

**KUZEY BORU ANONİM ŐİRKETİ**

**1 January - 31 March 2024 Financial Statements for the  
Accounting Period**

## KUZEY BORU ANONİM ŞİRKETİ

### Statement of Financial Position

As of 31 March 2024

(Amounts expressed in Turkish lira (“TL”) unless otherwise indicated.)

ASSETS	Notes	31 March 2024	31 December 2023
Cash and cash equivalents	3	500,757,620	808,984,313
Financial investments	6	151,793,806	-
Trade receivables			
- <i>Receivables from third parties</i>	5	862,773,234	515,990,157
Other receivables			
- <i>Receivables from third parties</i>	8	7,835,748	147,314
Inventories	9	687,505,692	448,948,780
Prepaid expenses	10	87,638,168	41,543,328
Other current assets	15	5,480,270	182,462
<b>Total current assets</b>		<b>2,303,784,538</b>	<b>1,815,796,354</b>
Other receivables			
- <i>Receivables from third parties</i>	8	4,707	7,450
Tangible assets	11	1,227,360,894	1,134,398,687
Intangible assets	12	723,450	812,838
Prepaid expenses	10	-	96,607
<b>Total non-current assets</b>		<b>1,228,089,051</b>	<b>1,135,315,582</b>
<b>TOTAL ASSETS</b>		<b>3,531,873,589</b>	<b>2,951,111,936</b>

The accompanying notes form an integral part of the financial statements.

# KUZEY BORU ANONİM ŞİRKETİ

## Statement of Financial Position

As of 31 March 2024

(Amounts expressed in Turkish lira (“TL”) unless otherwise indicated.)

LIABILITIES	Notes	31 March 2024	31 March 2023
Current borrowings	7	149,259,340	43,553,978
Current portions of non-current borrowings	7	196,206,937	395,288,671
Current leasing borrowings	7	16,957,472	20,600,326
Other financial liabilities	7	1,680,438	865,158
Trade payables			
- Payables to third parties	5	332,295,250	155,816,316
Other payables			
- Payables to third parties	8	826,510	639,842
Payables for employee benefits	14	12,028,358	8,471,772
Deferred income	10	339,307,360	259,370,656
Current provisions			
- Current provisions for employee benefits	14	3,708,225	3,068,456
- Other provisions for employee benefits	14	3,529,381	4,061,034
Other Current liabilities	15	7,824,552	8,689,336
<b>Total current liabilities</b>		<b>1,063,623,823</b>	<b>900,425,545</b>
Non-current borrowings	7	33,586,475	39,256,954
Non-current leasing borrowings	7	60,864,922	44,628,037
Trade payables			
- Payables to third parties	5	278,517,750	-
Non-current provisions			
- Non-Current provisions for employee benefits	14	2,679,453	2,274,078
Deferred tax liability	23	2,263,328	39,165,307
<b>Total non-current liabilities</b>		<b>377,911,928</b>	<b>125,324,376</b>
Paid-in capital	16	100,000,000	80,000,000
Positive distinction from share capital adjustment	16	237,357,655	235,588,637
Other refills	16	-	23,012,725
Premiums (discounts) related to shares	16	764,455,310	764,455,310
<b>Other Accumulated Comprehensive Income and Expenses Not to be Reclassified to Profit and Loss</b>			
- Fixed assets revaluation increases/decreases	16	252,027,509	252,027,509
- Remeasurement gains/losses of defined benefit plans	16	2,473,534	(1,082,735)
Restricted reserves separated from profit	16	14,724,471	5,680,707
Previous years' profits		557,879,805	391,776,942
Net profit for the period		161,419,554	173,902,920
<b>EQUITY</b>		<b>2,090,337,838</b>	<b>1,925,362,015</b>
<b>TOTAL LIABILITIES</b>		<b>3,531,873,589</b>	<b>2,951,111,936</b>

The accompanying notes form an integral part of the financial statements.

## KUZEY BORU ANONİM ŞİRKETİ

### Statement of Profit or Loss and Other Comprehensive Income

#### For The Year Ended 31 March 2024

(Amounts expressed in Turkish lira (“TL”) unless otherwise indicated.)

	Notes	1 January – 31 March 2024	1 January – 31 March 2023
Revenues	17	967,893,164	332,385,717
Cost of sales (-)	17	(723,906,626)	(260,609,393)
<b>Gross profit</b>		<b>243,986,538</b>	<b>71,776,324</b>
General and administrative expenses (-)	18	(20,191,642)	(15,864,471)
Marketing, sales, and distribution expenses (-)	19	(81,450,647)	(23,957,166)
Other income from main operations	20	15,576,164	2,273,929
Other operating expenses (-)	20	(10,694,385)	(7,990,625)
<b>Operating profit</b>		<b>147,226,028</b>	<b>26,237,991</b>
Expenses from investment activities (-)	21	566,017	-
<b>Operating profit before financing expense</b>		<b>147,792,045</b>	<b>26,237,991</b>
Financing revenues	22	73,364,363	1,257,776
Financial expenses (-)	22	(43,897,909)	(14,653,706)
Net monetary (loss) / gain		(39,836,655)	85,710,558
<b>Profit before tax</b>		<b>137,421,844</b>	<b>98,552,619</b>
Period tax expense	23	(3,170,954)	(6,544,492)
Deferred tax (expense)	23	27,168,664	(12,863,088)
<b>Period profit</b>		<b>161,419,554</b>	<b>79,145,039</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>3,556,270</b>	<b>12,405,862</b>
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Gains on remeasurement of defined benefit plans	14	4,618,533	15,507,327
Deferred tax revenue	23	(1,062,263)	(3,101,465)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>164,975,824</b>	<b>91,550,901</b>

The accompanying notes form an integral part of the financial statements.

## KUZEY BORU ANONİM ŞİRKETİ

### Statement of Changes in Equity For The Year Ended 31 March 2024

(Amounts expressed in Turkish lira (“TL”) unless otherwise indicated.)

								Other accumulated comprehensive income or expenses that will not be reclassified to profit or loss			
	Paid in capital	Positive distinction from share capital adjustment	Premiums (discounts) related to shares	Other reserves	Restricted reserves separated from profit	Fixed assets revaluation increases	Defined benefit plan remeasurement differences	Previous years’ profits	Net profit/ (loss) for the period	Equity total	
<b>1 January 2023</b>	<b>60,000,000</b>	<b>220,033,913</b>	-	-	<b>1,190,958</b>	<b>49,963,601</b>	<b>(701,881)</b>	<b>103,733,441</b>	<b>232,431,759</b>	<b>666,651,791</b>	
Transfers	20,000,000	15,756,722	-	-	-	-	-	196,675,037	(232,431,759)	-	
Other comprehensive income/expense	-	-	-	-	6,936,674	-	12,405,861	-	-	19,342,535	
Net profit for the period	-	-	-	-	-	-	-	-	79,145,039	79,145,039	
<b>31 March 2023</b>	<b>80,000,000</b>	<b>235,790,635</b>	-	-	<b>8,127,632</b>	<b>49,963,601</b>	<b>11,703,980</b>	<b>300,408,478</b>	<b>79,145,039</b>	<b>765,139,365</b>	
<b>1 January 2024</b>	<b>80,000,000</b>	<b>235,588,637</b>	<b>764,455,310</b>	<b>23,012,725</b>	<b>5,680,707</b>	<b>252,027,509</b>	<b>(1,082,735)</b>	<b>391,776,942</b>	<b>173,902,920</b>	<b>1,925,362,015</b>	
Transfers	20,000,000	1,769,018	-	(23,012,725)	9,043,764	-	-	166,102,863	(173,902,920)	-	
Other comprehensive income/expense	-	-	-	-	-	-	3,556,269	-	-	3,556,269	
Net profit for the period	-	-	-	-	-	-	-	-	161,419,554	161,419,554	
<b>31 March 2024</b>	<b>100,000,000</b>	<b>237,357,655</b>	<b>764,455,310</b>	-	<b>14,724,471</b>	<b>252,027,509</b>	<b>2,473,534</b>	<b>557,879,805</b>	<b>161,419,554</b>	<b>2,090,337,838</b>	

The accompanying notes form an integral part of the financial statements.

# KUZEY BORU ANONİM ŞİRKETİ

## Statement of Cash Flow

For The Year Ended 31 March 2024

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	Notes	1 January – 31 March 2024	1 January – 31 March 2023
<b>A. CASH FLOWS FROM BUSINESS ACTIVITIES</b>			
<b>Profit for the Period</b>		<b>161,419,554</b>	<b>79,145,039</b>
<b>Adjustments to Reconcile Profit for the Period</b>			
Adjustments for depreciation and amortization	11,12	15,134,481	12,935,802
Corrections regarding lawsuit provisions	14	-	2,618,869
Fixes regarding leave provisions	14	1,041,478	483,737
Adjustments regarding interest income	22	(72,809,525)	(1,171,196)
Adjustments regarding severance pay expense	14	6,345,572	16,887,015
Adjustments for impairment of trade and other receivables		-	(204,068)
Net monetary loss/gain		(28,241,984)	(38,075,011)
Adjustments regarding tax expense/income	23	(37,964,242)	10,382,314
<b>Operating Profit Before Changes in Working Capital</b>		<b>44,925,334</b>	<b>83,002,501</b>
Adjustments for increase/decrease in trade receivables		(346,783,077)	(334,630,070)
Adjustments regarding increase/decrease in trade receivables		(238,556,912)	(202,695,690)
Adjustments related to increase/decrease in stocks		(7,685,691)	23,099
Adjustments for increases/decreases in other receivables related to activities		(45,998,233)	(46,780,955)
Adjustments for increases/decreases in prepaid expenses		(5,297,808)	(8,519,376)
Adjustments for increases/decreases in other assets		454,996,684	(1,959,371)
Adjustments regarding increase/decrease in commercial payables		186,668	2,839,553
Adjustments for increases/decreases in other payables related to operations		79,936,704	385,932,472
Adjustments related to increase/decrease in deferred revenues		(864,784)	(2,779,438)
Adjustments for increases/decreases in other liabilities		3,556,586	2,050,360
Adjustments regarding increases/decreases in employee benefits	22	72,809,525	1,171,196
Interest received	14	(1,023,952)	(802,556)
<b>Cash Flows from Operations</b>		<b>10,201,044</b>	<b>(123,148,276)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash outflows from the sale of tangible and intangible assets	11,12	(108,186,905)	(8,049,882)
Cash inflows from the sale of tangible and intangible assets	11,12	179,605	-
<b>Cash Flows from Investment Activities</b>		<b>(108,007,300)</b>	<b>(8,049,882)</b>
<b>C. CASH FLOWS FROM FINANCE ACTIVITIES</b>			
Cash inflows/outflows arising from other receivables from related parties/other payables to related parties		-	(2,027,874)
Cash inflows from financial borrowings	6	252,807,805	261,297,689
Cash Outflows Related to Debt Payments		(280,787,375)	(92,604,764)
Change in financial assets		(151,793,806)	4,489,749
Interest paid	22	(30,647,061)	(8,967,614)
<b>Cash flows from financing activities</b>		<b>(210,420,437)</b>	<b>162,187,187</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(308,226,693)</b>	<b>30,989,029</b>
<b>D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>808,984,313</b>	<b>28,115,389</b>
<b>Balance at the end of the period</b>		<b>500,757,620</b>	<b>59,104,418</b>

The accompanying notes form an integral part of the financial statements.