



KUZEYBORU®

investor presentation

31.12.2023



KUZEYBORU[®]

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investor presentation

31.12.2023



Company Overview

Kuzeyboru in Short



22 years of experience : 6 sales points : in **5** continents : export to **100** countries : **221** Thousand Tons Production Capacity

Board Of Directors And Partnership Structure



Mustafa TOPGAÇ
Founder Member



Bülent KARAMAN
Founder Member



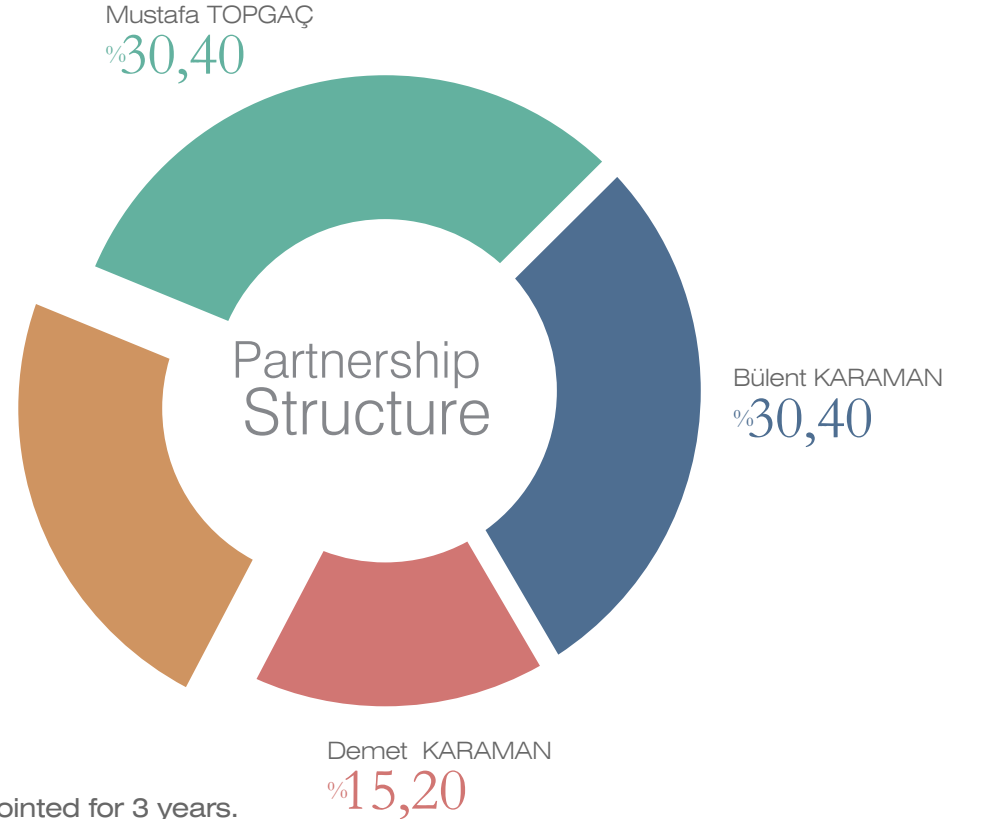
Demet KARAMAN
Founder Member



Habip ÖZBEK

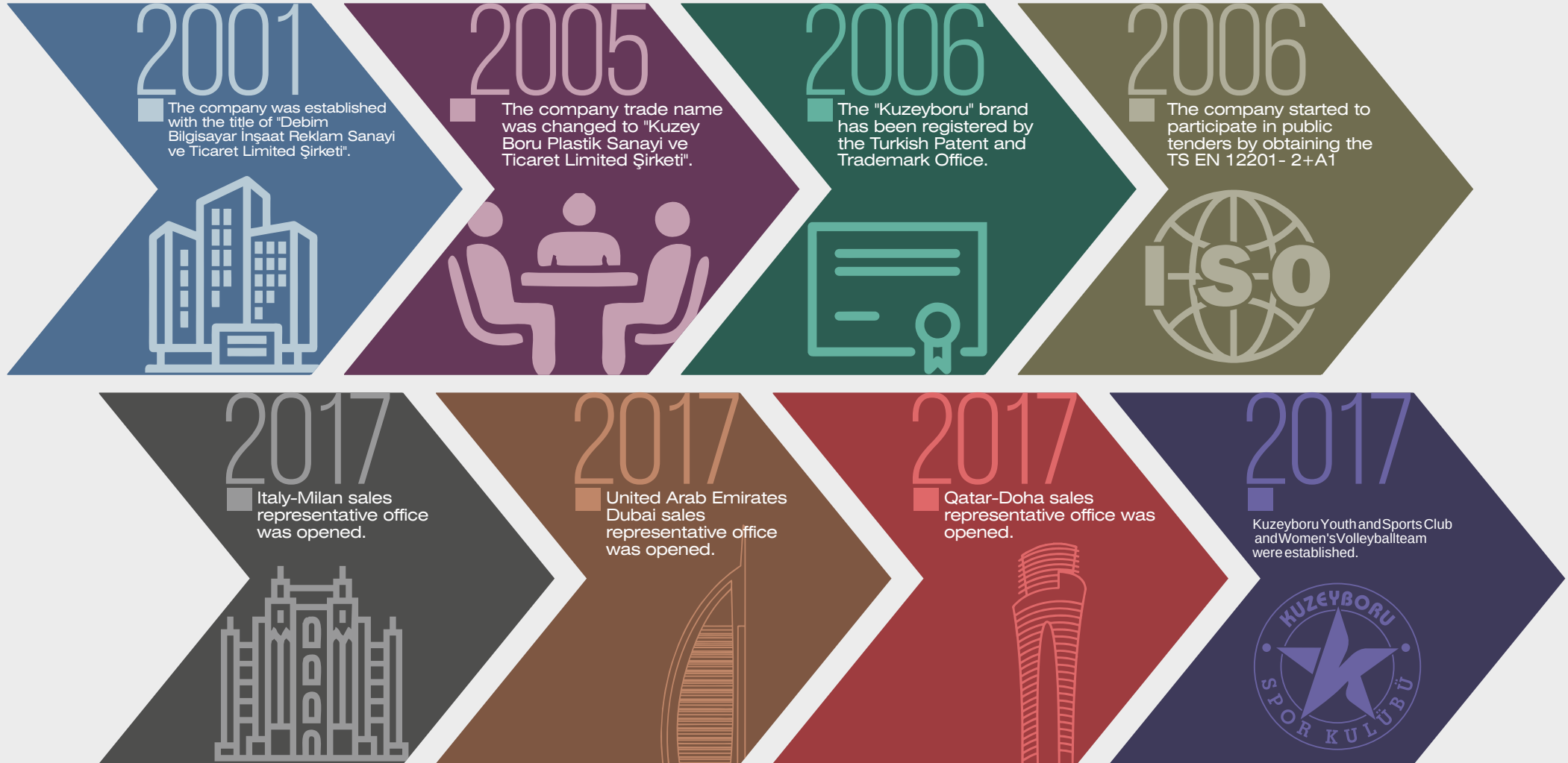


Emine SELDÜZ



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 has got a place on National Water Works's official Supplier's List.



2018

The Test-Experiment Laboratory which is established by company's own has been accredited by the Turkish Accreditation Institute.



2019

The company started E-commerce.



2020

The Company's type changed to incorporated and named as 'KuzeyBoruInc.'



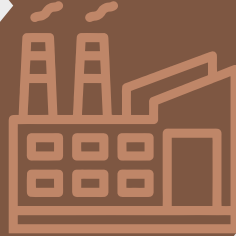
2023

The Ankara Branch of the company was opened. 2023



2023

The Malatya factory, which is the company's GRP production facility, was opened.



2023

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



2023

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



BORSA İSTANBUL

Kuzeyboru Locations

total

162.336,23m²

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

Production Facilities

10 |



Polyethylene Pipe Production facility

- On an area of 55,460.38 m²
- 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 m² open and 10.307 m² closed area
- 80,068 tons production capacity



Granule Crushing Facility

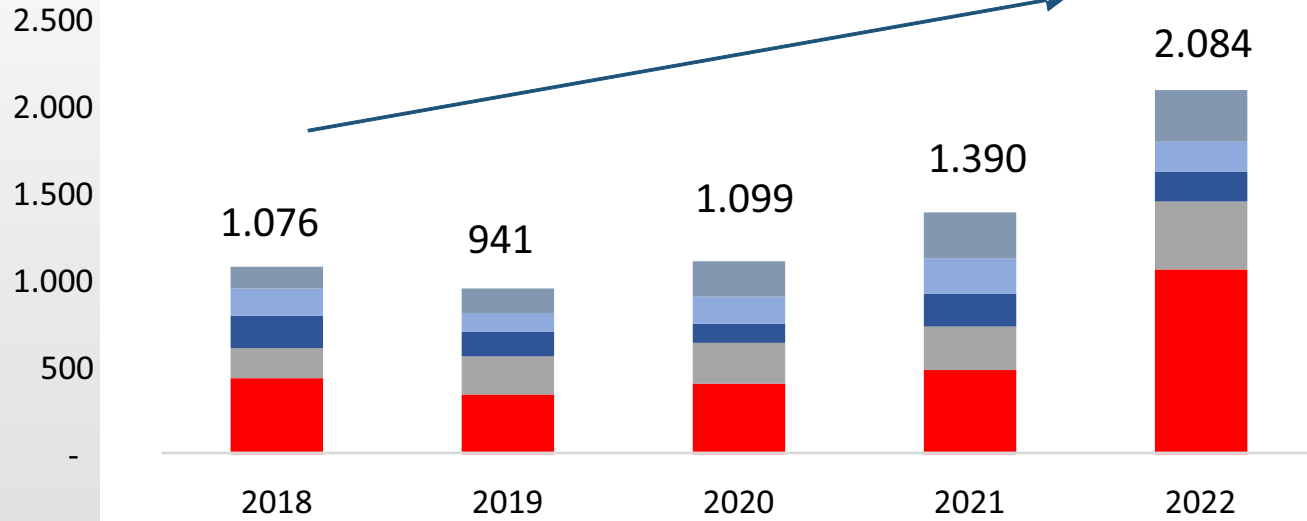
- 10.030,57 m² open area 2.507 m² closed area
- 31,643 tons production capacity
- Rooftop solar power plant with a capacity of 356 kWp



Market Overview

Plastic Pipe Industry Turkey

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

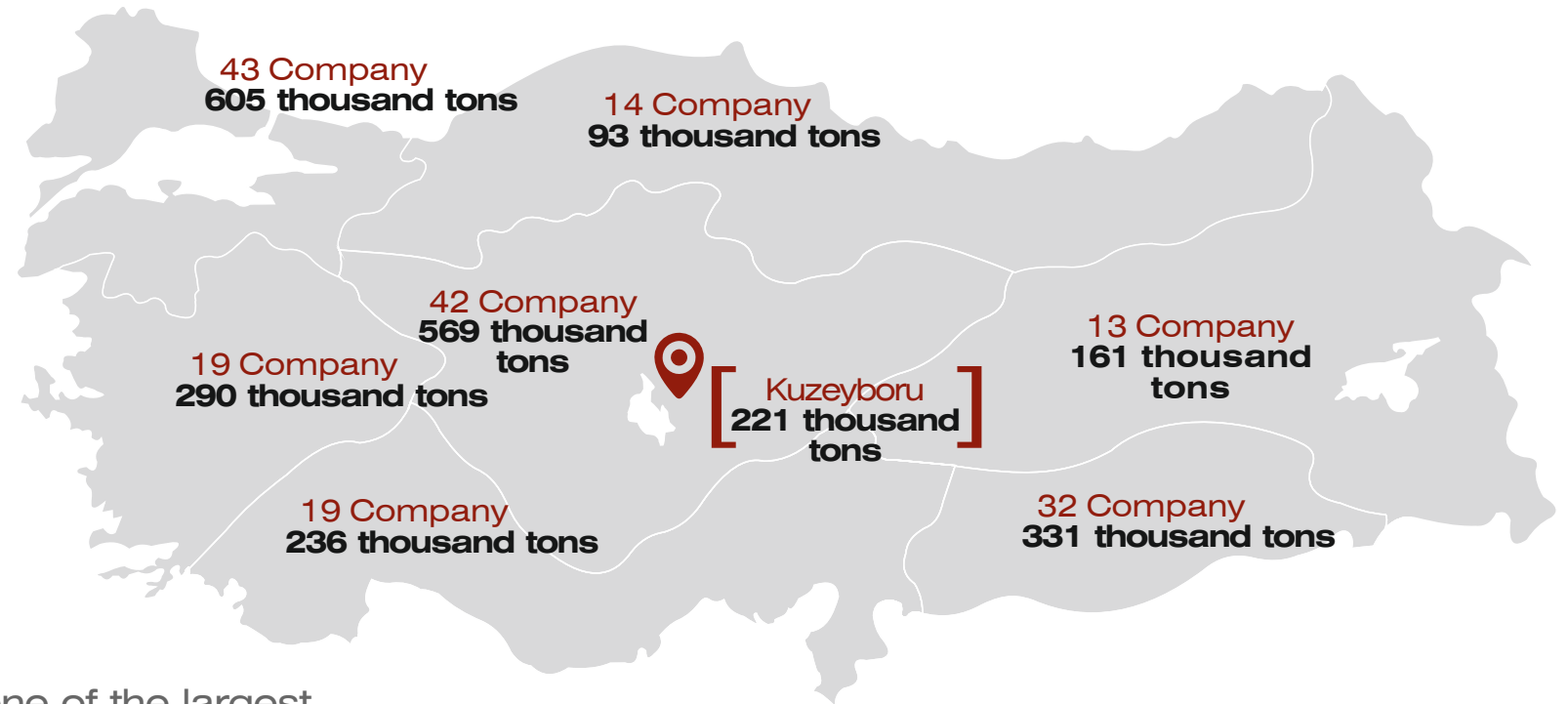


■ HDPE pipe ■ PPRC pipes- ■ PVC Pipe
■ Flexible pipe ■ Pipe Fittings

RS: TÜİK

in the last 5 years
average
% 18
increased
production

Turkish Plastic Pipe Industry And **Kuzeyboru**



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

221 thousand tons

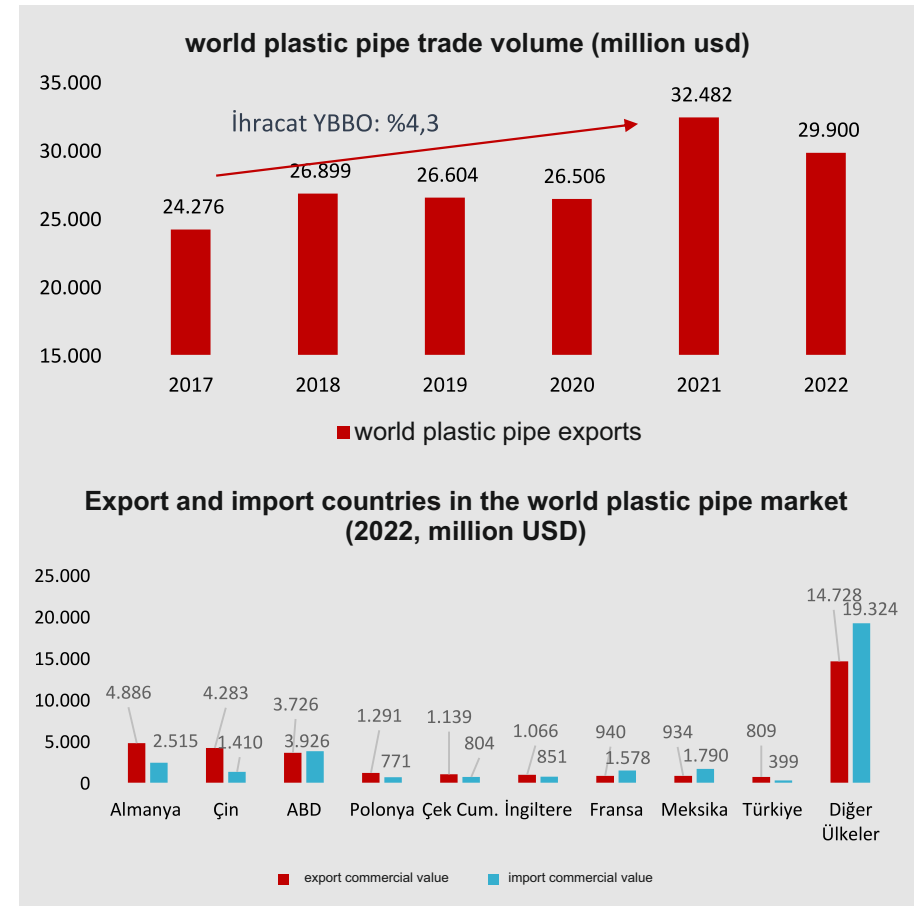
World Trade Volume Of Plastic Pipe Industry

14 |

The world plastic pipe market is expected to be

48,5 billion \$

by 2030.



RS: Trademap, Global Strategic Business Report

Our Position In The Domestic Market

client group

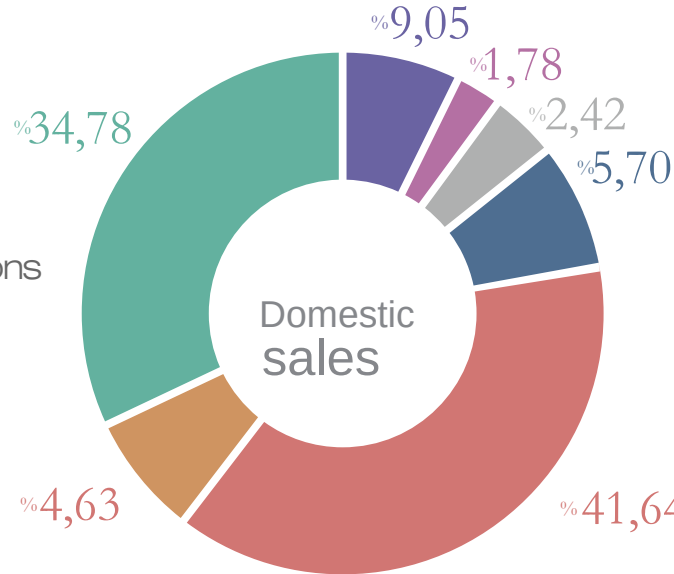


public institutions

- 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,
- import and export



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,
- using for cable casting

PPR Group ve Fittings

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

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

GRP

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

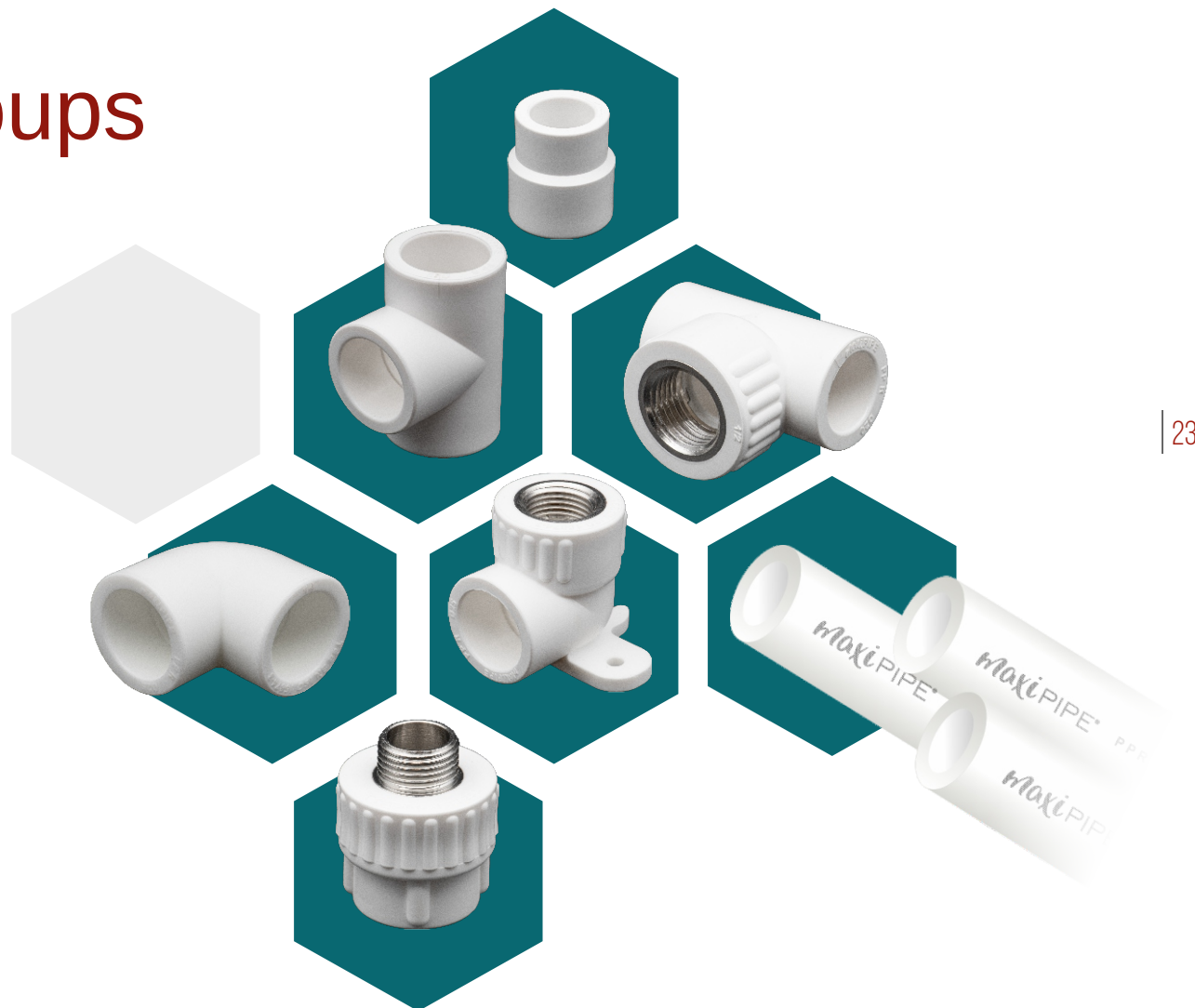
ppr pipes and fittings groups

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.



Source of life,
assurance of
the future,
legacy of the future

Water, which emerged with the formation of the world and dates back further than human history, has played an important role in humanity's journey as the source of life. We manage this important journey of water from past to present in the best way and provide clean and reliable water supply to future generations.

Transporting water is not only a duty for us, but also a commitment to the continuation of life.

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

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

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NETWORK INFRASTRUCTURE RENEWAL PROJECTS

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

WATER TRANSPORTATION PROJECTS

- Field irrigation from dams and ponds
- Transporting water from water sources to cities

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

Infrastructure improvement and establishment projects



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



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

Waste management



Kuzeyboru adopts a sustainable approach to environmentally sensitive waste management process effectively without harming nature.

Rain harvesting



3.359m³ 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

KuzeyBoru 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.

KuzeyBoru Youth and Sports Club youth Club



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 billion ₺

38.37% increase
compared to 2022

EBITDA

487 millions ₺

100.36% increase
compared to 2022

net profit

219 millions ₺

8.52% increase
compared to 2022

Financial Performance

FINANCIAL DEBTS	31.12.2022	31.12.2023	CHANGE RATE (%)
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
Total Financial Debts	379.084.169	472.949.754	24,76
Cash and cash equivalents	24.434.646	703.075.646	2777,37
Net Financial Liabilities	354.649.523	-230.125.892	-164,89
SUMMARY BALANCE SHEET	31.12.2022	31.12.2023	CHANGE RATE (%)
Current Assets	481.309.410	1.578.080.280	227,87
Fixed Assets	617.573.394	986.685.061	59,77
TOTAL ASSETS	1.098.882.804	2.564.765.341	133,40
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
TOTAL RESOURCES	1.098.882.804	2.564.765.341	133,40
SUMMARY PROFIT AND LOSS STATEMENT	31.12.2022	31.12.2023	CHANGE RATE (%)
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 |

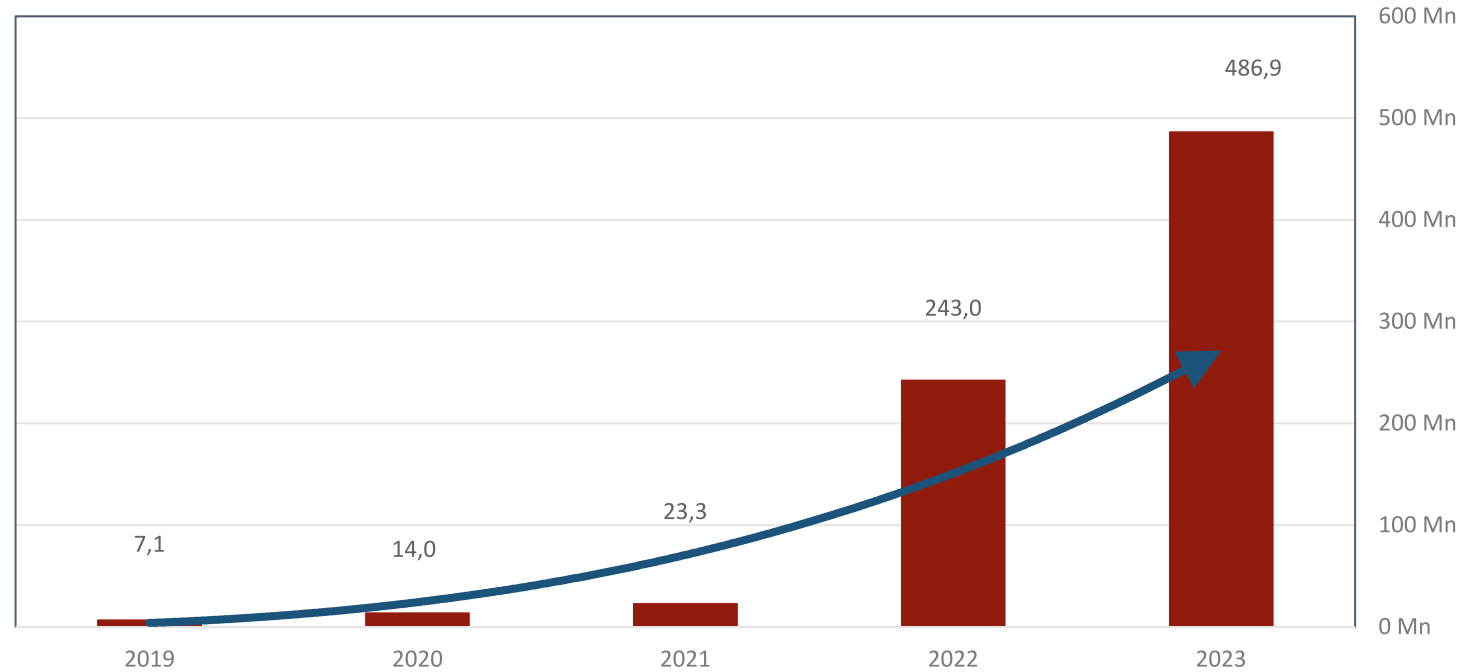
margin increased by **140% in the last 5 years**

increased profitability

operational efficiency

successful growth process

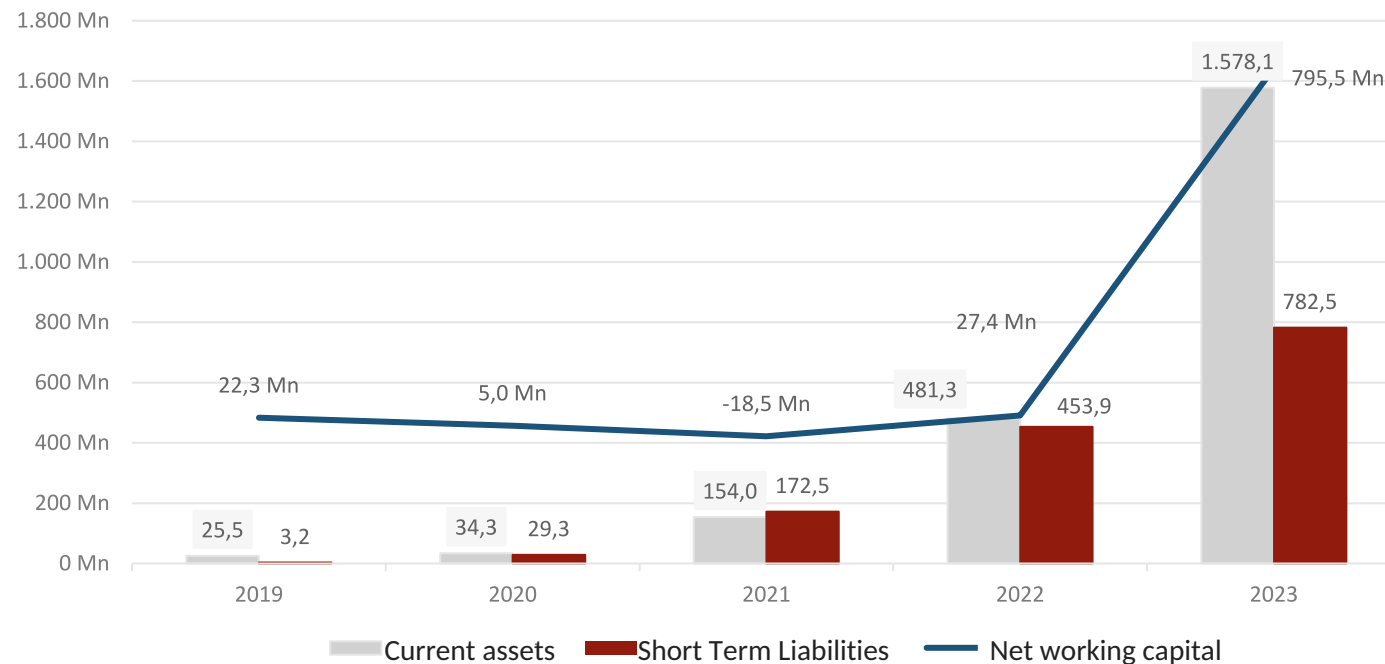
Adjusted EBITDA (Mn TL)



	31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023
EBITDA Margin	0,10	0,13	0,10	0,16	0,24

Net working Capital

Net working capital development (Mn TL)



2,02 current ratio
strong liquidity

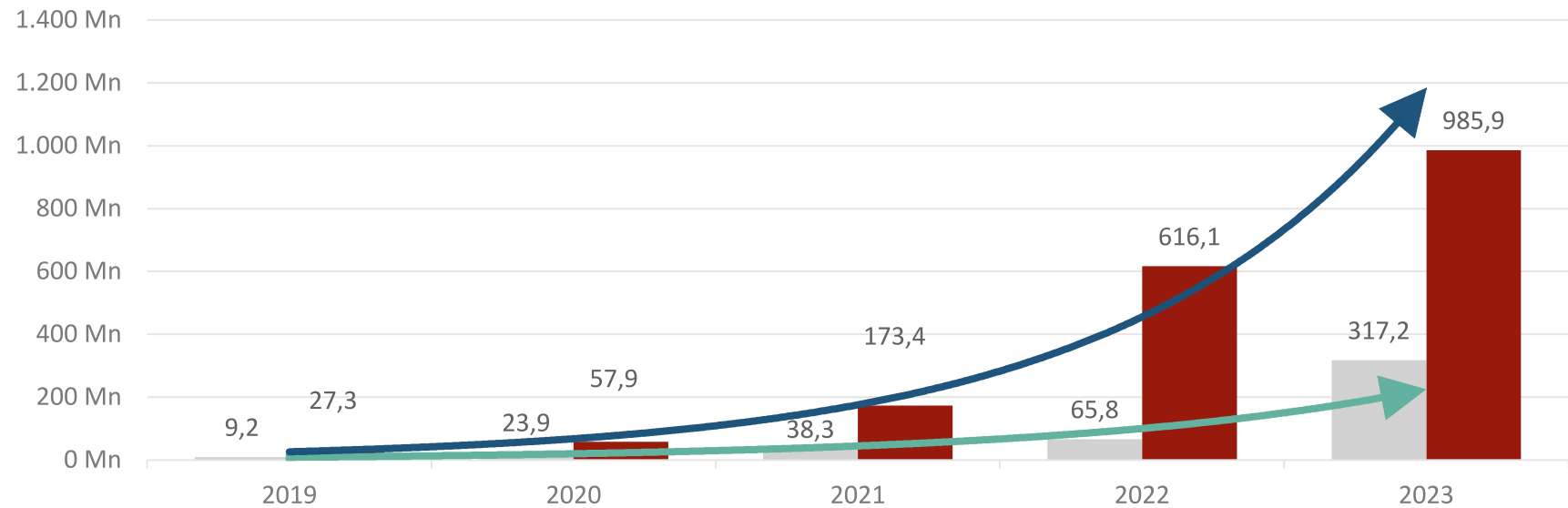
stable financial structure

growth potential

	31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023
Current Ratio (Current Assets / Short-term Liabilities)	8,01	1,17	0,89	1,06	2,02
Acid-test (Current Assets-Stocks / Short-term Liabilities)	3,64	0,43	0,72	0,57	1,52
Cash ratio (Cash Assets / Short-term Liabilities)	0,77	0,11	0,11	0,05	0,90

Development of Company Investments

Financial fixed asset development and investments in progress (Mn TL)



36 |

7,2
times in
5 years

█ Ongoing investments*
➡ Exponential
(investments in progress)

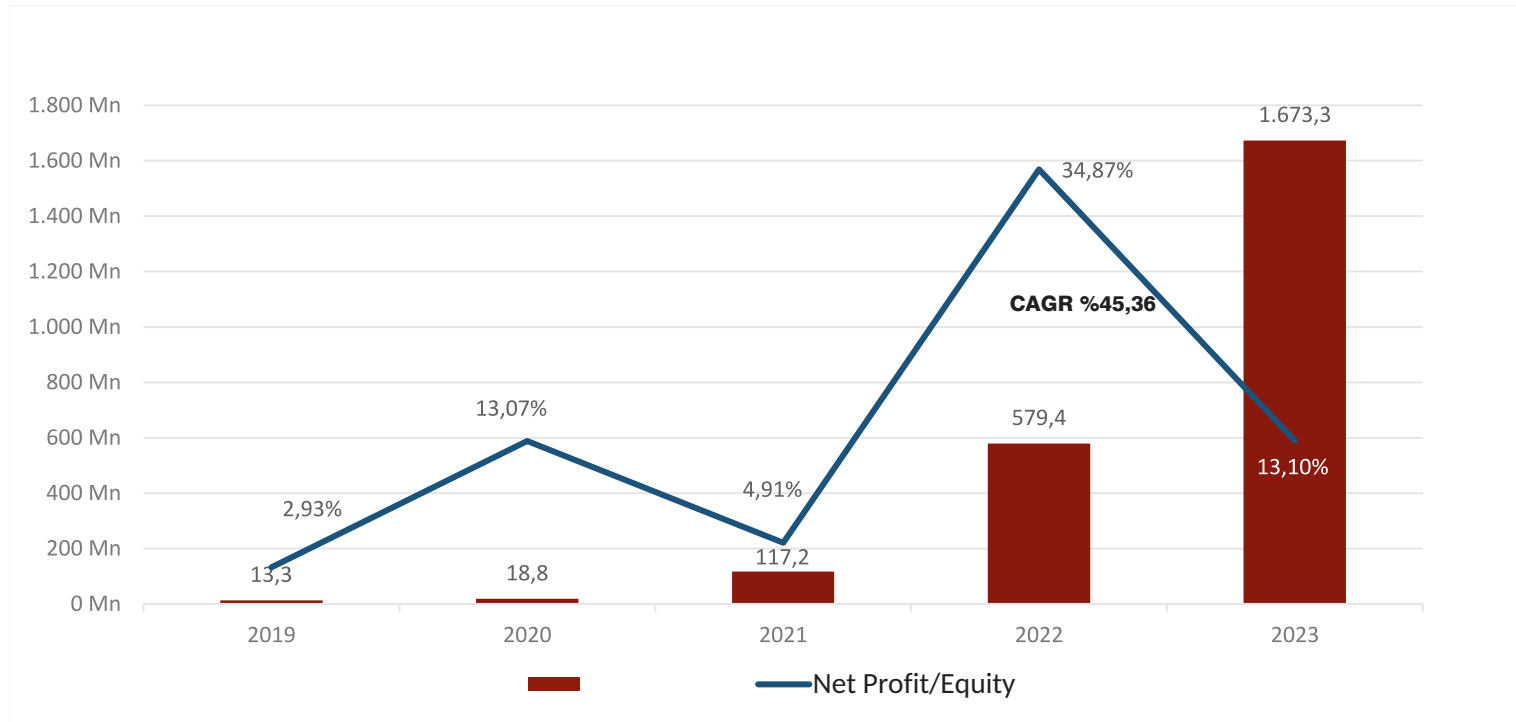
█ Tangible fixed assets**
➡ Exponential
(tangible assets)

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

**Machinery and equipment for capacity increase %77 investments in 2023 compared to 2022

Return On Equity

Return on equity (Mn TL and %)



126 times
increase in net profit

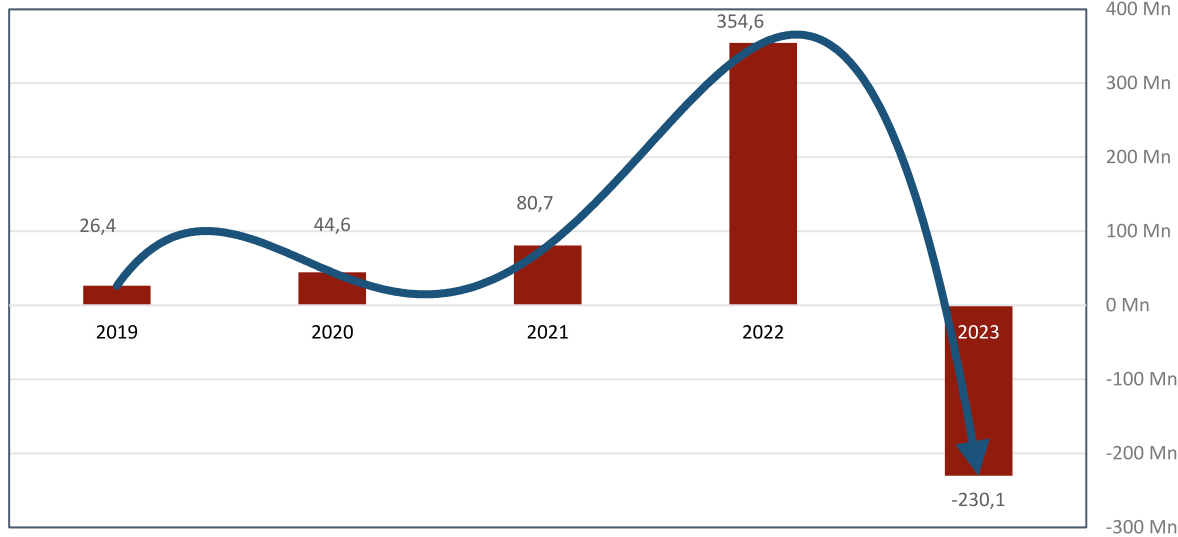
4.5x increase
in return on equity.

562 times
increase in net profit

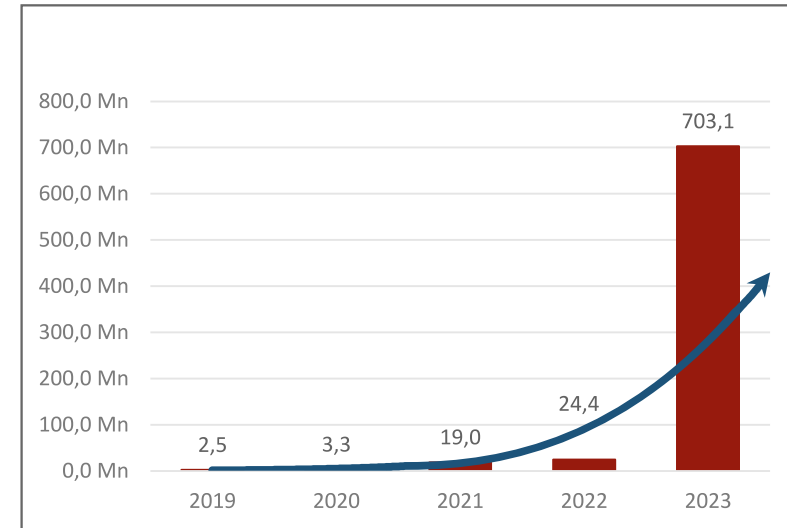
in 5 years.

Financial Indebtedness

net financial debt development (Mn tl)



financial assets*(Mn TL)



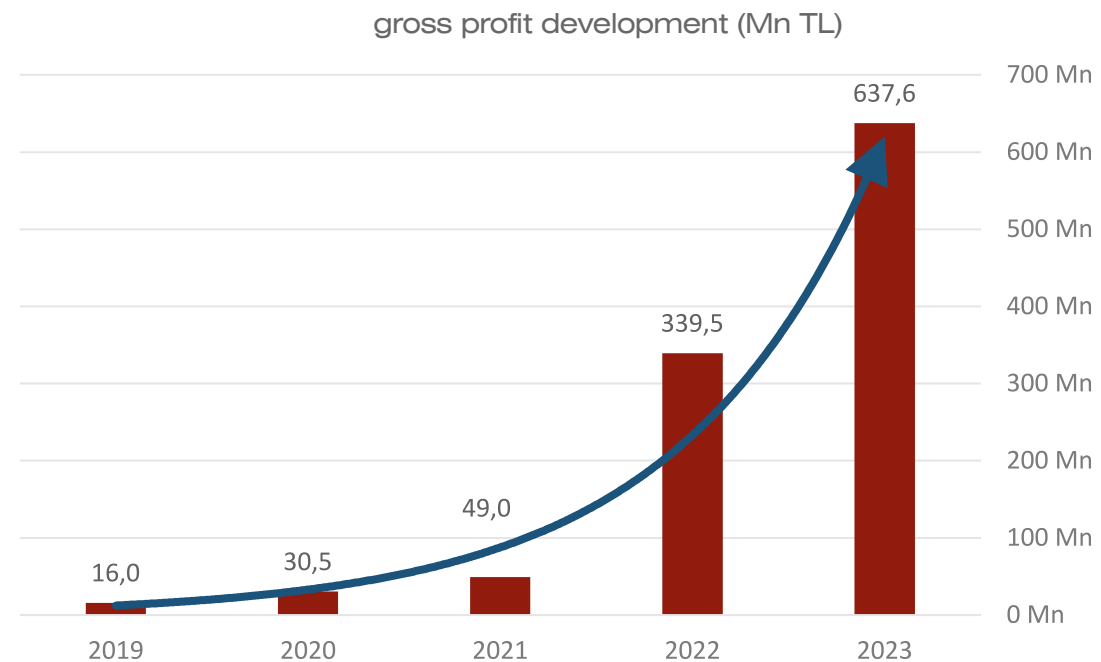
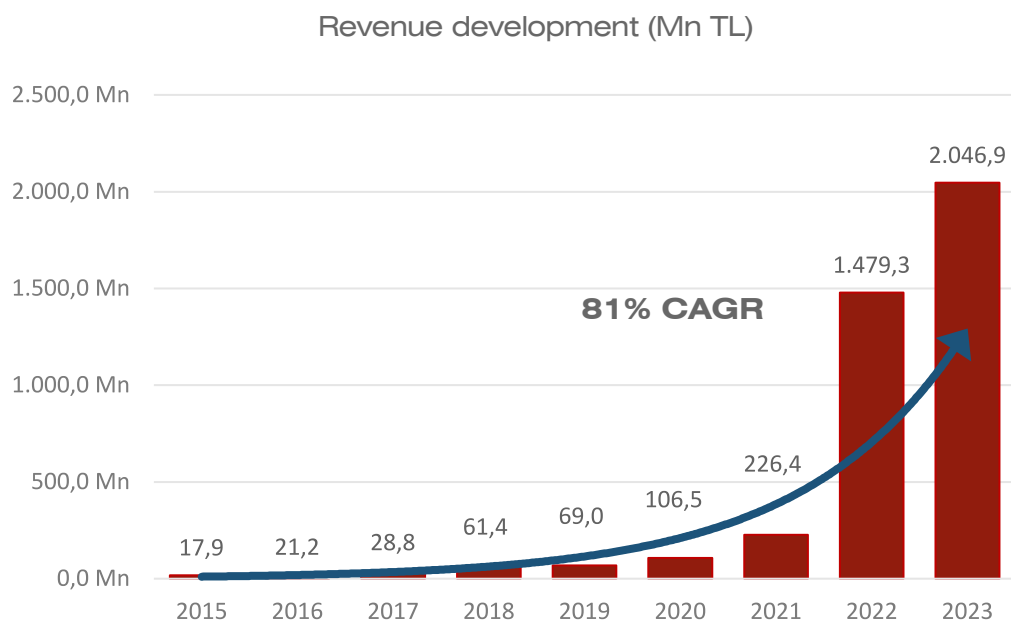
* Cash and equivalents

zero ₺
debt in 2023

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



81% CAGR
from 2015 to 2023*

*Compound annual growth rate

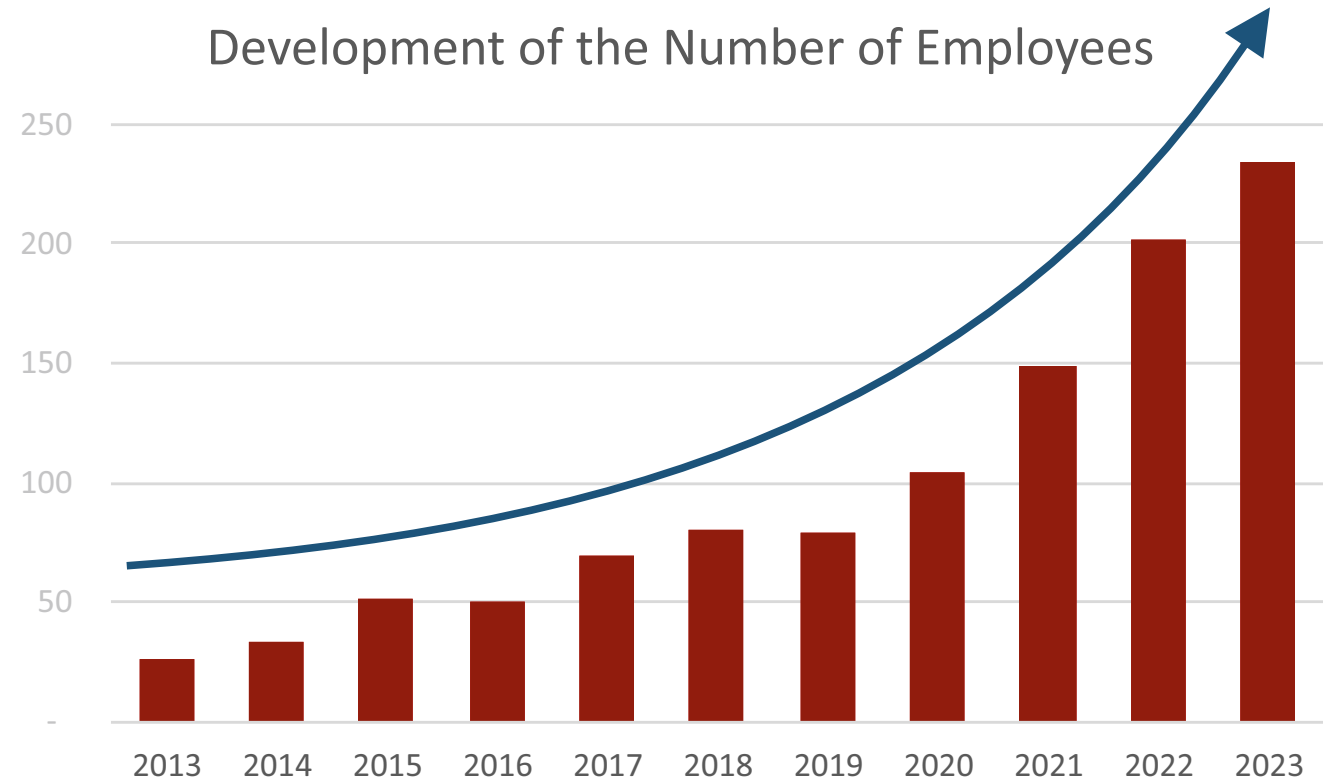
39 x
increase in gross profit

Number of Employees

9-fold

increase in the number of employees in the last 10 years

40 |



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It reflects their current view of the situation and contains certain assumptions. However, the realizations are prospective

There may be differences depending on the developments and realizations in the variables and assumptions that make up the opinions and estimated figures.

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