



# KUZEYBORU<sup>®</sup>

investor presentation

MARCH 2024



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company overview

# kuzeyboru at a glance



**22** years of experience : 6 sales points : in **5** continents : export to **66** 66 countries : **221** Thousand Tons Production Capacity

# board of directors and partnership structure

06



Mustafa TOPGAÇ  
Kurucu Üye



Bülent KARAMAN  
Kurucu Üye



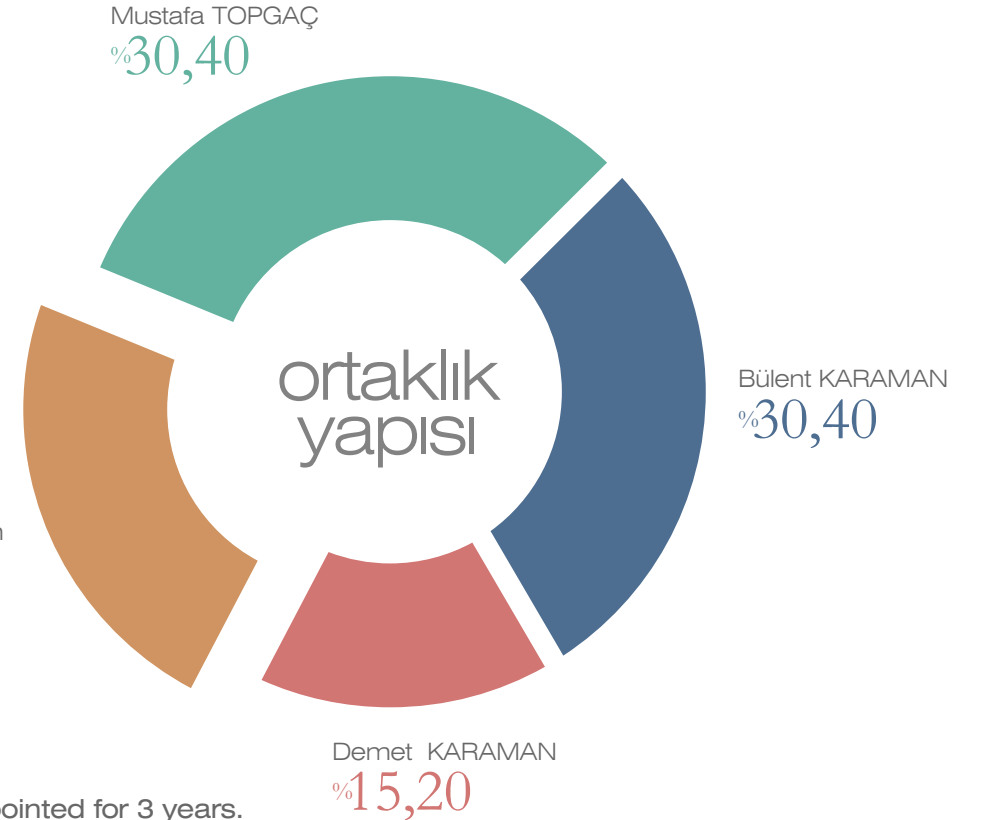
Demet KARAMAN  
Kurucu Üye



Habip ÖZBEK

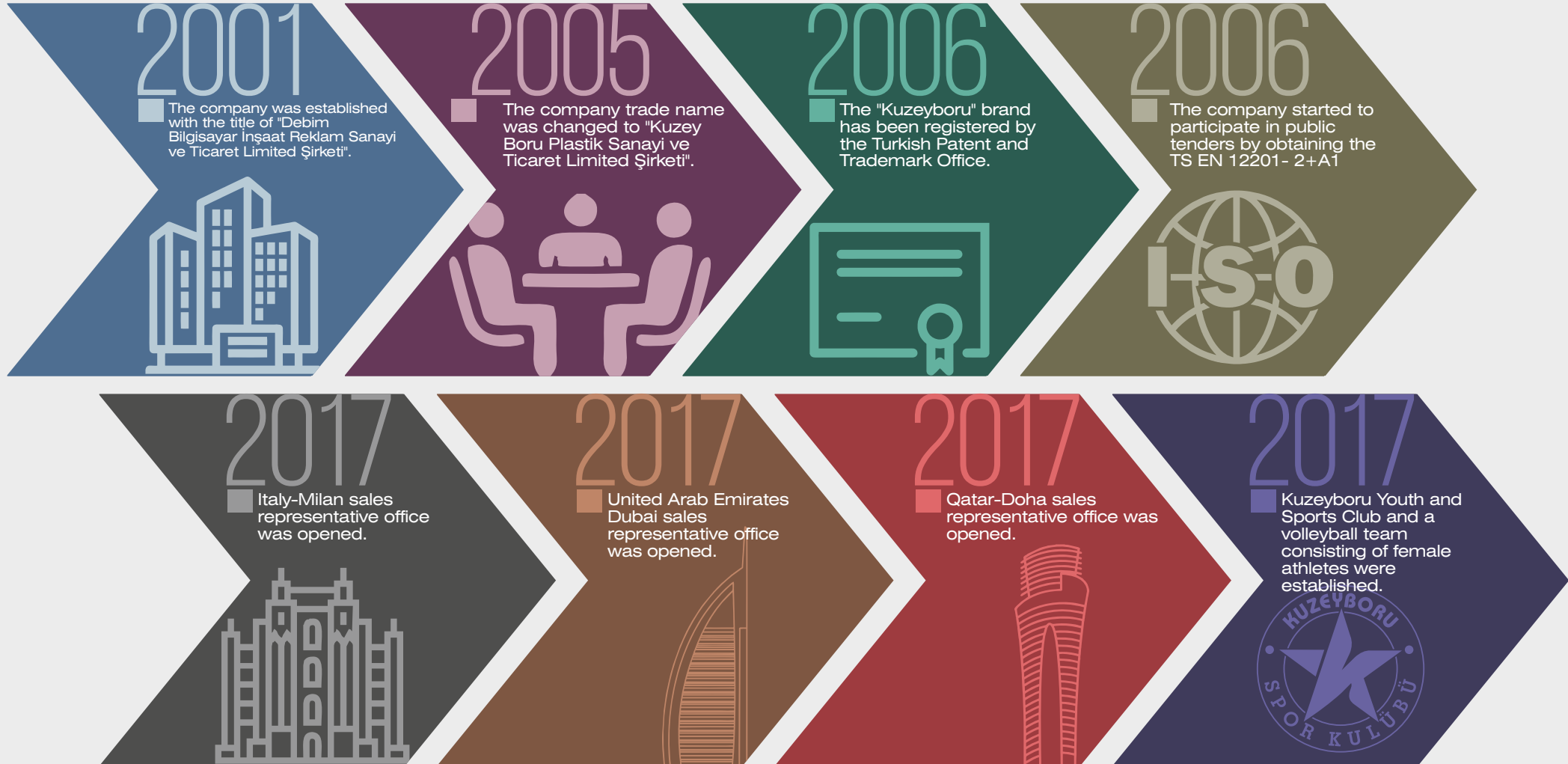


Emine SELDÜZ



By the decision of the General Assembly held on 03.08.2023, the Board of Directors was appointed for 3 years.

# company history



2018

The Company T.R. 8 State Hydraulic Works General Directorate has entered the official supplier list.



2018

The Test-Experiment Laboratory established within the company has been accredited by the Turkish Accreditation Agency.



2019

The company started E-commerce.



2020

The company changed its type and changed its name to "Kuzey Boru A.Ş." has been.



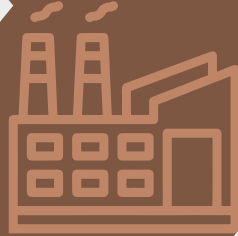
2023

The Ankara Branch of the company was opened. 2023



2023

The Malatya Branch of the company, which is the GRP production



2023

The company has applied to the Capital Markets Board for a public offering.



2023

It started to be traded on the Share Market as of 14.12.2023.



BORSA  
İSTANBUL



# kuzeyboru locations

total

**162.336,23m<sup>2</sup>**

production area



**Kuzeyboru  
in Turkey**

- Aksaray OSB Central Factory and Office
- Malatya OSB (under construction)
- Aksaray Branch
- Ankara Sales Representative
- Istanbul Regional Office



**Kuzeyboru  
in the World**

- United Arab Emirates-Dubai Sales Representation
- Italy-Milano Sales Representation
- Qatar-Doha Sales Representation
- Üretim tesisleri : production facilities

## Üretim tesisleri



### polyethylene pipe production facility

On an area of 55,460.38 m<sup>2</sup>

141,439 tons production capacity

Roof type with 1260 kWp installed  
power

solar energy system (SPP)

4.800 kva capacity industrial

air conditioning and fire response

system transformer



### corrugated pipe production facility

40.121 m<sup>2</sup> open and 10.307 m<sup>2</sup> closed  
area

80,068 tons production capacity



### granule crushing facility

10.030,57 m<sup>2</sup> open area 2.507 m<sup>2</sup>  
closed area

31,643 tons production capacity

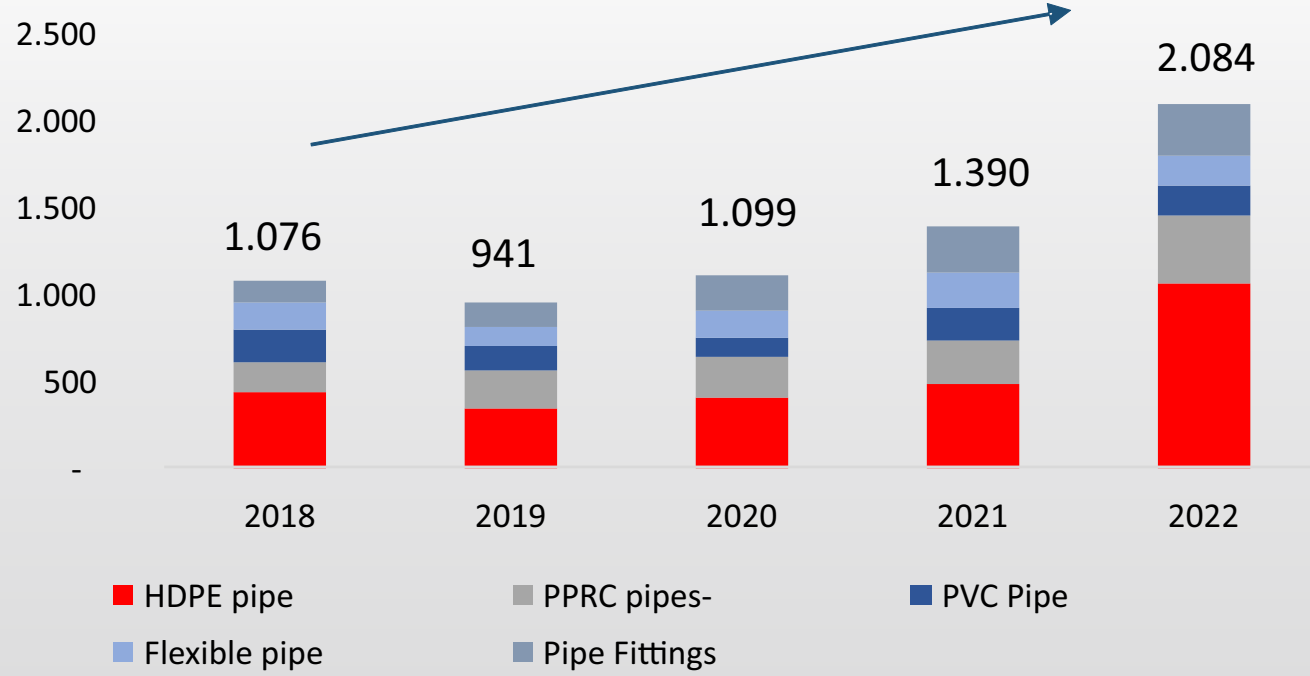
Rooftop solar power plant with a  
capacity of 356 kWp



market overview

# plastic pipe industry Türkiye

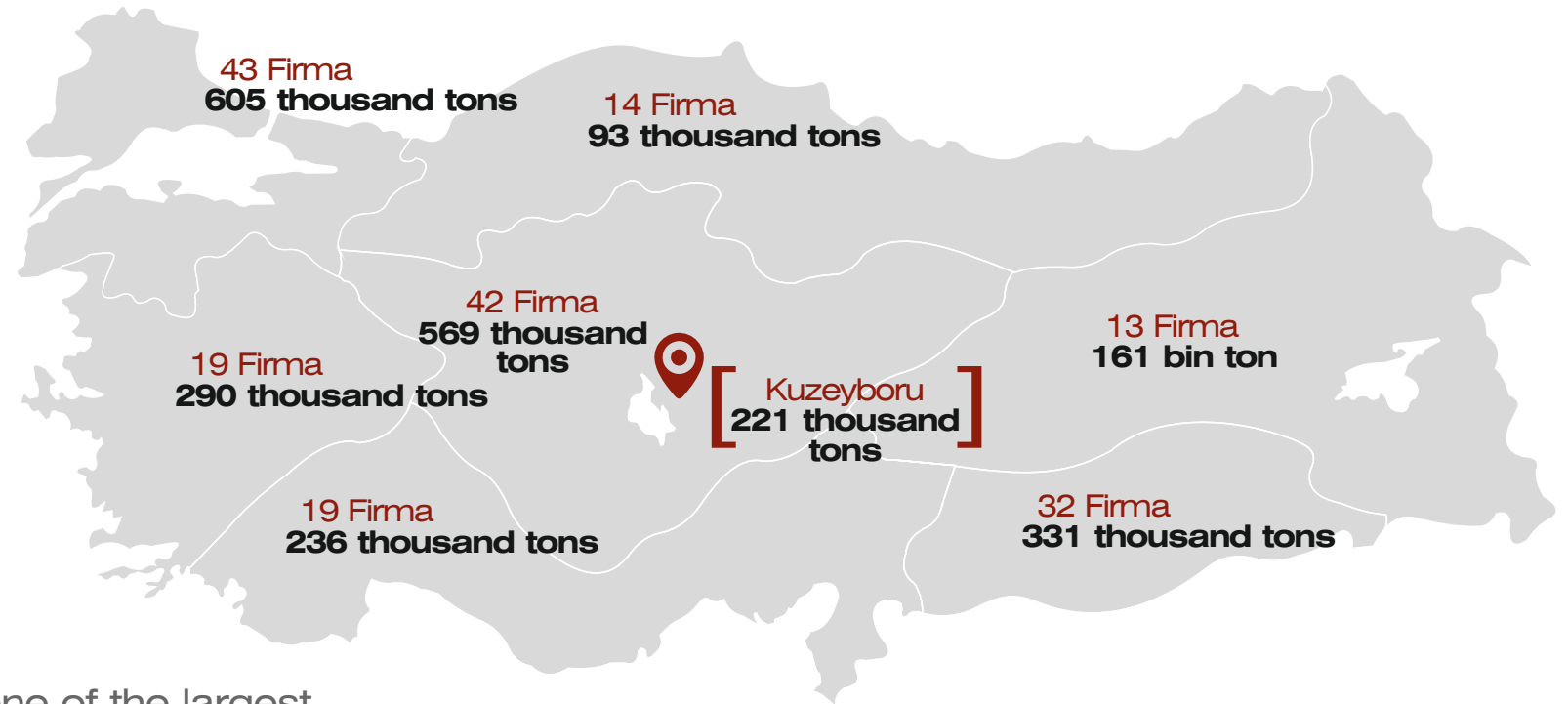
Domestic Plastic Pipe Hose Production (2018 - 2022, thousand tons)



son 5 yılda  
ortalama  
**%18**  
oranında  
artan üretim

Kaynak: TÜİK

# Turkish plastic pipe industry and **Kuzeyboru**



Kuzeyboru is one of the largest producers in the country with a production capacity of

**221 thousand tons**

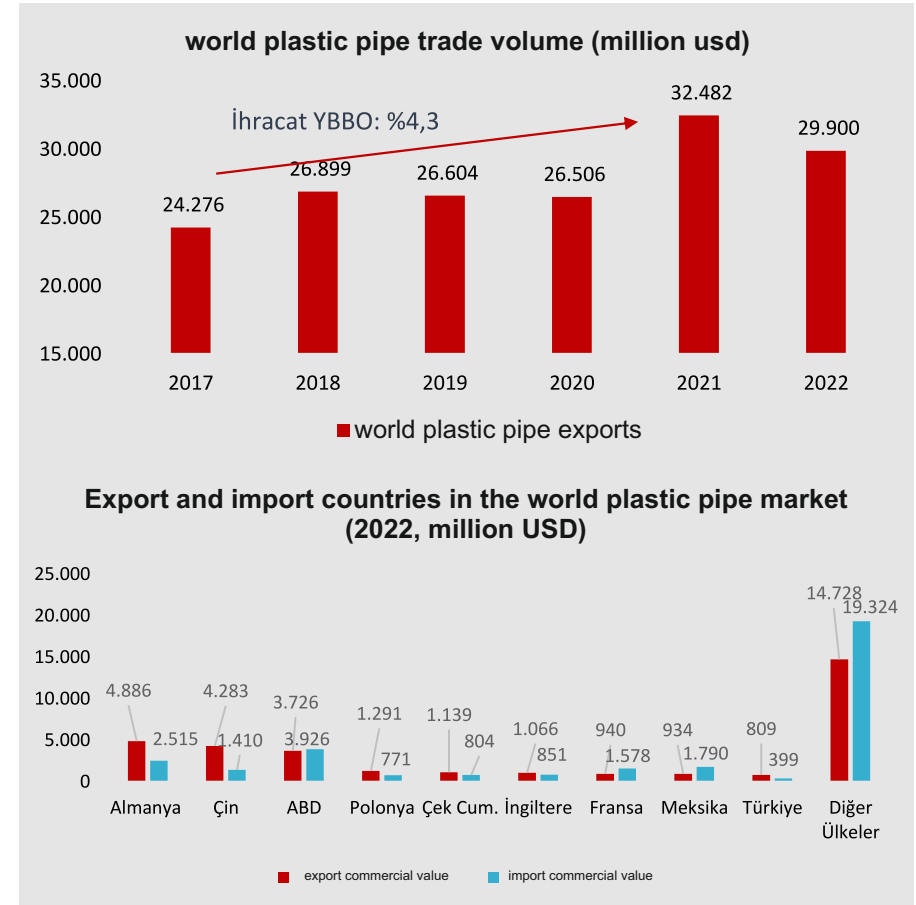
# world trade volume of plastic pipe industry

14 |

The world plastic pipe market is expected to be

**48,5 billion \$**

by 2030.



Kaynak: Trademap, Global Strategic Business Report

# our position in the domestic market

## client group

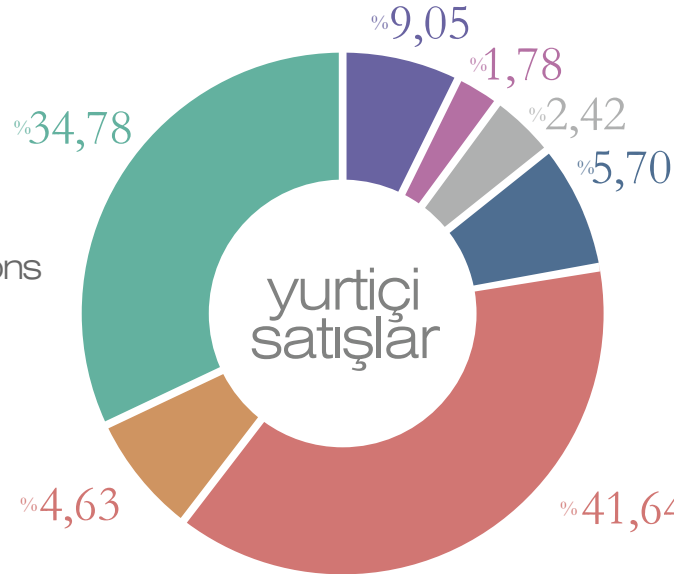


### public institutions

DSI  
 provincial bank  
 highways  
 TOKI  
 Special Provincial Administrations  
 Municipalities



### Construction operating domestically Companies and Contractors



- the Mediterranean region
- Eastern Anatolia Region
- Aegean Region
- Southeastern Anatolia Region
- Central Anatolia Region
- Black Sea region
- Marmara Region

# our position in the international market



**export to over  
100 countries**

As of 31.12.2023, 42% of its international sales are Asian countries and 37% are European countries. These sales are mainly made to Asian and African countries.





## Activities Overview

# company activities



Natural gas, especially clean water (drinking water) pipes and wastewater (sewage) pipes  
Production of pipes, telecommunication pipes, agricultural irrigation pipes, dredging pipes  
carries out its activities and sales and marketing activities of related additional parts products.



All kinds of industrial pipes, steel, plastic, composite and similar infrastructure and  
superstructure pipes;  
Production  
Buying and selling,  
Transportation,



Providing necessary engineering, project, consultancy, field support and similar services to third  
parties and institutions to give



To carry out design, research and development for pipe production,

# which projects are we **involved** in?



Kuzey Boru's HDPE pipes were used in the Osmangazi bridge infrastructure.

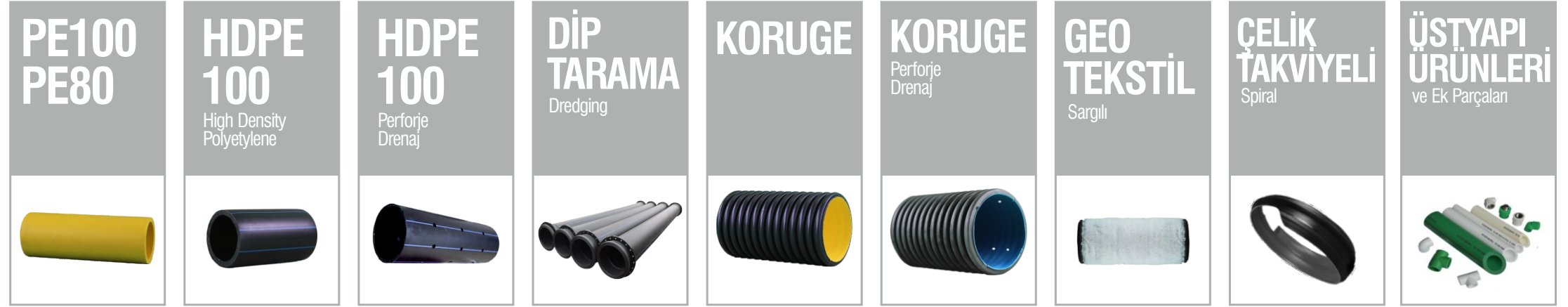


Kuzeyboru provided HDPE Corrugated Drainage Systems for the stadiums built for the 2022 World Cup held in Qatar.



Kuzeyboru products were used in the construction of Turkey's largest natural gas storage facility with a total gas capacity of 5.4 billion cubic meters.

# product range



## HDPE Group Pipes

- In drinking water main transmission lines,
- In Natural Gas installations,
- In solid waste storage facilities,
- In mining and fishing,
- In agriculture, unwanted water in evacuation,
- In grass sports complexes,
- In chemical treatment systems,
- In hydroelectric power plants,
- Used in geothermal pipe systems

## Corrugated Group Pipes

- In sewage systems, waste transporting water,
- In underground drainage systems,
- In HEPP projects,
- In rainwater drainage,
- In the reclamation of muddy and loamy lands,
- In mines,
- In the drainage of highway shoulders,

## PPR Boru ve Ek Parçalar

- Indoor hot and cold plumbing in their systems,
- In clean water installations,
- In industrial liquid distribution systems is used PPR Pipe and Fittings
- Indoor hot and cold plumbing in their systems,
- In clean water installations,
- In industrial liquid distribution systems is used

# company investments

## GRP

Our company benefits from investment incentives within the scope of the Attraction Centers program for GRP Investment.

The aim of the CTP investment is;



**Expanding the product range.**



**export-oriented growth**



**earning high income**



**cost savings**

start of operation in  
**june 2024**

**%20**  
contribution to the revenue of the last 6 months



# company investments

ctp

GRP (Glass Fiber Reinforced Plastic Pipe) is the abbreviation.

- These pipes offer reliable solutions in large drinking water, sewage and drainage systems, HEPP projects

## **Chose the GRP pipe**

- Durability and longevity
- chemical resistance
- High temperature and pressure



# company investments

## ppr group pipes and fittings

### usage areas of ppr group pipes and fittings

- Indoor heat and cold in plumbing systems
- In clean water installations
- In industrial liquid distribution systems

Recyclable and environmentally friendly PPRC insert production investment has been completed by

**%32**  
as of 31.12.2023.



# WATER

## A Special and Unique Value

“

Due to its vital, economic and strategic importance, water is the most important resource of today and the near future.

Water has a special importance apart from all the resources on earth. That's why its demand is constant

Its demand is diversifying and constantly increasing due to the rapid population growth.

It creates continuous service and employment with its water channels, dams and treatment facilities.

Since it is an indispensable source of life, it is used in agriculture and animal husbandry, from manufacturing industry to construction, from mining to health, It is used in various parts of production, from transportation to energy

Dünyanın oluşumuyla birlikte ortaya çıkan ve insanlık tarihinden daha eskiye dayanan su, yaşamın kaynağı olarak insanlığın yolculuğunda önemli bir rol oynamıştır. Biz, suyun geçmişten günümüze olan bu önemli yolculuğunu en iyi şekilde yönetiyor ve gelecek nesillere temiz ve güvenilir su temini sağlıyoruz.

Suyun taşınması, bizim için sadece bir görev değil, aynı zamanda yaşamın devamı için bir taahhüttür.



# WE ARE HERE for WATER, the Treasure of the Future

## Population growth

The world population is increasing rapidly and this increase causes water resources to become even more important. WE ARE HERE for sustainable water management, ensuring that more and more people have access to clean and safe water.

## Urbanization

Increasing urbanization globally means water resources can be used more efficiently. Necessitates management. WE ARE HERE for the development of infrastructures to meet the water needs of cities, the effective distribution of water, and the sustainable growth of cities.

## agriculture and industry

Water is a basic requirement in agriculture and industry. WE ARE HERE to effectively use irrigation water in the agricultural sector, increase productivity and ensure food safety.

“

Understanding the value of water is an urgent necessity to leave a livable world to future generations

## protection of ecosystems

Water is a vital part of natural ecosystems. streams, lakes and wetlands are the habitat of many living species. WE ARE HERE to protect water resources and ensure the continuity of biodiversity and ecosystems.

## Climate change

Climate change can affect the water cycle, changing the distribution and quantity of water resources. Events associated with climate change, such as droughts, floods and sea level rise, will make water resources more vulnerable. WE ARE HERE for careful management.

## wars

Water resources have sometimes been the main cause of wars throughout history. The cities destroyed at the end of the wars have clean water again. has gained importance in meeting its needs. Therefore, water resources should be used in a fair and sustainable manner. WE ARE HERE to help cities get clean water quickly.

## Natural disasters

Natural disasters can affect water resources and make water supply difficult. Events such as floods, droughts and earthquakes can lead to contamination or destruction of water resources. Therefore, coping with disasters. WE ARE IN strategies for the protection and management of water resources.

# opportunities and growth factors in the sector

26 |

## NETWORK INFRASTRUCTURE RENEWAL PROJECTS

- Drinking water
- Waste water
- Drainage
- Natural Gas Distribution

## WATER TRANSPORTATION PROJECTS

- Barajlardan, göletlerden tarla sulamasında
- Su kaynaklarından şehirlere su taşıma

## INFRASTRUCTURE IMPROVEMENT AND ESTABLISHMENT PROJECTS

- developing countries in Africa and the Middle East
- water and energy infrastructures of cities
- establishment
- Destroyed by war and natural disasters
- renewal of city infrastructures

## OIL AND NATURAL GAS TRANSPORTATION PROJECTS

- From Central Asia to the rest of the world oil and natural gas pipeline to the regions
- Transport projects with



sustainability

# sustainability for a strong infrastructure

## Sustainability for a strong infrastructure



Developing in Africa and the Middle East water and energy infrastructures of cities with establishment

Destroyed as a result of war and natural disasters building city infrastructures

## Oil and natural gas pipeline transportation projects from central Asia to the rest of the world



Oil and natural gas pipeline transportation projects from Central Asia to the rest of the world

## Water Transport Projects



Water from water sources to cities transport

Fields from dams and ponds in irrigation sustainability for a strong future

# sürdürülebilirlik for a strong future

## Waste management



Kuzeyboru, çevresel duyarlılıkla atık yönetimi sürecini doğaya zarar vermeden, etkili bir şekilde taşınmasını sürdürülebilir bir yaklaşım ile benimsemektedir.

## Rain harvesting



3.359m<sup>3</sup> of Rain Collected Thanks to Rainwater Siphonic Systems

Contributed to production with its water

## Rooftop solar power plant



With the Rooftop Solar System located in the company headquarters and branch production facility, A total of 2,105,129.2 kWh of energy was produced in 2023.

# Sustainability for a strong society

## Kuzey Boru Youth and Sports Club and women's volleyball team



Kuzey Boru A.Ş. Kuzey Boru Youth and Sports Club was founded by its founding members

## Kuzeyboru Sports Club is in the Sultans League

Kuzey Boru Youth and Sports Club stepped into the Sultans League by winning the championship in the 2018-2019 season.

## Kuzey Boru Youth and Sports Club Infrastructure



Kuzey Boru Youth and Sports Club infrastructure team aims to integrate girls who will shape the future into society, is supported.

## Pasta stick bridge competitions



The Stick Pasta Bridge Competition, which is a registered trademark of the company, is organized and we meet with engineer candidates. is coming.



## financials overview

# Summary of 2023

**sales  
volume**

**37.423  
ton**

47.23% increase  
compared to 2022

**sales  
revenue**

**2 milyar ₺**

38.37% increase  
compared to 2022

**EBITDA**

**487 milyon ₺**

100.36% increase  
compared to 2022  
net profit

**net profit**

**219 milyon ₺**

8.52% increase  
compared to 2022



# financial performance

FINANCIAL DEBTS	31.12.2022	31.12.2023	DEĞİŞİM (%)
Short-term financial liabilities	157.025.039	56.507.400	-64,01
Short-term parts of long-term borrowings	159.046.677	343.539.217	116,00
Long-term financial debts	63.012.453	72.903.137	15,70
<b>Total Financial Debts</b>	<b>379.084.169</b>	<b>472.949.754</b>	<b>24,76</b>
Cash and cash equivalents	24.434.646	703.075.646	2777,37
<b>Net Financial Liabilities</b>	<b>354.649.523</b>	<b>-230.125.892</b>	<b>-164,89</b>
SUMMARY BALANCE SHEET	31.12.2022	31.12.2023	DEĞİŞİM (%)
Current Assets	481.309.410	1.578.080.280	227,87
Fixed Assets	617.573.394	986.685.061	59,77
<b>TOTAL ASSETS</b>	<b>1.098.882.804</b>	<b>2.564.765.341</b>	<b>133,40</b>
Short-Term Liabilities	453.863.740	782.545.793	72,42
Long Term Liabilities	65.642.393	108.917.459	65,93
Equity	579.376.671	1.673.302.089	188,81
<b>TOTAL RESOURCES</b>	<b>1.098.882.804</b>	<b>2.564.765.341</b>	<b>133,40</b>
SUMMARY PROFIT AND LOSS STATEMENT	31.12.2022	31.12.2023	DEĞİŞİM (%)
Revenues	1.479.305.667	2.046.897.241	38,37
Gross profit	339.489.665	637.633.230	87,82
Main Operating Profit	203.663.618	451.922.888	121,90
Profit Before Financing Income Expense	203.663.618	453.324.641	122,58
Net Financial Expenses	-72.556.558	-131.838.986	81,71
Pre-tax profit	196.962.190	201.042.021	2,07
Net profit for the period	202.002.816	219.222.887	8,52
Adjusted Net EBITDA	243.017.072	486.906.284	100,36

# EBITDA development

34 |

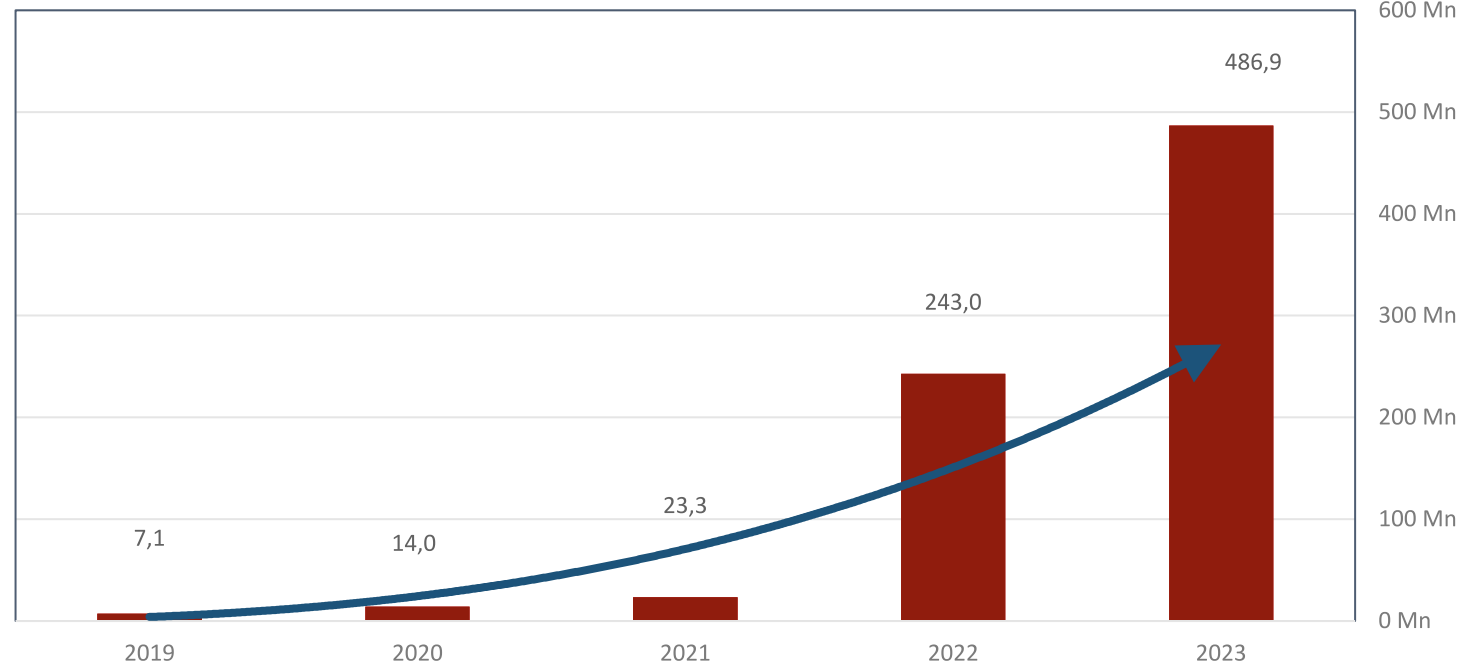
margin increased by **140% in the last 5 years**

**increased profitability**

**operational efficiency**

**successful growth process**

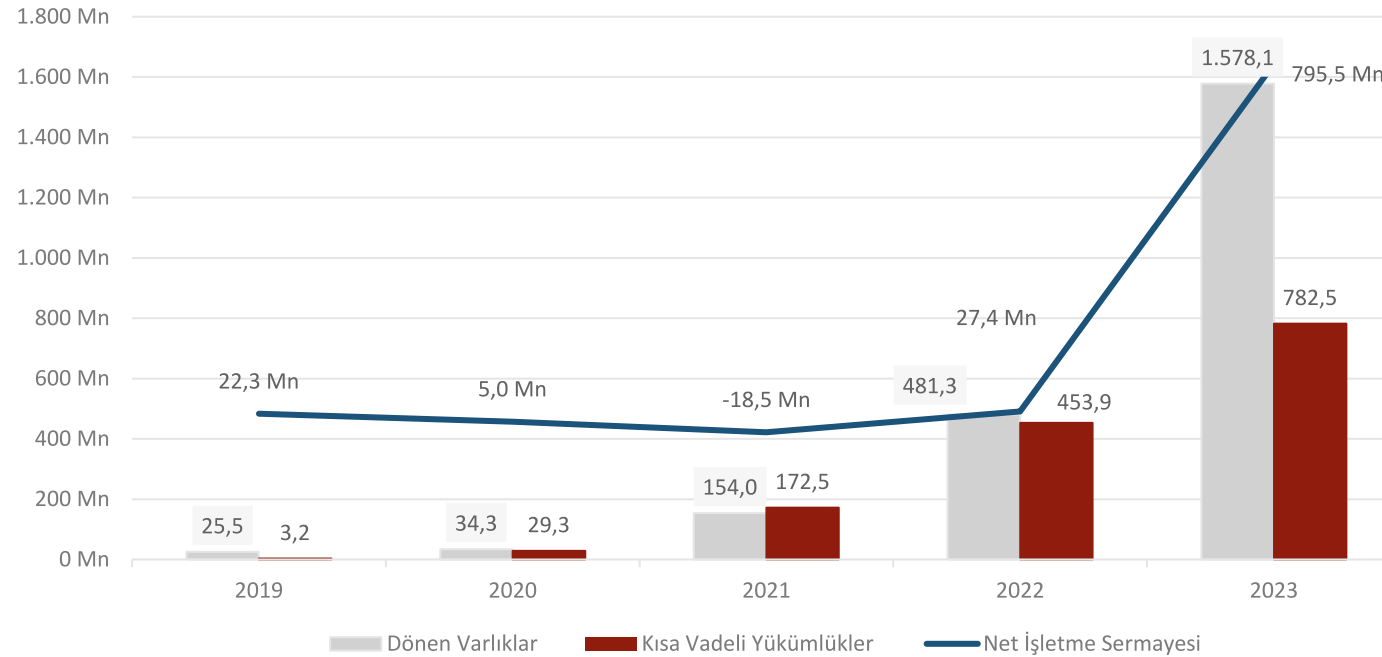
Adjusted EBITDA (Mn TL)



	31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023
FAVÖK Marjı	0,10	0,13	0,10	0,16	0,24

# net working capital

Net İşletme Sermayesi Gelişimi (Mn TL)



**2,02**  
**current ratio**  
strong liquidity

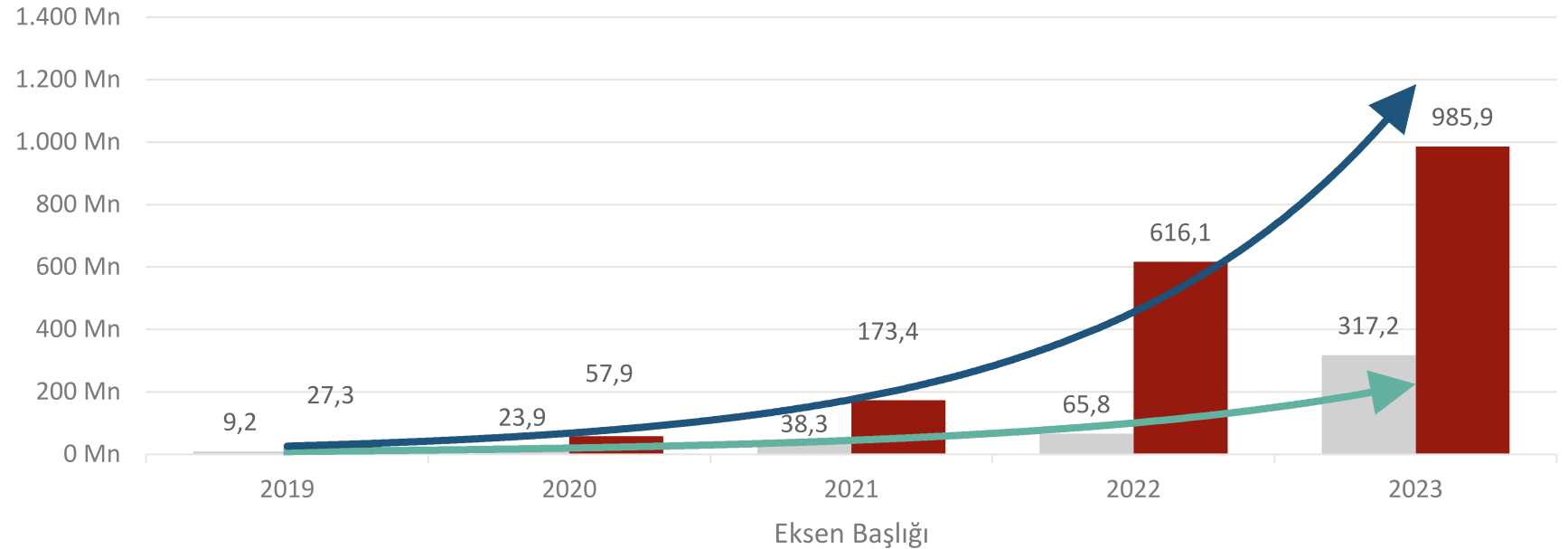
**stable**  
**financial**  
**structure**

**growth**  
**potential**

	31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023
<b>Cari Oran (Dönen Varlıklar / Kısa vadeli Yükümlülükler)</b>	8,01	1,17	0,89	1,06	2,02
<b>Asit-test (Dönen Varlıklar-Stoklar / Kısa vadeli Yükümlülükler)</b>	3,64	0,43	0,72	0,57	1,52
<b>Nakit oranı (Hazır Değerler / Kısa vadeli Yükümlülükler)</b>	0,77	0,11	0,11	0,05	0,90

# development of company investments

Maddi duran varlık Gelişimi ve Yapılmakta olan Yatırımlar (Mn TL)



36 |

**7,2**  
times in  
5 years

■ Ongoing investments\*  
➔ Exponential  
(investments in progress)

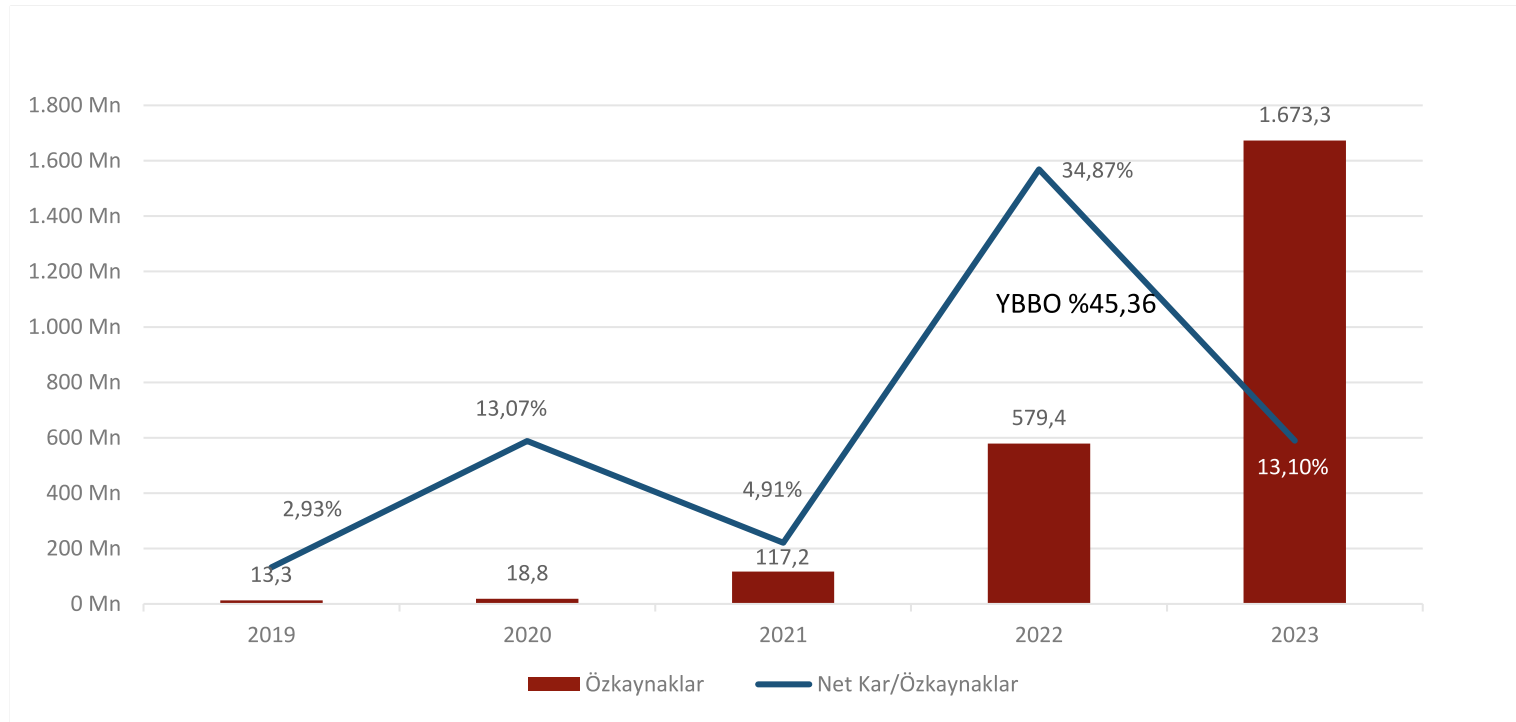
■ Tangible fixed assets\*\*  
➔ Exponential  
(tangible assets)

\* Investments being made are land and It consists of building construction.

\*\*Machinery and equipment for capacity increase investments in 2023 compared to 2022

# return on equity

Return on equity (Mn TL and %)



**126 times**  
increase in net profit

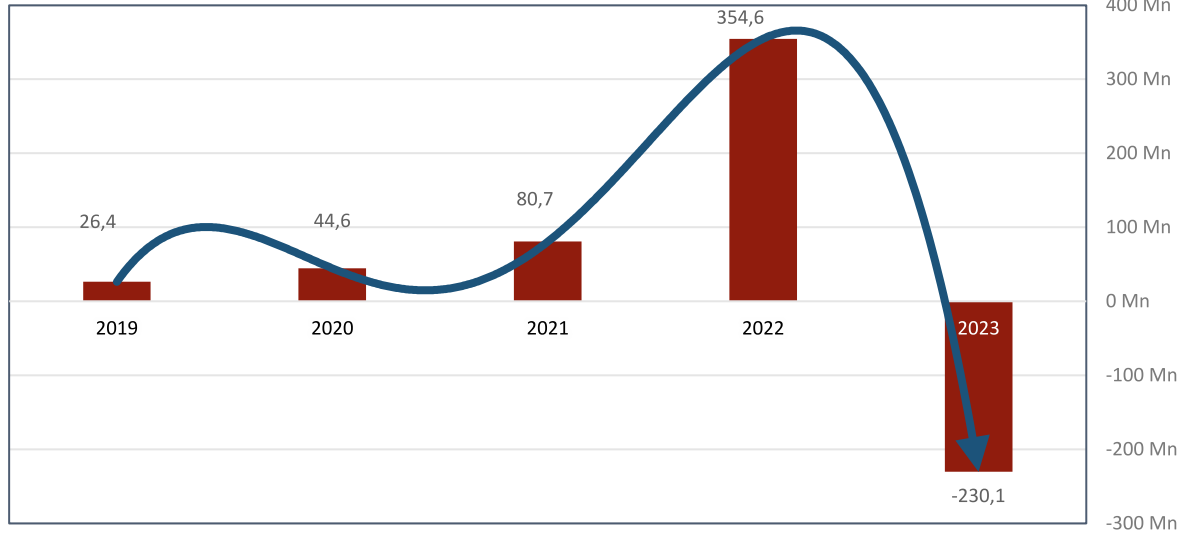
**4.5x increase**  
in return on equity.

**562 times**  
increase in net profit

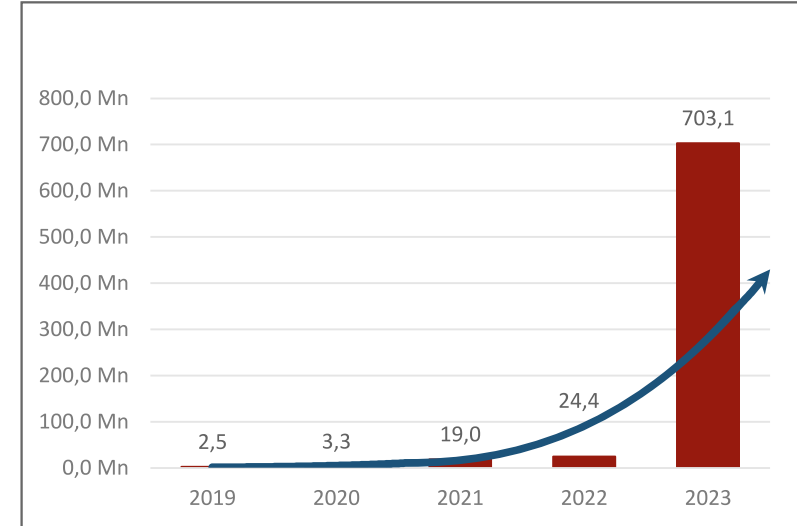
***in 5 years.***

# financial indebtedness

net financial debt development (Mn tl)



financial assets\*(Mn TL)



2023 yılında  
**zero** ₺  
debt in 2023

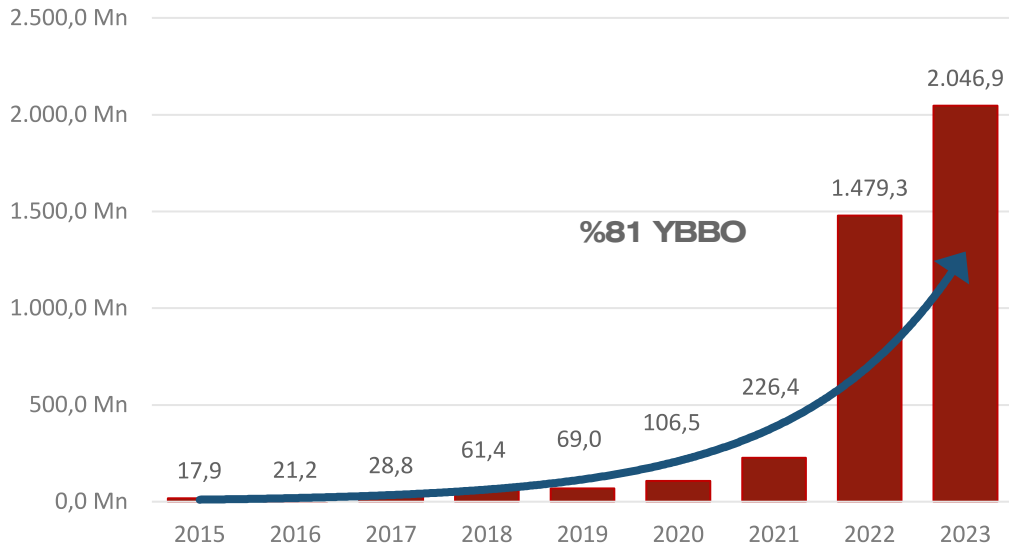
\* Nakit ve benzerleri

2023 yılında  
**230**  
**million** ₺  
financial asset  
surplus in 2023

	31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023
Net Financial Debt/EBITDA	3,71	3,18	3,46	1,46	-0,47
Net Financial debt/Total Equity	1,99	2,37	0,69	0,61	-0,14

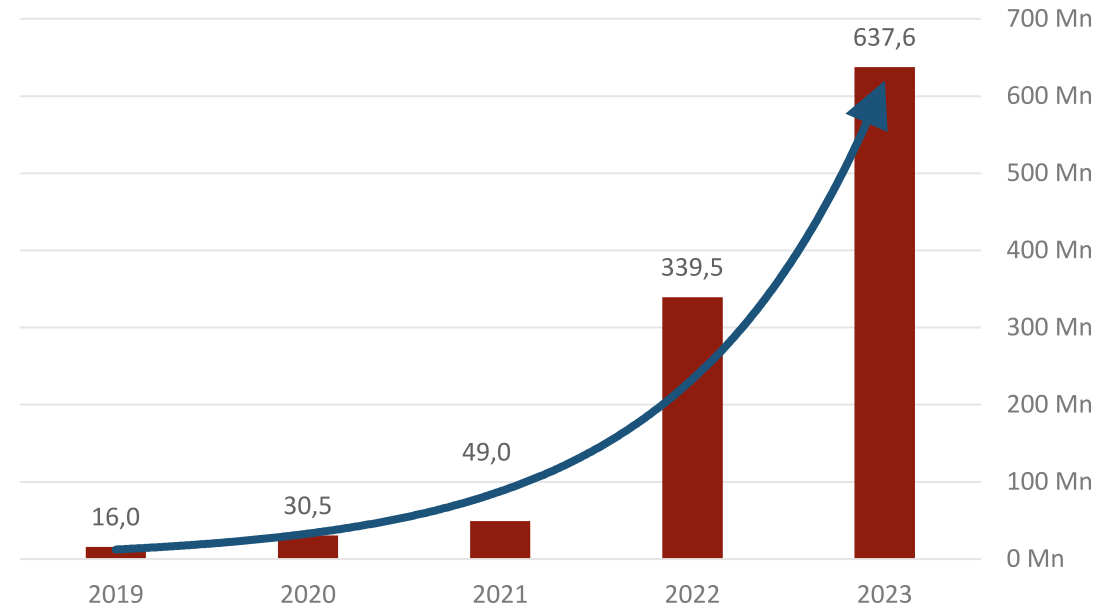
# revenue and gross profit development

Revenue development (Mn TL)



36

gross profit development (Mn TL)



39

**81% CAGR**  
from 2015 to 2023\*

\*Yıllık Bileşik Büyüme Oranı

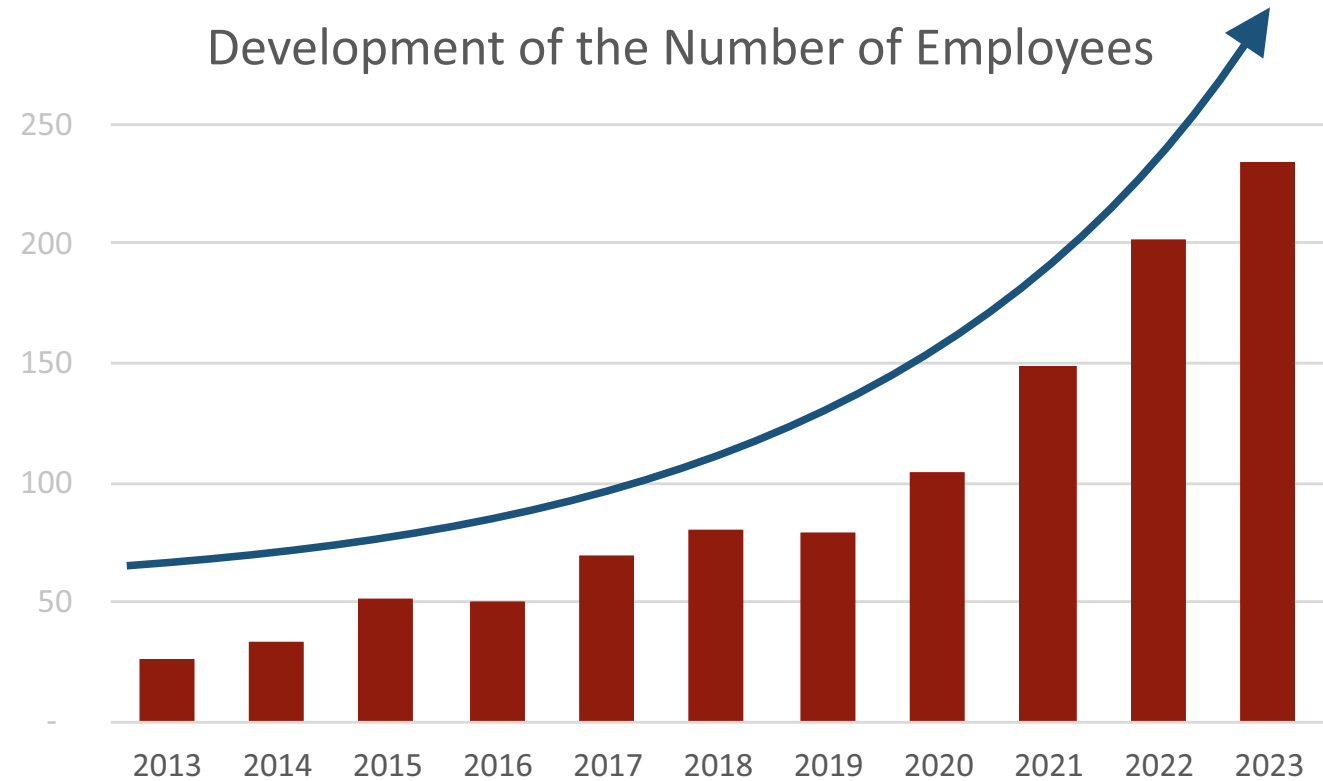
**39 x**  
increase in gross profit

# number of employees

**9-fold**

increase in the number of employees in the last 10 years

40 |





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