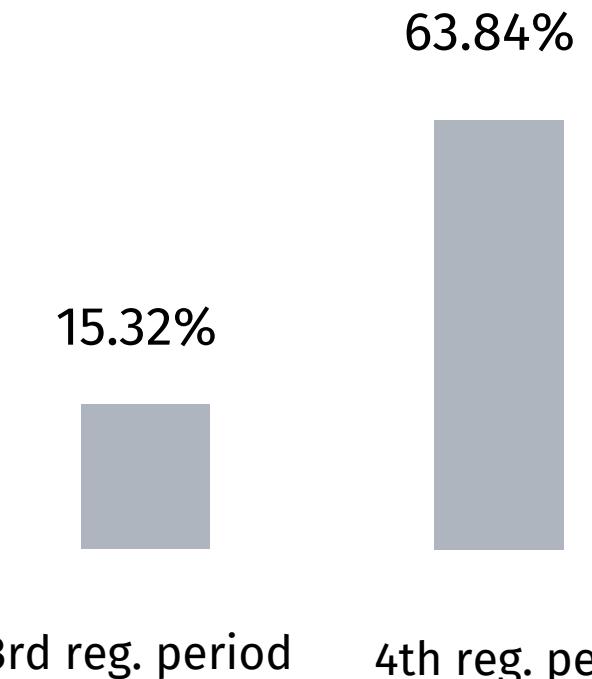
# DOMINATING THE GROWING MARKET



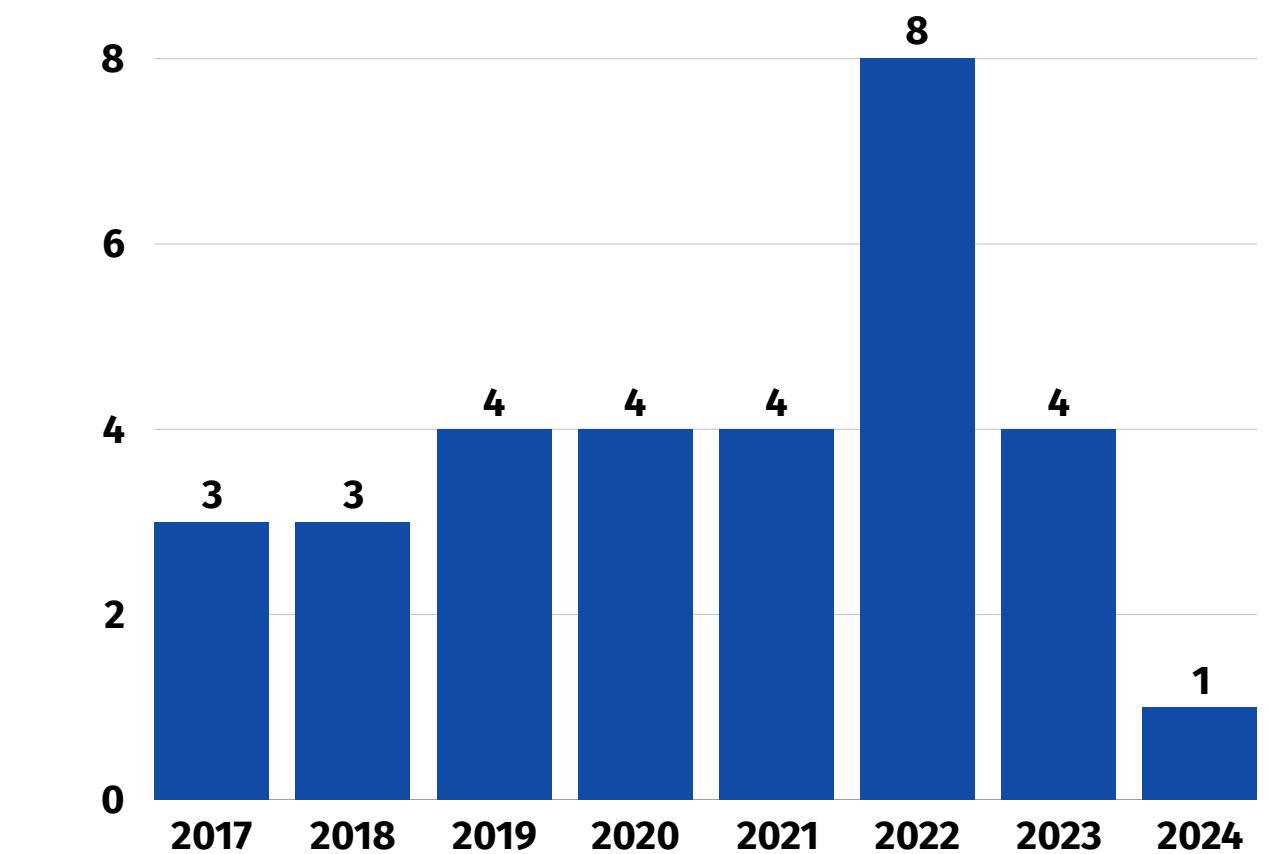
REALIZED AND TARGETED LOSS RATES IN 2023 (%)



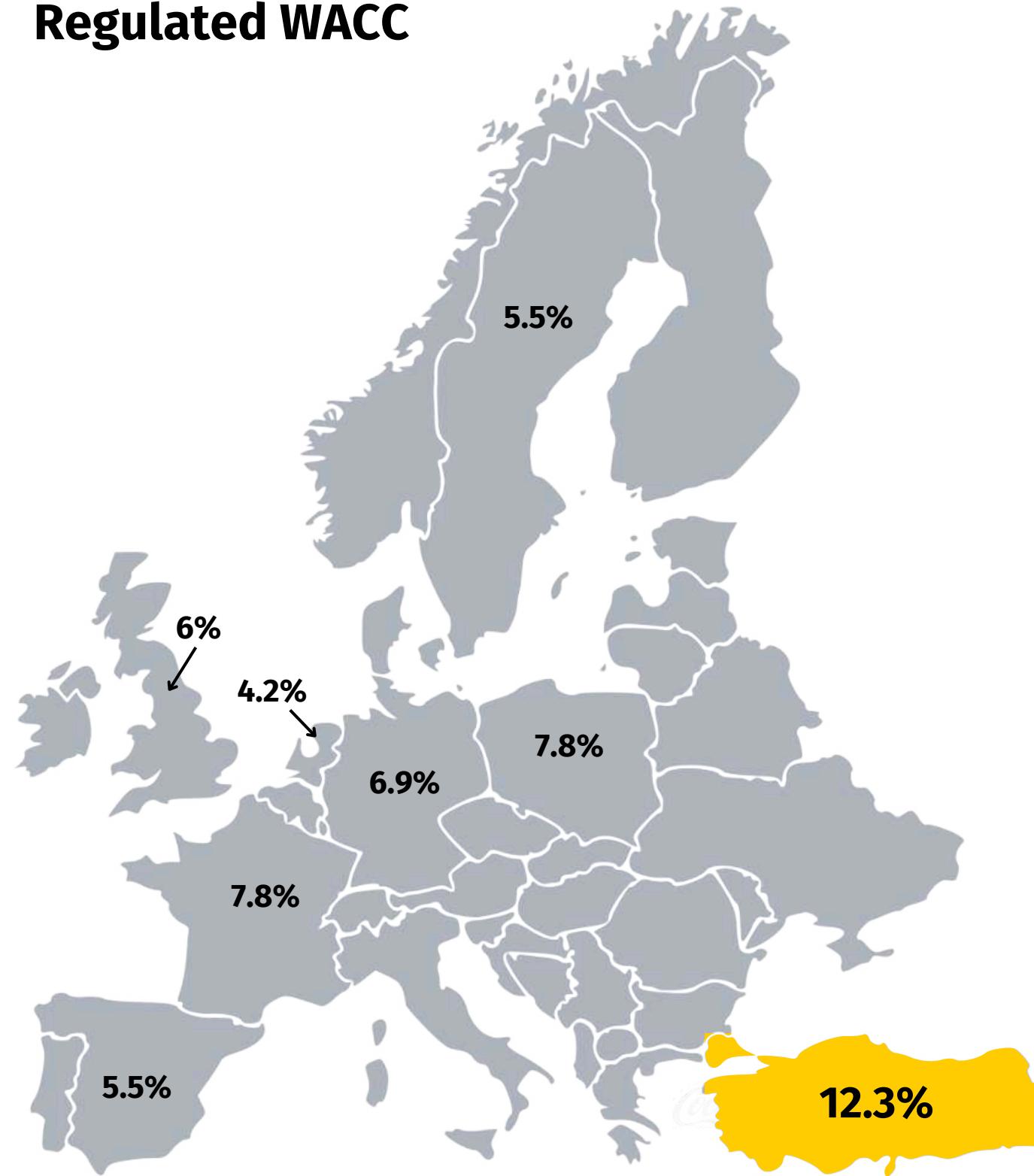
## Increase In Electricity Prices



## NUMBER OF REGULATORY TARIFF PRICE CHANGES BY EMRA



## Regulated WACC



## COMPARIS OF WESTERN EUROPE AND TURKİYE'S ELECTRICITY DISTRIBUTION REGULATION

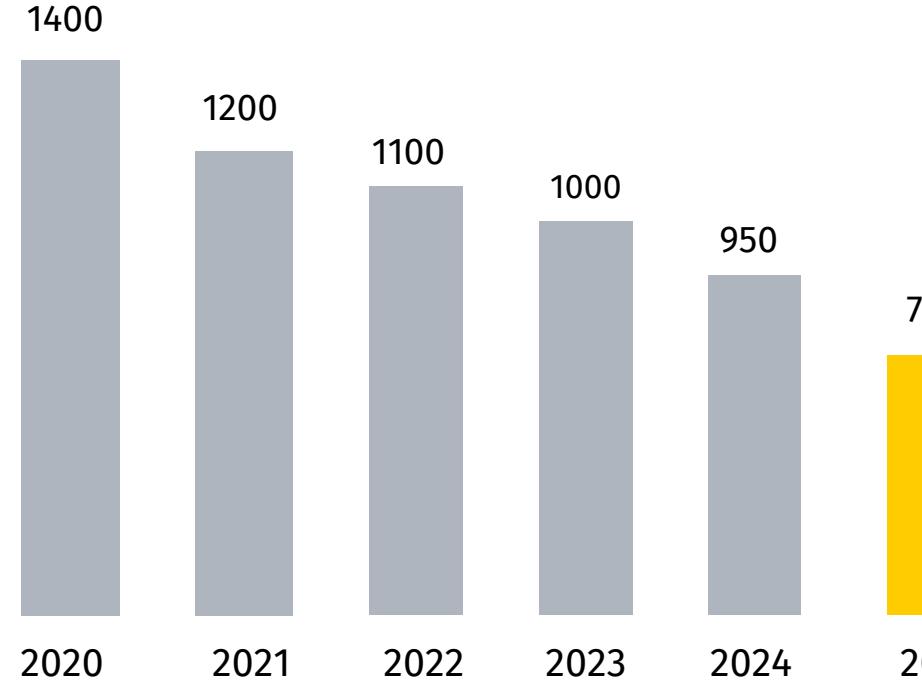
	Western Europe	vs.	Turkey
RAB Growth	Low		High
Connections Growth	Low		High
Demand Growth	Low		High
Level of Interruptions	Low		High
Dispersion in Performance by Concessionaires	Low		High
Regulatory Period Length	4-8 years		5 years
RAB-Based	✓		✓
Capex Reimbursement Accounting	In EBITDA		Regulatory: in EBITDA IFRS: in Cash Flow Statement
Capex Reimbursement Period	30-45 years		10 years
Outperformance Incentives	✓		✓



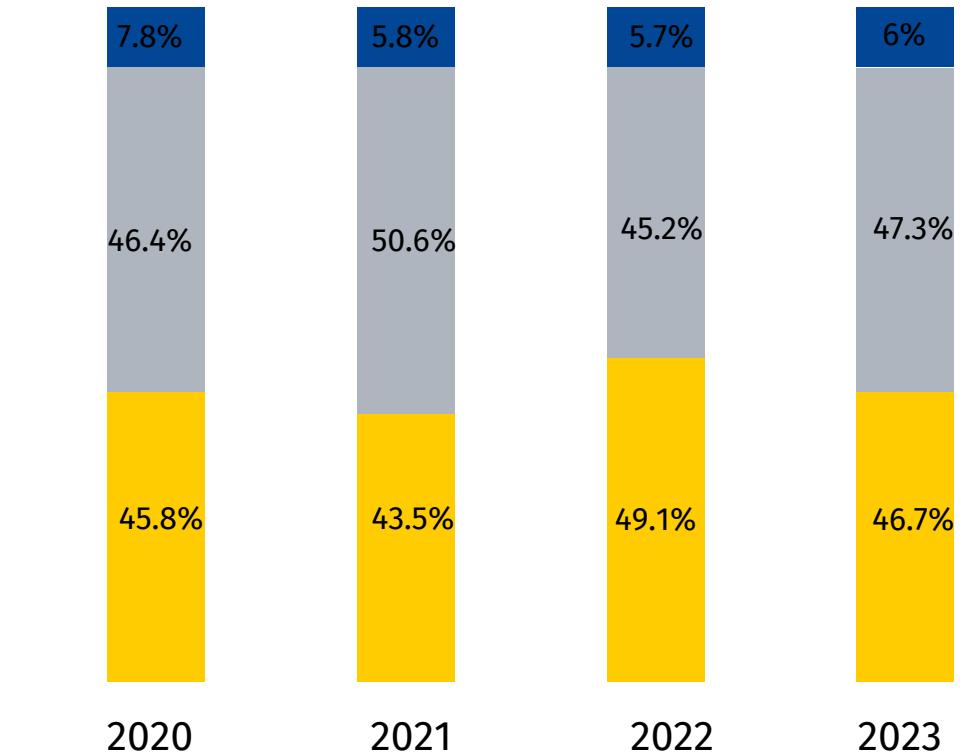
# DOMINATING THE GROWING MARKET



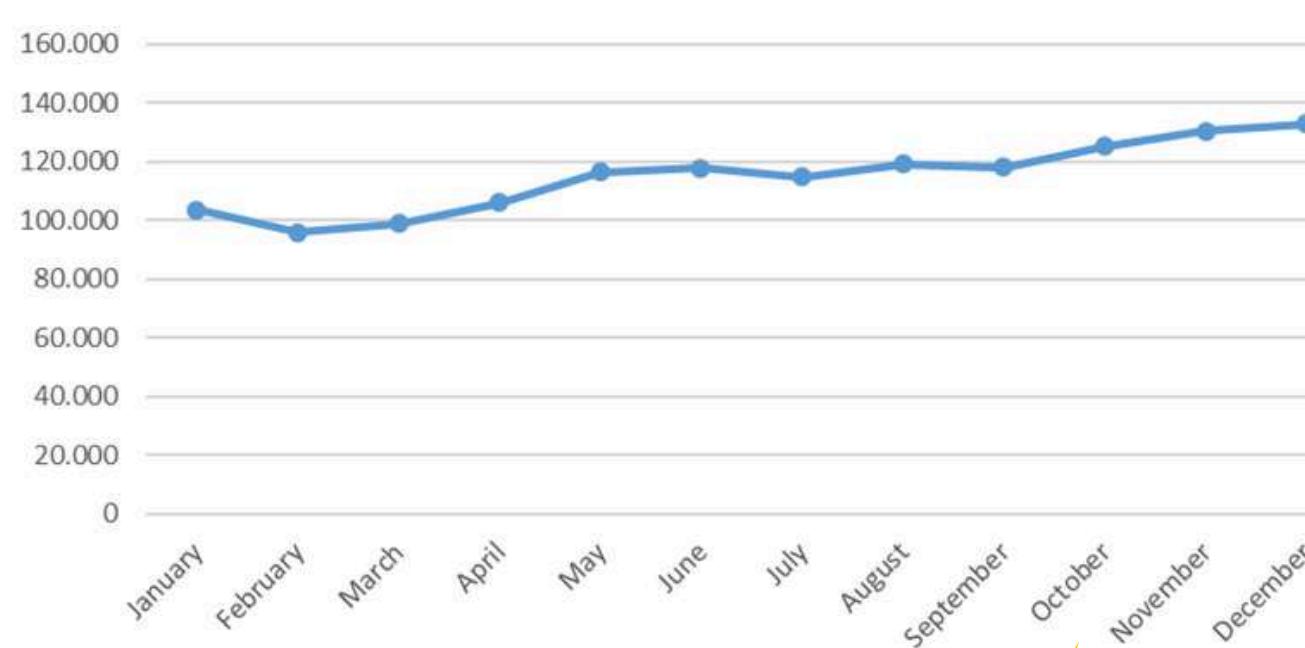
## ELIGIBLE CONSUMER LIMIT (KW)



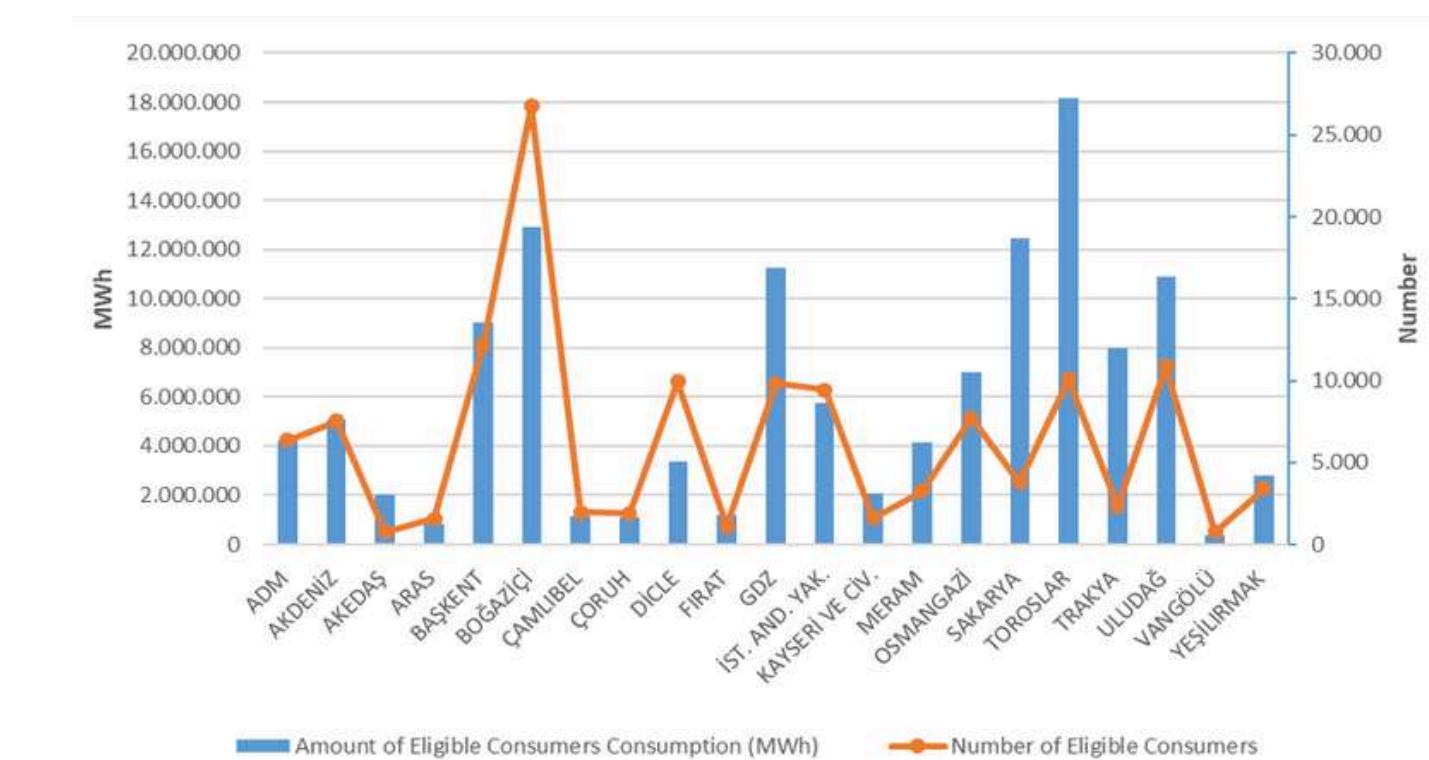
## DISTRIBUTION OF ELIGIBLE CONSUMER CONSUMPTION BY SUPPLIER TYPE (%)



## NUMBER OF ELIGIBLE CONSUMER BY MONTHS IN 2023



## DISTRIBUTION OF ELIGIBLE CONSUMERS AND THEIR CONSUMPTIONS BY DISTRIBUTION REGIONS IN 2023

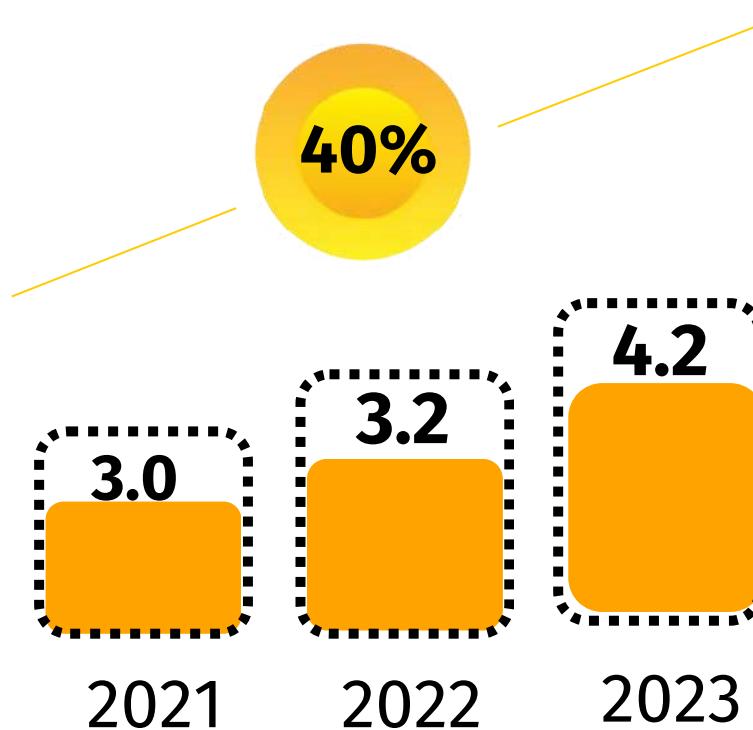




# DOMINATING THE GROWING MARKET



## RETAIL SALES COMPANIES IN NUMBERS SALES VOLUME BY REGIONS (TWH)



## LAST RESORT SUPPLY TARIFF CHANGES

Residential Subscriber Group Limit: From 50 million kWh to 5,000 kWh/Year  
Industrial Subscriber Group Limit: From 7 million kWh to 15,000 kWh/Year  
Commercial Subscriber Group Limit: From 7 million kWh to 15,000 kWh/Year

**SABANCI**

**e-on**



ENERJISA

# DOMINATING THE GROWING MARKET

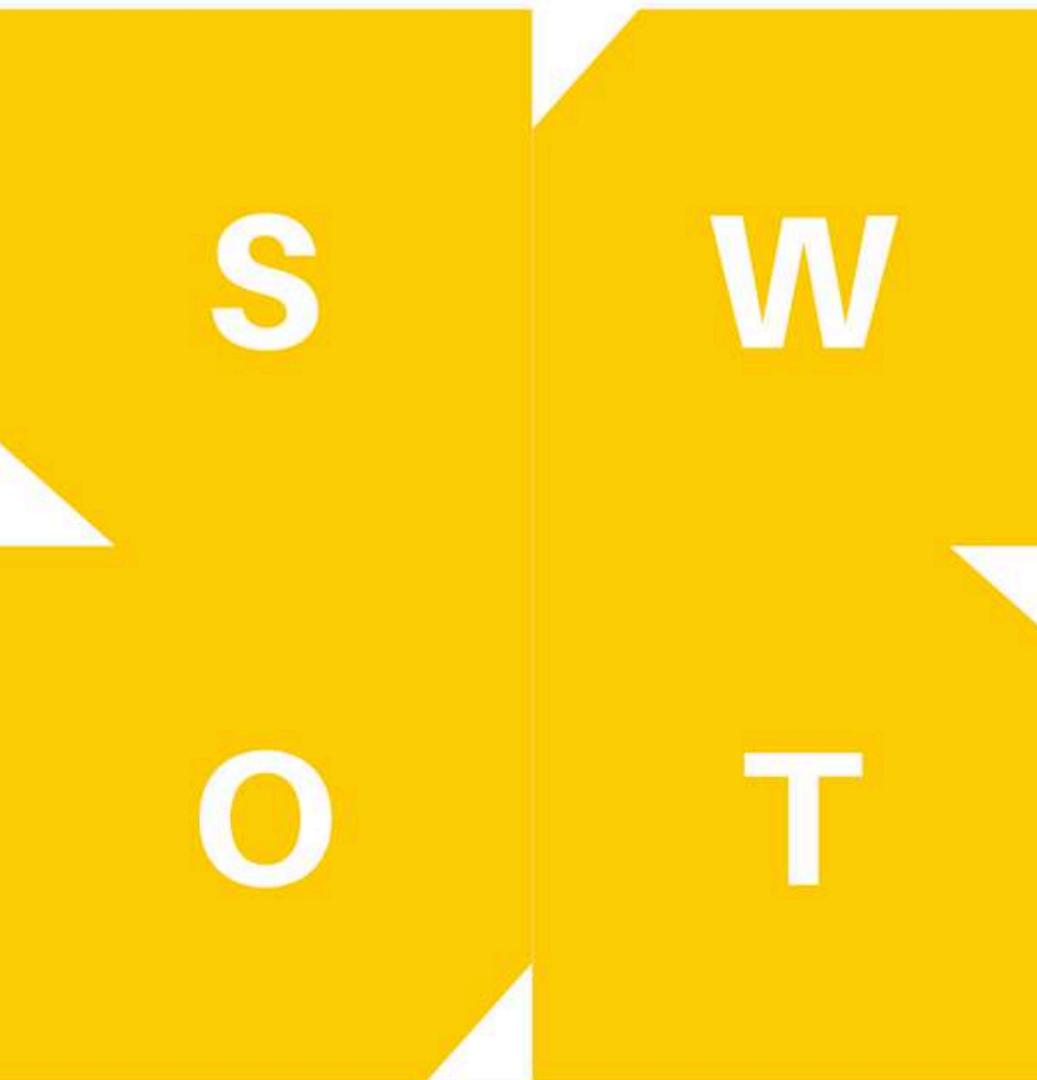


## STRENGTHS

- Market Leadership:** Enerjisa Enerji is one of Turkey's leading electricity distribution and retail companies, with a strong presence in the energy sector.
- Strong Shareholder Base:** Enerjisa Enerji is supported by the strategic partnership structure formed by leading companies in Turkey and Europe such as Sabancı Holding and E.ON, providing financial stability and access to global expertise.
- Regulated Revenue Mechanism:** The electricity distribution activity, which accounts for a large portion of revenue, is regulated, providing predictable cash flow.
- Technological Innovation:** Investments in smart grids and digital transformation increase operational efficiency and customer experience.
- Integrated Operations:** Enerjisa Enerji operates in the fields of electricity distribution, retail and customer solutions, providing a diversified revenue stream and thus also achieving operational efficiency.

## OPPORTUNITIES

- Market Growth Potential:** Turkey's growing population, urbanization and industrialization are creating room for expansion by encouraging higher energy demand.
- Energy Transformation:** The growing need for energy efficiency programs and renewable energy sources is consistent with worldwide sustainability trends and fits in with Turkey's strategic national energy objectives.
- Supportive Government Policies:** Enerjisa Enerji's Customer Solutions business line is seeing growth potential as a result of initiatives supporting renewable energy and energy efficiency. Additionally, the switch to renewable energy will guarantee that investments in electrical infrastructure continue to be made at increasing rates.
- Extension of Customer Solutions:** Due to rising demand, Enerjisa Enerji is seeing an increase in income from non-regulated services including energy management systems and infrastructure for electric vehicle (EV) charging.



## WEAKNESSES

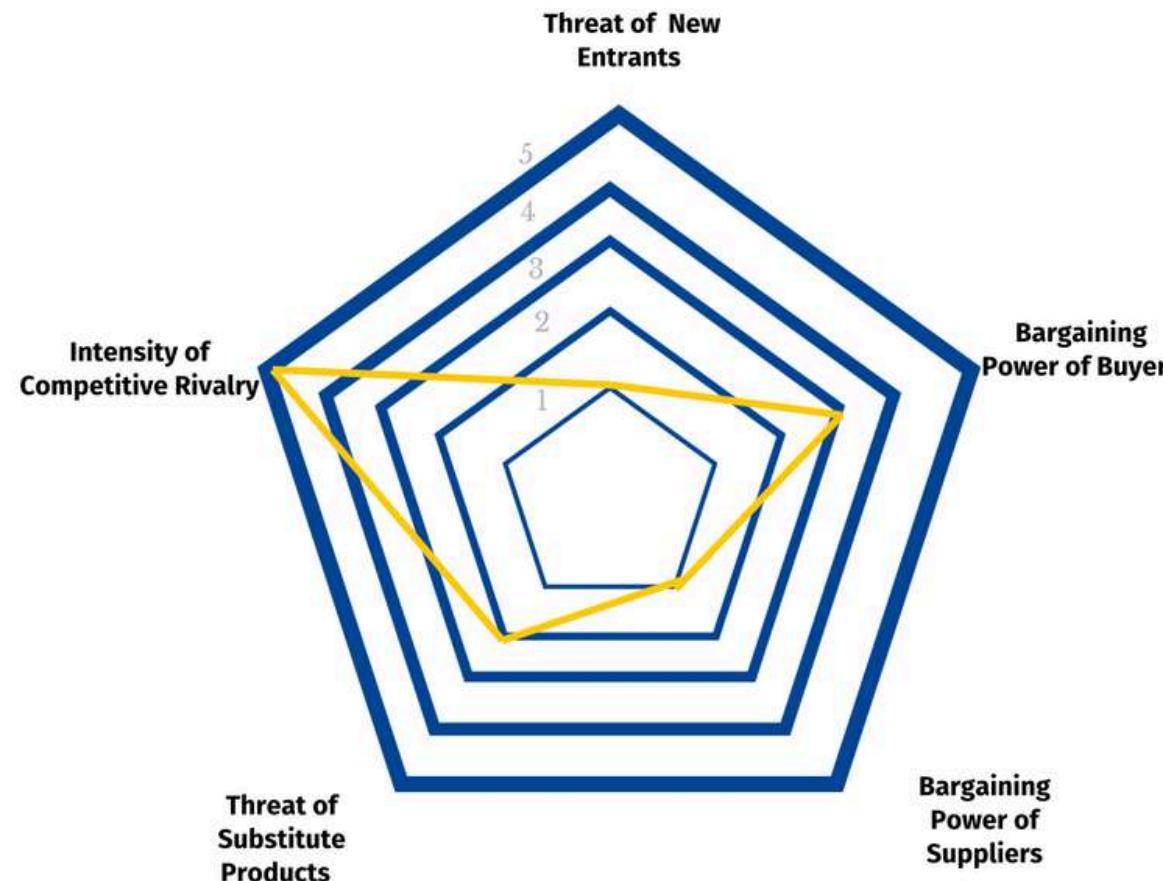
- Influence of Regulatory Authority:** All electricity distribution and a significant portion of the revenue from retail electricity sales depend on regulated tariffs, which limits flexibility in pricing and profitability.
- High Operating Costs:** Operating in the energy distribution sector involves significant maintenance and investment costs. Additionally, investments have to be made as reported to the regulating authority. Administrative penalties will be imposed for noncompliance.
- Restricted Operational Region:** Enerjisa Enerji is limited to operating in the Turkish areas where it has won the tender because all investments in energy distribution are state-owned. Due to its operations in the Turkish market, Enerjisa Enerji is subject to regional political and economic concerns.
- Debt Ratio:** Energy sector requires high investments and therefore Enerjisa has a high debt burden. Enerjisa's capacity to fund new initiatives may be impacted by this.

## THREATS

- Regulatory Risks:** Revenue, profitability, and operational strategy are all directly impacted by modifications to laws or energy regulations.
- Economic Instability:** Retail electricity sales and distribution services are offered in a set, static geographic area. Consequently, Turkey's macroeconomic challenges might have an impact on profitability.
- Technological Disruptions:** In the upcoming years, the necessity for conventional electricity distribution service business models may decline due to the quick advancements in energy storage and alternative energy technology.



# DOMINATING THE GROWING MARKET



## Threat of Potential Entrants

**(LOW)**

**01**

- The energy industry in Turkey is highly regulated, needing permits and government supervision to operate. Until the licenses of current businesses expire, no new businesses are permitted to operate in the power distribution industry in particular.
- New entrants are deterred by the energy distribution sector's high capital requirements, which include substantial infrastructure investments and regulatory compliance. Because of economies of scale, brand recognition, and dependability, established firms like Enerjisa make it challenging for newcomers to compete on cost effectiveness.

## Power of Supplier

**(LOW)**

**02**

- Numerous sources, such as government organizations, unlicensed renewable energy providers, and licensed electricity producers, can provide electricity. Diversification lessens reliance on a single source.
- The Energy Market Regulatory Authority (EPDK) controls electricity rates and supply terms, which restricts providers' ability to affect prices.
- In order to maintain the supply of power and safeguard competition, the Turkish Competition Board also inspects and oversees all businesses.
- Enerjisa is able to lower the risks related to supply chain concentration because of the abundance of energy providers in the market.

## Competitive Rivalry

**(HIGH)**

**05**

## Threat of Substitute

**(MODERATE)**

**03**

- The threat of substitution of natural gas and other alternative fuels for electricity.
- Allowing unlicensed renewable energy production to be carried out on land anywhere in Turkey and offsetting consumption and production by law could reduce consumers' dependence on grid-supplied electricity and therefore poses a growing threat.
- Developments in battery technology and energy storage solutions could also allow customers to store and manage their energy bypassing traditional utilities.

## Power of Buyer

**(MODERATE)**

**04**

- Retail power suppliers face fierce competition as a result of the liberalized retail electricity sales market, which strains their profit margins and client retention rates. The retail market's ease of provider switching, particularly for corporate clients, puts more pressure on businesses to stand out through creative ideas, high-quality services, and competitive pricing.
- Direct price-based competition is limited by the stringent EMRA rules about pricing and service quality. The demand for operational efficiency is heightened by these rules.
- Competition is also fueled by operational effectiveness and the significant investment requirements for technologies like smart grids and digital transformation in order to satisfy regulatory performance standards.
- Because of its significant added value, the Customer Solutions business line is seeing an increase in competition.



## Turkey electricity consumption in TWh 2024=100

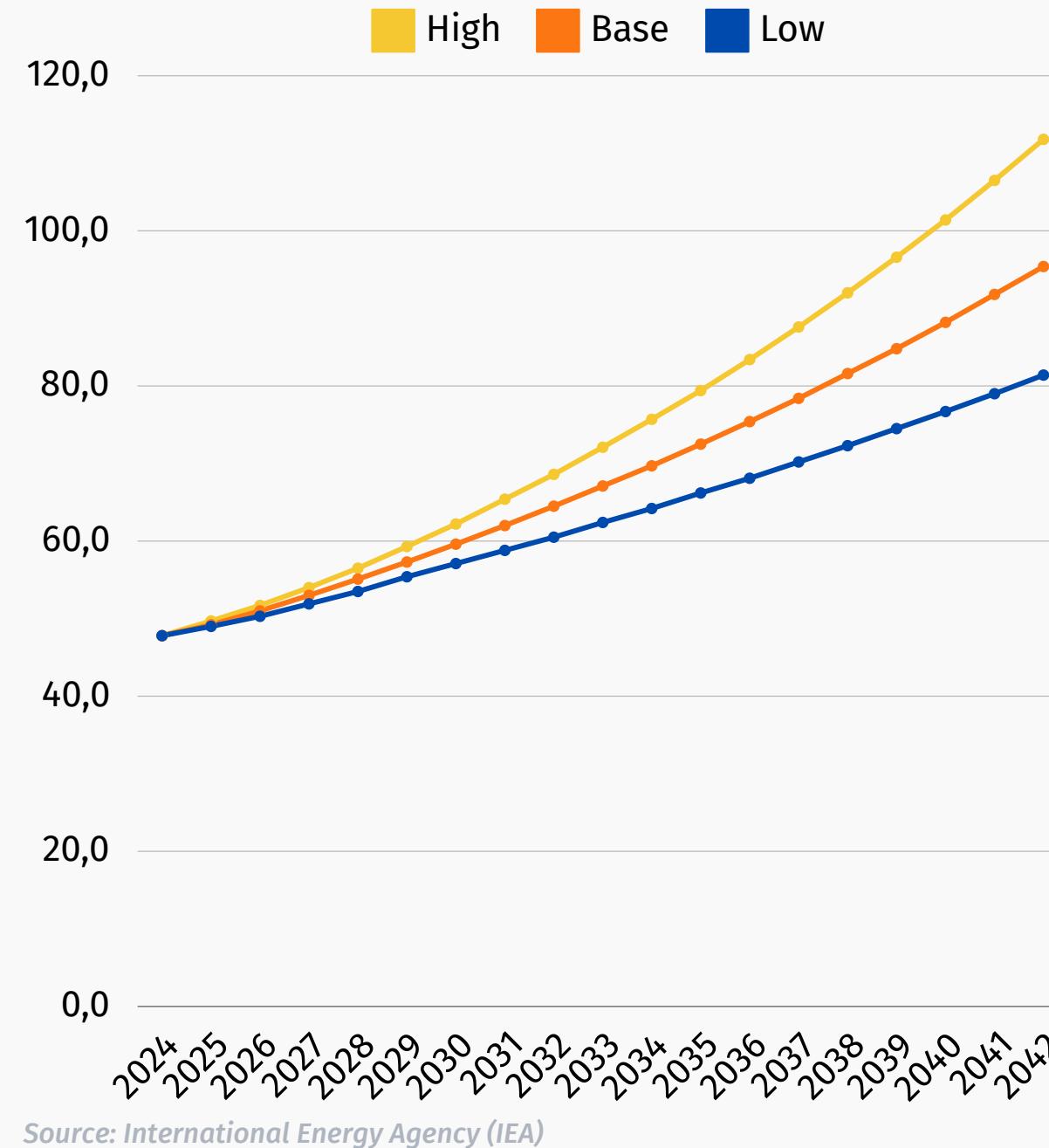
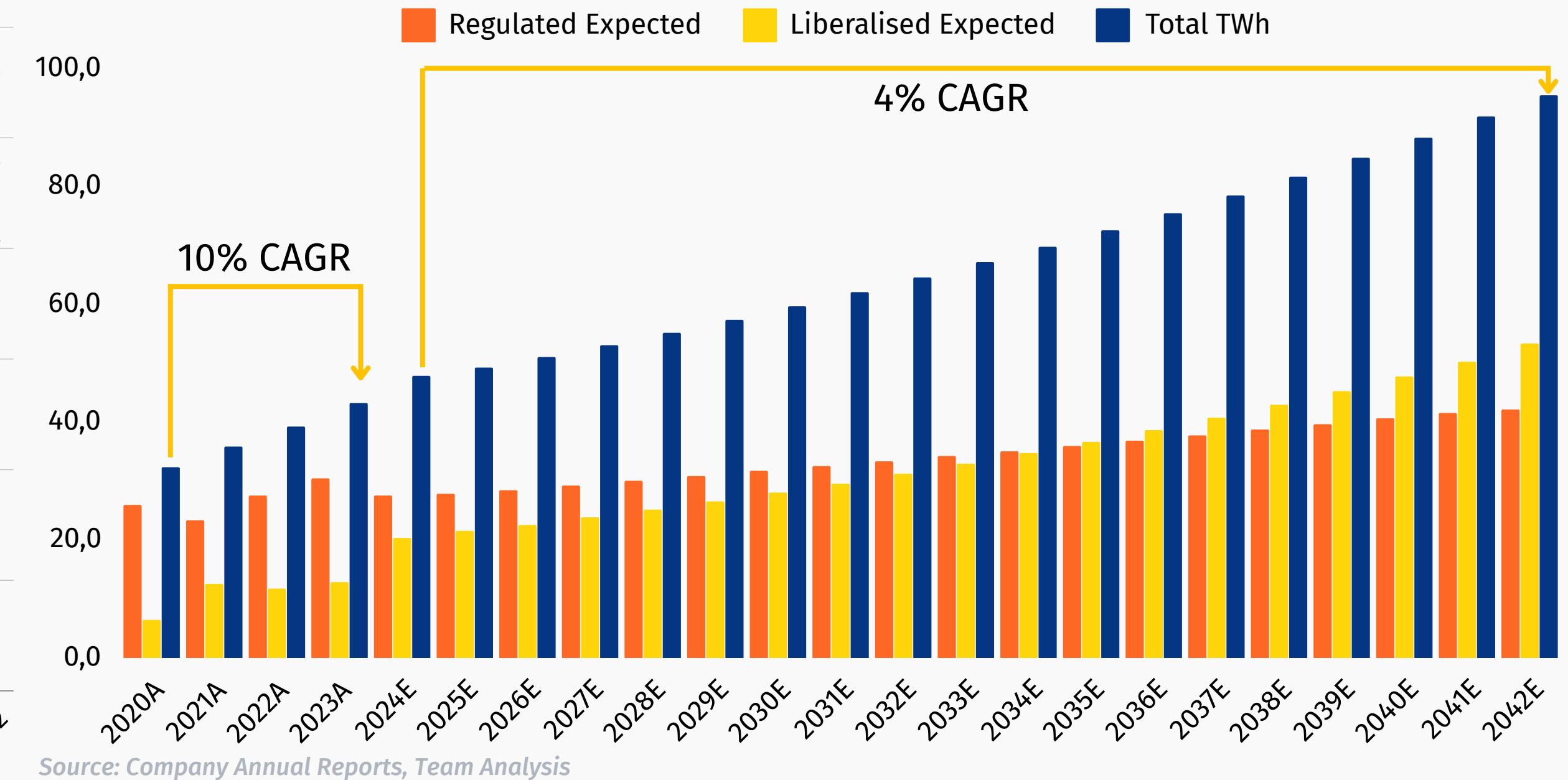
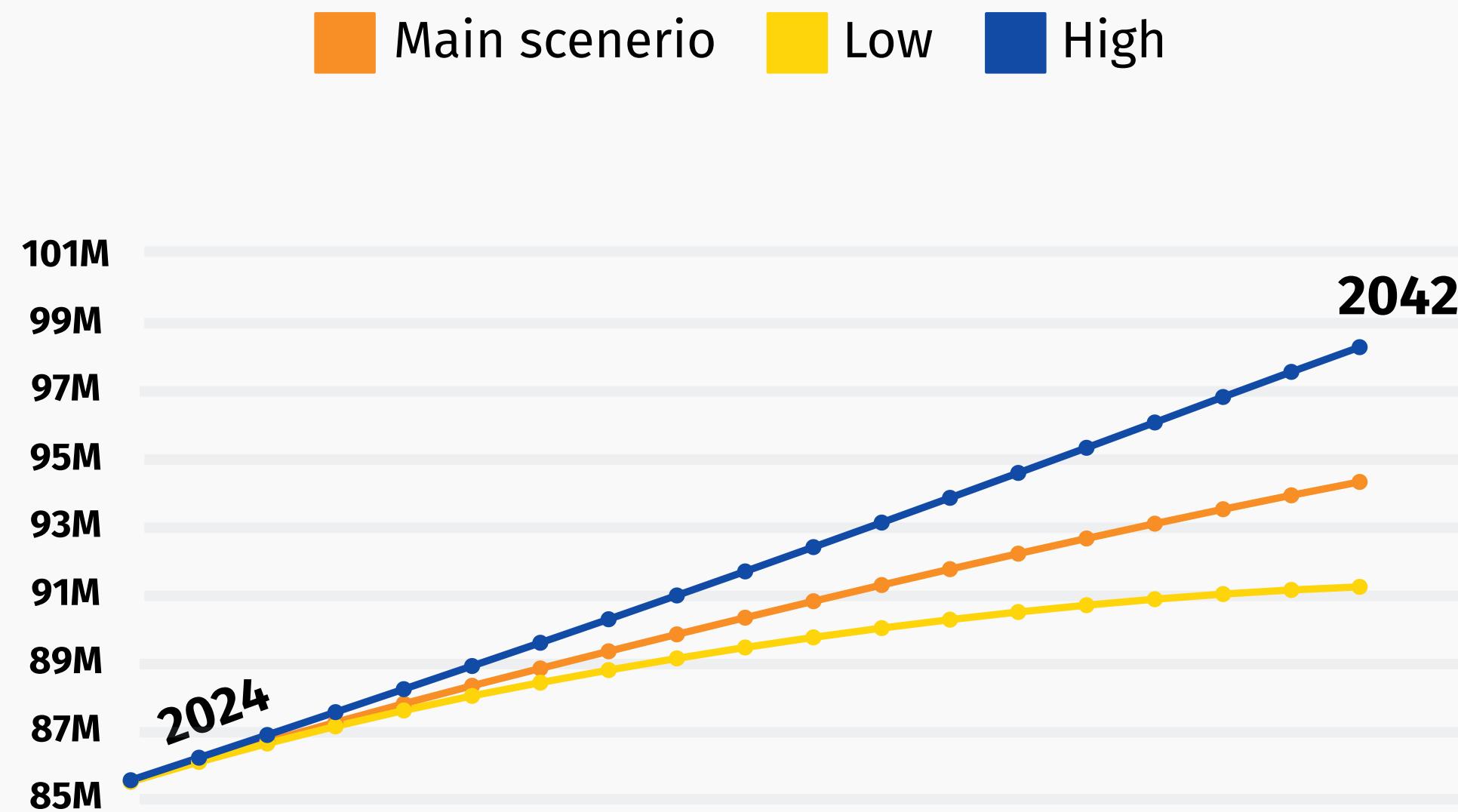


Figure 2.16: ENJSA Retail Sales Volume Projections by Segment

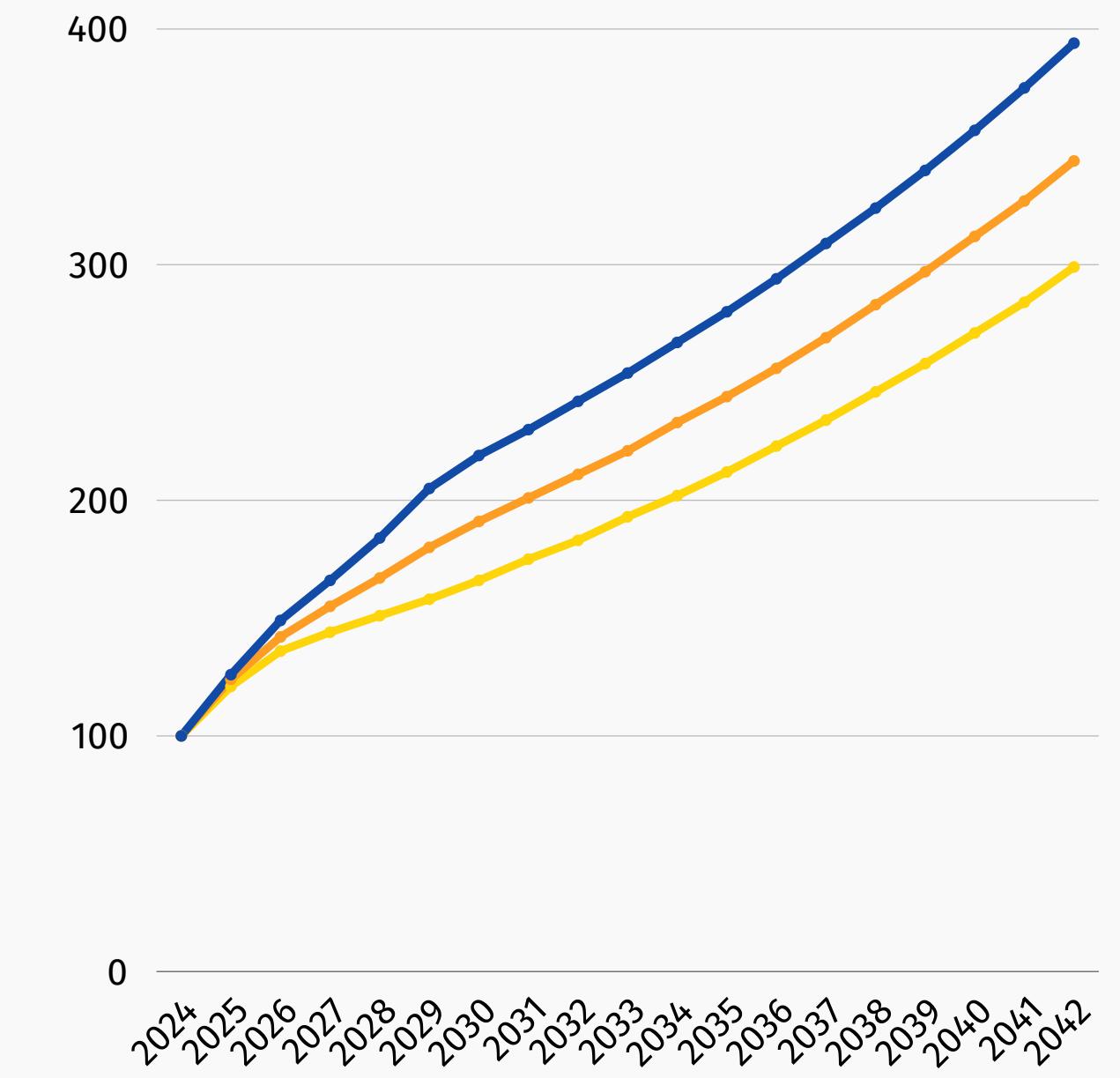


## Figure 2.13: Population Growth Projections



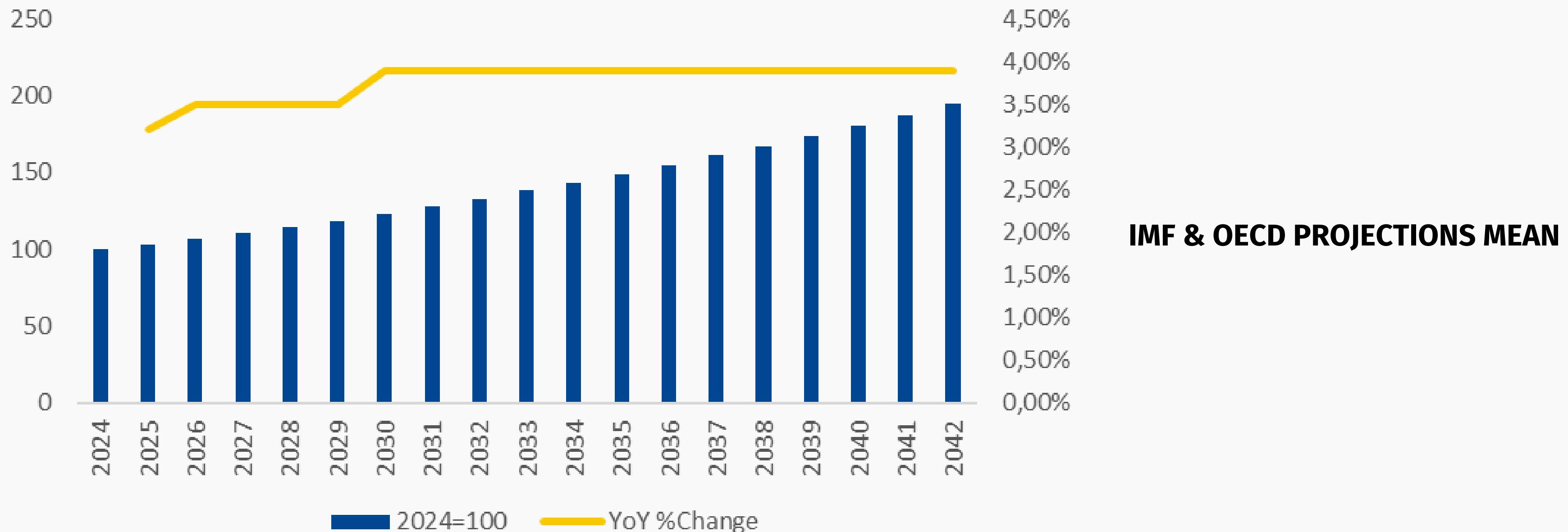
Source: TSI (TUIK)

## Figure 2.14: TRCPI Projections (2024=100)



Source: CBRT Market Participants Survey, Strategy and Budget Presidency of the Republic of Turkey, Team Analysis

## Real GDP Growth Expectations



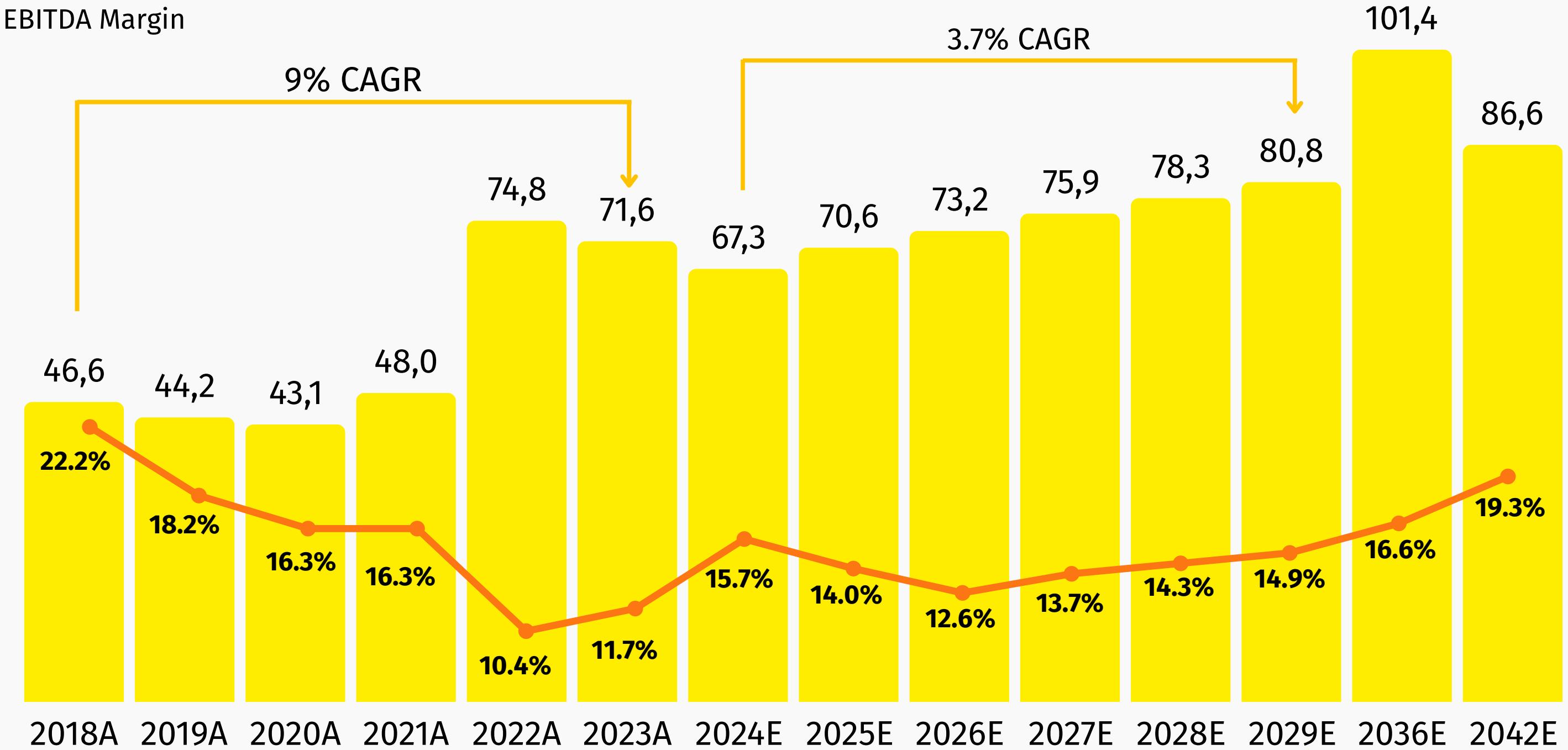
# Revenue Projections

## CONSERVATIVE VALUATION FOR UNCERTINIES

We have modeled a conservative view on both distribution and retail business combined with improving EBITDA margins

Revenue/Consumer Price Index (in thousands)

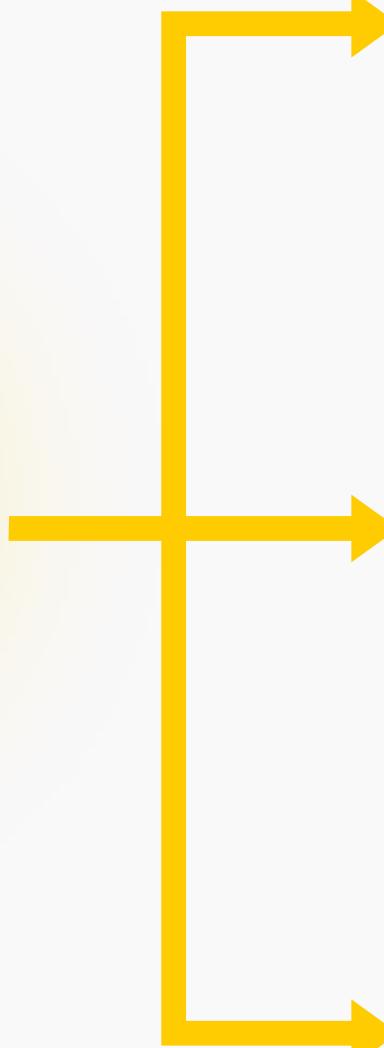
EBITDA Margin



70%  
Discounted  
Cash Flow



30%  
Relative  
Valuation



33.33% P/SALES  
99.13 TRY

33.33% EV/EBITDA  
105.99 TRY

33.33% P/E  
87.24 TRY

3 Stage Model



<b>Income Statement</b>	<b>2022A</b>	<b>2023A</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>	<b>2030E</b>
Revenue	84449	168665	166295	234163	279676	314755	350876	391348	428021
Cost Of Sales	-68621	-143110	-129616	-197245	-229479	-254822	-282122	-312410	-340986
<b>Gross Profit</b>	15828	25555	36679	36918	50197	59934	68754	78938	87035
OPEX	-7734	-11501	-13714	-18733	-22374	-25180	-28070	-31308	-34242
Other Income/(Expense)	254	842	2399	2342	2797	3148	3509	3913	4280
<b>EBIT</b>	8348	14896	25364	20526	30620	37901	44192	51544	57073
Financial Income/(Expense)	-3901	-9628	-21060	-16391	-11187	-12590	-14035	-15654	-17121
<b>Profit Before Tax</b>	<b>4447</b>	<b>5268</b>	<b>4304</b>	<b>4135</b>	<b>19433</b>	<b>25311</b>	<b>30157</b>	<b>35890</b>	<b>39952</b>
Tax	10051	-751	-9520	-1034	-4858	-6328	-7539	-8973	-9988
<b>Net Income</b>	<b>14498</b>	<b>4517</b>	<b>-5216</b>	<b>3101</b>	<b>14575</b>	<b>18983</b>	<b>22618</b>	<b>26918</b>	<b>29964</b>



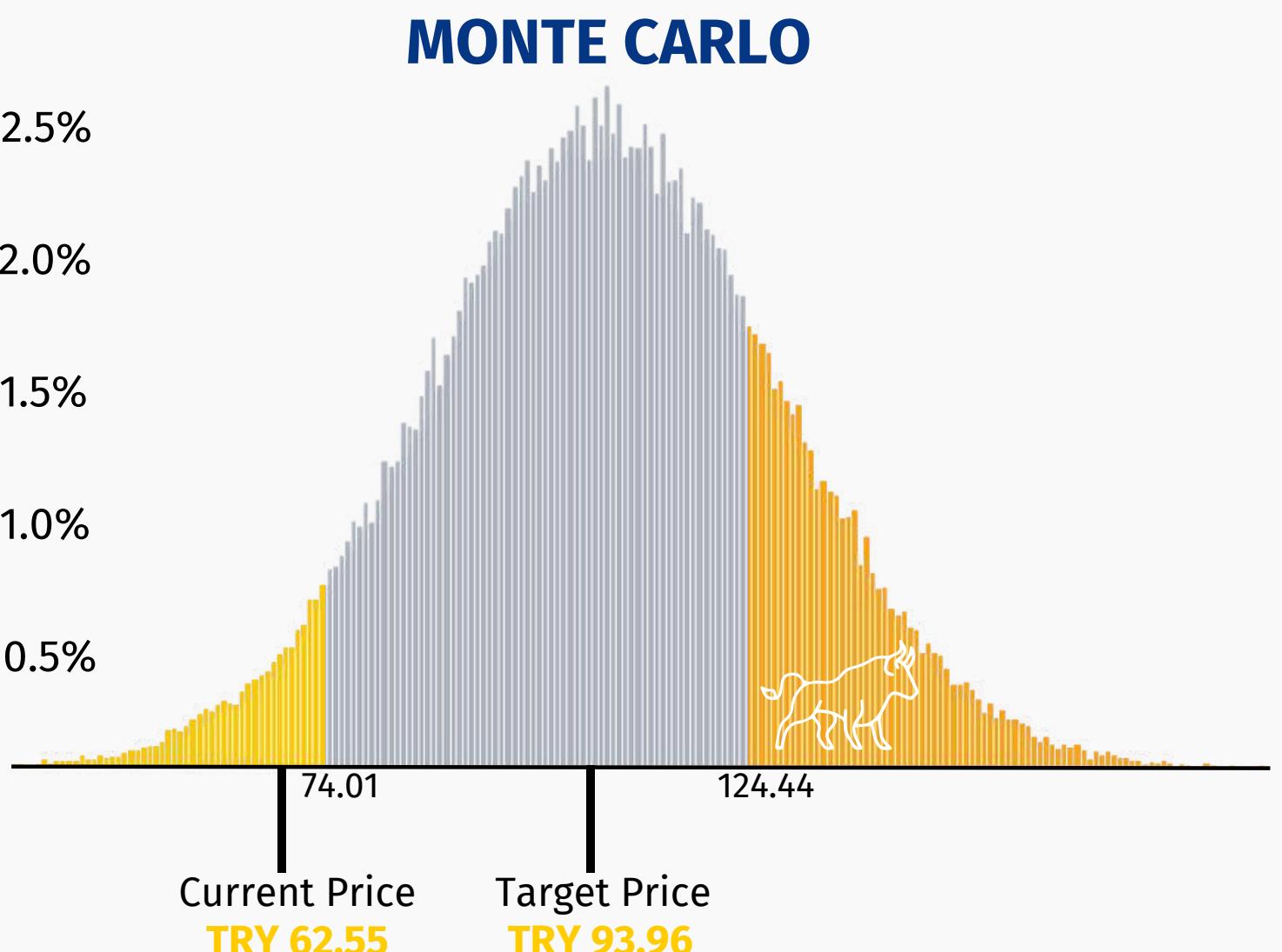
# Balance Sheet



<b>Balance Sheet (TLmn)</b>		<b>2023A</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>
<b>Current Assets</b>		<b>40.686</b>	<b>60.451</b>	<b>64.780</b>	<b>79.525</b>
Cash and Equivalents		4.501	10.690	8.573	10.937
Short Term Receivables		21.014	29.852	34.378	42.493
Inventories		3.947	5.555	6.880	8.004
Other Current Assets		5.265	4.196	5.420	6.460
Financial Assets		5.959	10.158	9.529	11.632
<b>Non-Current Assets</b>		<b>91.410</b>	<b>130.481</b>	<b>150.393</b>	<b>170.484</b>
Intangible and Tangible Assets		41.264	59.769	68.101	72.296
Other Non-Current Assets		24.347	40.238	43.028	50.260
Financial Assets		25.799	30.474	39.265	47.929
<b>Total Assets</b>		<b>132.096</b>	<b>190.932</b>	<b>215.174</b>	<b>250.009</b>
<b>Current Liabilities</b>		<b>48.004</b>	<b>77.427</b>	<b>90.874</b>	<b>106.487</b>
Short Term Loans		20.310	32.494	35.414	45.774
Short Term Trade Payables		16.209	23.800	29.476	31.293
Other Current Liabilities		11.485	21.133	25.983	29.420
<b>Non-Current Liabilities</b>		<b>26.318</b>	<b>32.985</b>	<b>31.825</b>	<b>34.129</b>
Long-Term Loans		13.950	19.571	14.586	15.258
Other Non-Current Liabilities		12.368	13.414	17.239	18.871
<b>Shareholders' Equity</b>		<b>57.774</b>	<b>80.520</b>	<b>92.476</b>	<b>109.393</b>
Share Capital		1.181	1.181	1.181	1.181
Other Equity Items		33.224	53.217	63.777	74.136
Retained Earnings		23.369	26.122	27.517	34.076
<b>Total Liabilities &amp; Equity</b>		<b>132.096</b>	<b>190.932</b>	<b>215.174</b>	<b>250.009</b>

MEAN	95.13
MEDIAN	95.28
MODE	96
STANDARD DEVIATION	11.89
VARIANCE	140.44
SKEWNESS	0.044
KURTOSIS	-0.027
COEFF. OF VARIATION	0.12
MINIMUM	54.11
MAXIMUM	145.12
RANGE WIDTH	91
MEAN STD. ERROR	0.1154

Figure 2.6: Monte Carlo Distribution



Source: Team Analysis

Percentiles	Price
0%	\$15.6
10%	\$19.5
20%	\$20.4
30%	\$21.0
40%	\$21.6
50%	\$22.2
60%	\$22.9
70%	\$23.6
80%	\$24.6
90%	\$26.0
100%	\$44.9

## Wacc Inputs

Inputs	Rate (5Y)	Source	Rate 2030-42	Source
Risk Free Rate	32%	5-year government bond yields	11%	10-year government bond yields historical figures
Beta	0.73	5-year comparison to XU100	0.73	5-year comparison to XU100
Equity Risk Premium	9.10%	Team Analysis	10.24%	Team Analysis
Cost of Equity	38.64%	CAPM Analysis	18.48%	CAPM Analysis
Cost of Debt	37.7%	Risk free rate + Corporate Bond Spread	16%	Risk free rate + Corporate Bond Spread / 2018-2022 Average cost of debt
Tax Rate	0.25	Statutory Tax	0.25	Statutory Tax
D/E Ratio	1.25	Target Level	1.25	Target Level
<b>WACC</b>	<b>32.88%</b>		<b>14.88%</b>	

2024 December 5Y Government Bond Yield

2017-2018 10Y Government Bond Yield Average

BIST 100 - ENJSA 5 Year Weekly Beta Analysis

2019-2024 BIST 100 average return for explicit period

2002-2019 BIST 100 average return for 2030-42

Risk Free Rate + Corporate Bond Spread

Risk Free Rate + ENJSA 2018-22 Average Cost of Debt Premium

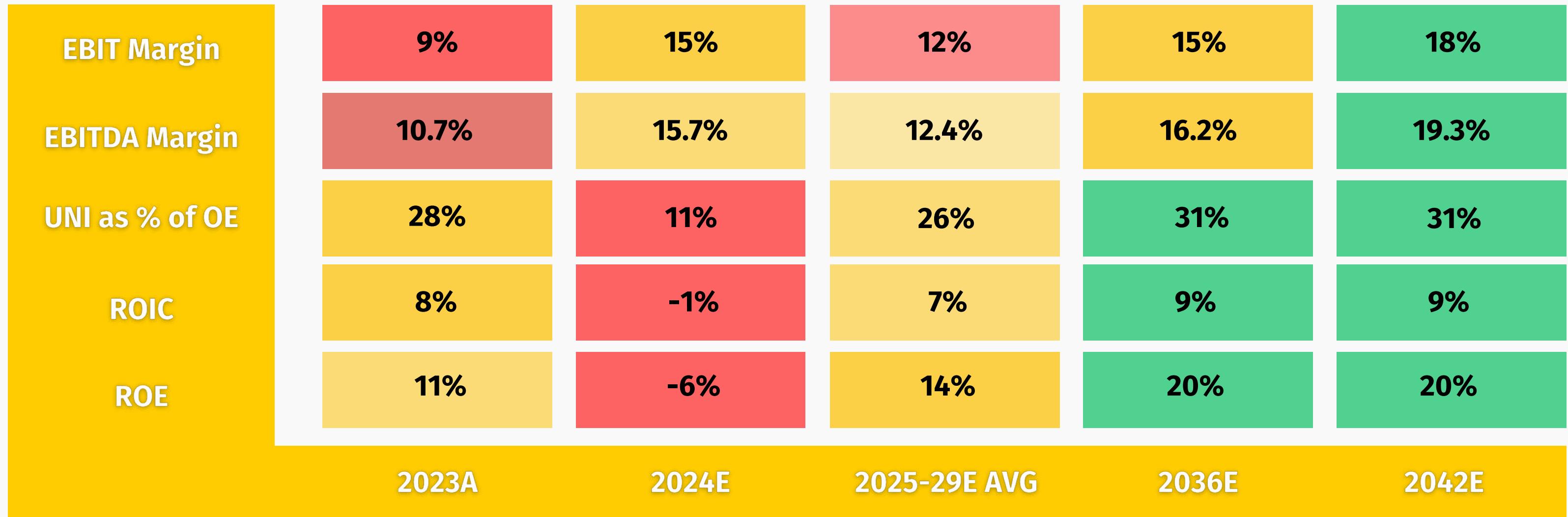
Statutory Tax

Company's stated target Debt-to-Equity ratio mean



Key Financials - ENJSA (TRY bn)	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2036E	2042E
Revenue	84.449	168.665	166.295	234.163	279.676	314.755	350.876	391.348	428.021	698.172	799.133
EPS	11.04	0.46	-7.61	1.18	5.55	7.23	8.62	10.26	11.42	14.58	11.00
DPS	1.24	2.30	2.79	1.44	6.79	8.84	10.53	12.54	13.95	17.79	13.42
Payout Ratio	10.10%	88.07%	-72.35%	55%	55%	55%	55%	55%	55%	55%	55%
Energy Sales Volume (TWh)	39.2	43	47.8	49.2	51.0	53.0	55.1	57.3	59.6	75.4	95.4
<b>Profitability Ratios</b>											
Gross Margin	19%	13%	22%	16%	18%	19%	20%	20%	20%	22%	25%
EBIT Margin	10%	9%	15%	9%	11%	12%	13%	13%	13%	15%	18%
EBITDA Margin	11.7%	10.7%	15.7%	14.0%	12.6%	13.7%	14.3%	14.9%	15.0%	16.2%	19.3%
Net Income Margin	17.2%	2.7%	-3.1%	1.3%	5.2%	6.0%	6.4%	6.9%	7%	7.5%	7.5%
ROE	67%	11%	-6%	3%	13%	17%	19%	20%	20%	20%	20%
ROIC	60%	8%	-1%	2%	6%	8%	9%	9%	9%	9%	9%
<b>Leverage and Liquidity Ratios</b>											
D/E	1.74	1.29	1.37	1.33	1.29	1.27	1.25	1.25	1.25	1.25	1.25
NFD/Operational Earnings	0.7x	1.4x	1.1x	0.9x	0.8x	0.9x	1.0x	1.0x	1.0x	1.0x	1.0x
Current Ratio	0.70	0.85	0.78	0.71	0.75	0.76	0.80	0.80	0.80	0.80	0.80
<b>Operational Figures</b>											
CAPEX Rebursements	4.119	8.496	11.908	16.391	19.577	22.032	24.561	27.394	29.661	41.890	47.948
Change in NWC % of Revenue	4.4%	3.58%	3%	3%	3%	3%	3%	2%	2%	2%	2%
Theft-Loss Rate	7,5%	7,9%	8,2%	7,8%	7,6%	7,5%	7,3%	7,2%	7%	6,5%	6%





Source: CompanyData, Team Analysis



<b>Year (TRY bn)</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>	<b>2030E</b>	<b>2031-36E</b>	<b>2037-42E</b>
EBIT	20.526	30.620	37.901	44.192	51.544	57.073	483.666	666.411
Tax	5.132	7.655	9.475	11.048	12.886	14.268	120.016	166.603
Capital Expenditures	21.075	25.171	28.328	31.579	35.221	38.522	310.039	353.632
Depreciation & Amortization and Other Inflows	28.100	33.561	37.771	42.105	46.962	51.362	413.385	471.510
Changes in Working Cap.	7.024	8.390	9.442	10.526	11.740	8.560	68.897	78.585
FCFF	15.394	22.965	28.426	33.144	38.658	47.085	397.198	539.101
<b>Discounted FCFF</b>	<b>11.585</b>	<b>13.006</b>	<b>12.114</b>	<b>10.630</b>	<b>9.330</b>	<b>9.892</b>	<b>50.815</b>	<b>29.888</b>

Source: Team Anaylsis

Peer Group	#of peers	EV/EBITDA		P/E		P/SALES	
		AVERAGE	MEDIAN	AVERAGE	MEDIAN	AVERAGE	MEDIAN
Closest peers in Turkiye	2	4.16	3.09	6.63	7.29	0.67	0.64
Industry of Turkiye	5	5.62	5.97	5.30	5.71	1.56	0.88
Global Average	5	8.21	7.23	9.67	9.16	2.00	0.72
<b>ENJSA</b>		4.91	4.86	3.53	6.67	0.45	0.45

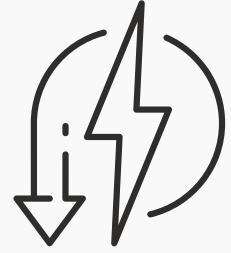
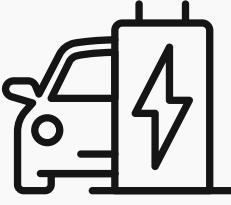
<b>Target Ratio for ENJSA</b>	<b>4.5</b>	<b>8</b>	<b>0.5</b>
<b>Implied Target Price</b>	<b>TRY 105.99</b>	<b>TRY 87.24</b>	<b>TRY 99.13</b>

	2023	2022	2021	2020	2019	MEAN	MEDIAN
P/SALES							
ENJSA	0.39	0.26	0.46	0.68	0.45	<b>0.45</b>	<b>0.45</b>
AKSEN	1.45	0.66	0.88	0.63	0.42	<b>0.81</b>	<b>0.66</b>
ZOREN	0.83	0.46	0.36	0.65	0.40	<b>0.54</b>	<b>0.46</b>
AYDEM	2.26	2.47	3.38	NA	NA	<b>2.74</b>	<b>2.47</b>
ARASE	0.35	0.53	0.96	NA	NA	<b>0.61</b>	<b>0.53</b>
ALARKO	4.88	2.91	2.67	3.64	1.87	<b>3.19</b>	<b>2.91</b>
TAURON	0.20	0.10	0.18	0.23	0.15	<b>0.17</b>	<b>0.18</b>
REDES	4.61	4.37	5.27	4.57	4.83	<b>4.73</b>	<b>4.61</b>
IREN SPA	0.18	0.11	0.30	0.32	0.37	<b>0.26</b>	<b>0.30</b>
ENEA AB	2.43	1.97	6.67	4.39	3.86	<b>3.86</b>	<b>3.86</b>
IGNITIS	0.62	0.31	0.81	1.24	NA	<b>0.75</b>	<b>0.72</b>

	2023	2022	2021	2020	2019	MEAN	MEDIAN
<b>EV/EBITDA</b>							
ENJSA	4.28	3.60	4.86	6.84	4.99	<b>4.91</b>	<b>4.86</b>
AKSEN	10.21	5.64	6.79	4.68	3.90	<b>6.24</b>	<b>5.64</b>
ZOREN	2.24	1.79	2.27	2.23	1.85	<b>2.08</b>	<b>2.23</b>
AYDEM	7.75	6.30	14.66	NA	NA	<b>9.57</b>	<b>7.75</b>
ARASE	2.91	6.77	10.31	NA	NA	<b>6.66</b>	<b>6.77</b>
ALARKO	NA	24.43	NA	9.27	7.12	<b>13.61</b>	<b>9.27</b>
TAURON	NA	7.23	5.49	790.44*	16.16	<b>9.63*</b>	<b>7.23*</b>
REDES	8.74	7.43	8.91	8.30	8.50	<b>8.38</b>	<b>8.50</b>
IREN SPA	4.47	4.98	5.11	5.05	5.58	<b>5.04</b>	<b>5.05</b>
ENEA AB	NA	8.51	19.01	15.25	12.66	<b>13.86</b>	<b>13.95</b>
IGNITIS	4.74	3.96	6.72	5.56	NA	<b>5.25</b>	<b>5.15</b>

	2023	2022	2021	2020	2019	MEAN	MEDIAN
<b>P/E</b>							
ENJSA	-13.09	2.06	6.67	13.58	8.44	<b>3.53</b>	<b>6.67</b>
AKSEN	8.58	10.33	7.29	9.71	7.08	<b>8.60</b>	<b>8.58</b>
ZOREN	1.56	1.87	-48.01*	75.02*	-27.48*	<b>1.72*</b>	<b>1.72*</b>
AYDEM	-7.16	3.75	-34.87*	NA	NA	<b>-1.71*</b>	<b>-1.71*</b>
ARASE	2.56	61.32*	13.09	NA	NA	<b>7.87*</b>	<b>7.82*</b>
ALARKO	8.38	2.14	4.23	4.69	6.73	<b>5.23</b>	<b>4.69</b>
TAURON	-8.49	-27.71	13.76	-2.20	-263.49*	<b>-6.16*</b>	<b>-5.34*</b>
REDES	14.86	13.24	15.12	14.61	13.57	<b>14.27</b>	<b>14.61</b>
IREN SPA	3.90	3.62	4.87	4.95	6.50	<b>4.77</b>	<b>4.87</b>
ENEA AB	35.07	8.12*	28.74	28.25	22.62	<b>24.56</b>	<b>28.25</b>
IGNITIS	4.47	4.69	9.49	8.84	NA	<b>6.87</b>	<b>6.76</b>



Sceanarios	Bear Case	Base Case	Bull Case
	<p>Electricity consumption falls below the projections outlined by the International Energy Agency</p> <p><b>yearly 1% lower than base case</b></p>	<p>Electricity consumption grows in line with the projections of the International Energy Agency</p>	<p>Electricity consumption exceeds the projections established by the International Energy Agency</p> <p><b>yearly 1% above than base case</b></p>
	<p>WACC applied to the RAB repayment</p> <p><b>underperforms initial projections by 2%.</b></p>	<p>WACC used for the RAB repayment is in line with expectations</p>	<p>WACC applied to the RAB repayment</p> <p><b>exceeds initial projections by 2%.</b></p>
	<p>ENJSA loses its position in the electric vehicle (EV) charging sector and falls behind its competitors.</p> <p><b>10% Market Share</b></p>	<p>ENJSA maintains its position among its peers in the electric vehicle (EV) charging market.</p> <p><b>17.6% Market Share</b></p>	<p>ENJSA strengthens its position in the EV charging sector widening the gap with its competitors.</p> <p><b>30% Market Share</b></p>
Price in TRY	<b>TRY 74.01</b>	<b>TRY 93.96</b>	<b>TRY 124.44</b>
% Change from Target Price	<b>-20.17%</b>		<b>32.44%</b>

Source: Team Anaylsis, IEA, EMRA



## OPEX/REVENUE %1 increase

<b>Year (TRY bn)</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>	<b>2030E</b>	<b>2031-36E</b>	<b>2037-42E</b>
EBIT	18.184	27.823	34.753	47.630	47.630	52.793	449.217	627.118
Tax	4.546	6.956	8.688	10.171	11.908	13.198	112.304	156.780
Capital Expenditures	21.075	25.171	28.328	31.579	35.221	38.522	310.039	353.632
Depreciation & Amortization and Other Inflows	28.100	33.561	37.771	42.105	46.962	51.362	413.385	471.510
Changes in Working Cap.	7.025	8.390	9.443	10.526	11.740	8.560	68.897	78.585
FCFF	13.638	20.867	26.065	30.513	35.723	43.875	371.362	509.631
<b>Discounted FCFF</b>	<b>10.263</b>	<b>11.818</b>	<b>11.108</b>	<b>9.786</b>	<b>8.622</b>	<b>9.218</b>	<b>47.491</b>	<b>28.339</b>

+1% OPEX/Revenue  
**TRY 101.54**

**TRY  
92,47**

## OPEX/REVENUE %1 decrease

<b>Year (TRY bn)</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>	<b>2030E</b>	<b>2031-36E</b>	<b>2037-42E</b>
EBIT	22.868	33.417	41.048	47.701	55.457	61.353	518.115	705.703
Tax	5.717	8.354	10.262	11.925	11.925	15.338	129.529	176.426
Capital Expenditures	21.075	25.171	28.328	31.579	35.221	38.522	310.039	353.632
Depreciation & Amortization and Other Inflows	28.100	33.561	37.771	42.105	46.962	51.362	413.385	471.510
Changes in Working Cap.	7.025	8.390	9.443	10.526	11.740	8.560	68.897	78.585
FCFF	17.151	25.063	30.786	35.776	41.593	50.295	423.035	568.570
<b>Discounted FCFF</b>	<b>12.907</b>	<b>14.193</b>	<b>13.120</b>	<b>11.474</b>	<b>10.039</b>	<b>10.567</b>	<b>54.139</b>	<b>31.636</b>

**TRY 83.39**  
-1% OPEX/Revenue



## Population Follows TSI (TUIK) Lower Scenario

Year (TRY bn)	2025E	2026E	2027E	2028E	2029E	2030E	2031-36E	2037-42E
EBIT	20.114	30.004	37.134	43.293	50.487	55.893	473.325	651.668
Tax	5.029	7.501	9.284	10.823	12.622	13.973	118.331	162.917
Capital Expenditures	21.075	25.170	28.327	31.577	35.219	38.518	309.973	353.492
Depreciation & Amortization and Other Inflows	28.099	33.561	37.769	42.103	46.958	51.357	413.297	471.323
Changes in Working Cap.	7.025	8.390	9.442	10.526	11.740	8.560	68.883	78.554
FCFF	15.086	22.503	27.851	32.469	37.865	46.200	389.435	528.028
<b>Discounted FCFF</b>	<b>11.353</b>	<b>12.744</b>	<b>11.869</b>	<b>10.414</b>	<b>9.139</b>	<b>9.706</b>	<b>49.826</b>	<b>29.374</b>

Population growth follows TSI's upper scenario  
**TRY 95.01**

**TRY  
92,47**

## Population Follows TSI (TUIK) Upper Scenario

Year (TRY bn)	2025E	2026E	2027E	2028E	2029E	2030E	2031-36E	2037-42E
EBIT	20.941	31.243	38.679	45.108	52.623	58.283	494.352	681.659
Tax	5.235	7.811	9.670	11.277	13.156	14.571	123.588	170.415
Capital Expenditures	21.075	25.172	28.330	31.582	35.226	38.528	310.135	353.814
Depreciation & Amortization and Other Inflows	28.100	33.563	37.773	42.109	46.968	51.371	413.513	471.752
Changes in Working Cap.	7.025	8.391	9.443	10.527	11.742	8.562	68.919	78.625
FCFF	15.705	23.432	29.009	33.831	39.467	47.993	405.223	550.557
<b>Discounted FCFF</b>	<b>11.819</b>	<b>13.270</b>	<b>12.363"</b>	<b>10.850</b>	<b>9.526</b>	<b>10.083</b>	<b>51.837</b>	<b>30.623</b>

**TRY 89.98**

Population growth follows TSI's lower scenario



## COST OF DEBT DECREASES BY 5% FOR EXPLICIT PERIOD

Year (TRY bn)	2025E	2026E	2027E	2028E	2029E	2030E	2031-36E	2037-42E
EBIT	20.526	30.620	37.901	44.192	51.544	57.073	483.666	666.411
Tax	5.388	8.038	9.949	11.600	13.530	14.982	126.962	174.933
Capital Expenditures	21.075	25.171	28.328	31.579	35.221	38.522	310.039	353.632
Depreciation & Amortization and Other Inflows	28.100	33.561	37.771	42.105	46.962	51.362	413.385	471.510
Changes in Working Cap.	7.025	8.390	9.443	10.526	11.740	8.560	68.897	78.585
FCFF	15.138	22.582	27.952	32.592	38.014	46.372	391.152	530.770
<b>Discounted FCFF</b>	<b>11.573</b>	<b>13.199</b>	<b>12.491</b>	<b>11.135</b>	<b>9.929</b>	<b>10.543</b>	<b>54.156</b>	<b>31.952</b>

-5% Cost of Debt  
(For the Explicit Period)  
**TRY 98.92**

**TRY  
92,47**

## COST OF DEBT INCREASES BY 5% FOR EXPLICIT PERIOD

Year (TRY bn)	2025E	2026E	2027E	2028E	2029E	2030E	2031-36E	2037-42E
EBIT	20.526	30.620	37.901	44.192	51.544	57.073	483.666	666.411
Tax	4.875	7.272	9.001	10.496	12.242	13.555	114.871	158.273
Capital Expenditures	21.075	25.171	28.328	31.579	35.221	38.522	310.039	353.632
Depreciation & Amortization and Other Inflows	28.100	33.561	37.771	42.105	46.962	51.362	413.385	471.510
Changes in Working Cap.	7.025	8.390	9.442	10.526	11.740	8.560	68.897	78.585
FCFF	15.651	23.348	28.899	33.697	39.302	47.799	403.244	547.431
<b>Discounted FCFF</b>	<b>11.596</b>	<b>12.817</b>	<b>11.755</b>	<b>10.155</b>	<b>8.776</b>	<b>9.291</b>	<b>47.728</b>	<b>28.172</b>

+5% Cost of Debt  
(For the Explicit Period)  
**TRY 86.48**

	<b>DCF TARGET</b>	<b>TARGET PRICE</b>
--	-----------------------	-------------------------

CBRT Inflation Target 21%	TRY 92.47	TRY 93.96
---------------------------------	--------------	--------------

CBRT Inflation Target 24%	TRY 89.64	TRY 91.98
---------------------------------	--------------	--------------

<b>%Change</b>	<b>-3.06%</b>	<b>-2.10%</b>
----------------	---------------	---------------

	<b>DCF TARGET</b>	<b>TARGET PRICE</b>
--	-----------------------	-------------------------

Before the record bond issuing	TRY 92.47	TRY 93.96
--------------------------------------	--------------	--------------

After the record bond issuing	TRY 94.01	TRY 95.03
-------------------------------------	--------------	--------------

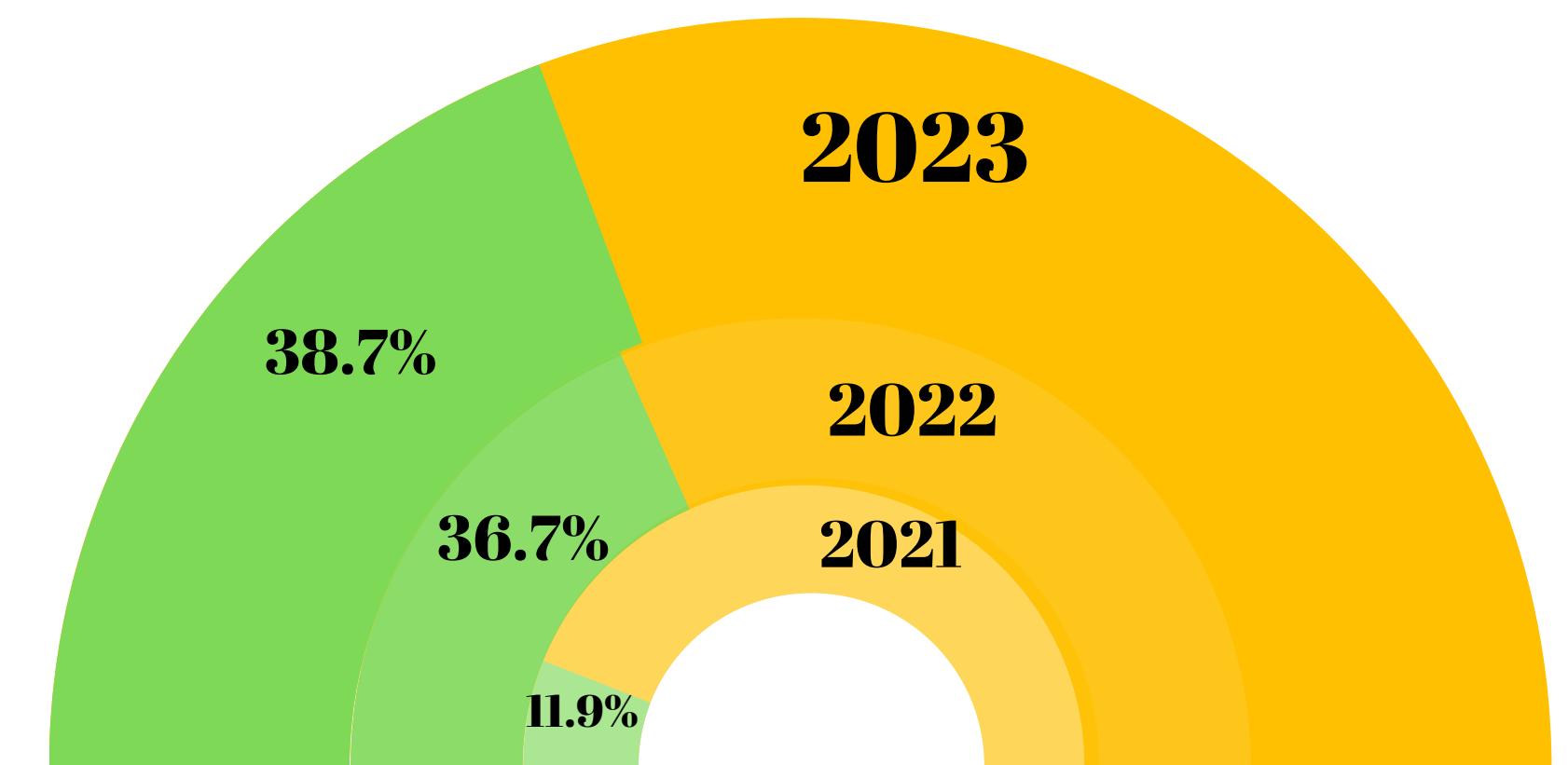
<b>%Change</b>	<b>1.67%</b>	<b>1.14%</b>
----------------	--------------	--------------

**Figure 4.1 : ESG Score of ENJSA**

	Enerjisa's Scores	Ranking
Sustainalytics	16.8	Low Risk
Refinitiv	85	5th world among participating electricity distribution and independent power generation companies
FTSE Russell	4	91st percentile in Utilities sector
CDP Climate Change	A-	
CDP Water Security	A	

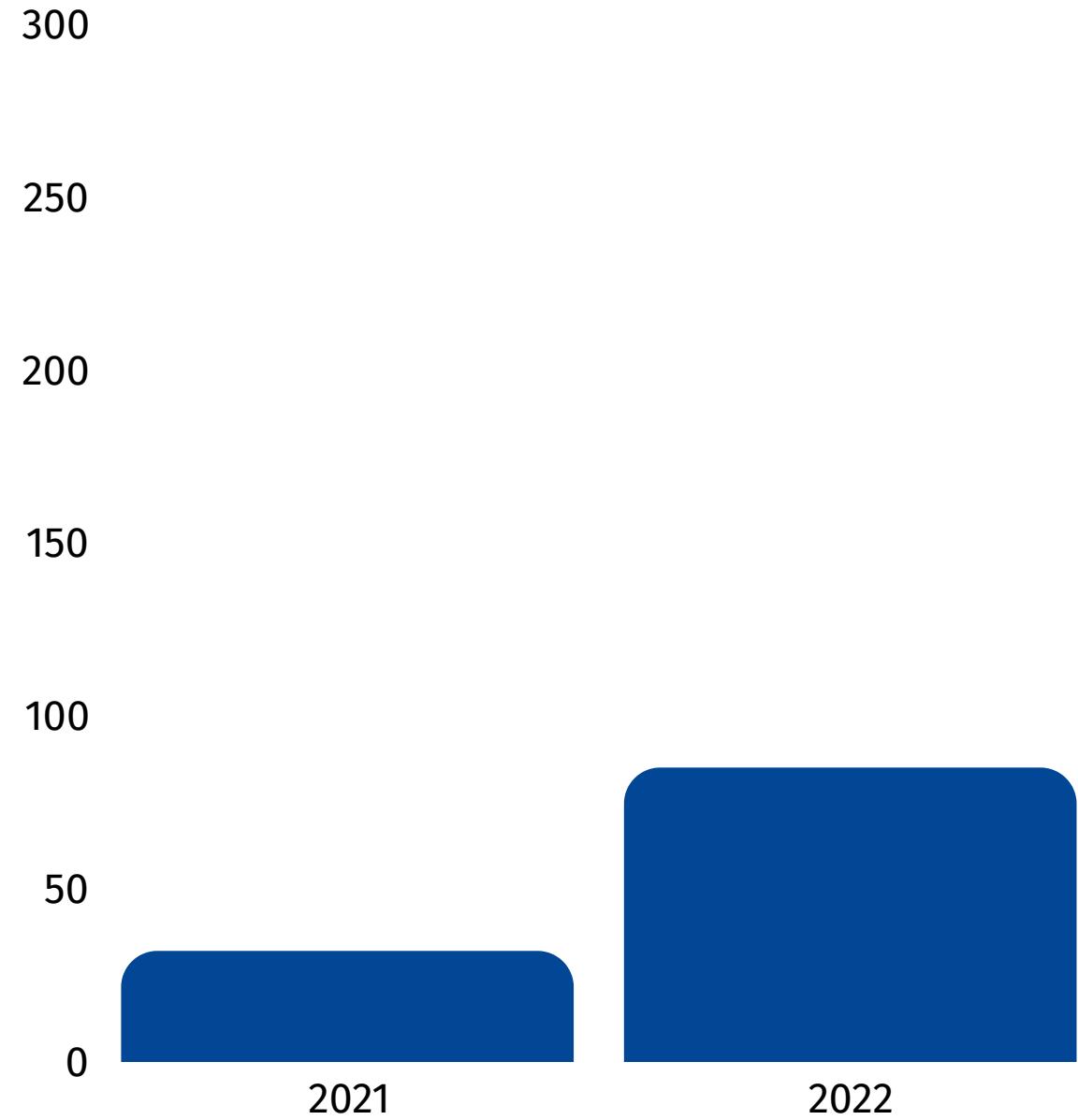
Source: Company Reports

**Figure 4.2: Portion of Environment Investments**

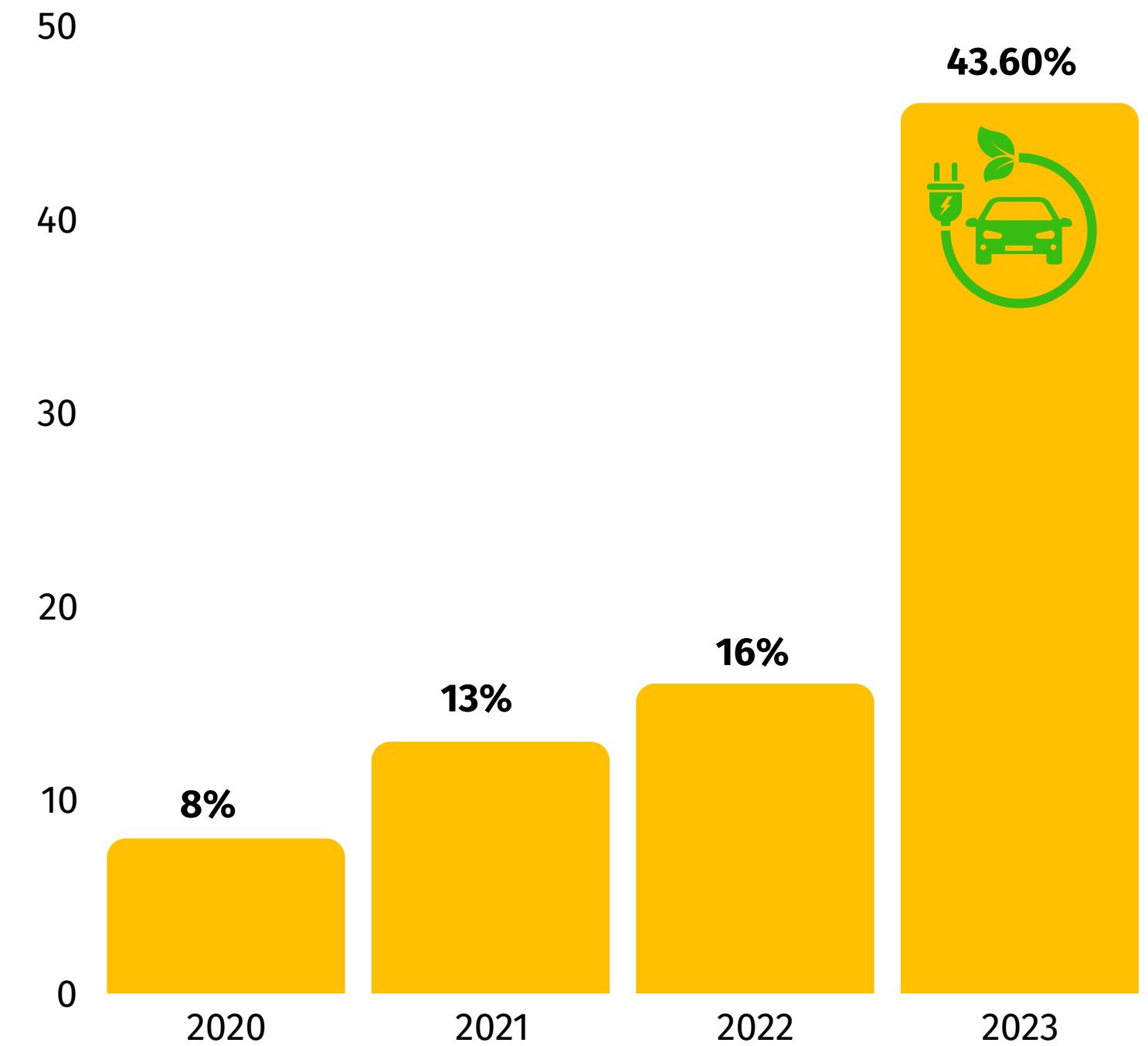


Source: Team Analysis, Company Reports

## RAINWATER HARVESTING (IN TONS)



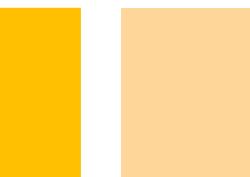
## EV/HYBRID CARS IN FLEET (PORTION)





ESG

RATING AGENCIES



ENJSA

AKSEN

CONSE

IZENR

ZOREN

AYDEM



SUSTAINANALYTICS

RISK

16.80

34.30

28.70

27.20

15.10

LSEG

Environm  
ent

80.00

43.00

60.00

77.00

87.00

Social

88.00

51.00

50.00

78.00

70.00

Governanc  
e

89.00

55.00

30.00

63.00

50.00

Overall

85.67

49.67

46.67

72.67

69.00

CDP

Climate

A

F

A

A

Forest

C

Water

A

F

B

A

OVERVIEW

INVESTMENT HIGHLIGHTS

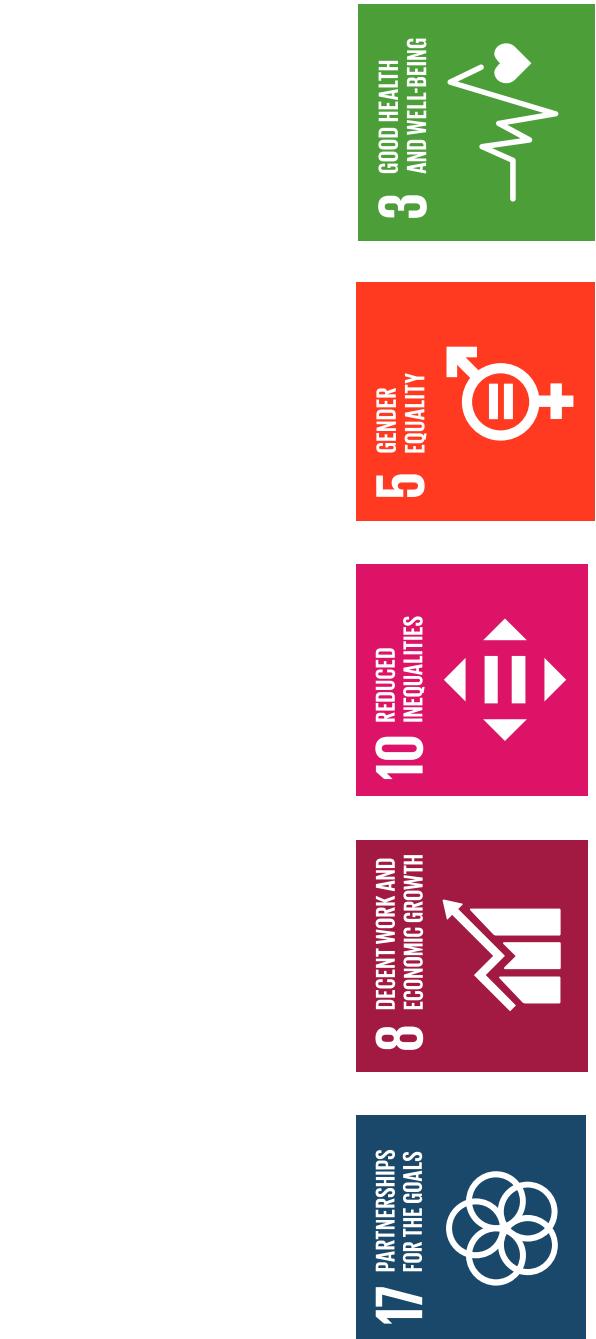
ESG

VALUATION

RISKS



ESG



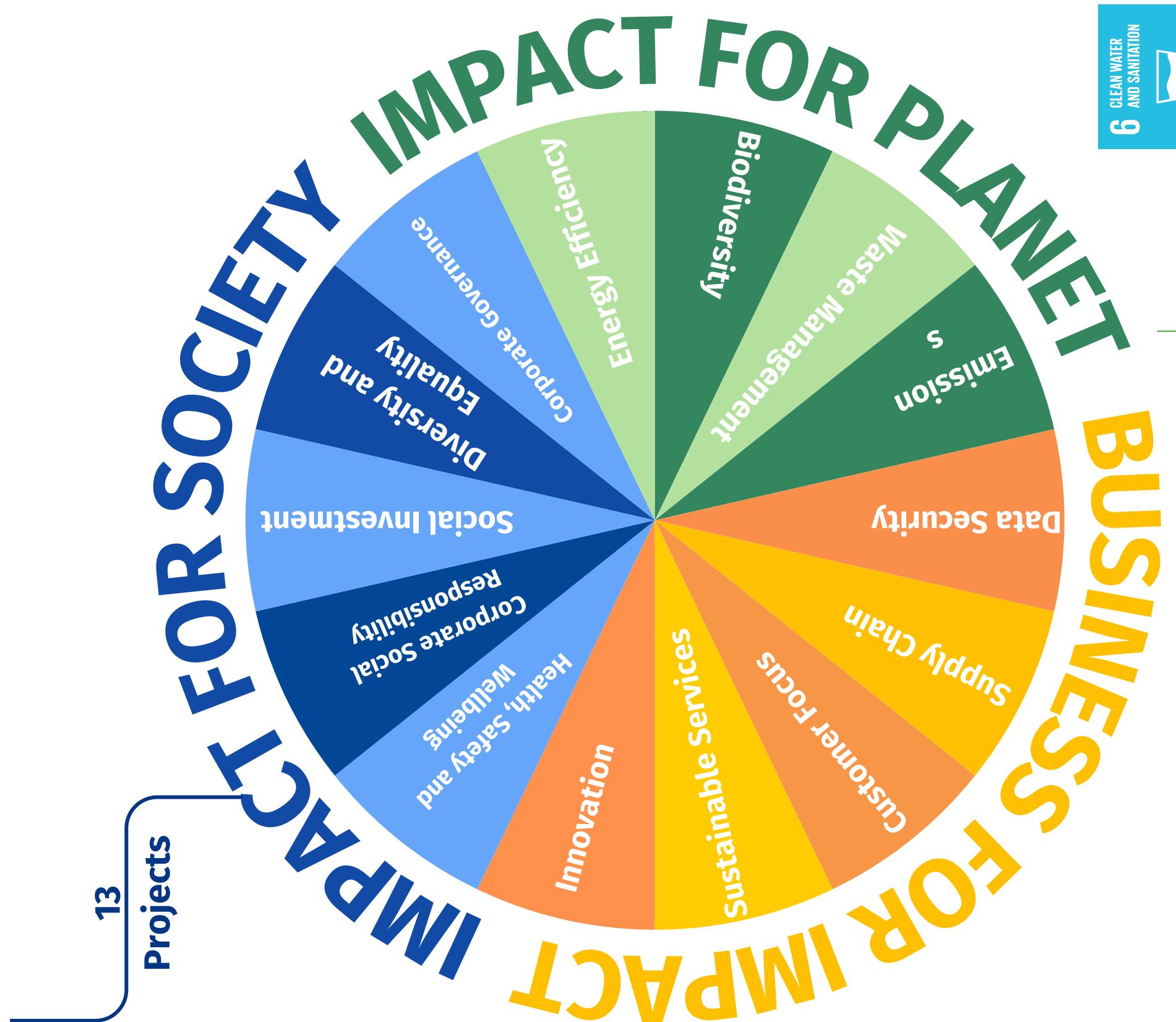
OVERVIEW

INVESTMENT HIGHLIGHTS

ESG

VALUATION

RISKS



308 Projects

Projects



6

CLEAN WATER AND SANITATION



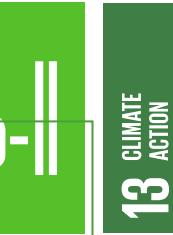
12

RESPONSIBLE CONSUMPTION AND PRODUCTION



15

LIFE ON LAND

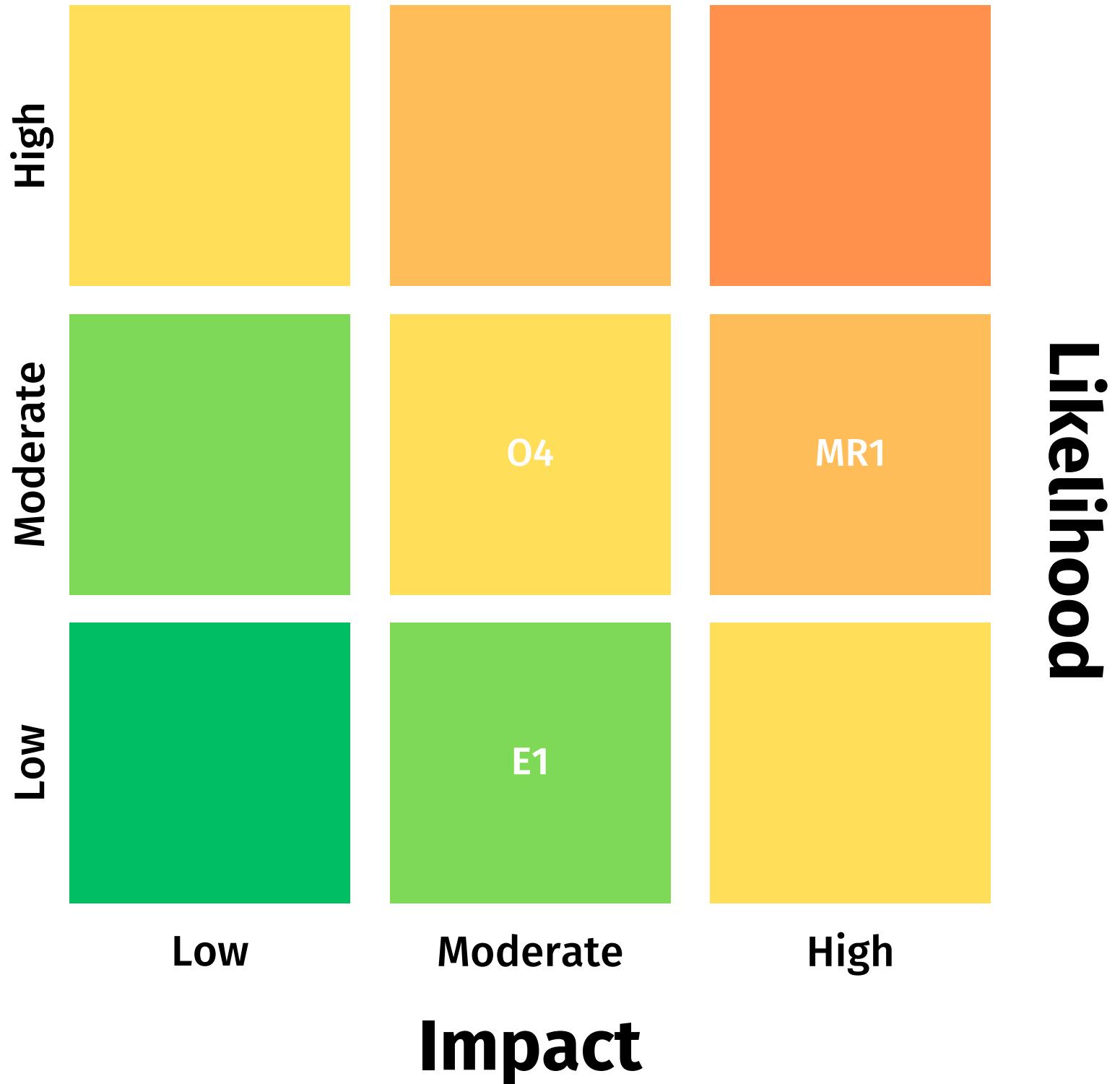


13

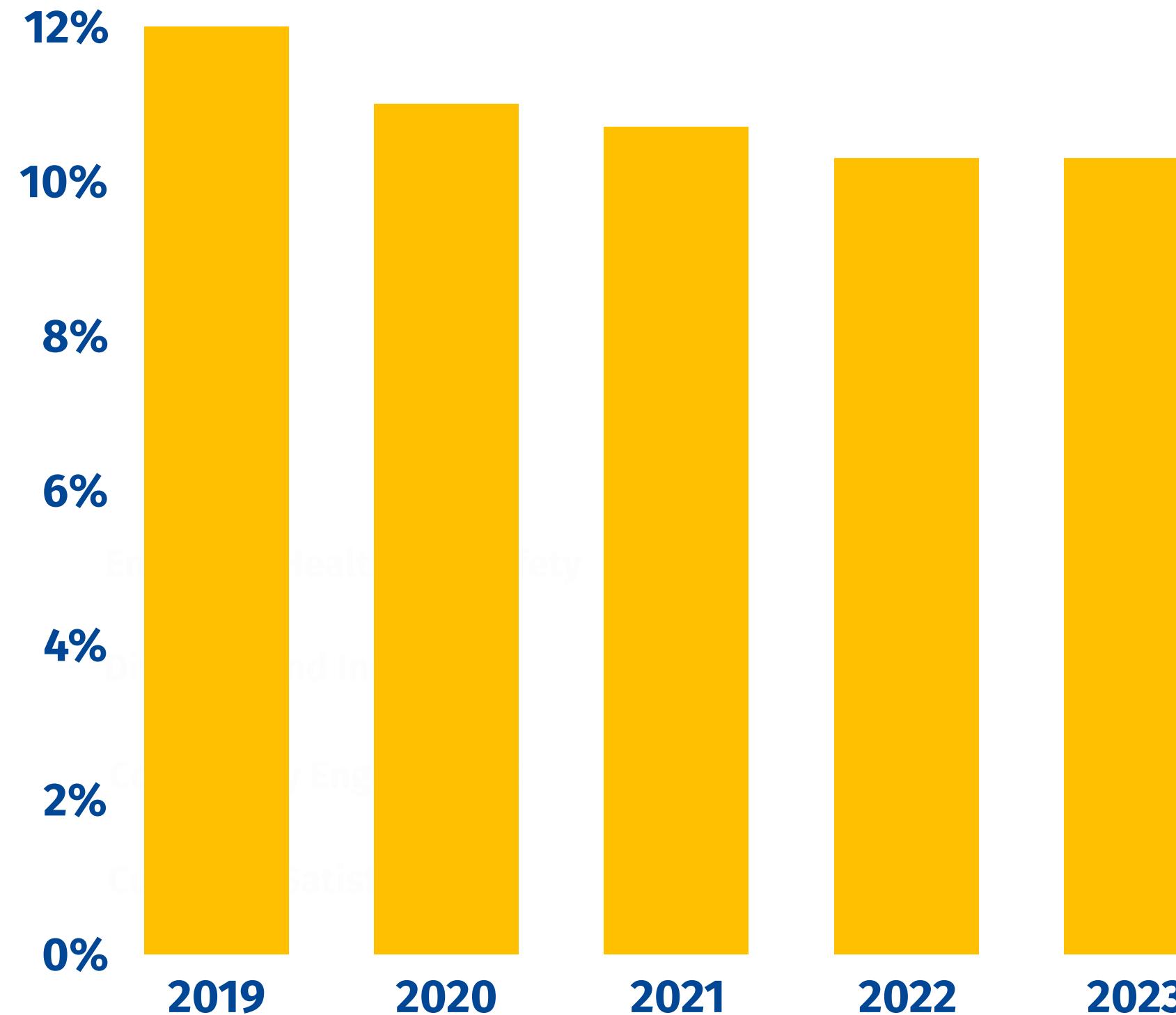
CLIMATE ACTION



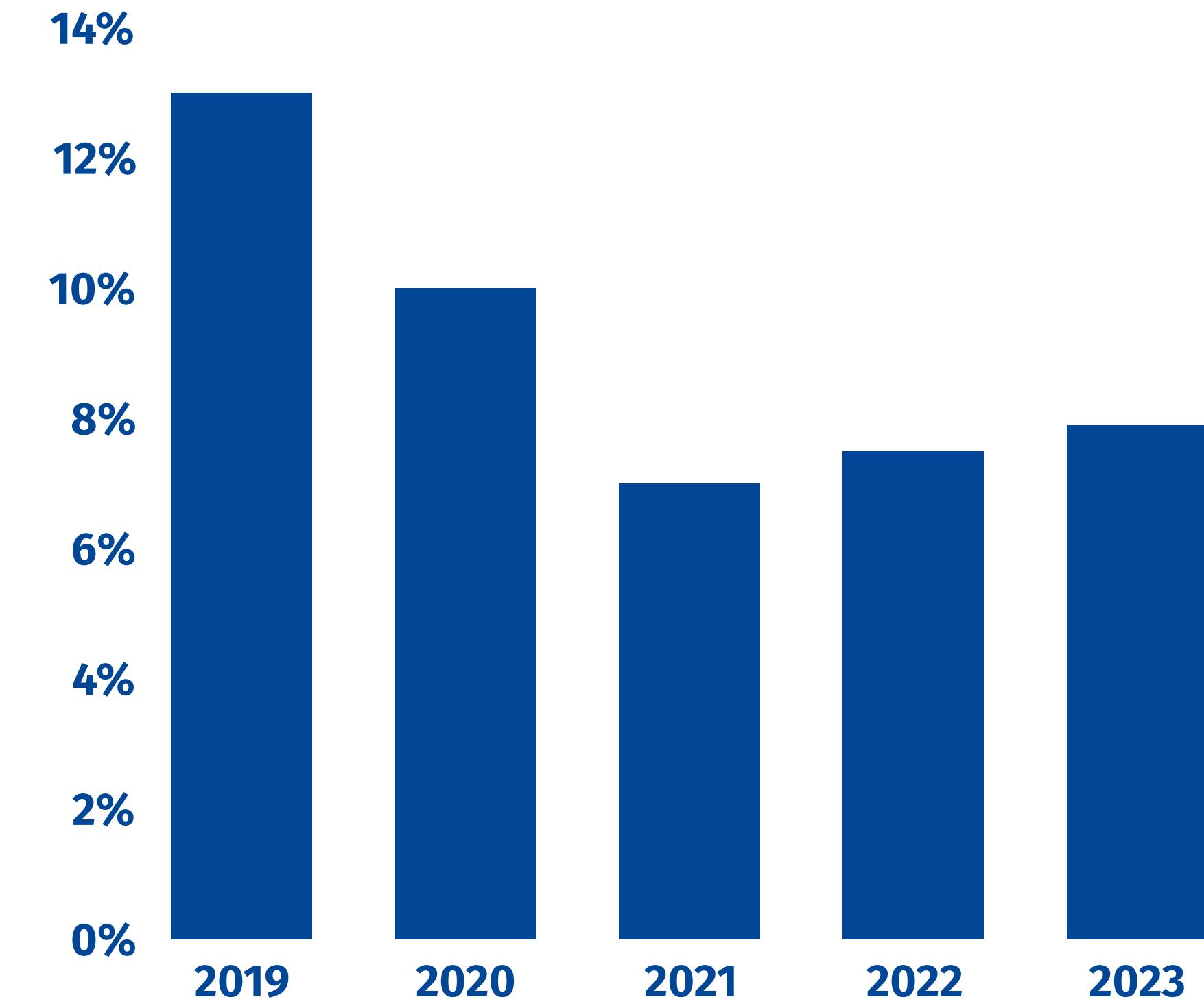
## Figure 3.1: Investment Risk Matrix



Source: Company Reports & Team Analysis

**Figure 3.3: Theft-Loss Türkiye (%)**

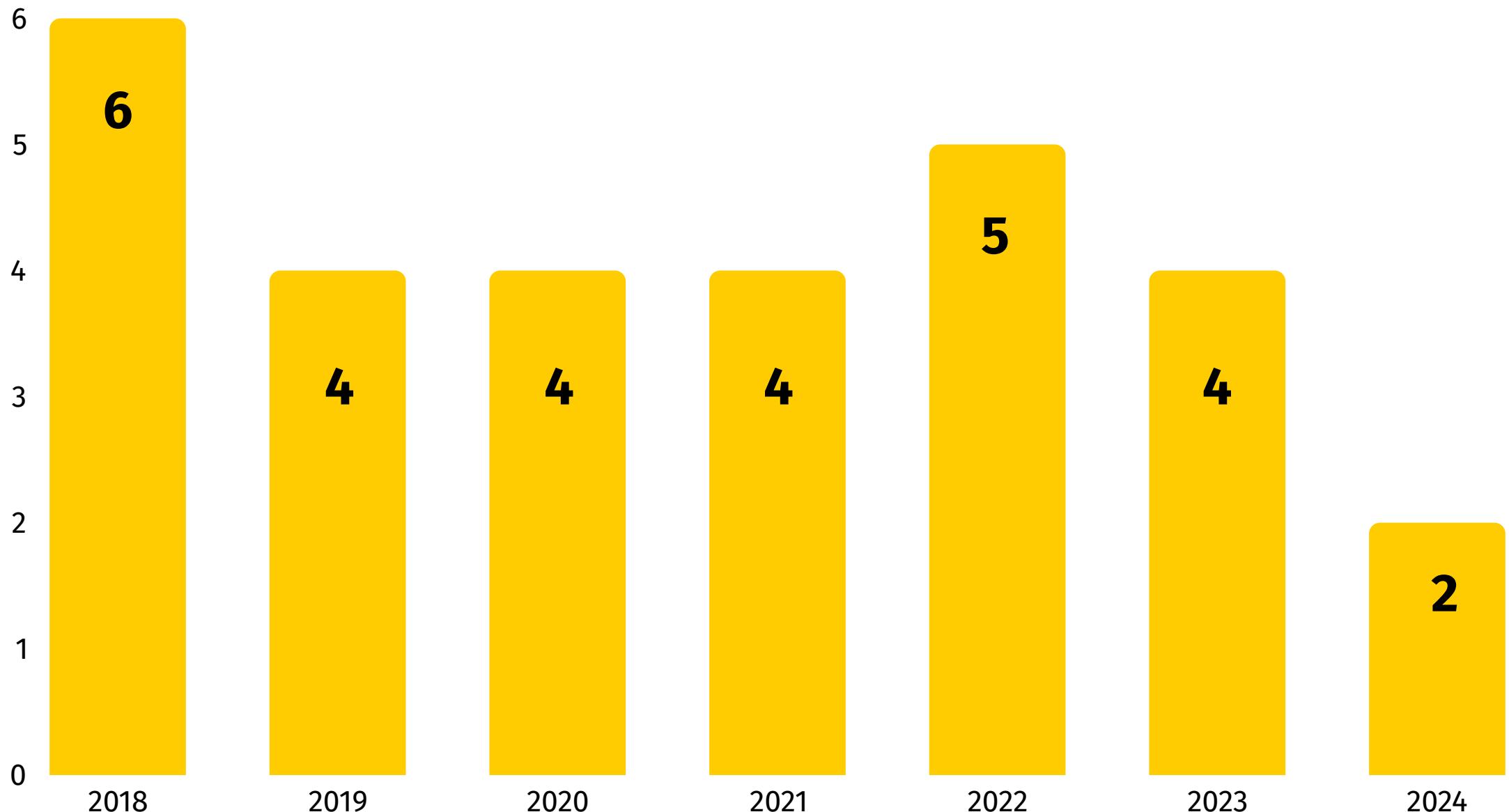
Source: EMRA

**Figure 3.5: Theft-Loss ENJSA (%)**

Source: Company Reports

# Regulatory Tariff Risk: Impact of Inflation-Linked Adjustments on Valuation

## Number of Tariff Arrangements Yearly



TRY 93.96

5%

TRY 87.77

10%

TRY 77.58

Counterparty Risk: Impact of increase in theft-loss on Valuation

**16.99**



**13.25**



**19.03**



**Başkent**

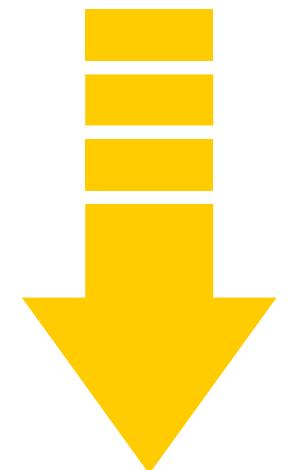
**Ayedaş**

**Toroslar**



**10% of theft-loss increase in Toroslar (the most risky area)**

**TRY 93.96**



**3.8% decrease of Retail Sales**

**TRY 87.41**





RISK



## CREDIT RATINGS

JCR Eurasia Rating	07.07.2021	AAA
JCR Eurasia Rating	30.06.2022	AAA
JCR Eurasia Rating	26.06.2023	AAA
JCR Eurasia Rating	26.06.2024	AA
Fitch Rating	18.11.2024	A



# RISK

	Number of Critical Accidents	Frequency Rate of Recordable Accidents(TRIF)	Frequency Rate of Recordable Accidents(TRIF w/o STF )
2019	29	8.2	5
2020	34	7.9	4.5
2021	38	8.9	5.4
2022	26	8.1	4.5
2023	33	8.7	5.6



## Main Deck

1. Investment Highlights
2. Company Overview 1
3. Company Overview 2
4. Urbanization Gap
5. NARTD per Capita
6. NARTD per Capita Growth
7. Revenue Growth
8. Profitability Margins
9. ROE&ROIC and Leverage&Liquidity
10. Capex
11. Market Shares
12. ESG I
13. ESG II
14. Valuation
15. Discounted Cash Flow
17. Peer Valuation and Football Field
19. Scenario Analysis
20. Investment Risks I
21. Investment Risks II
22. Summary

## Overview

23. Sales volume
24. SWOT Analysis
25. Porter's Five Forces
26. Sharehold structure & BoD
27. Breakdown—Category
28. Breakdown—Vol, Rev, EBT

29. Digital Model
30. M&A Policy
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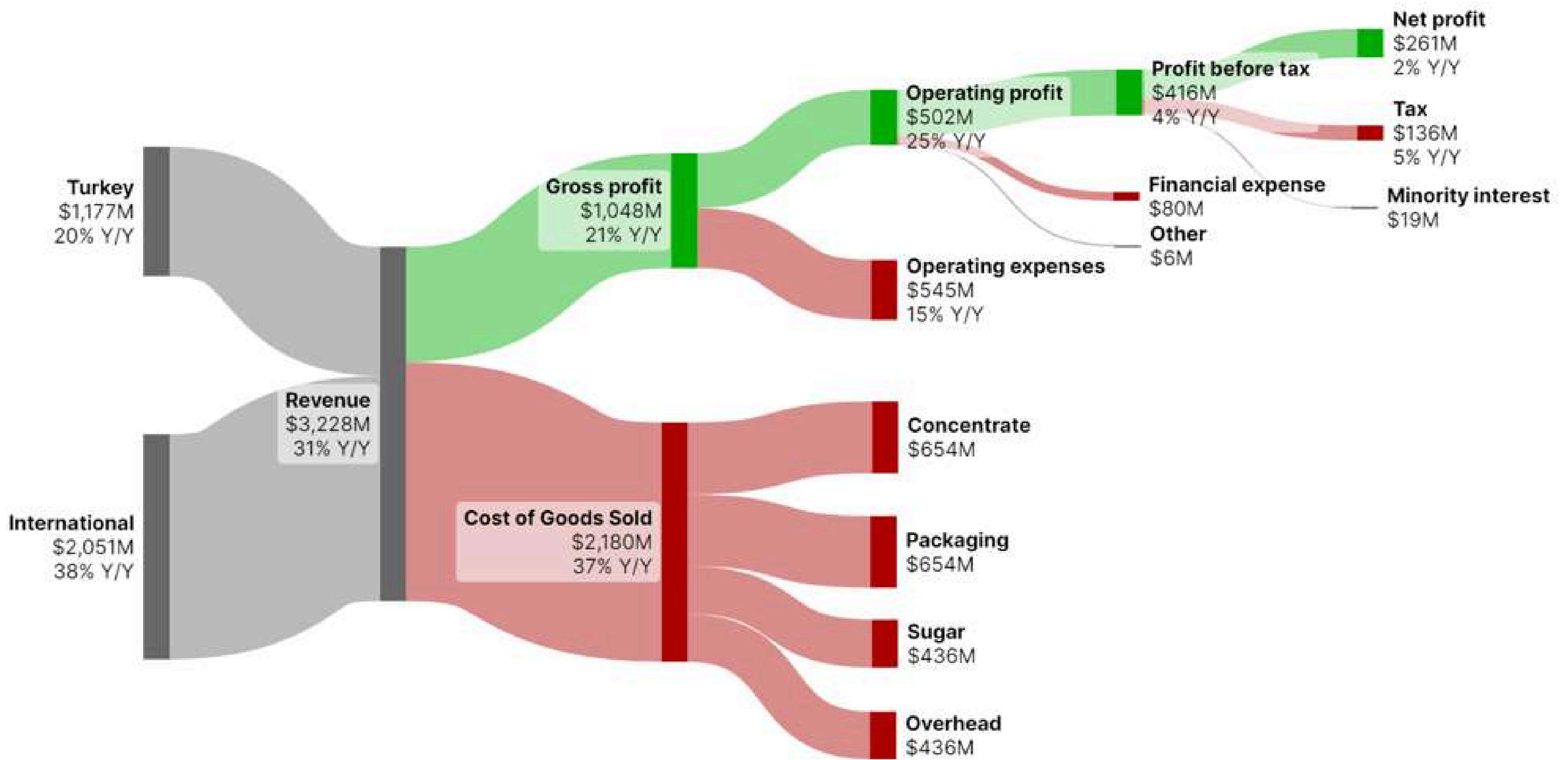
64. Bangladesh Acquisition
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# Cash Flow Statement

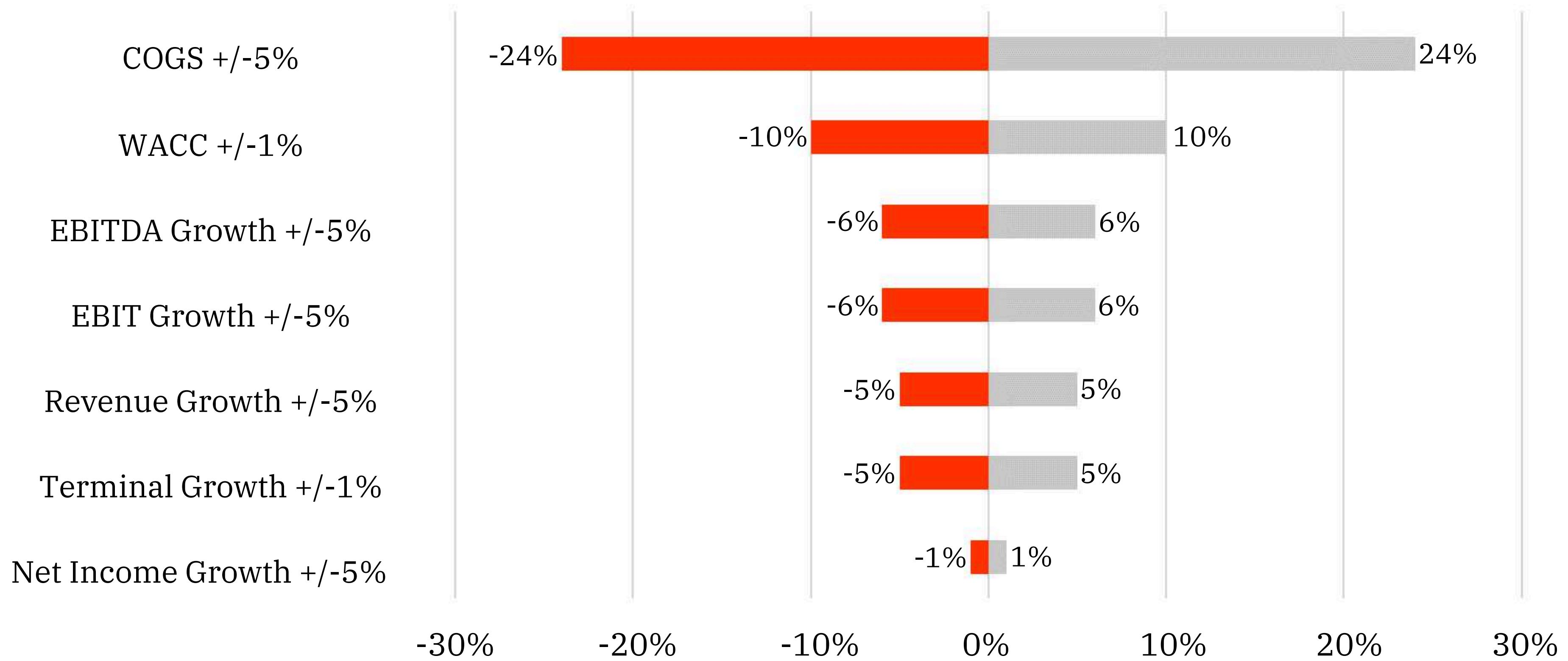
Cash Flow Statement	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E
Profit before tax	252	401	416	594	662	714	774	838
Depreciation	131	124	110	109	126	143	161	179
Changes in working capital	11	9	-82	-233	-31	-100	-108	-45
Other	21	-89	-30	-30	-30	-30	-30	-30
<b>Net Cash from Operations</b>	<b>414</b>	<b>444</b>	<b>414</b>	<b>440</b>	<b>726</b>	<b>727</b>	<b>796</b>	<b>942</b>
CAPEX	-92	-121	-184	-207	-315	-293	-315	-396
Other	12	-319	-41	-41	-41	-41	-41	-41
<b>Cash from Investment Operation</b>	<b>-79</b>	<b>-441</b>	<b>-226</b>	<b>-249</b>	<b>-356</b>	<b>-334</b>	<b>-356</b>	<b>-437</b>
Change in Financial Debt	-94	-126	410	127	177	227	227	227
Dividends Paid	-39	-89	-38	-38	-125	-144	-157	-170
Other	2	-38	-143	-143	-143	-143	-143	-143
<b>Cash from Financial Operations</b>	<b>-131</b>	<b>-253</b>	<b>230</b>	<b>-54</b>	<b>-91</b>	<b>-59</b>	<b>-73</b>	<b>-86</b>
<b>Change in Cash &amp; Cash Equivalents</b>	<b>262</b>	<b>-58</b>	<b>595</b>	<b>138</b>	<b>279</b>	<b>334</b>	<b>367</b>	<b>419</b>

Source: Rasyonet, Team Analysis

## CCI FY22 Income Statement



# Tornado Chart



# Scenario Analysis

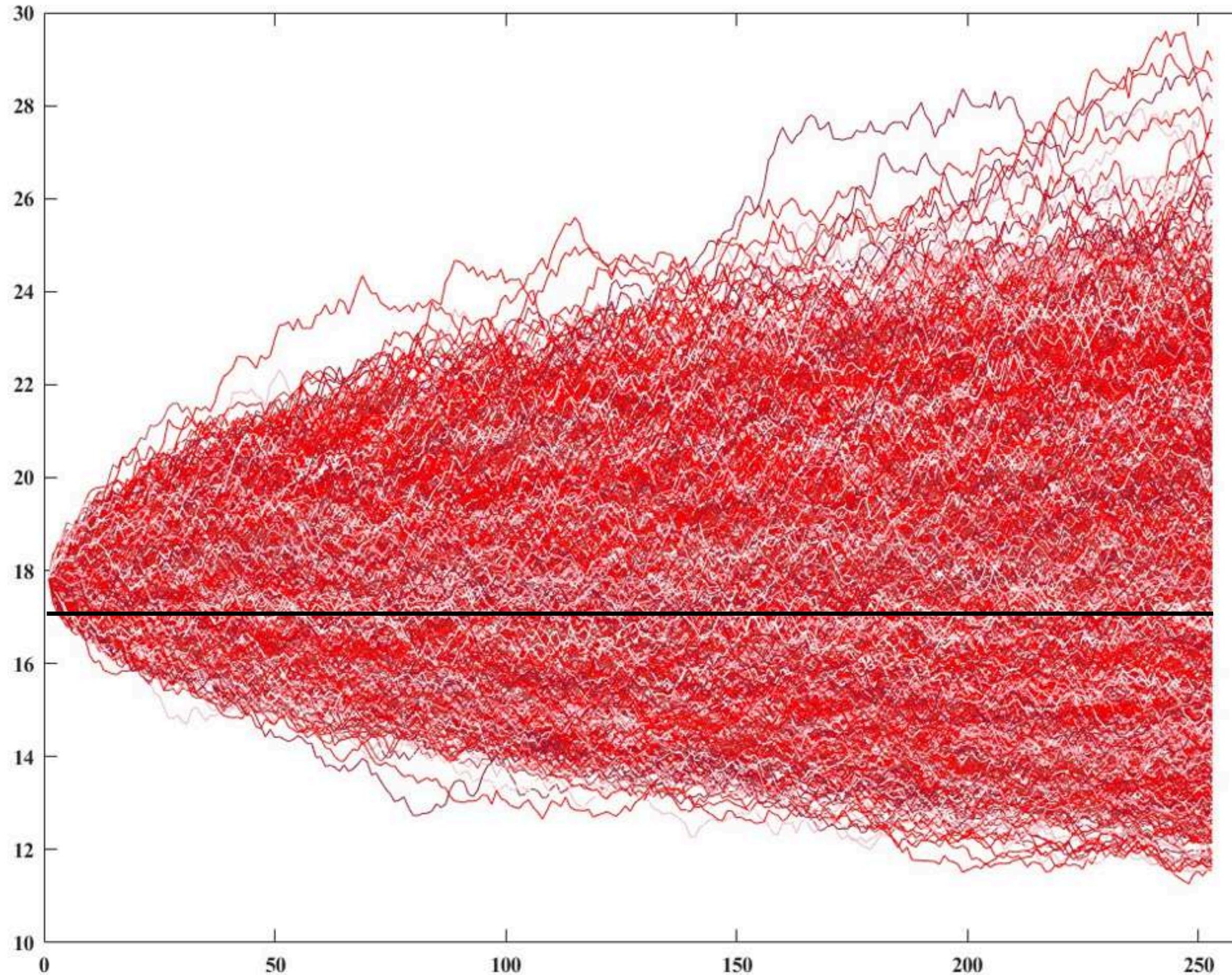
	Bull	Base	Bear
Volume CAGR	7.0%	5.0%	2.5%
Revenue CAGR	10.1%	8.0%	3.5%
Terminal Growth	2.5%	2.5%	2.0%
WACC	11.8%	11.8%	12.9%
Stock Price	\$24.4	\$22.2	\$16.7
Upside (Downside)	38%	29%	-2.8%

# SCATTER PLOT OF BETA





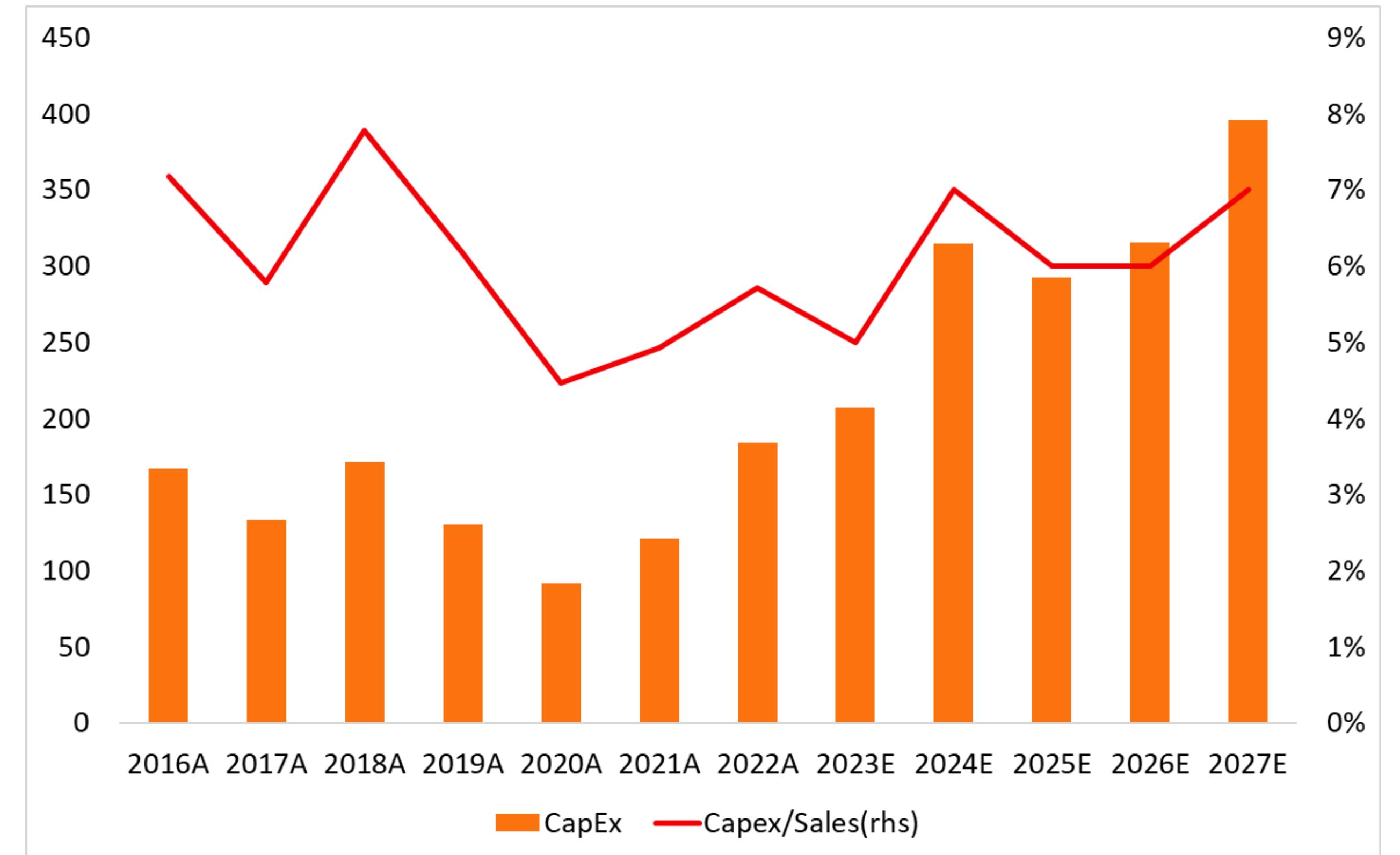
# BROWNIAN MOTION





# Capital Expenditures

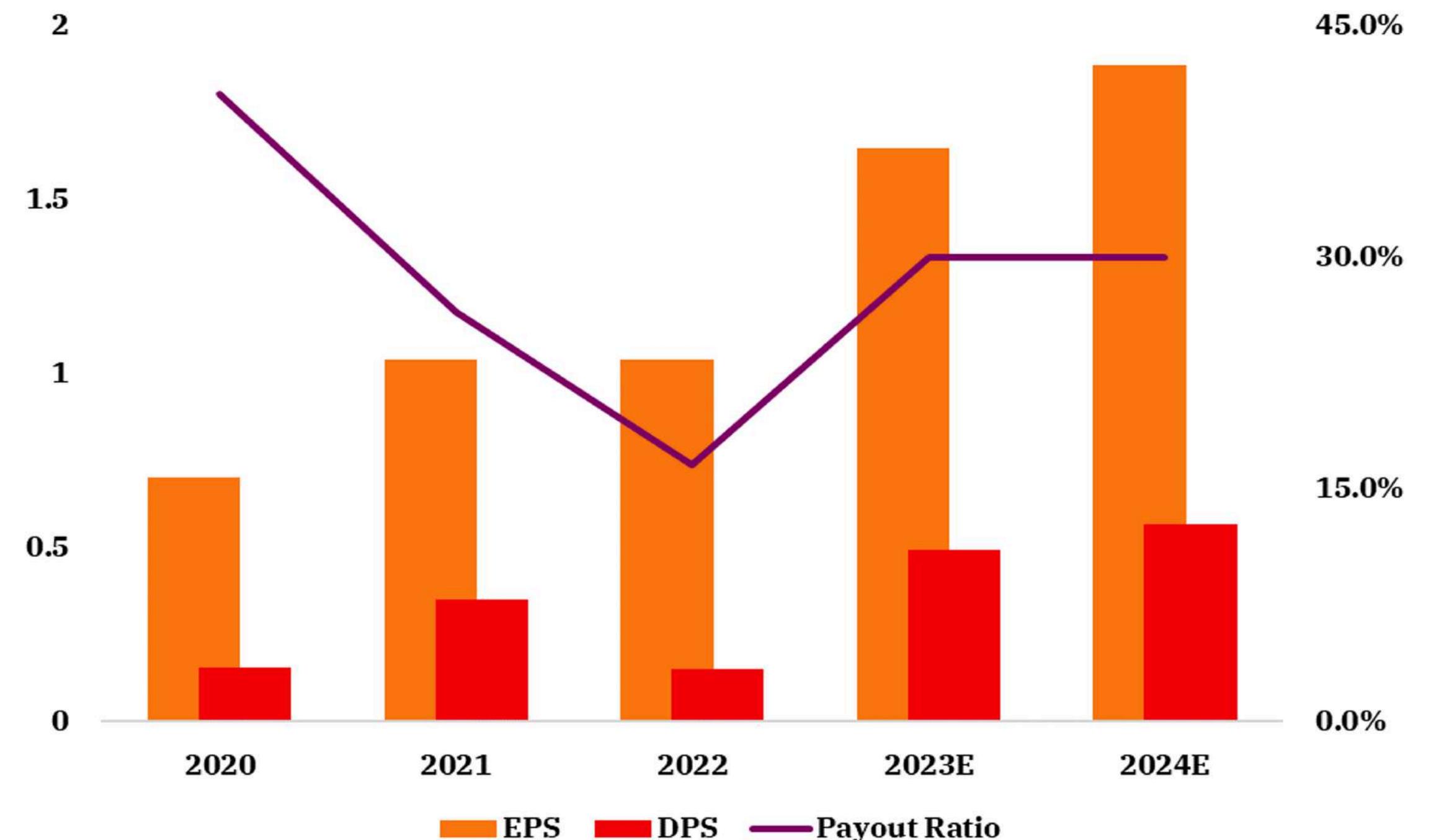
	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E
CapEx	167	133	171	131	92	121	184	207	315	293	315	396
Capex/Sales(rhs)	7%	6%	8%	6%	4%	5%	6%	5%	7%	6%	6%	7%





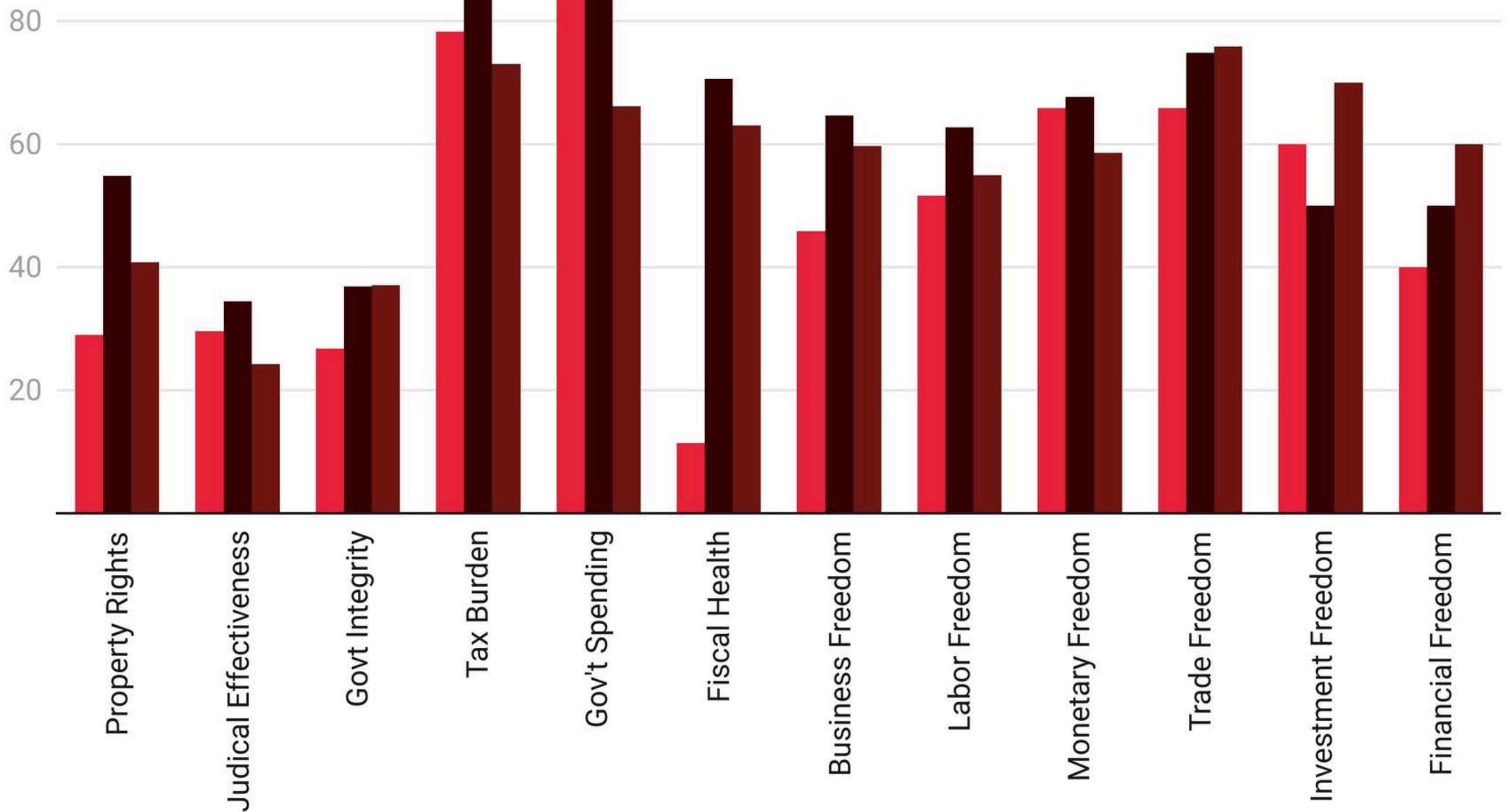
# Dividend Projection

	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E
Cash Dividend	10	20	48	53	39	89	38	125	144	157	170	185
EPS	-0.04	0.26	0.26	0.67	0.7	1.04	1.04	1.64	1.88	2.06	2.23	2.42
DPS	0.04	0.08	0.19	0.21	0.15	0.35	0.15	0.49	0.57	0.62	0.67	0.73
Payout Ratio	-106%	31%	72%	31%	40.5%	26.4%	16.6%	30%	30%	30%	30%	30%



# Index of Economic Freedom

Pakistan  Kazakhstan  Türkiye



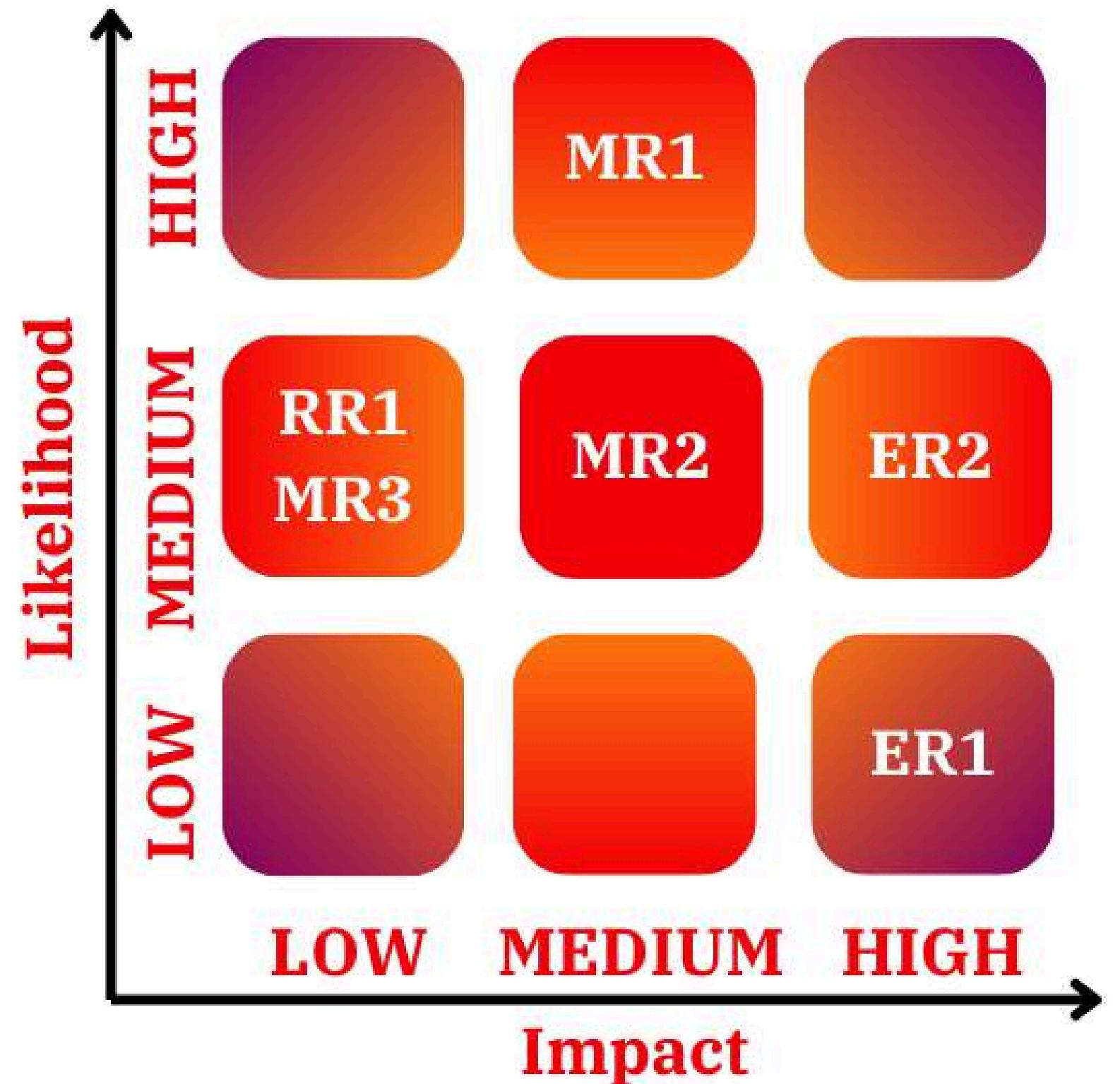
# Risks - Mitigations

Risks	Mitigation Strategy
Macroeconomic slowdown	Using dynamic pricing strategy and Revenue Growth Management
Decreasing in sales volume	Good marketing initiatives, focused point-of-sale execution and proactive hedging
Political instability	Developed Incident Management and Crisis Resolution (IMCR) program to support incident management.
Taxation applied to sugar-sweetened beverages	Collaboration with TCCC and other brand owners to understand and own the risk.
Disruption of operations	Negotiates long-term contracts and advance purchase agreements while finding substitute suppliers for its industrial operations.
Sustainability and climate change	Develops a Water Management Program (WMP) and conducts a local resource vulnerability assessment (SVA)
Exchange rate depreciation	Using currency hedging to protect itself against unfavourable fluctuations
Natural disasters	Having action plans and teams ready for emergency situations



## RISK MATRIX

**Figure 18: Risk Matrix**



*Source: Team Analysis*



# Risk Assumptions

	<b>Macroeconomic Slowdown</b>	<b>Sales Volume Risk</b>	<b>Base Scenario</b>
5 Year Revenue CAGR	4%	3%	5%
WACC	13%	11.8%	11.8%
Terminal Growth	2.4%	2.2%	2.5%
Target Price	\$19.0	\$20.1	\$22.2



## Figure 20: Credit Ratings

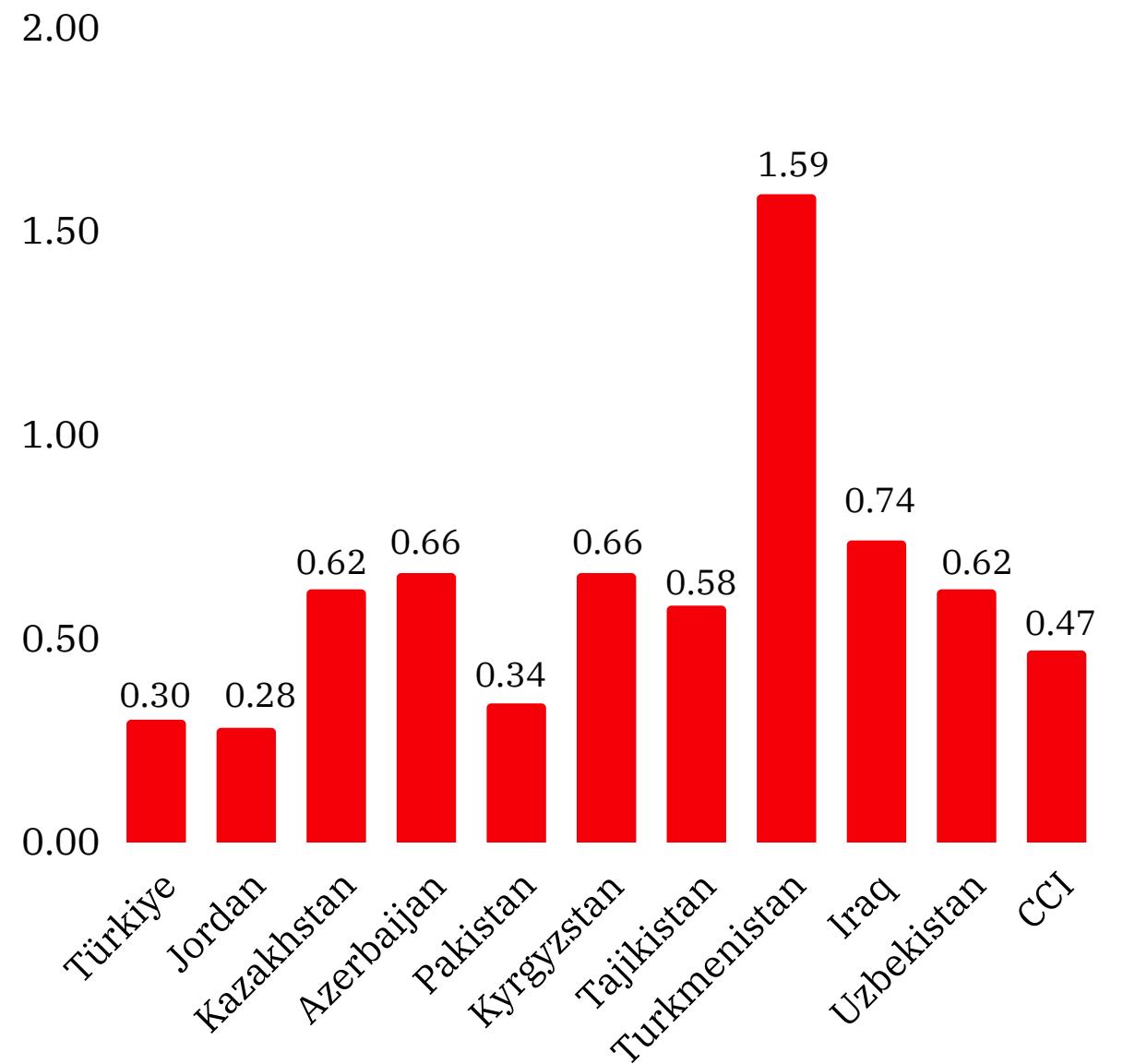
Long Term		Senior	
Credit		Unsecured	
	Rating	Outlook	Debt
<b>S&amp;P Ratings</b>	BB+	Negative	BB+
<b>Fitch Ratings</b>	BBB	Stable	BBB
<b>JCR Ratings</b>	AAA (Tr)	Stable	BBB

*Source: CCI Company*

# Energy Usage Ratio



Total Energy Usage Ratio (MJ/L, 2022)



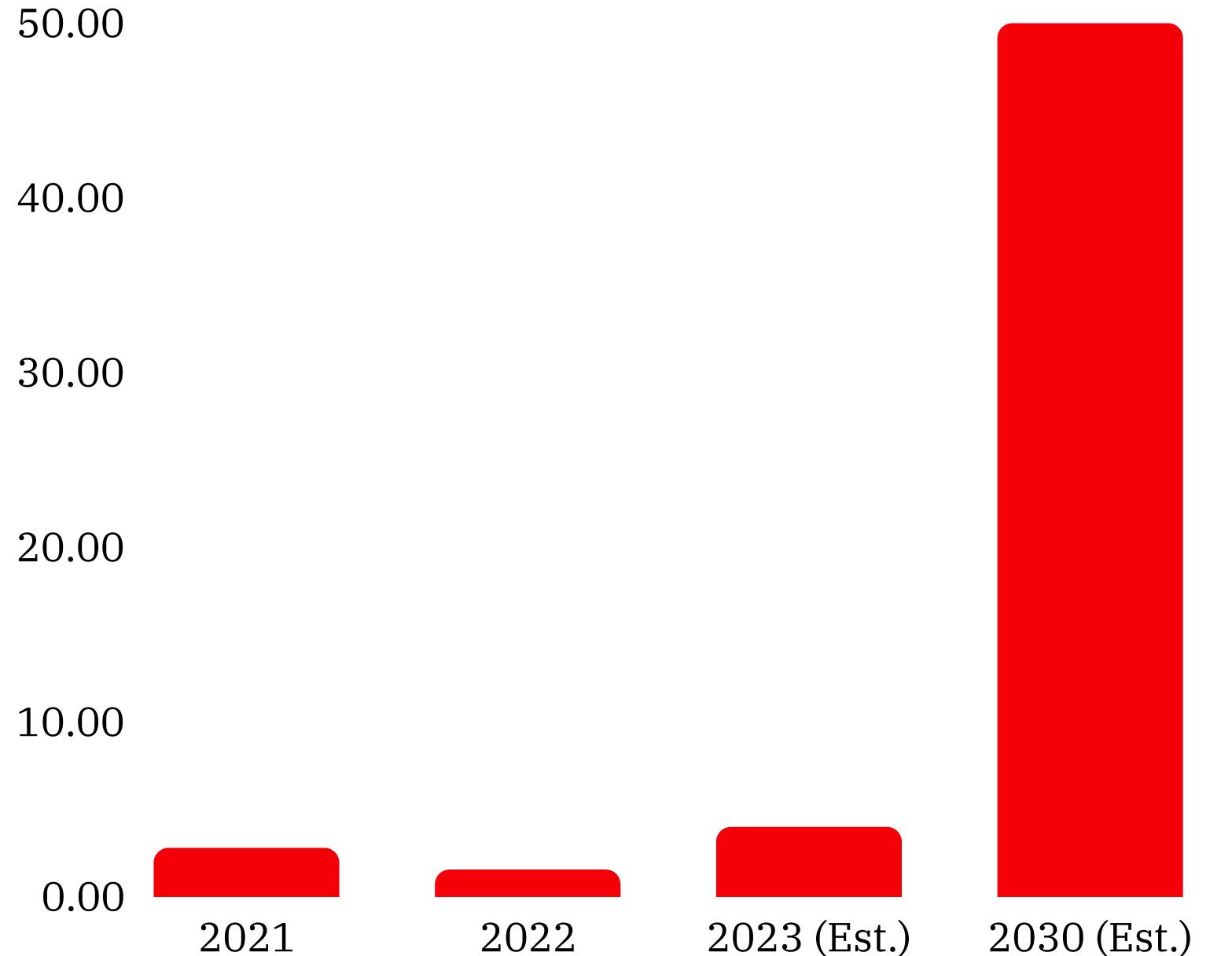
	Total Energy Usage in Operations (Million MJ) 2022
Heavy Fuel Oil	168,9
Diesel	525.20
LPG	114.08
Natural Gas	1,112.23
Electricity	1,676.04
Steam	81.75

# ESG Scores

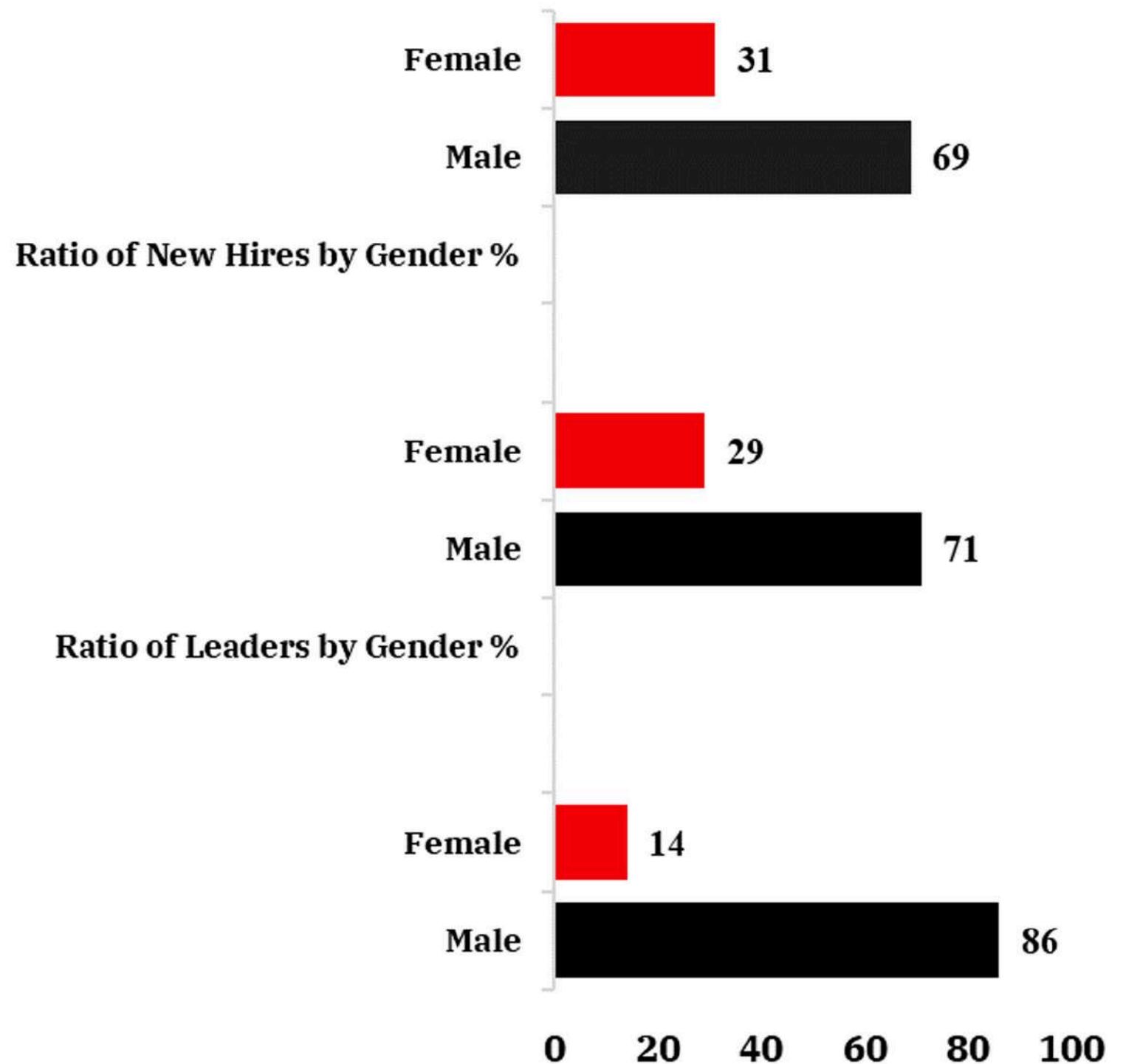
Year	2018	2019	2020	2021	2022
Resource Use Score	91	89	88	89	89
Emissions Score	88	97	96	93	90
Workforce Score	92	90	90	89	90
Human Rights Score	86	88	91	91	91
Management Score	69	82	76	53	54
Shareholders Score	35	63	23	21	24
CSR Strategy Score	99	98	82	95	94

Year	Overall ESG Score
2018	79
2019	85
2020	85
2021	80
2022	81

# R-Pet %



# Employee Gender Distribution



# ESG Peer Analysis

Rank	Company Name	ESG Score
5,00	Coca-Cola Icecek AS	80,66
1,00	Coca Cola HBC AG	87,84
2,00	Coca-Cola Europacific Partners PLC	84,95
3,00	PepsiCo Inc	84,90
4,00	Embotelladora Andina SA	81,98
5,00	Coca-Cola Icecek AS	80,66
6,00	Asahi Group Holdings Ltd	79,67
7,00	Coca-Cola Co	79,49
8,00	Anheuser-Busch Inbev SA	78,38
9,00	Diageo PLC	75,99
10,00	Carlsberg A/S	73,06
11,00	Nongfu Spring Co Ltd	72,87
12,00	Britvic PLC	72,80
13,00	Anadolu Efes Biracilik ve Malt Sanayii AS	71,62
14,00	Fraser & Neave Holdings Bhd	70,04
15,00	Thai Beverage PCL	68,19
16,00	Coca-Cola Femsa SAB de CV	67,82
17,00	Swire Pacific Ltd	67,17
18,00	Heineken NV	66,93
19,00	Pernod Ricard SA	66,63
20,00	Arca Continental SAB de CV	65,69
21,00	Budweiser Brewing Company APAC Ltd	65,32
22,00	Carlsberg Brewery Malaysia Bhd	65,26
23,00	Heineken Holding NV	64,54
24,00	Osotspa PCL	62,28
25,00	Royal Unibrew A/S	60,99

26,00	Uni-President China Holdings Ltd	60,42
27,00	Treasury Wine Estates Ltd	60,41
28,00	Remy Cointreau SA	60,32
29,00	Chongqing Brewery Co Ltd	58,86
30,00	Brown-Forman Corp	58,11
31,00	Takara Holdings Inc	56,31
32,00	Anora Group Oyj	55,69
33,00	Berentzen Gruppe AG	54,34
34,00	Davide Campari Milano NV	54,33
35,00	C&C Group PLC	53,65
36,00	Sichuan Swellfun Co Ltd	53,40
37,00	Tsingtao Brewery Co Ltd	52,60
38,00	Ambev SA	52,34
39,00	Vitasoy International Holdings Ltd	51,63
40,00	Varun Beverages Ltd	51,53
41,00	Primo Water Corp	51,30
42,00	China Resources Beer Holdings Co Ltd	51,01
43,00	China Foods Ltd	50,71
44,00	Olvi Oyj	50,15
45,00	Haad Thip PCL	49,82
46,00	Societe des Boissons du Maroc SA	49,42
47,00	United Spirits Ltd	49,22
48,00	Kweichow Moutai Co Ltd	48,31
49,00	Sapporo Holdings Ltd	47,89
50,00	Wuliangye Yibin Co Ltd	47,34

51,00	Luzhou Laojiao Co Ltd	46,61
52,00	Emperador Inc	45,78
53,00	Marie Brizard Wine and Spirits SA	44,85
54,00	United Breweries Ltd	43,84
54,00	Les Eaux Minerales d'oulmes SA	43,84
56,00	MGP Ingredients Inc	42,73
57,00	Heineken Malaysia Bhd	42,50
58,00	A G Barr PLC	41,70
59,00	Jiangsu Yanghe Brewery Joint-Stock Co Ltd	41,05
60,00	Saigon Beer Alcohol Beverage Corp	40,67
61,00	Ito En Ltd	40,08
62,00	Beijing Shunxin Agriculture Co Ltd	39,97
63,00	Duckhorn Portfolio Inc	39,15
64,00	Radico Khaitan Ltd	39,02
65,00	Constellation Brands Inc	37,38
66,00	Beijing Yanjing Brewery Co Ltd	34,57
67,00	Anhui Gujing Distillery Co Ltd	34,19
68,00	Jiangsu King's Luck Brewery Joint-Stock Co Ltd	31,20
69,00	Power Root Bhd	31,06
70,00	Naked Wines PLC	30,61
71,00	Purcari Wineries PCL	30,33
72,00	Becle SAB de CV	29,88
73,00	Carabao Group PCL	29,71
74,00	Boston Beer Company Inc	29,53
75,00	Eastroc Beverage Group Co Ltd	29,44

# SWOT Analysis

## STRENGTHS

- CCI's extensive distribution network makes it possible for its products to efficiently reach a variety of markets.
- CCI provides a variety of drinks to suit the tastes of its customers, such as juices, carbonated soft drinks, bottled water, and energy drinks.
- CCI offers cost-effective production and distribution by utilizing supply chain and innovative manufacturing methods.

## OPPORTUNITIES

- CCI can create a significant presence early on in emerging regions with burgeoning populations and rising disposable incomes, winning market share and building brand loyalty.
- Investing in e-commerce platforms and direct-to-consumer sales tactics allows CCI to reach out to customers directly, collect valuable consumer data, and more efficiently change its marketing and product offerings.

## WEAKNESSES

- CCI's performance can be impacted by shifts in regulations, geopolitical unrest, and economic conditions in the locations where it operates.
- CCI's packaging and waste management procedures can be impacted by heightened scrutiny and customer demand for sustainability.
- CCI's reliance on raw resources such as sugar, aluminum, and plastic exposes the company to swings in commodity prices, which affect production costs.

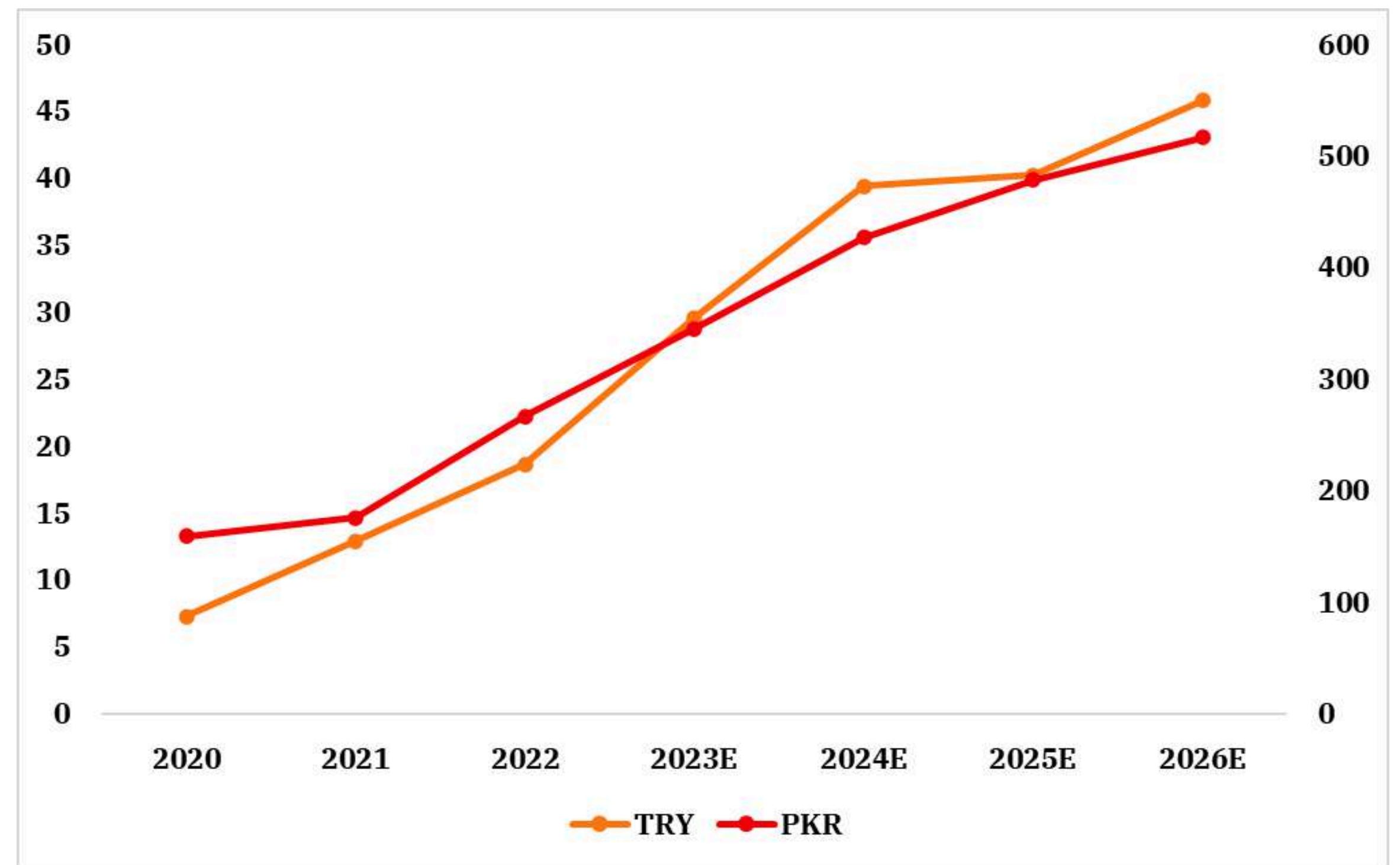
## SWOT ANALYSIS

## THREATS

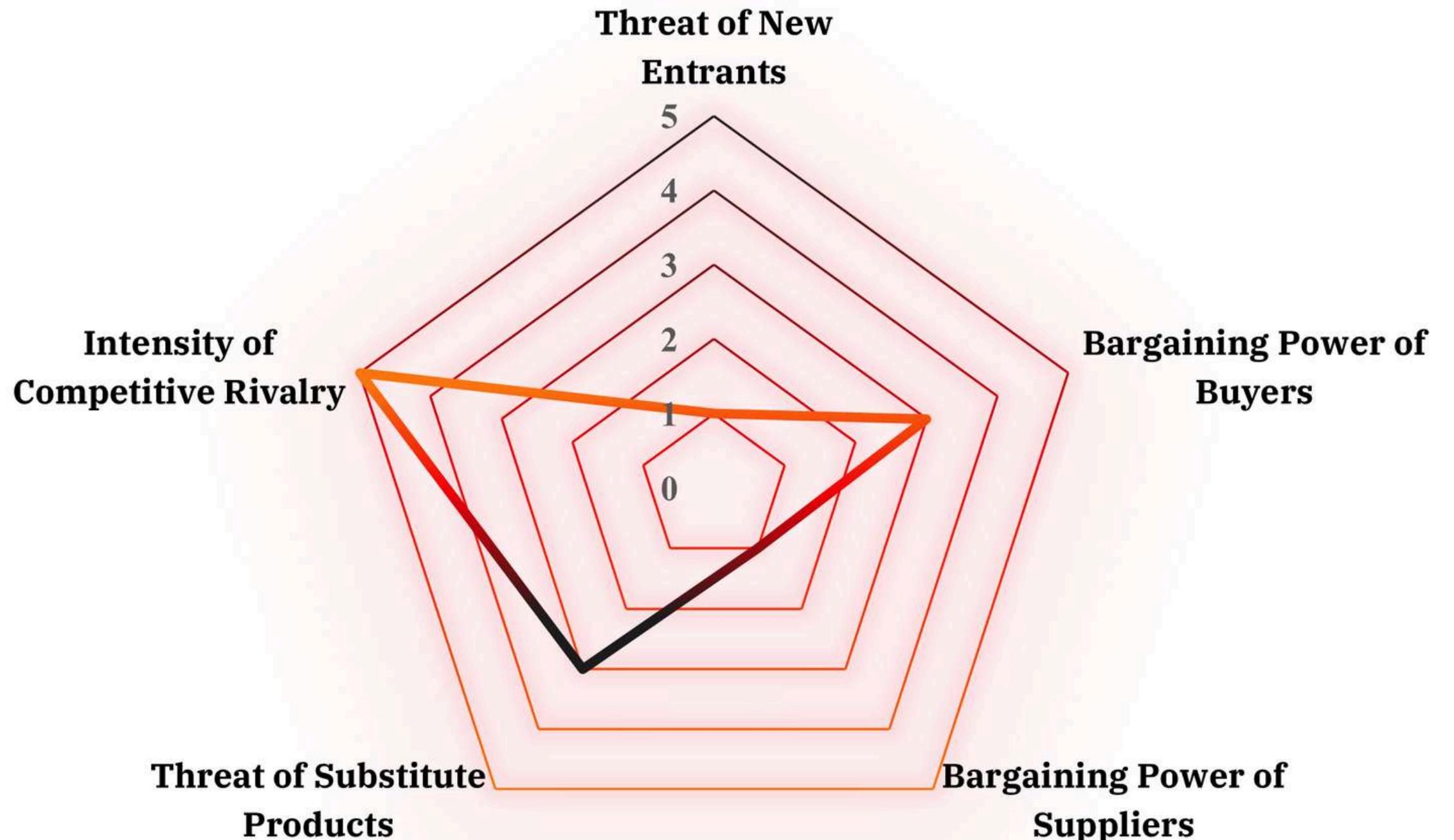
- Increased government laws targeting sugary beverages, such as tariffs on high-sugar goods, could have an influence on sales and demand for CCI's traditional carbonated drinks.
- Water is a vital ingredient in beverage production, so water scarcity or quality difficulties in specific places can delay operations and raise CCI's production costs.

# Currency Forecast

	2020	2021	2022	2023E	2024E	2025E	2026E
TRY	7.3405	12.9775	18.6983	29.6229	39.459	40.3	45.85
PKR	159.6	176.32	267.5	345.61	427.17396	479.2892	517.153



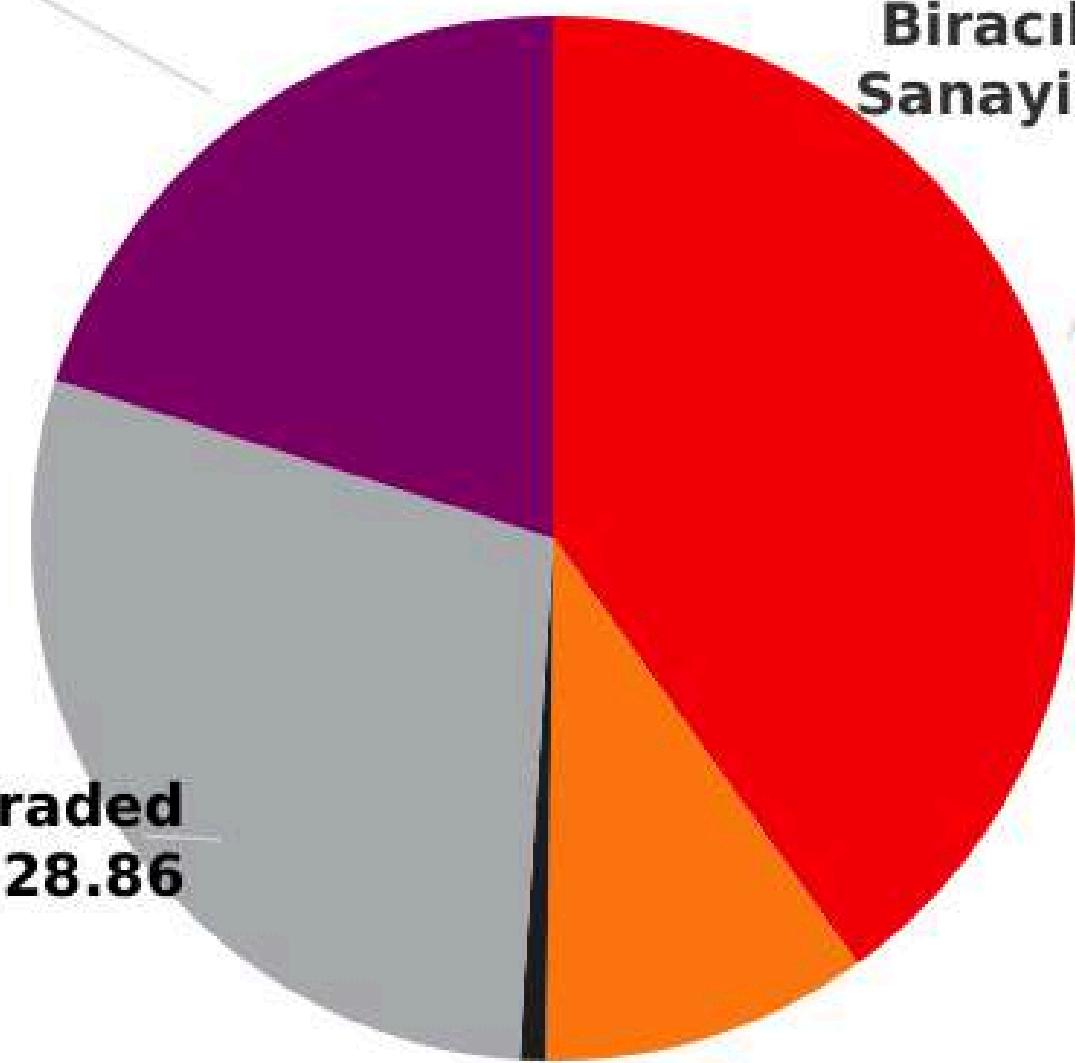
# Porter's Five Web Diagram



# Shareholder's Structure

**The Coca-Cola Export  
Corporation 20.09**

**Publicly traded  
shares 28.86**



**Anadolu Efes  
Biracılık ve Malt  
Sanayi A.Ş. 40.12**

**Efes Pazarlama  
ve Dağıtım  
Ticaret A.Ş. 10.13**

**Özgörkey  
Holding A.Ş. 0.79**

# Credit Ratings

	<b>S&amp;P Ratings</b>	<b>Fitch Ratings</b>	<b>JCR Ratings</b>
Long Term Credit Rating	BB+	BBB	AAA (Tr)
Outlook	Negative	Stable	Stable
Senior Unsecured Debt	BB+	BBB	BBB

# Peer Comparison- Net Margin

COMPANY NAME	Net Margin - %					2018
	2022	2021	2020	2019	2018	
CCOLA.IS	8.67	11.04	9.16	7.82	3.31	8
CCEP	8.78	7.18	4.7	9.07	7.66	7.478
Hellenic	4.52	7.64	6.77	6.95	6.73	6.522
Japan	-1	-1.91	-0.9	-6.77	1.1	-1.896
KOF	8.66	8.38	5.65	6.49	6.42	7.12
ARCA	8.95	8.12	7.33	7.12	6.81	7.666
AKOb	4.83	7.08	7.25	9.85	5.83	6.968
Sector Average	6.201429	6.79	5.708571	5.79	5.408571	

# Peer Comparison- Operating Margin

	Operating Margin - %					
CCOLA.IS	15.01	15.83	14.99	13.26	11.91	14.2
CCEP	14.01	12.96	11.12	13.96	13.82	13.174
Hellenic	9.59	10.77	10.56	10.68	9.94	10.308
Japan	-1.61	-1.6	0.38	1.69	1.94	0.16
KOF	13.37	13.99	12.65	13.11	13.14	13.252
ARCA	14.62	13.88	13.22	12.83	12.01	13.312
AKOb	12.98	12.56	14.04	14.35	12.56	13.298
Sector Average	11.13857	11.19857	10.99429	11.41143	10.76	

# Peer Comparison- ROE

	Return on Average Common Equity - %					
CCOLA.IS	26.07	21.93	17.45	15.9	6.22	17.514
CCEP	20.83	15.04	8.18	17.14	13.31	14.9
Hellenic	12.99	19.05	15.57	16.79	14.62	15.804
Japan	-1.67	-3.02	-1.42	-11.11	1.64	-3.116
KOF	15.31	13.12	7.76	9.78	8.71	10.936
ARCA	13.03	10.35	8.95	8.53	7.83	9.738
AKOb	12.65	16.92	12.82	19.94	12.02	14.87
Sector Average	14.17286	13.34143	9.901429	10.99571	9.192857	

# Peer Comparison- ROIC

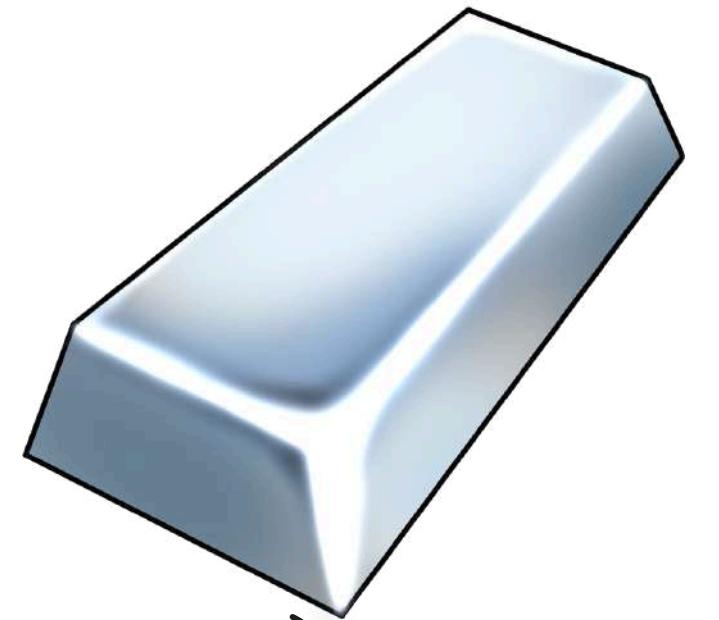
	Return on Invested Capital - %					
CCOLA.IS	0.17745	0.193362	0.196578	0.147823	0.136139	0.17027
CCEP	8.29	6.55	4.62	9.63	8.18	7.454
Hellenic	7.27	10.28	8.03	10.05	10.29	9.184
Japan	0	0	0	0	1.48	0.296
KOF	15.31	13.12	7.76	9.78	8.71	10.936
ARCA	32.59	34.79	35.13	38.51	15.85	31.374
AKOb	129.18	97.57	115.86	79.72	88.03	102.072
Sector Average	10.60624	23.21477	24.5138	21.11969	18.95373	

# Peer Comparison- Debt to Equity

	Total Debt Percentage of Total Equity					
CCOLA.IS	91.44	62.73	70.51	74.52	79.46	75.732
CCEP	159.89	182.25	119.29	104.3	85.59	130.264
Hellenic	101.01	94.24	111.1	123.13	51.48	96.192
Japan	37.78	43.48	53.77	48.67	17.7	40.28
KOF	61.27	68.42	72.5	55.03	62.09	63.862
ARCA	32.59	34.79	35.13	38.51	15.85	31.374
AKOb	129.18	97.57	115.86	79.72	88.03	102.072
Sector Average	87.59429	83.35429	82.59429	74.84	57.17143	



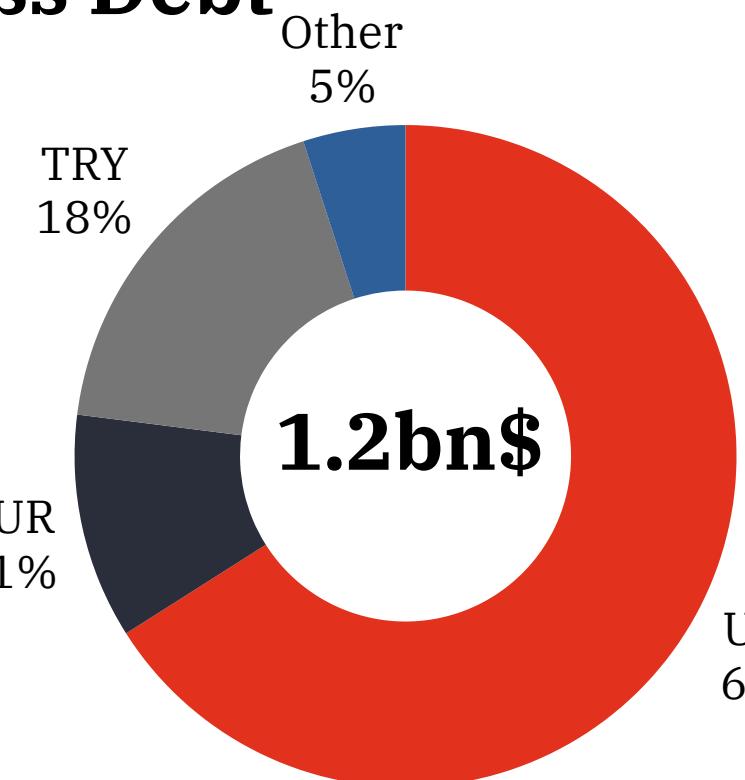
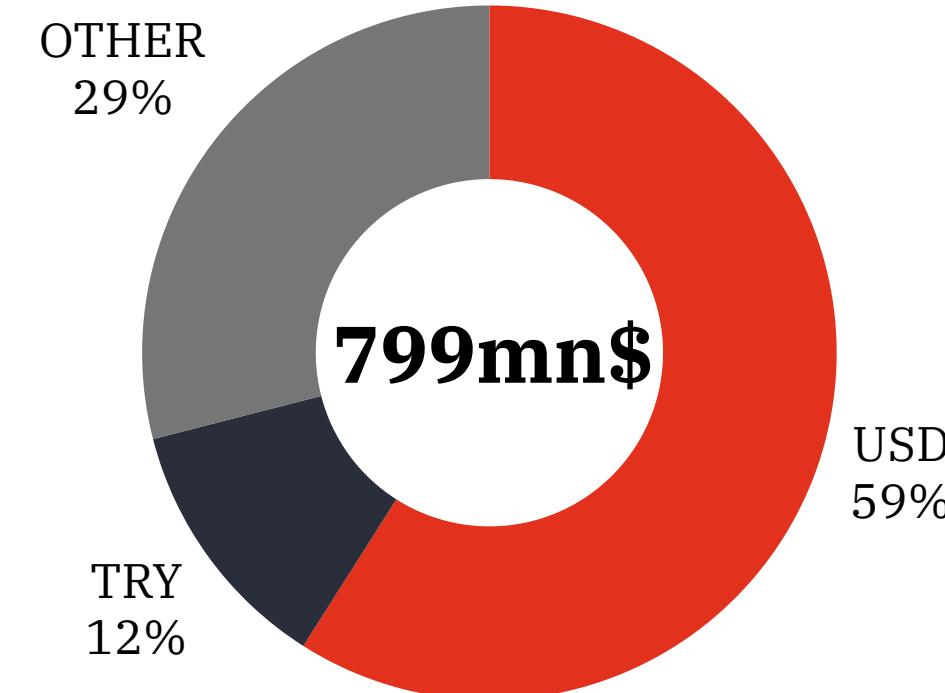
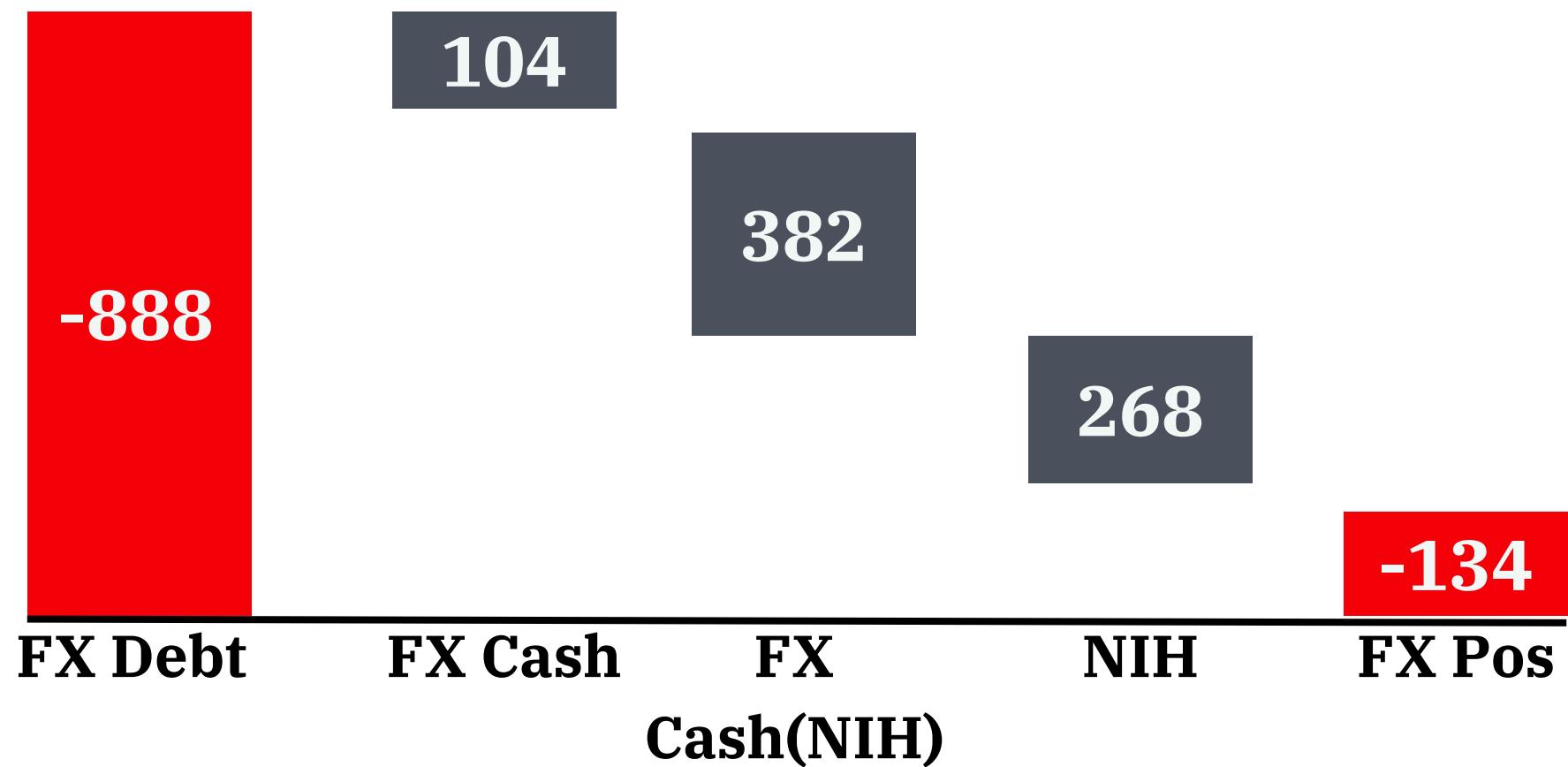
2023 100%  
2024 14%\*



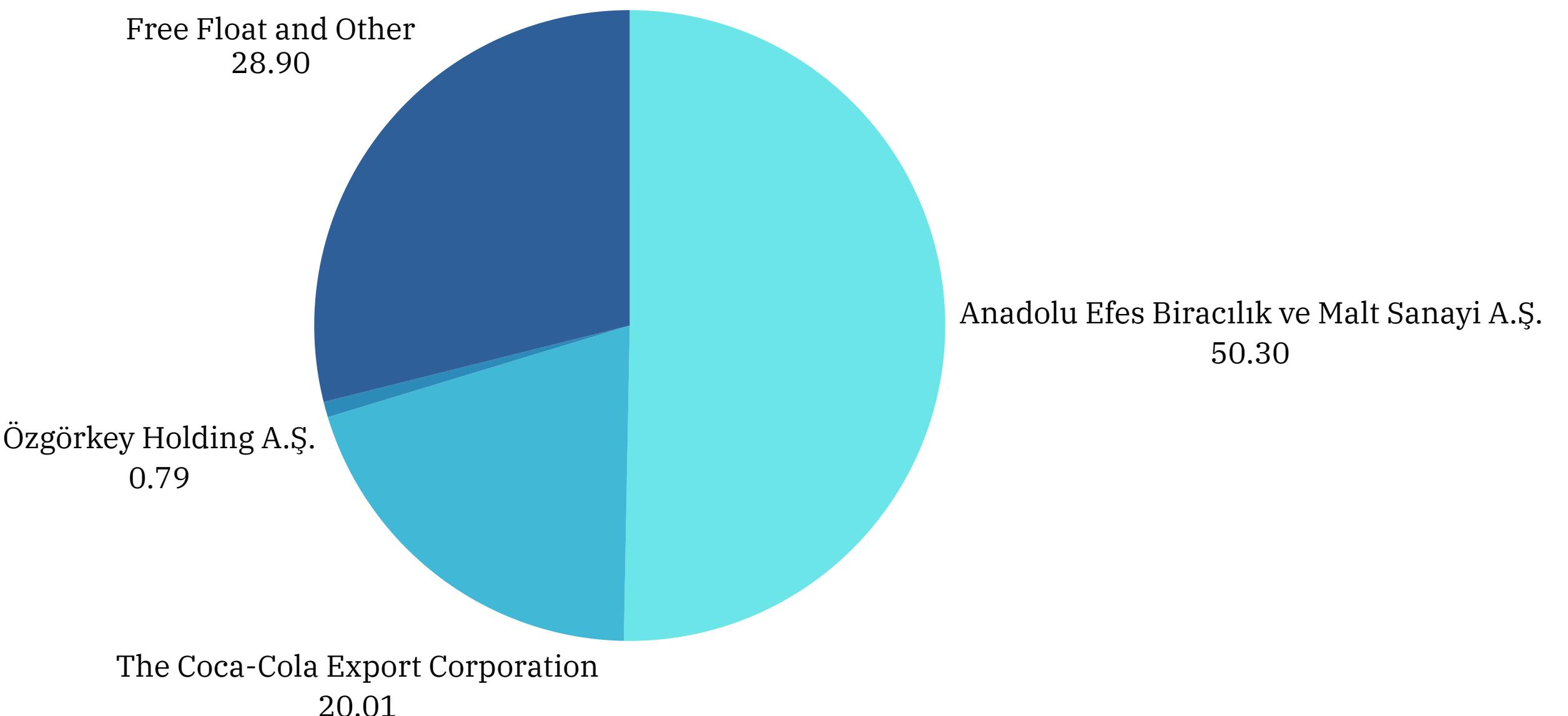
2023 100%  
2024 50%



2023 100%  
2024 42%

**Gross Debt****Cash****Net Debt / EBITDA****FX Position**

Average Debt to Maturity : 3,5 Years



## Composition of BoD

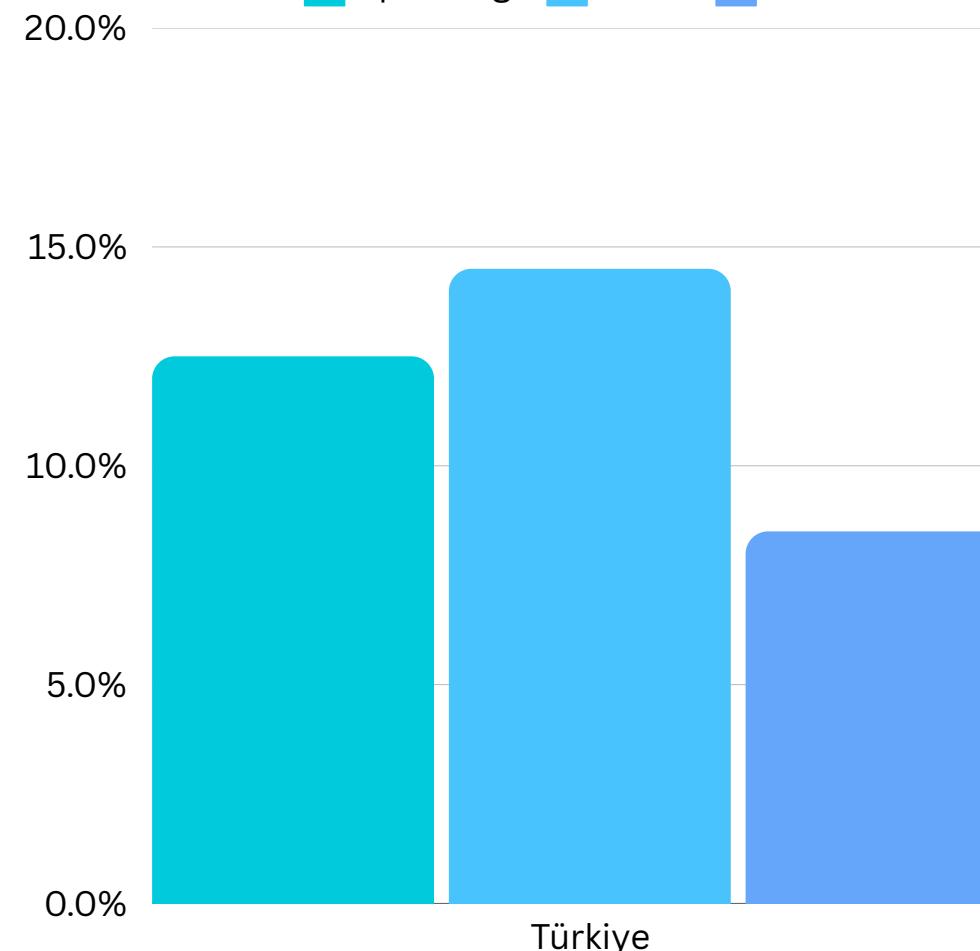
12 Members

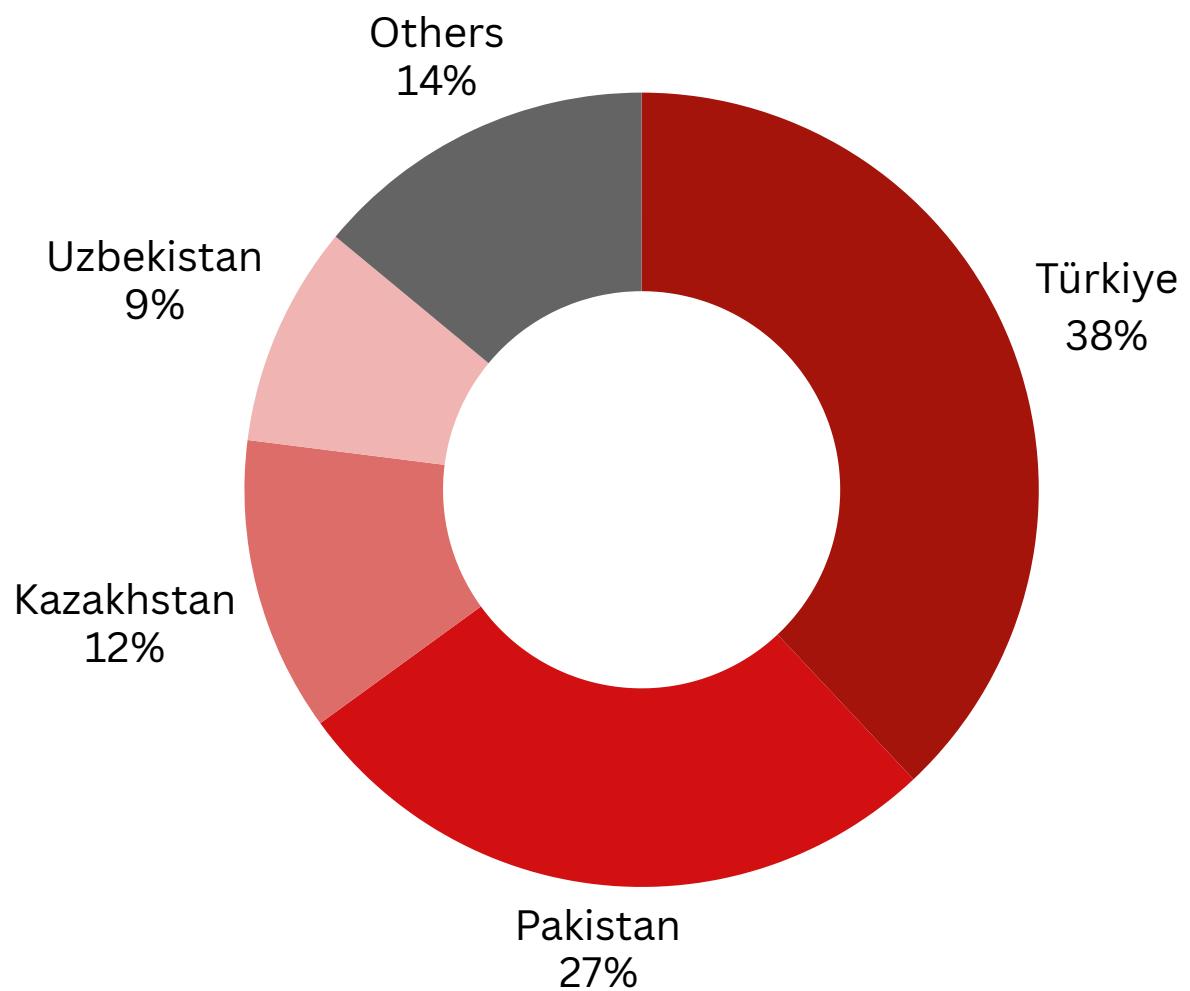
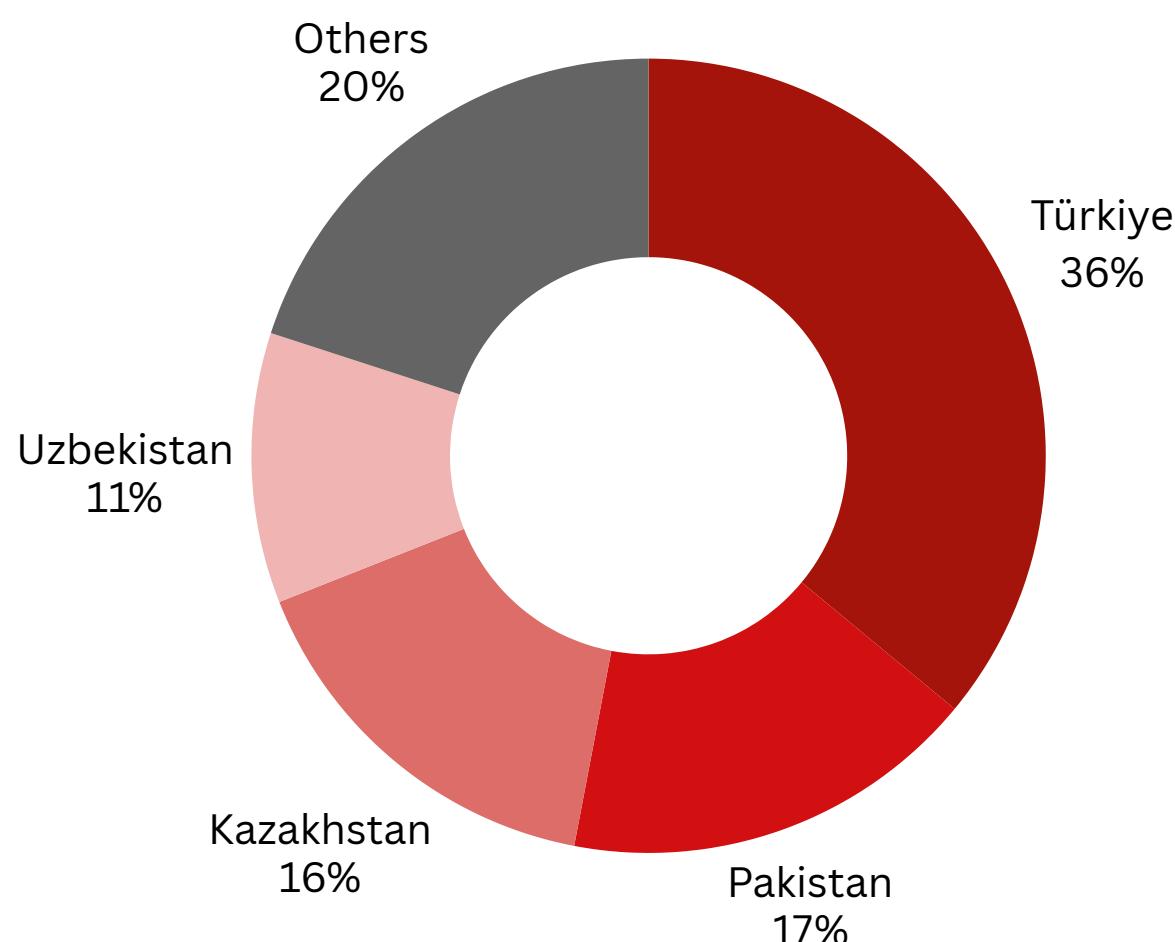
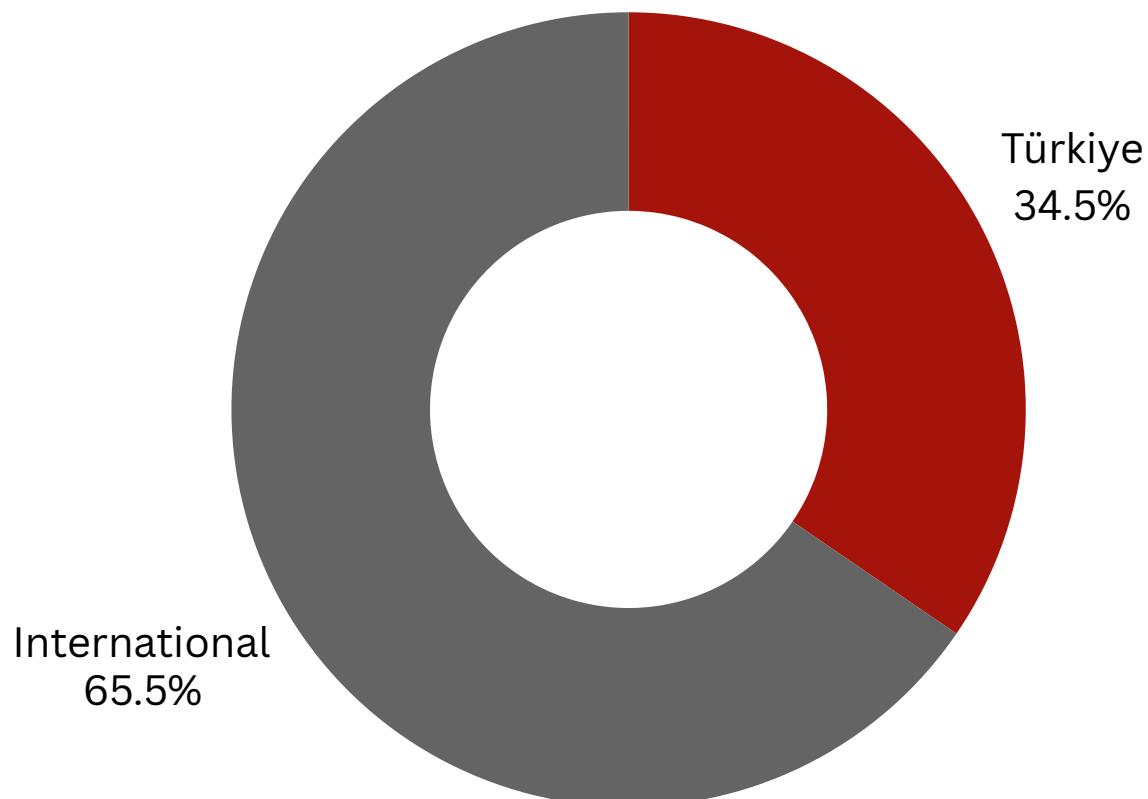
- 12 of whom are non-executive
- 4 of whom are independent

## 3Q23 growth in Categories

	Growth (YoY)		Breakdown	Growth (YoY)	Breakdown
	3Q23	3Q22	3Q23	3Q22	9 M 23
Sparkling	1.8%	10.9%	82%	83%	(0.5%)
Stills	8.2%	7.1%	8%	8%	4.5%
Water	10.1%	14.3%	10%	9%	(6.5%)
Total	3.1%	7.5%	100%	100%	(0.7%)

Sparkling   Stills   Water



**Volume****Revenue****EBITDA**

## Consumer & Customer Experience

- **CCI next:** A digital channel for customers to self-serve
- **ASA:** AI based order prediction engine
- **DAHA:** Consumer engagement platform



**Excitement**  
&  
**Recruit of new consumers**

## Asset Optimization

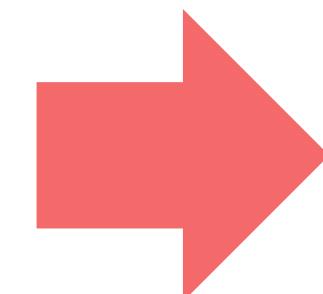
- **Connected Planning & Fullfillment:** Optimized Logistics
- **Digital Twin:** Predictive maintenance in plants
- **DProX:** e2e visibility From source to procure

## People Experience

- **Robotics & Automation:**
- **UpSkill & ReSkill**

## CCI analyzes

- macroeconomic dynamics,
- population growth potential,
- GDP per capita,
- NARTD per capita,
- food and beverage consumption culture in the country,
- and the amount of investment foreseen to improve fundamentals



## Inorganic growth opportunities:

- CCI wants to buy **more than 50%** of the business to enable full consolidation
- CCI generally looks for the countries with **good prospective macroeconomic dynamics** and **low per capita NARTD consumption**
- CCI is willing to acquire business that are close (**maximum 4-5 time zones away**)
- **ROIC must exceed WACC**

## ROUTE TO MARKET (RTM)

## Sales Force Automation

application used in all CCI countries

routes-> Fastest, shortest

reduces carbon footprint and saves time

## One Number Execution Score

application used to monitor the performance development of markets

based on:

- Customer Availability
- Field Application Success
- Refrigeration Availability
- Efficiency

## CCI Next

## mobile application

Customers from On Premise and Traditional sales order from this app



- optimizes the frequency of customer visits by sales representatives
- lowers physical visits and average visit time
- more efficiency



## artificial sales assistant

predict orders based on historical data and market conditions

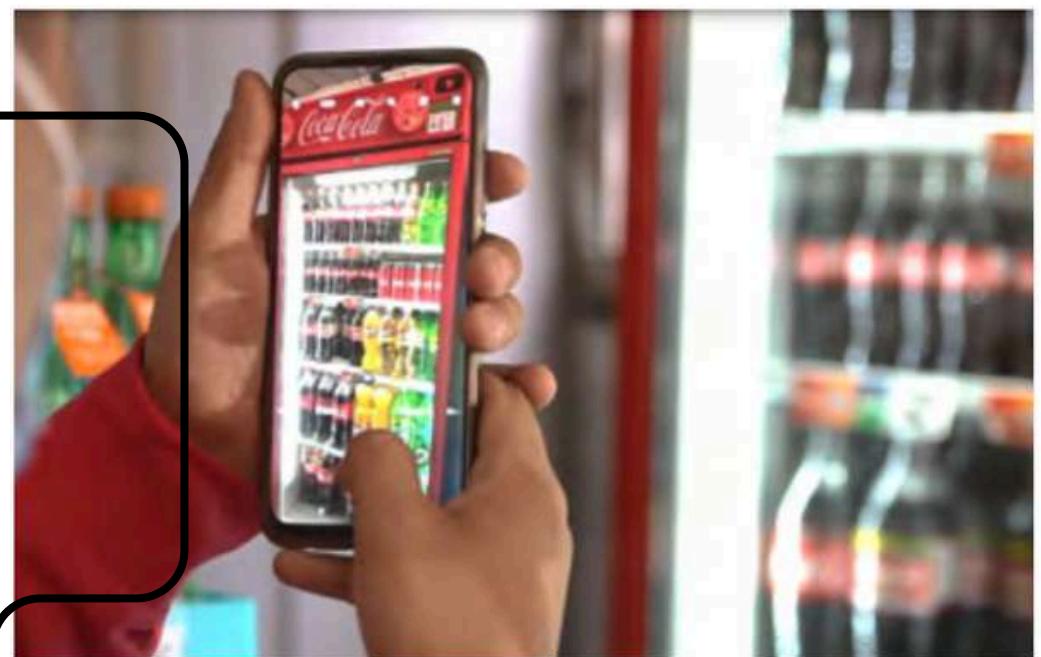
## RIGHT EXECUTION DAILY (RED)

- Deliver products effectively

Drives business growth via:

- Picture of Success
- Tracking
- Reporting and Analysis
- Coaching

## Image recognition



Example: Photo recognition technology

Sales team takes the photo -> visibility and availability of the products are accessed rapidly.

More accurate data in less time, low cost.

Allows to cover more customers.

Available in 8/11 countries.

**Aims:**

- improve customer experience
- superior levels of efficiency, quality, and environmental sustainability
- Automate low value added jobs
- minimize security risks
- innovation



data and digital capabilities

- Enterprise Resource Planning
  - Customer Relationship Management
  - Contract Management
  - Procurement Management
  - Warehouse Management
  - Transport Management
- via AI, ML, IoT, edge computing.

**used in forecasting, demand and supply planning etc.**

## SPARKLING SOFT DRINKS

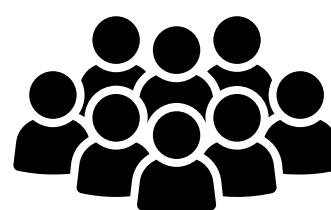
  
Coca-Cola  
ORJİNAL TAT  
Coca-Cola  
ZERO SUGAR  
Coca-Cola  
light  
FANTA  
Sprite  
Sprite  
CRYSTAL  
SchweppesFRUIT JUICE &  
ICED DRINKS  
fusetea  
Cappy  
Piko  
TEMPOWATER & SPARKLING  
WATER & SOFT DRINKS  
damla  
damla  
Doğal Kaynak Suyu  
alwaha  
bon-aqua  
arwa  
dasani  
POWER  
ADE.ENERGY DRINKS &  
COFFEE  
MONSTER  
ENERGY  
BURN  
ENERGY DRINK  
ROAR  
PREDATOR  
ENERGY  
COSTA  
COFFEE

## Acquisition Details



%100 Shares  130 Million

## Bangladesh Overview



Population  
~170mn



2012-2022  6.5%  
2023-2028  6.7%

Expected to exit the United Nations  
Least Developed Countries list by 2026

## Key Points



CCBB is one of two Coca-Cola bottlers in **Bangladesh**  
Established in 2009



Operates one  
bottling plant



Three main  
warehouses



Market leader in  
carbonated beverages  
with a 45.3% market  
share as of 2023

## NARTD



2019-2022  10% CAGR  
410 Million Unit Cases  
2032 Expected: 716 Million Unit Cases

2023-2032  with an average annual growth rate of  
12%



Employs over 300  
people



Serving approximately 100  
million consumers in Rangpur,  
Raj Shahi, Mymensingh, and  
Dhaka regions





# INVESTMENT HIGHLIGHTS



**DOMINATING THE GROWING MARKET**



**PROTECTED REVENUE STRUCTURE**

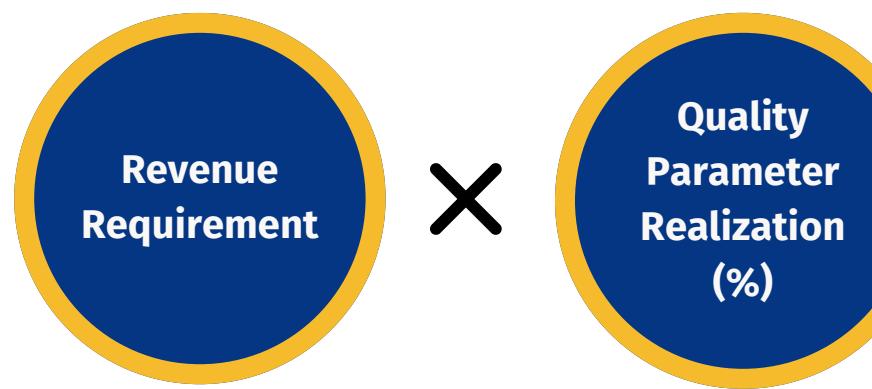


**LEADING THE SUSTAINABLE ENERGY MARKET**



**CONSISTENT AND GENEROUS DIVIDEND POLICY**

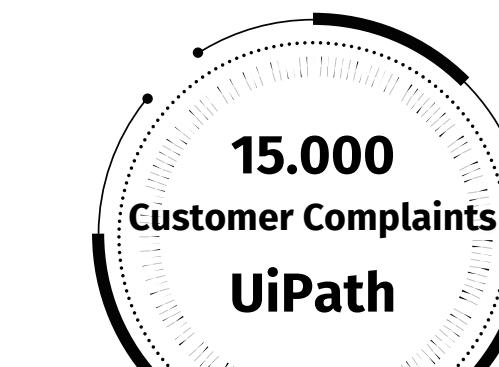
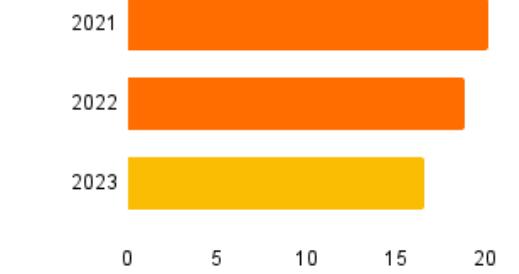




Average Downtime Index (Hours)



Average Outage Frequency Index (OKSIK) (number of power outages)



Growth of Charging Stations

