

CONVENIENCE TRANSLATION INTO ENGLISH OF
THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
(ORIGINALLY ISSUED IN TURKISH)

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY- 30 JUNE 2024



EY

**Building a better
working world**

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(Convenience translation of a report and condensed consolidated financial statements originally issued in Turkish)

Report on Review of Interim Condensed Consolidated Financial Statements

To the Board of Directors of Türkiye Petrol Rafinerileri Anonim Şirketi

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Türkiye Petrol Rafinerileri Anonim Şirketi ("the Company") and its subsidiaries ("the Group") as of June 30, 2024 and the interim condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and explanatory notes. Group management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Turkish Accounting Standard 34, Interim Financial Reporting ("TAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matter

The consolidated financial statements of the Group were prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA") as of December 31, 2023, were audited by another audit firm whose independent auditor's report thereon dated March 4, 2024 expressed an unqualified opinion. The Group's interim condensed consolidated financial statements, which were prepared in accordance with TAS 34 as of June 30, 2023 and with the exclusion of the effects of adjustments related to the application of TAS 29 "Financial Reporting in Hyperinflationary Economies" as stated in Note 2.1, were also reviewed by the same audit firm whose independent auditor's review report thereon dated July 31, 2023 expressed that nothing had come to their attention that caused them to believe that the interim condensed consolidated financial statements were not prepared in accordance with TAS 34.



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with TAS 34.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited



Seçkin Özdemir, SMMM
Partner

August 5, 2024
İstanbul, Türkiye

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

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TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

ASSETS	Notes	Reviewed	Audited
		30 June 2024	31 December 2023
Current assets		211,848,925	250,903,728
Cash and cash equivalents	5	87,868,257	121,394,277
Financial investments	6	134,607	875,420
Trade receivables	8	44,951,907	50,442,126
Due from related parties	8, 28	10,298,371	8,145,630
Trade receivables from third parties		34,653,536	42,296,496
Other receivables	17	310,172	159,202
Other receivables from third parties		310,172	159,202
Derivative instruments	18	1,052,520	2,574,973
Inventories	9	65,205,649	55,462,179
Prepaid expenses	13	1,677,724	1,594,268
Other current assets	14	10,648,089	18,401,283
Non-current assets		206,287,812	206,616,357
Financial investments		568,430	435,862
Investments accounted for using the equity method	10	9,715,619	10,345,376
Property, plant and equipment	11	166,551,820	166,944,327
Right of use asset		797,828	863,840
Intangible assets		5,154,997	5,307,745
Goodwill		2,682	2,682
Other intangible assets	12	5,152,315	5,305,063
Derivative instruments	18	67,016	46,060
Prepaid expenses	13	3,675,223	2,263,512
Deferred tax assets	26	5,764,017	8,065,351
Other non-current assets	14	13,992,862	12,344,284
Total assets		418,136,737	457,520,085
LIABILITIES			
Current liabilities		176,401,199	193,677,249
Short-term financial liabilities	7	1,037,589	2,940,754
Current portion of long term financial liabilities	7	28,892,574	34,439,876
Trade payables	8	115,326,062	122,185,626
Due to related parties	8, 28	1,085,442	1,228,707
Trade payables, third parties		114,240,620	120,956,919
Liabilities for employee benefits	16	825,480	994,375
Other payables	17	225,004	614,527
Due to related parties	17, 28	-	453,706
Other payables to third parties		225,004	160,821
Derivative instruments	18	3,294,663	664,478
Deferred income		576,055	194,867
Current income tax liabilities	26	1,221,428	1,688,277
Short-term provisions	15	3,370,999	1,529,779
Short-term provisions for employee benefits		884,171	74,840
Other provisions		2,486,828	1,454,939
Other current liabilities	14	21,631,345	28,424,690
Non-current liabilities		6,443,225	10,704,672
Long term borrowings	7	2,871,901	6,683,402
Long-term provisions	15	1,832,373	2,587,089
Long-term provisions for employee benefits		1,832,373	2,587,089
Deferred income		40,896	17,166
Derivative instruments	18	469,447	585,315
Deferred tax liability	26	1,216,458	817,151
Other long term liabilities		12,150	14,549
Total liabilities		182,844,424	204,381,921
Equity		235,292,313	253,138,164
Share capital	20	1,926,796	1,926,796
Adjustment to share capital	20	31,187,874	31,187,874
Accumulated other comprehensive income/(expense) not to be reclassified to profit or loss		476,339	165,066
Gains/ losses on revaluation and remeasurement		(81,168)	(392,441)
Gain on revaluation of properties		143,181	143,181
Actuarial gain/(loss) arising from defined benefit plans		(224,349)	(535,622)
Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss		557,507	557,507
Accumulated other comprehensive income/(expense) to be reclassified to profit or loss		(96,867)	2,664,477
Currency translation differences		70,301	448,294
Hedging gains/(losses)		(1,360,127)	962,846
Cash flow hedge gains/(losses)		(1,360,127)	962,846
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss		1,192,959	1,253,337
Restricted reserves	20	10,075,809	7,984,650
Retained earnings		183,389,200	139,663,489
Net income		5,351,345	66,829,690
Total equity attributable to equity holders of the parent		232,310,496	250,422,042
Non-controlling interests		2,981,817	2,716,122
Total equity and liabilities		418,136,737	457,520,085

This interim condensed consolidated financial information as of and for the period ended 30 June 2024 have been approved for issue by the Board of Directors on 5 August 2024.

The accompanying notes form an integral part of this interim consolidated financial information.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

	Notes	Reviewed		Reviewed	
		1 January-30 June 2024	1 April-30 June 2024	1 January-30 June 2023	1 April-30 June 2023
Revenue	21	370,096,723	190,715,672	357,349,229	183,629,533
Cost of sales	21	(338,382,791)	(173,283,800)	(302,275,494)	(154,319,423)
Gross profit (loss)		31,713,932	17,431,872	55,073,735	29,310,110
General administrative expenses	22	(7,716,893)	(3,912,415)	(7,365,662)	(3,261,673)
Marketing expenses	22	(5,301,148)	(2,868,593)	(3,384,130)	(1,900,528)
Research and development expenses	22	(188,274)	(80,296)	(207,703)	(103,015)
Other operating income	23	7,456,725	4,328,119	7,044,577	5,847,324
Other operating expenses	23	(11,071,177)	(4,319,240)	(19,381,694)	(17,196,444)
Operating profit (loss)		14,893,165	10,579,447	31,779,123	12,695,774
Income/ (expenses) from investment activities	24	(3,525)	(3,141)	(2,512)	(19,485)
Income (loss) from investments accounted by equity method	10	306,225	567	927,242	1,391,954
Operating profit before financial income (expense)		15,195,865	10,576,873	32,703,853	14,068,243
Financial income	25	14,294,201	6,107,607	13,883,863	10,736,299
Financial expense	25	(9,679,935)	(5,006,243)	(19,114,521)	(14,527,109)
Monetary loss/gain		(8,767,673)	(2,686,906)	(4,616,623)	(945,184)
Profit (loss) before tax from continued operations		11,042,458	8,991,331	22,856,572	9,332,249
Tax income (expense)		(5,521,011)	(3,920,028)	(10,220,000)	186,431
Taxes on income (expense)		(2,023,736)	(1,454,133)	(6,269,322)	(624,104)
Deferred tax income (expense)	26	(3,497,275)	(2,465,895)	(3,950,678)	810,535
Net income (loss) from continued operations		5,521,447	5,071,303	12,636,572	9,518,680
Other comprehensive income:					
Items not to be reclassified to profit or loss		311,273	311,273	-	-
Actuarial gain (loss) arising from defined benefit plans		415,031	415,031	-	-
Tax effect of other comprehensive income (loss) not to be reclassified to profit or loss		(103,758)	(103,758)	-	-
Deferred tax income (expense)		(103,758)	(103,758)	-	-
Items to be reclassified to profit or loss		(2,665,751)	1,356,129	(1,329,568)	(930,613)
Currency translation differences related to the translation of foreign businesses		(377,993)	(214,501)	517,907	774,514
Gains (losses) on foreign currency translation differences related to the translation of foreign operations		(377,993)	(214,501)	517,907	774,514
Share of other comprehensive income accounted for investment using equity method that will be reclassified to profit or loss		(60,378)	(195,928)	205,151	204,457
Gain (loss) from translation of foreign currency of investments using equity method	10	(60,378)	(195,928)	205,151	204,457
Income (expense) relating to avoidance of risk of cash flow		(3,127,772)	2,283,429	(2,608,094)	(2,356,914)
Income (loss) of avoidance of risk cash flow		(3,127,772)	2,283,429	(2,608,094)	(2,356,914)
Tax effect of other comprehensive income (loss) to be reclassified to profit or loss		900,392	(516,871)	555,468	447,330
Deferred tax income (expense)	26	900,392	(516,871)	555,468	447,330
Other comprehensive income (expense)		(2,354,478)	1,667,402	(1,329,568)	(930,613)
Total comprehensive income (expense)		3,166,969	6,738,705	11,307,004	8,588,067
Distribution of income for the period:					
Non-controlling interests		170,102	67,228	241,539	170,664
Attributable to equity holders of the parent		5,351,345	5,004,075	12,395,033	9,348,016
Distribution of total comprehensive income					
Non-controlling interests		265,695	111,193	275,964	145,739
Attributable to equity holders of the parent		2,901,274	6,627,512	11,031,040	8,442,328
Earnings (loss) per share from continued operations					
Earnings per share with nominal value Kr1 each (Kr)	27	2.78	2.60	6.43	4.85

The accompanying notes form an integral part of this interim consolidated financial information.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

	Accumulated other comprehensive income/(expense) not to be reclassified to profit or loss					Accumulated other comprehensive income/(expense) that will be reclassified to profit or loss					Total retained earnings			
	Share Capital	Adjustments to share capital	Gain on revaluation of properties	Gains/(losses) on valuation and remeasurement		Hedge gains/(losses)		Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss	Restricted reserves	Retained earnings	Net income/(expense)	Equity holders of parent	Non controlling interest	Total equity
Actuarial gains/(losses) arising from defined benefit plans				Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss	Currency translation differences	Cash flow hedge gains/(losses)								
Reviewed														
1 January 2023	275,257	32,291,287	-	(614,415)	122,409	222,479	(2,233,761)	905,402	3,715,219	110,720,025	76,479,323	221,883,225	1,906,053	223,789,278
Transfers	-	-	-	-	-	-	-	-	2,280,699	74,198,624	(76,479,323)	-	-	-
Increase of capital	1,651,539	(1,103,413)	-	-	-	-	-	-	-	(548,126)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	(22,832,053)	-	(22,832,053)	-	(22,832,053)
- Net profit for the period	-	-	-	-	-	-	-	-	-	12,395,033	12,395,033	241,539	12,636,572	
- Other comprehensive income	-	-	-	-	-	517,907	(2,087,052)	205,151	-	-	(1,363,994)	34,426	(1,329,568)	
Total comprehensive income	-	-	-	-	-	517,907	(2,087,052)	205,151	-	12,395,033	11,031,039	275,965	11,307,004	
30 June 2023	1,926,796	31,187,874	-	(614,415)	122,409	740,386	(4,320,813)	1,110,553	5,995,918	161,538,470	12,395,033	210,082,211	2,182,018	212,264,229
Reviewed														
1 January 2024	1,926,796	31,187,874	143,181	(535,622)	557,507	448,294	962,846	1,253,337	7,984,650	139,663,489	66,829,690	250,422,042	2,716,122	253,138,164
Transfers	-	-	-	-	-	-	-	-	2,091,159	64,738,531	(66,829,690)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	(21,012,820)	-	(21,012,820)	-	(21,012,820)
- Net profit for the period	-	-	-	-	-	-	-	-	-	5,351,345	5,351,345	170,102	5,521,447	
- Other comprehensive income	-	-	-	311,273	-	(377,993)	(2,322,973)	(60,378)	-	-	(2,450,071)	95,593	(2,354,478)	
Total comprehensive income	-	-	-	311,273	-	(377,993)	(2,322,973)	(60,378)	-	5,351,345	2,901,274	265,695	3,166,969	
30 June 2024	1,926,796	31,187,874	143,181	(224,349)	557,507	70,301	(1,360,127)	1,192,959	10,075,809	183,389,200	5,351,345	232,310,496	2,981,817	235,292,313

The accompanying notes form an integral part of these interim consolidated financial information.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

		Reviewed 1 January- 30 June 2024	Reviewed 1 January- 30 June 2023
	Notes		
Cash flows from operating activities		5,400,059	19,913,123
Profit/(loss) for the period		5,521,447	12,636,572
Adjustment for reconciliation of profit/(loss) for the period		9,752,390	19,851,903
Adjustment for depreciation and amortisation expense	11, 12	4,566,422	4,193,250
Adjustments for impairment loss (Reversal of impairment loss)		(169,080)	(941,733)
Adjustments for impairment loss (Reversal of impairment loss) of inventories	9	(169,080)	(941,733)
Adjustment for provisions	15	2,304,604	2,818,075
Adjustment for interest (income) and expense	25	(9,677,435)	(2,227,559)
Adjustment for unrealized foreign currency translation differences		2,120,656	8,042,008
Adjustment for fair value (gain) or loss		(2,672,889)	(4,787,780)
Adjustment for undistributed profit accounted by equity method	10	(306,225)	(927,242)
Adjustment for tax expenses(income)	26	5,521,011	10,220,000
Adjustment for (gain)/loss on sales of property, plant and equipment	24	3,525	6,201
Adjustment for other items related with cash flow of investment or financial activities	25	290,983	1,388,172
Other adjustments for reconciliation of profit/(loss)		(932,727)	1,629,979
Monetary loss/gain		8,703,545	438,532
Changes in working capital		(6,750,380)	(6,248,164)
Adjustment for decrease/(increase) in trade receivables		5,472,447	(8,480,753)
Adjustment for decrease/(increase) in other receivables related with operations		6,705,065	121,829
Adjustment for decrease/(increase) in derivative assets		1,501,497	4,185,953
Adjustment for decrease/(increase) in inventories		(9,574,390)	7,305,469
Adjustment for increase/(decrease) in trade payables		(6,965,325)	(6,857,941)
Adjustment for increase/(decrease) in other payables related with operations		(6,403,991)	(1,638,825)
Adjustment for decrease/(increase) in derivative liabilities		2,514,317	(883,896)
Cash flows from operating activities		8,523,457	26,240,311
Tax returns/(payments)	26	(2,453,173)	(5,139,548)
Other cash inflow/(outflow)		(670,225)	(1,187,640)
Cash flows from investing activities		(3,845,813)	(1,352,905)
Dividends received		875,604	456,679
Cash inflows from the sales of property, plant and equipment and intangible assets		30,549	9,202
Cash outflows from the purchase of property, plant and equipment and intangible assets		(5,492,779)	(6,097,380)
Other cash inflow/(outflow)		740,813	4,278,594
Cash flows from financing activities		(18,225,488)	(29,209,469)
Cash inflows from financial liabilities	7	14,542,303	6,212,950
Cash outflows from financial liabilities	7	(20,525,101)	(15,194,130)
Cash inflows from derivative instruments		347,273	613,808
Cash outflows from derivative instruments		(2,097,193)	(119,486)
Cash outflows from payments of rent agreements	7	(51,464)	(52,131)
Dividends paid		(21,011,944)	(22,832,053)
Interest paid		(3,435,801)	(2,737,212)
Interest received		14,006,439	4,898,785
Net increase/(decrease) in cash and cash equivalents before the effect of foreign currency translation differences		(16,671,242)	(10,649,251)
Inflation effect on cash and cash equivalents		(18,104,454)	(13,014,363)
Impact of foreign currency translation differences on cash and cash equivalents		1,331,594	6,616,370
Net increase/(decrease) in cash and cash equivalents		(33,444,102)	(17,047,244)
Cash and cash equivalents at the beginning of the period		107,322,259	84,917,499
Cash and cash equivalents at the end of the period	5	73,878,157	67,870,255

The accompanying notes form an integral part of these interim consolidated financial information.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

1. Organization and nature of operations of the group

Türkiye Petrol Rafinerileri A.Ş. (“Tüpraş” or the “Company”) was established on 16 November 1983. The Company is mainly engaged in the following fields:

- To provide and refine all kinds of crude oil, petroleum, and chemical products, to sustain all kinds of commercial operations of produced and imported crude oil, petroleum and chemical products including export along with the storage and transportation activities during production and selling stages and to establish and operate domestic and foreign refineries for this purpose.
- To establish and operate factories and facilities in petrochemical and other related industries,
- To provide the necessary raw and supplementary materials and process, produce or trade these materials in order to obtain petrochemical and other related products,
- To package the products produced during various phases of production and to establish a packaging industry for this purpose, to evaluate and/or to sell waste, by products and substandard products, to establish and operate the necessary facilities for the destruction of the waste products,
- To establish and operate facilities and plants related with all kinds of energy and energy related industries within the framework of the laws and regulations. To obtain, use and trade all kinds of equipment, materials and chemical substances for this purpose,
- Domestic and foreign wholesale and retail purchase, sale, import, export, storage, marketing of all kinds of petroleum products, LPG and natural gas, with other real and legal persons to operate partially or completely in these purposes and subjects, such as distribution and marketing company or similar other establishing partnerships or appropriating the stocks and documents representing the shares of existing partnerships, selling them when necessary, buying or transferring the participation shares.

The main operations of Tüpraş and its subsidiaries (collectively referred as “the Group”) are in Türkiye and the Group’s business segment has been identified as refining, trading of petroleum products, electricity production and supply.

The Company is registered at the Capital Markets Board (“CMB”) of Türkiye and its shares have been quoted at Borsa İstanbul A.Ş. (“BİST”) since 1991. As of 30 June 2024, and 31 December 2023, the principal shareholders and their respective shareholdings in the Company are as follow (Note 20):

	(%)
Enerji Yatırımları A.Ş.	46.40
Koç Holding A.Ş.	6.35
Koç Family Members and Companies owned by Koç Family Members	0.47
Publicly held	46.78
	100.00

The parent of the Company is controlled by Koç Holding A.Ş., Koç Family and the companies owned by Koç Family.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

1. Organization and nature of operations of the group (Continued)

The nature of the business of the subsidiaries and joint ventures of the Group is as follows:

Subsidiaries	Country of incorporation	Nature of business
Ditaş Deniz İşletmeciliği ve Tankerciliği A.Ş. ("Ditaş")	Türkiye	Crude oil and petroleum products transportation
Üsküdar Tankercilik A.Ş. ("Üsküdar")	Türkiye	Crude oil and petroleum products transportation
T Damla Denizcilik A.Ş. ("Damla")	Türkiye	Mooring and tug service
Kadıköy Tankercilik A.Ş. ("Kadıköy")	Türkiye	Crude oil and petroleum products transportation
Beykoz Tankercilik A.Ş. ("Beykoz")	Türkiye	Crude oil and petroleum products transportation
Sarıyer Tankercilik A.Ş. ("Sarıyer")	Türkiye	Crude oil and petroleum products transportation
Kartal Tankercilik A.Ş. ("Kartal")	Türkiye	Crude oil and petroleum products transportation
Maltepe Tankercilik A.Ş. ("Maltepe")	Türkiye	Crude oil and petroleum products transportation
Salacak Tankercilik A.Ş. ("Salacak")	Türkiye	Crude oil and petroleum products transportation
Karşıyaka Tankercilik A.Ş. ("Karşıyaka")	Türkiye	Crude oil and petroleum products transportation
Bakırköy Tankercilik A.Ş. ("Bakırköy")	Türkiye	Crude oil and petroleum products transportation
Karaköy Tankercilik A.Ş. ("Karaköy")	Türkiye	Crude oil and petroleum products transportation
Çengelköy Tankercilik A.Ş. ("Çengelköy")	Türkiye	Crude oil and petroleum products transportation
Pendik Tankercilik A.Ş. ("Pendik")	Türkiye	Crude oil and petroleum products transportation
Tuzla Tankercilik A.Ş. ("Tuzla")	Türkiye	Crude oil and petroleum products transportation
Göztepe Tankercilik A.Ş. ("Göztepe")	Türkiye	Crude oil and petroleum products transportation
Kuruçeşme Tankercilik A.Ş. ("Kuruçeşme")	Türkiye	Crude oil and petroleum products transportation
Balat Tankercilik A.Ş. ("Balat")	Türkiye	Crude oil and petroleum products transportation
Florya Tankercilik A.Ş. ("Florya")	Türkiye	Crude oil and petroleum products transportation
Tarabya Tankercilik A.Ş. ("Tarabya")	Türkiye	Crude oil and petroleum products transportation
Adalar Tankercilik A.Ş. ("Adalar")	Türkiye	Crude oil and petroleum products transportation
Körfez Ulaştırma A.Ş. ("Körfez")	Türkiye	Air, sea, land and rail transportation
Tupras Trading Ltd. ("Tupras Trading")	England	Crude oil and petroleum products trade
Entek Elektrik Üretimi A.Ş. ("Entek")	Türkiye	Electricity and steam production and trade
Eltek Elektrik Enerjisi İthalat		
İhracat ve Toptan Ticaret A.Ş. ("Eltek")	Türkiye	Electricity trade
Enspire Enerji Yatırımları ve Hizmetleri A.Ş. ("Enspire")	Türkiye	Establishing a power generation facility
Enkar Doğal Enerji Üretim ve Sanayi Ticaret A.Ş. ("Enkar")	Türkiye	Establishing a power generation facility
Esinti Enerji Üretim Ticaret ve Sanayi A.Ş. ("Esinti")	Türkiye	Electricity production and trade
Tüpraş Enerji Girişimleri A.Ş. ("Tüpraş Ventures")	Türkiye	Technology and venture investments
Joint ventures	Incorporation	Nature of business
OPET Petrolcülük A.Ş. ("Opet")	Türkiye	Petroleum products retail distribution
THY Opet Havacılık Yakıtları A.Ş.	Türkiye	Jet fuel supply services
Opet International Limited	England	Petroleum products trading
Opet Trade B.V.	The Netherlands	Petroleum products trading
Opet Trade Singapore (In liquidation) (*)	Singapore	Petroleum products trading
Opet Market ve Akaryakıt İstasyon İşletmeciliği A.Ş.	Türkiye	Petroleum products trading and retail
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş.	Türkiye	Lube oil trading
Op Ay Akaryakıt Ticaret Ltd. Şti.	Türkiye	Petroleum products trading
Akdeniz Akaryakıt Depolama Nakliyat ve Tic. A.Ş.	Türkiye	Petroleum products trading
Opet Aygaz Gayrimenkul A.Ş.	Türkiye	Real estate
WAT Mobilite Çözümleri Teknoloji ve Ticaret A.Ş.	Türkiye	Electric vehicle charging stations
Demre 7 Tankercilik A.Ş.	Türkiye	Crude oil and petroleum products transportation
Demre 8 Tankercilik A.Ş.	Türkiye	Crude oil and petroleum products transportation

(*) Ceased its activities since 15 July 2015.

The average number of employees of the Group as of 30 June 2024 is 6,228 (31 December 2023 - 6,055).

The address of the registered office of the Company is as follows:

Türkiye Petrol Rafinerileri A.Ş.
Gülbahar Mahallesi
Büyükdere Caddesi No:101/A
Şişli, İstanbul

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

2. Basis of presentation of consolidated financial statements

2.1. Basis of presentation

2.1.1 Financial reporting standards

The consolidated financial statements and disclosures have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting in Capital Markets" (the Communiqué) announced by the Capital Markets Board ("CMB") on 13 June 2013 which is published on Official Gazette numbered 28676. In accordance with article 5th of the Communiqué, companies should apply Turkish Financial Reporting Standards ("TFRS") and interpretations regarding these standards as published by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("POA").

The consolidated financial statements are presented in accordance with the formats specified in the "Announcement on TMS Taxonomy" published by the POA on 3 July 2024 and the Financial Table Examples and User Guide published by the CMB.

The Group and the group companies established in Türkiye maintain their books of account and prepare their statutory financial statements ("Statutory Financial Statements") in accordance with rules and principles published by POA, the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. These consolidated financial statements have been prepared under the historical cost convention except for derivative instruments that are carried at fair value. These consolidated financial statements are based on the statutory records with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the Turkish Financial Reporting Standards.

Financial reporting in hyperinflationary economy

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 30 June 2024. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 30 June 2023 and 31 December 2023, on the purchasing power basis as of 30 June 2024.

According to the decision numbered 81/1820 dated 28 December 2023, by the Capital Markets Board (CMB), issuers and capital market institutions subject to SPK financial reporting regulations, which apply the Turkish Accounting/Financial Reporting Standards, have decided to implement inflation accounting by applying the provisions of TMS 29 starting with the annual financial reports for the accounting periods ending as of 31 December 2023.

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") of Türkiye published by the Turkish Statistical Institute ("TURKSTAT"). As of 30 June 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Conversion Factor	Three-year Inflation Rate
30 June 2024	2,319.29	1.00000	324%
31 December 2023	1,859.38	1.24735	268%
30 June 2023	1,351.59	1.71597	190%

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

2. Basis of presentation of consolidated financial statements (Continued)

2.1. Basis of presentation (Continued)

2.1.1. Financial reporting standards (Continued)

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power on the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 “Impairment of Assets” and TAS 2 “Inventories” are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the statements of profit or loss and other comprehensive income, except for those that have an impact on the statements of profit or loss and other comprehensive income of non-monetary items on the statements of financial position, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recorded in the monetary loss/gain account in the statements of profit or loss and other comprehensive income.

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The consolidated financial statements are presented in TRY, which is the functional currency of Tüpraş and the presentation currency of the Group.

2.1.2 Amendments in Turkish Financial Reporting Standards (TFRS)

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of 30 June 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and IFRIC (International Financial Reporting Interpretations Committee) interpretations effective as of 1 January 2024. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

2. Basis of presentation of consolidated financial statements (Continued)

2.1. Basis of presentation (Continued)

2.1.2 Amendments in Turkish Financial Reporting Standards (TFRS) (Continued)

a) *The new standards, amendments and interpretations which are effective as of 1 January 2024 are as follows:*

- **Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities;** in March 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity’s right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period (“future covenants”), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with TAS 8.
- **Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback;** in January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under “Subsequent measurement of the lease liability” heading after the commencement date in a sale and leaseback transaction, the seller lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16.
- **Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements;** the amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose.

The mentioned amendments and interpretations evaluate impacts on the consolidated financial position and performance of the Group.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

2. Basis of presentation of consolidated financial statements (Continued)

2.1. Basis of presentation (Continued)

2.1.2 Amendments in Turkish Financial Reporting Standards (TFRS) (Continued)

b) Standards issued but not yet effective and not early adopted as of:

Standards, interpretations, and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will affect the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

- **Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;** In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.
- **TFRS 17 - The new Standard for insurance contracts;** POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard has been postponed to accounting periods beginning on or after 1 January 2025 with the announcement made by the POA.
- **Amendments to TAS 21 - Lack of exchangeability;** in May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The mentioned amendments and interpretations evaluate impacts on the financial position and performance of the Group and TFRS 17 does not have any impact on the Group’s financial statements.

c) The amendments which are effective immediately upon issuance:

- **Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules;** in September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

2. Basis of presentation of consolidated financial statements (Continued)

2.1. Basis of presentation (Continued)

2.1.2 Amendments in Turkish Financial Reporting Standards (TFRS) (Continued)

d) The new amendments that are issued by the International Accounting Standards Board (“IASB”) but not issued by Public Oversight Authority (“POA”):

The following amendments to TFRS 9 and TFRS 7 as well as TFRS 18 and TFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the amendments and new standards are issued and become effective under TFRS.

- **Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments;** in May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that financial liability is derecognised on the ‘settlement date’. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment.
- **TFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements;** in April 2024, IASB issued TFRS 18 which replaces TAS 1. TFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. TFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as TAS 7, TAS 8 and TAS 34.
- **TFRS 19 – Subsidiaries without Public Accountability: Disclosures;** in May 2024, IASB issued TFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other TFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply TFRS 19 will not need to apply the disclosure requirements in other TFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with TFRS accounting standards may elect to apply TFRS 19.

The mentioned amendments and interpretations evaluate impacts on the consolidated financial position and performance of the Group and TFRS 19 does not have any impact on the Group's financial statements.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

2. Basis of presentation of consolidated financial statements (Continued)

2.1. Basis of presentation (Continued)

2.1.3 Financial statements of subsidiaries and joint ventures operating in foreign countries

The financial statements of subsidiaries and joint ventures operating in foreign countries have been prepared in accordance with the laws and regulations applicable in the countries in which they operate and have been prepared by reflecting the necessary adjustments in order to provide accurate presentation in accordance with Turkish Financial Reporting Standards. In this context, the Group's subsidiaries and joint ventures operating in foreign countries prepare their financial statements in the functional currency of US Dollars, assets and liabilities are translated into Turkish Lira using the foreign exchange rate on the consolidated balance sheet date, and income and expenses are translated into Turkish Lira using the average exchange rate. Exchange differences resulting from the use of closing and average exchange rates and index effects resulting from the indexing of income and expenses with comparative amounts in accordance with TMS 29 are followed under the foreign currency translation differences account in the other comprehensive income statement and shareholders' equity.

2.1.4 Principles of consolidation

- a) The interim condensed consolidated financial information for the interim period ended 30 June 2024 have been prepared in accordance with principles stated on the consolidated financial statements for the year ended 31 December 2023 and include financial statements of Tüpraş, and its Subsidiaries.
- b) As of 30 June 2024, and 31 December 2023, the voting rights and effective partnership shares of the subsidiaries and joint ventures that were consolidated are as follows.

	30 June 2024		31 December 2023	
	Direct and indirect voting right possessed by the company (%)	Proportion of effective interest (%)	Direct and indirect voting right possessed by the company (%)	Proportion of effective interest (%)
Subsidiary				
Ditaş	79.98	79.98	79.98	79.98
Üsküdar	79.98	79.98	79.98	79.98
Damla	79.98	79.98	79.98	79.98
Beykoz	79.98	79.98	79.98	79.98
Kadıköy	79.98	79.98	79.98	79.98
Sarıyer	79.98	79.98	79.98	79.98
Kartal	79.98	79.98	79.98	79.98
Maltepe	79.98	79.98	79.98	79.98
Salacak	79.98	79.98	79.98	79.98
Karşıyaka	79.98	79.98	79.98	79.98
Bakırköy	79.98	79.98	79.98	79.98
Karaköy	79.98	79.98	79.98	79.98
Çengelköy	79.98	79.98	79.98	79.98
Pendik	79.98	79.98	79.98	79.98
Tuzla	79.98	79.98	79.98	79.98
Göztepe	79.98	79.98	79.98	79.98
Kuruçeşme	79.98	79.98	79.98	79.98
Balat (***)	79.98	79.98	79.98	79.98
Florya (***)	79.98	79.98	79.98	79.98
Tarabya (***)	79.98	79.98	79.98	79.98
Adalar (**)	79.98	79.98	-	-
Körfez	100.00	100.00	100.00	100.00
Tupras Trading	100.00	100.00	100.00	100.00
Entek	99.23	99.23	99.23	99.23
Eltek	99.23	99.23	99.23	99.23
Menzelet Kılavuzlu (*)	-	-	99.23	99.23
Enspire	99.23	99.23	99.23	99.23
Enkar (***)	99.23	99.23	99.23	99.23
Esinti (***)	86.92	84.84	86.92	84.84
Tüpraş Ventures	100.00	100.00	100.00	100.00

(*) Merging of partnership of Menzelet Kılavuzlu with partnership of Entek was registered on 31 May 2024.

(**) Adalar Tankercilik A.Ş. was established on 28 February 2024.

(***) Balat Tankercilik A.Ş. was established on 4 October 2023, and Florya Tankercilik A.Ş. and Tarabya Tankercilik A.Ş. were established on 21 December 2023. Enkar Doğal Enerji Üretim A.Ş. were purchased by Entek Elektrik Üretim A.Ş. on 7 November 2023. 75% of Esinti shares was purchased by Entek and 25% shares eas purchased by Opet on 7 November 2023.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

2. Basis of presentation of consolidated financial statements (Continued)

2.1. Basis of presentation (Continued)

2.1.4 Principles of consolidation (Continued)

The financial position statements and the statements of profit or loss and other comprehensive income of the Subsidiaries have been consolidated using the full consolidation method, and the registered contributory value of the shares owned by the company is mutually clarified with the relevant equity. Transactions and balances within the scope of consolidation between the Company and Subsidiaries are mutually written off. The book values of the subsidiary shares owned by the Company and the dividends arising from these shares have been netted off from the related equity and the statements of profit or loss and other comprehensive income accounts.

- c) Joint ventures are companies in which the Group has joint control. Joint control is the contractually agreed sharing of control. Control exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group’s interest in joint ventures is accounted for with the equity method. Investments accounted by equity method are presented in consolidated statement of financial position with additions or deductions of changes on share of the Group on net assets of the affiliate and with deduction of provisions for the decline in the value.

The table below shows the total interest of the Group in its joint ventures accounted by using the equity method as of 30 June 2024 and 31 December 2023:

	30 June 2024		31 December 2023	
	Direct and indirect voting right possessed by the company (%)	Proportion of effective interest (%)	Direct and indirect voting right possessed by the company (%)	Proportion of effective interest (%)
Joint ventures accounted by equity method				
Opet	50.00	41.67	50.00	41.67
Opet International Limited (*)	50.00	41.67	50.00	41.67
Opet Trade B.V. (*)	50.00	41.67	50.00	41.67
Opet Trade Singapore (In liquidation) (*) (***)	50.00	41.67	50.00	41.67
Opet Market ve Akaryakıt İstasyon İşletmeciliği A.Ş. (*)	50.00	41.67	50.00	41.67
THY Opet Havacılık Yakıtları A.Ş. (**)	25.00	20.84	25.00	20.84
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (**)	25.00	20.84	25.00	20.84
Op Ay Akaryakıt Ticaret Ltd. Şti. (**)	25.00	20.84	25.00	20.84
Akdeniz Akaryakıt Depolama Nakliyat ve Tic. A.Ş. (**)	16.65	13.88	16.65	13.88
Opet Aygaz Gayrimenkul A.Ş. (**)	25.00	20.84	25.00	20.84
WAT Mobilite Çözümleri Teknoloji ve Ticaret A.Ş. (**)	21.92	19.92	21.92	19.92
Demre 7 Tankercilik A.Ş. (*)	50.00	41.67	-	-
Demre 8 Tankercilik A.Ş. (*)	50.00	41.67	-	-

(*) Related companies are accounted by consolidation in Opet's financial statements.

(**) Related companies are accounted by equity method in Opet's financial statements.

(***) Ceased its activities since 15 July 2015.

- d) The non-controlling shareholders’ share of the net assets and results for the period for the subsidiaries are classified separately in the consolidated statement of financial position and statements of comprehensive income as non-controlling interests.

2.2. Changes in accounting policies

2.2.1 Comparative informations

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated.

The Group has prepared the consolidated statement of financial position as of 30 June 2024 in comparative with the consolidated statement of financial position prepared as of 31 December 2023. The consolidated statement of comprehensive income, the statement of cash flow and the statement of changes in shareholders' equity for the period ended 30 June 2024 have been presented comparatively with the period ended 30 June 2023.

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2. Basis of presentation of consolidated financial statements (Continued)

2.2. Changes in accounting policies (Continued)

2.2.2 Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.3. Summary of significant accounting policies

The condensed interim consolidated financial statements for the period ended 30 June 2024 have been prepared in accordance with TAS 34 for the preparation of interim financial statements of TFRS. In addition, the condensed interim consolidated financial statements as of 30 June 2024 have been prepared by applying the accounting policies that are consistent with the accounting policies applied during the preparation of the consolidated financial statements for the year ended 31 December 2023, except for the accounting policy changes effective from 1 January 2024. Therefore, these condensed interim consolidated financial statements should be evaluated together with the consolidated financial statements for the year ended 31 December 2023.

3. Business combinations

The merger of Entek and Menzelet Kilavuzlu, a subsidiary of the Group, was registered on 31 May 2024. The merger has no impact on the Group's consolidated financial statements as both companies were subsidiaries of the Group before the merger.

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4. Segment reporting

The Group management has decided to use industrial segments as the reporting format for operating segments, considering that the Group's risks and returns are affected by developments in the energy sector. The Group management thinks that the Group operates under the industrial divisions formed by these two sectors, since the Group's field of activity is the refining and the electricity sectors as of the date of acquisition of Entek shares. The Group has presented the segment reporting it has prepared for the refining and electricity sectors in the consolidated financial statements. The performance of the segments is taken into account by the profit before interest, depreciation and tax.

a) Analysis of information by segments

1 January- 30 June 2024	Refining	Electric	Consolidated Total
Revenue	365,749,998	4,346,725	370,096,723
Cost of sales	(334,873,016)	(3,509,775)	(338,382,791)
Gross profit (loss)	30,876,982	836,950	31,713,932
Operating expenses	(12,812,088)	(394,227)	(13,206,315)
Other operating income	7,439,786	16,939	7,456,725
Other operating expenses	(11,058,488)	(12,689)	(11,071,177)
Operating profit	14,446,192	446,973	14,893,165
Income/ (expenses) from investment activities	(3,669)	144	(3,525)
Income (loss) from investments accounted by equity method	306,225	-	306,225
Operating profit before financial income (expense)	14,748,748	447,117	15,195,865
Financial income	13,902,132	392,069	14,294,201
Financial expense	(9,237,429)	(442,506)	(9,679,935)
Monetary loss/gain	(8,876,864)	109,191	(8,767,673)
Profit (loss) before tax from continued operations	10,536,587	505,871	11,042,458
Tax (expense) income from continued operations	(5,213,929)	(307,082)	(5,521,011)
Net income (loss) from continued operations	5,322,658	198,789	5,521,447
1 April- 30 June 2024	Refining	Electric	Consolidated Total
Revenue	188,308,238	2,407,434	190,715,672
Cost of sales	(171,300,287)	(1,983,513)	(173,283,800)
Gross profit (loss)	17,007,951	423,921	17,431,872
Operating expenses	(6,662,872)	(198,432)	(6,861,304)
Other operating income	4,319,601	8,518	4,328,119
Other operating expenses	(4,316,500)	(2,740)	(4,319,240)
Operating profit	10,348,180	231,267	10,579,447
Income/ (expenses) from investment activities	(4,010)	869	(3,141)
Income (loss) from investments accounted by equity method	567	-	567
Operating profit before financial income (expense)	10,344,737	232,136	10,576,873
Financial income	5,996,612	110,995	6,107,607
Financial expense	(4,903,889)	(102,354)	(5,006,243)
Monetary loss/gain	(2,707,545)	20,639	(2,686,906)
Profit (loss) before tax from continued operations	8,729,915	261,416	8,991,331
Tax (expense) income from continued operations	(3,655,961)	(264,067)	(3,920,028)
Net income (loss) from continued operations	5,073,954	(2,651)	5,071,303

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4. Segment reporting (Continued)

a) Analysis of information by segments (Continued)

1 January- 30 June 2023	Refining	Electric	Consolidated Total
Revenue	352,067,877	5,281,352	357,349,229
Cost of sales	(298,037,239)	(4,238,255)	(302,275,494)
Gross profit (loss)	54,030,638	1,043,097	55,073,735
Operating expenses	(10,668,313)	(289,182)	(10,957,495)
Other operating income	7,021,840	22,737	7,044,577
Other operating expenses	(19,360,263)	(21,431)	(19,381,694)
Operating profit	31,023,902	755,221	31,779,123
Income/ (expenses) from investment activities	(6,363)	3,851	(2,512)
Income (loss) from investments accounted by equity method	927,242	-	927,242
Operating profit before financial income (expense)	31,944,781	759,072	32,703,853
Financial income	12,828,648	1,055,215	13,883,863
Financial expense	(17,772,142)	(1,342,379)	(19,114,521)
Monetary loss/gain	(4,676,969)	60,346	(4,616,623)
Profit (loss) before tax from continued operations	22,324,318	532,254	22,856,572
Tax (expense) income from continued operations	(9,573,887)	(646,113)	(10,220,000)
Net income (loss) from continued operations	12,750,431	(113,859)	12,636,572

1 April- 30 June 2023	Refining	Electric	Consolidated Total
Revenue	181,315,166	2,314,367	183,629,533
Cost of sales	(152,582,675)	(1,736,748)	(154,319,423)
Gross profit (loss)	28,732,491	577,619	29,310,110
Operating expenses	(5,107,285)	(157,931)	(5,265,216)
Other operating income	5,836,105	11,219	5,847,324
Other operating expenses	(17,181,656)	(14,788)	(17,196,444)
Operating profit	12,279,655	416,119	12,695,774
Income/ (expenses) from investment activities	(1,706)	(17,779)	(19,485)
Income (loss) from investments accounted by equity method	1,391,954	-	1,391,954
Operating profit before financial income (expense)	13,669,903	398,340	14,068,243
Financial income	9,810,880	925,419	10,736,299
Financial expense	(13,449,790)	(1,077,319)	(14,527,109)
Monetary loss/gain	(910,758)	(34,426)	(945,184)
Profit (loss) before tax from continued operations	9,120,235	212,014	9,332,249
Tax (expense) income from continued operations	393,575	(207,144)	186,431
Net income (loss) from continued operations	9,513,810	4,870	9,518,680

b) Assets by segments

	30 June 2024	31 December 2023
Refining	395,222,717	433,936,311
Electric	22,914,020	23,583,774
Total assets	418,136,737	457,520,085

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5. Cash and cash equivalents

	30 June 2024	31 December 2023
Cash at banks		
Demand deposits	2,472,171	1,925,209
Time deposits	71,405,986	105,397,050
Demand deposits (blocked)	5,918,735	5,168,986
Time deposits (blocked)	62,438	3,627
Revenue share (blocked)	6,275,199	6,021,139
Time deposit interest accruals	1,733,728	2,878,266
Total	87,868,257	121,394,277

As required by the Petroleum Market License Regulation, the revenue share collected from the customers by the Group is held at banks and considered as blocked deposit in the Company’s books. The revenue share was invested as demand deposits with government debt securities interest rate and overnight interest rate as of 30 June 2024, and 31 December 2023 (Note 14). In addition, demand blocked deposits amounting to TRY5,918,735 thousand are available for derivative transactions carried out in foreign exchanges. (31 December 2023 – TRY5,168,986 thousand). Time blocked deposits amounting to TRY62,438 thousand are available for time electricity market and renewable energy resources guarantee system (31 December 2023 – TRY3,627 thousand).

Time deposits and other cash and cash equivalents

As of 30 June 2024, and 31 December 2023 the details of time deposits are as follows:

30 June 2024

	Effective rate of interest (%)	Less than 1 month	1- 3 months	Total
TRY	54.93	14,639,528	14,800,196	29,439,724
USD	4.32	40,640,707	-	40,640,707
EUR	3.62	1,319,670	-	1,319,670
GBP	0.05	5,885	-	5,885
Time deposit		56,605,790	14,800,196	71,405,986

31 December 2023

	Effective rate of interest (%)	Less than 1 month	1- 3 months	Total
TRY	44.62	54,947,678	15,049,212	69,996,890
USD	4.49	34,911,428	102,107	35,013,535
EUR	3.31	380,981	-	380,981
GBP	0.05	5,644	-	5,644
Time deposit		90,245,731	15,151,319	105,397,050

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5. Cash and cash equivalents (Continued)

Cash and cash equivalents included in the consolidated statements of cash flows for the periods ended 30 June 2024 and 30 June 2023 are as follows:

	30 June 2024	30 June 2023
Cash and cash equivalents	87,868,257	79,522,896
Less: Blocked deposits (Revenue share)	(6,275,199)	(6,770,823)
Less: Blocked deposits (Revenue share)	(5,918,735)	(4,551,895)
Less: Blocked time deposits	(62,438)	(5,736)
Less: Time deposit interest accruals	(1,733,728)	(324,187)
Cash and cash equivalents	73,878,157	67,870,255

6. Financial investments

Short-term Financial Investments:

	30 June 2024	31 December 2023
Investment fund	134,607	3,692
Time deposits	-	626,013
Currency protected deposits (*)	-	245,715
Total	134,607	875,420

(*) Currency protected time deposit account is a deposit product that offers foreign exchange rate protection in case the US Dollar exchange rate increases more than the interest rate at maturity. Currency protected deposit accounts are accounted for as financial assets at fair value through profit or loss.

As of 31 December 2023, the nominal amount and fair values of the financial assets that are exchange-rate protected TRY time deposits are as follows:

	31 December 2023		
	Nominal amount (original currency)	Fair value (TL equivalent)	Term
TRY	236,001	245,715	1-3 months
		245,715	

As of 30 June 2024, and 30 June 2023, the movement table of financial investments that are currency protected deposits is as follows:

	2024	2023
1 January	245,715	4,388,399
Principal collected during the period	(196,990)	(3,824,374)
Received during the period	-	232,478
Fair value difference	-	3,689
Monetary loss/gain	(48,725)	(686,722)
30 June	-	113,470

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7. Financial liabilities

	30 June 2024	31 December 2023
Short-term borrowings:		
Short-term bank borrowings	995,000	2,932,565
Interest accruals of bank borrowings	42,589	8,189
Total	1,037,589	2,940,754
Short-term portion of long-term borrowings:		
Short-term portion of long-term bank borrowings	5,428,820	7,902,072
Bonds issued	22,978,340	25,750,181
Interest accruals of bank borrowings	188,311	491,380
Interest accruals of bonds issued	209,677	188,184
Lease liabilities	87,426	108,059
Total	28,892,574	34,439,876
Long-term borrowings:		
Long-term bank borrowings	2,405,681	6,129,019
Interest accruals of bank borrowings	-	11,543
Lease liabilities	466,220	542,840
Total	2,871,901	6,683,402
Total borrowings	32,802,064	44,064,032

Tüpraş has issued a bond on 12 October 2017 with a nominal value of USD700 million, with a maturity of 7 years, coupon payment every 6 months and repayment of principal and coupon at maturity, with an annual interest rate of 4.5%, on the London Stock Exchange.

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7. Financial liabilities (Continued)

Foreign currency balances and effective interest rates for the short and long-term financial liabilities as of 30 June 2024 and 31 December 2023 are as follows:

			30 June 2024
	Effective interest rate (%)	Original currency	Thousand TRY
Short-term borrowings:			
TRY bank borrowings	54.18	995,000,000	995,000
			995,000
Interest accruals			42,589
Total short-term financial liabilities			1,037,589
Short-term portion of long-term borrowings			
TRY bank borrowings	21.89	546,663,709	546,664
USD bank borrowings	6.31	144,874,907	4,755,693
USD bonds issued	4.55	700,000,000	22,978,340
EUR bank borrowings	4.59	3,600,030	126,463
TRY lease liabilities	24.64	58,638,000	58,638
EUR lease liabilities	3.20	329,648	11,580
GBP lease liabilities	4.55	415,286	17,208
			28,494,586
Interest accruals			397,988
Total short term portion of long-term borrowings			28,892,574
Long-term borrowings:			
TRY borrowings	57.16	242,767,000	242,767
USD borrowings	6.30	50,479,830	1,657,061
EUR bank borrowings	4.59	14,400,119	505,853
TRY lease liabilities	28.55	199,097,785	199,098
EUR lease liabilities	3.23	5,762,318	202,421
GBP lease liabilities	4.55	1,561,449	64,701
			2,871,901
Interest accruals			-
Total long-term borrowings			2,871,901

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7. Financial liabilities (Continued)

		31 December 2023	
	Effective interest rate (%)	Original currency	Thousand TRY
Short-term borrowings:			
TRY bank borrowings	39.82	268,429,720	268,430
USD bank borrowing	-	90,336,304	2,664,135
			2,932,565
Interest accruals			8,189
Total short-term financial liabilities			2,940,754
Short-term portion of long term borrowings:			
TRY borrowings	19.08	1,037,767,763	1,037,768
USD bank borrowings	6.59	227,862,437	6,718,031
USD bonds issued	4.55	873,145,000	25,750,181
EUR bank borrowings	4.67	4,490,497	146,273
TRY lease liabilities	27.96	76,542,385	76,542
EUR lease liabilities	3.20	404,754	13,208
GBP lease liabilities	4.55	488,990	18,309
			33,760,312
Interest accruals			679,564
Total short term portion of long-term borrowings			34,439,876
Long-term borrowings:			
TRY borrowings	21.51	2,272,616,192	2,272,616
USD borrowings	7.74	108,629,475	3,197,860
EUR borrowings	4.67	20,216,898	658,543
TRY lease liabilities	28.03	221,504,250	221,504
EUR lease liabilities	3.23	7,394,862	241,314
GBP lease liabilities	4.55	2,137,256	80,022
			6,671,859
Interest accruals			11,543
Total long-term borrowings			6,683,402

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7. Financial liabilities (Continued)

As of 30 June 2024, and 31 December 2023, the redemption schedule of long-term bank borrowings is as follows:

	30 June 2024	31 December 2023
1-2 years	903,380	3,102,443
2-3 years	442,246	636,087
3-4 years	427,799	654,425
4-5 years	313,281	622,228
Over 5 years	785,195	1,668,219
Total	2,871,901	6,683,402

The movement of borrowings as of 30 June 2024 and 30 June 2023 is as follows:

	2024	2023
1 January	44,064,032	68,377,206
New financial borrowings	14,486,892	6,119,044
Principal payments	(20,525,101)	(15,194,130)
Increase due to lease liabilities	55,411	93,906
Decrease due to payment of lease liabilities	(51,464)	(52,131)
Changes in interest accruals	(251,335)	(238,631)
Changes in foreign exchange rates	3,452,250	14,658,379
Monetary loss/gain	(8,428,621)	(11,440,170)
30 June	32,802,064	62,323,473

8. Trade receivables and payables

Short-term trade receivables:

	30 June 2024	31 December 2023
Trade receivables	35,021,909	42,647,467
Due from related parties (Note 28)	10,298,371	8,145,630
Doubtful trade receivables	7,474	9,323
Other trade receivables	2,241	22
Less: Unearned credit finance income	(370,614)	(350,993)
Less: Expected credit loss	(7,474)	(9,323)
Total short-term trade receivables (net)	44,951,907	50,442,126

Tüpraş discounts the domestic receivables by using domestic government bonds and foreign receivables by using monthly libor rates.

As of 30 June 2024, TRY8,845,000 thousand collected from factoring companies within the scope of irrevocable factoring has been deducted from trade receivables (31 December 2023 – TRY8,101,538 thousand).

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8. Trade receivables and payables (Continued)

Short-term trade receivables (Continued):

Movement of the provision for doubtful receivables for the period ended 30 June 2024 and 30 June 2023 is as follows:

	2024	2023
1 January	9,323	11,555
Charge for the period	-	3,264
Payments during the period	-	(33)
Monetary loss/gain	(1,849)	(1,908)
30 June	7,474	12,878

Short-term trade payables:

	30 June 2024	31 December 2023
Trade payables	114,942,363	121,764,423
Due to related parties (Note 28)	1,085,442	1,228,707
Less: Unrealised credit finance charges trade payables	(701,743)	(807,504)
Total short-term trade payables (net)	115,326,062	122,185,626

Tüpraş discounts short-term trade payables by using monthly libor rates.

9. Inventories

	30 June 2024	31 December 2023
Raw materials and supplies	8,006,759	9,187,088
Work-in-progress	12,996,209	12,287,979
Finished goods	14,267,778	15,276,143
Trade goods	843,145	735,262
Goods in transit (*)	28,622,063	17,730,292
Other inventories	483,170	427,970
Total	65,219,124	55,644,734
Provision for impairment of inventory	(13,475)	(182,555)
Total	65,205,649	55,462,179

(*) The goods in transit mainly consist of crude oil stocks.

As of 30 June 2024, and 30 June 2023, movements of provision for inventory impairment are as follows:

	2024	2023
1 January	182,555	962,525
Changes in period	13,475	20,792
Provisions no longer required	(182,555)	(962,525)
30 June	13,475	20,792

As a result of the decrease in various product prices as of 30 June 2024, sales prices remained below costs and a stock impairment provision of TRY13,475 thousand was allocated (30 June 2023: TRY20,792 thousand).

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10. Investments accounted for using the equity method

	30 June 2024		31 December 2023	
	Participation share (%)	Amount	Participation share (%)	Amount
OPET Petrolcülük A.Ş.	41.67	9,715,619	41.67	10,345,376
Total		9,715,619		10,345,376

The movement in the investments accounted for using the equity method during the period ended 30 June 2024 and 30 June 2023 is as follows:

	2024	2023
1 January	10,345,376	9,443,819
Investments accounted for using the equity method;		
Shares in current period profit	306,225	927,242
Dividend payment	(875,604)	(456,679)
Currency translation differences	(60,378)	205,151
30 June	9,715,619	10,119,533

Consolidated summary financial statements of investments accounted for using the equity method (before Group’s effective interest) are as follows:

	30 June 2024	30 June 2023
Current assets	39,841,917	39,367,248
Non-current assets	28,218,394	27,189,007
Total assets	68,060,311	66,556,255
Short term liabilities	38,609,453	35,407,700
Long term liabilities	6,135,237	6,321,637
Equity	23,315,621	24,826,918
Total liabilities	68,060,311	66,556,255

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Sales (net)	163,779,506	86,182,224	144,341,938	77,198,774
Gross profit	5,222,472	2,720,608	6,065,817	4,737,258
Operating profit	469,434	(235,918)	1,621,044	2,716,911
Net income for the period	734,881	1,361	2,225,203	3,272,900

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11. Property, plant and equipment

The movements of property, plant and equipment and related accumulated depreciation for the period ended 30 June 2024 and 30 June 2023 is as follows:

	1 January 2024	Currency translation differences	Additions	Disposals	30 June 2024	
Cost:						
Lands	32,243,809	-	-	-	32,243,809	
Land improvements	49,248,261	-	3,916	-	49,252,177	
Buildings	11,808,393	-	-	-	11,808,393	
Machinery and equipment	183,236,992	-	22,011	(3,619)	183,255,384	
Motor vehicles	21,599,062	-	53,749	(70,222)	21,582,589	
Furniture and fixtures	2,149,868	-	40,002	(2,318)	2,187,552	
Construction in progress	10,751,804	-	3,775,506	-	14,527,310	
Special costs	335,980	-	3,006	(2,966)	336,020	
Other tangible assets	443,830	-	-	-	443,830	
	311,817,999	-	3,898,190	(79,125)	315,637,064	
Accumulated depreciation:						
Land improvements	(30,381,915)	-	(772,545)	-	(31,154,460)	
Buildings	(4,939,118)	-	(107,669)	-	(5,046,787)	
Machinery and equipment	(102,925,902)	1,325	(2,632,402)	1,809	(105,555,170)	
Motor vehicles	(5,056,961)	-	(589,951)	50,839	(5,596,073)	
Furniture and fixtures	(1,315,941)	1,106	(124,718)	478	(1,439,075)	
Special costs	(176,789)	3,576	(23,893)	-	(197,106)	
Other tangible assets	(77,046)	-	(19,527)	-	(96,573)	
	(144,873,672)	6,007	(4,270,705)	53,126	(149,085,244)	
Net book value	166,944,327				166,551,820	
	1 January 2023	Currency translation differences	Additions	Transfers	Disposals	30 June 2023
Cost:						
Lands	31,857,673	-	-	-	-	31,857,673
Land improvements	47,705,346	-	200,491	-	(2,757)	47,903,080
Buildings	11,453,328	-	54,866	-	(3)	11,508,191
Machinery and equipment	178,369,354	-	318,510	-	(6,741)	178,681,123
Motor vehicles	18,049,412	-	2,450,089	-	(432,274)	20,067,227
Furniture and fixtures	1,947,696	-	88,467	-	(13,292)	2,022,871
Construction in progress	8,490,371	-	2,962,273	(8,118)	-	11,444,526
Special costs	285,357	-	2,133	-	-	287,490
Other tangible assets	254,300	-	1,474	-	(5,888)	249,886
	298,412,837	-	6,078,303	(8,118)	(460,955)	304,022,067
Accumulated depreciation:						
Land improvements	(29,032,903)	-	(770,057)	-	1,301	(29,801,659)
Buildings	(4,551,495)	-	(99,739)	-	3	(4,651,231)
Machinery and equipment	(98,760,646)	463	(2,208,424)	-	4,138	(100,964,469)
Motor vehicles	(4,360,817)	-	(397,242)	-	432,274	(4,325,785)
Furniture and fixtures	(1,150,675)	190	(261,795)	-	9,320	(1,402,960)
Special costs	(115,418)	741	(52,850)	-	-	(167,527)
Other tangible assets	(47,232)	-	(13,905)	-	-	(61,137)
	(138,019,186)	1,394	(3,804,012)	-	447,036	(141,374,768)
Net book value	160,393,651					162,647,299

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11. Property, plant and equipment (Continued)

Total depreciation expense amounting to TRY4,270,705 thousand (30 June 2023 – TRY3,804,012 thousand) related to tangible fixed assets in the comprehensive consolidated income statement for the period ended as of 30 June 2024 has been allocated to cost of goods sold amounting to TRY2,376,683 thousand (30 June 2023 – TRY1,977,972 thousand), to general administration expenses amounting to TRY1,415,110 thousand (30 June 2023 – TRY1,270,473 thousand), to marketing expenses amounting to TRY363,715 thousand (30 June 2023 – TRY441,498 thousand), to research and development expenses amounting to TRY115,197 thousand (30 June 2023 – TRY114,069).

The depreciation expense related to right-of-use assets in the consolidated statement of comprehensive income for the period ended as of 30 June 2024 at TRY99,308 thousand (30 June 2023 – TRY182,281 thousand), is classified to general administrative expenses amounting to TRY61,000 thousand (30 June 2023 – TRY 98,114 thousand), to marketing expenses amounting to TRY16,799 thousand (30 June 2023 TRY47,522), and to cost of goods sold amounting to TRY21,509 thousand (30 June 2023 – TRY36,645).

As of 30 June 2024, there are no pledges on property, plant and equipment (31 December 2023: None).

12. Intangible assets

Other intangible assets:

The movements of intangible assets and related accumulated amortisation for the period ended 30 June 2024 and 30 June 2023 are as follows:

	1 January 2024	Additions	Disposals	30 June 2024
Cost:				
Rights and software	1,455,515	1,245	(894)	1,455,866
Development expenses	1,331,790	45,871	-	1,377,661
Other intangible assets	5,555,337	1,095	(5,059)	5,551,373
	8,342,642	48,211	(5,953)	8,384,900
Accumulated amortisation:				
Rights and software	(1,075,479)	(97,879)	43	(1,173,315)
Development expenses	(1,067,121)	(47,422)	-	(1,114,543)
Other intangible assets	(894,979)	(51,108)	1,360	(944,727)
	(3,037,579)	(196,409)	1,403	(3,232,585)
Net book value	5,305,063			5,152,315

	1 January 2023	Additions	Transferler	Disposals	30 June 2023
Cost:					
Rights and software	1,247,043	18,859	-	(8,710)	1,257,192
Development expenses	1,152,681	79,636	-	-	1,232,317
Other intangible assets	3,904,060	2,651	8,118	(3)	3,914,826
	6,303,784	101,146	8,118	(8,713)	6,404,335
Accumulated amortisation:					
Rights and software	(1,008,096)	(101,668)	-	7,226	(1,102,538)
Development expenses	(988,383)	(72,807)	-	-	(1,061,190)
Other intangible assets	(806,309)	(32,482)	-	3	(838,788)
	(2,802,788)	(206,957)	-	7,229	(3,002,516)
Net book value	3,500,996				3,401,819

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12. Intangible assets (Continued)

Other intangible assets (Continued):

Total amortisation expenses amounting to TRY196,409 thousand (30 June 2023: TRY206,957 thousand) in the consolidated statement of comprehensive income for the period ended 30 June 2024 have been allocated to the general administration expenses amounting to TRY149,779 thousand (30 June 2023: TRY178,143 thousand) and the cost of sales amounting to TRY46,630 thousand (30 June 2023: TRY28,814 thousand).

13. Prepaid expenses

Short term prepaid expenses

	30 June 2024	31 December 2023
Insurance and other expenses	1,052,028	1,082,231
Advances given	625,696	506,209
Advances given to third parties for property, plant and equipment	-	5,828
Total	1,677,724	1,594,268

Long term prepaid expenses:

	30 June 2024	31 December 2023
Advances given to third parties for property, plant and equipment	2,554,675	1,768,480
Advances given to related parties for property, plant and equipment (Note 28)	794,990	38,332
Other prepaid expenses	325,558	456,700
Total	3,675,223	2,263,512

14. Other assets and liabilities

Other current assets:

	30 June 2024	31 December 2023
Deferred Value Added Tax (“VAT”)	4,010,960	11,642,983
VAT to be refunded	2,734,563	3,997,732
Deferred Special Consumption Tax (“SCT”)	1,059,287	776,949
Taxes and funds to be offsetted	663,953	599,819
Income accruals	657,821	230,642
Spare parts and material stocks	654,880	376,640
Deferred VAT	217,517	72,313
Income accruals from commodity hedge (*)	152,098	300,308
Other current assets	497,010	403,897
Total	10,648,089	18,401,283

(*) As of 30 June 2024, and 31 December 2023, income accruals from forward goods purchase and sale transactions consist of income accruals from derivative transactions made by Tüpraş for hedging purposes. The expense accruals recognized under cost of goods sold and paid on 8 July 2024 (31 December 2023 – Paid on 8 January 2024).

Other non-current assets:

	30 June 2024	31 December 2023
Spare parts and material stocks	13,987,919	12,342,897
Other	4,943	1,387
Total	13,992,862	12,344,284

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14. Other assets and liabilities (Continued)

Other short-term liabilities:

	30 June 2024	31 December 2023
SCT payable	8,356,984	8,040,127
Revenue share	6,328,241	6,059,062
Deferred Value Added Tax (“VAT”)	4,010,960	11,642,983
VAT payable	1,208,403	433,132
Deferred Special Consumption Tax (“SCT”)	1,059,287	776,949
Taxes and liabilities payable	316,348	917,678
Expense accruals	15,653	19,525
Other	335,469	535,234
Total	21,631,345	28,424,690

Deferred VAT and SCT include VAT and SCT amounts related to export committed sales and are classified within “Other current assets” under assets and within “Other current liabilities” under liabilities. Such SCT and VAT amounts are offset when the export transaction is certified, and the related taxes are cancelled by the tax office.

According to the Petroleum Market Law, financing needs of refinery owners to maintain the National Petroleum Stock are supplied by the revenue share, which is a surplus added to the sales price, limited to a ceiling of USD 10/ton as determined by Energy Market Regulatory Authority (“EMRA”). In the case of importation of petroleum products, the revenue share is to be paid to the refinery owner by the importer.

The Group has been collecting the revenue share over the sales of petroleum products and non-refinery imports of petroleum products since 1 January 2005, the date the relevant article of the regulation came into force.

The Group has been collecting revenue share for LPG sales since 16 September 2005 in addition to the revenue share collected for petroleum products, in accordance with the Liquefied Petroleum Gas (“LPG”) Market Regulation.

It has been decided by the National Petroleum Reserves Commission that the investment management of the revenue share collected will be conducted by the General Directorate of Tüpraş, and the collected amount will be invested in overnight reverse repurchase agreements.

As a result of these regulations, the revenue share amounting to TRY6,328,241 thousand accumulated as of 30 June 2024 (31 December 2023: TRY6,059,062 thousand) which is not recognized in the comprehensive income statement, has been classified as “Revenue Share” within “Other short-term liabilities”. TRY6,275,199 thousand is (31 December 2023: TRY6,021,139 thousand) blocked in banks as demand deposits with government debt securities interest rate and overnight interest rate related to the calculated revenue share has been classified as Revenue share “Blocked” within “Cash and cash equivalents” (Note 5).

15. Provisions

Provision for employee benefits:

Short-term provision for employee benefits:

	30 June 2024	31 December 2023
Personnel bonus accruals	843,702	43,513
Seniority incentive bonus provision	40,469	31,327
Total	884,171	74,840

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15. Provisions (Continued)

Provision for employee benefits (Continued):

Long-term employee benefits:

	30 June 2024	31 December 2023
Provision for employment termination benefits	1,406,009	2,238,734
Provision for unused vacation	311,178	267,665
Seniority incentive bonus provision	115,186	80,690
Total	1,832,373	2,587,089

Seniority incentive bonus provision:

Seniority incentive bonus is paid to hourly paid worker together with their monthly salary when certain seniority levels are reached. The bonus amounts to 45 days of salary for 5 years of seniority level, 55 days of salary for 10 years of seniority level, 70 days of salary for 15 years of seniority level, 80 days of salary for 20 years of seniority level, 90 days of salary for 25 years of seniority level, 100 days of salary for 30 years of seniority level, 105 days of salary for 35 years of seniority level and 110 days of salary for 40 years of seniority level, paid once for each seniority level.

The movements in the provision for seniority incentive bonus during the period are as follows:

	2024	2023
1 January	112,017	105,148
Charge for the period	89,544	62,731
Payments during the period	(18,882)	(46,752)
Monetary loss/gain	(27,024)	(18,253)
30 June	155,655	102,874

Provision for employment termination benefits:

Under the Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men), Since the legislation was changed on 23 May 2002, there are certain transitional provisions relating to length of service prior to retirement.

The liability is not funded, as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees.

TAS 19 requires that actuarial valuation methods to be developed to estimate the Group’s employment termination benefit provision. The following actuarial assumptions have been used in the calculation of the total provision:

	30 June 2024	31 December 2023
Discount rate (%)	2.90%	2.90%
Turnover rate to estimate probability of retirement (%)	98.46%	99.13%

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15. Provisions (Continued)

Provision for employment termination benefits (Continued):

The principal assumption is that maximum liability of employment termination benefits for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Employment termination benefits of the joint ventures of the Group, which are registered in Türkiye are calculated from the maximum amount of TRY41,828.42 which is effective as of 1 July 2024 (1 January 2024: TRY35,058.58).

The movement in the provision for employment termination benefits during the period is as follows:

	2024	2023
1 January	2,238,734	2,162,881
Interest expense	40,185	121,022
Actuarial (gain)/loss	(415,032)	-
Charge for the period	113,870	460,369
Payments during the period	(110,590)	(210,906)
Monetary loss/gain	(461,158)	(395,509)
30 June	1,406,009	2,137,857

Provision for unused vacation:

The movement in the provision for unused vacation during the period is as follows:

	2024	2023
1 January	267,665	254,878
Charge for the period	130,556	117,166
Payments during the period	(26,624)	(32,854)
Monetary loss/gain	(60,419)	(46,790)
30 June	311,178	292,400

Other short-term provisions:

	30 June 2024	31 December 2023
Provision for demurrage	1,620,094	1,102,018
EMRA participation share (*)	197,819	232,749
Provisions for pending claims and law suits	27,663	31,119
Other	641,252	89,053
Total	2,486,828	1,454,939

(*) EMRA participation share is the participation fee that is paid by the refinery license owners in accordance with the Petroleum Market License Regulation, calculated by multiplying net sales with the participation share rate determined by EMRA.

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15. Provisions (Continued)

Other short-term provisions (Continued):

Movement of the short-term provisions for the period ended 30 June 2024 and 30 June 2023 are as follow:

	Provision for pending claims and lawsuits	EMRA participation share	Provision for demurrage	Other	Total
1 January 2024	31,119	232,749	1,102,018	89,053	1,454,939
Changes for the period, net	3,623	112,156	1,203,739	610,931	1,930,449
Payments during the period, net	(710)	(100,111)	(413,308)	-	(514,129)
Monetary loss/gain	(6,369)	(46,975)	(272,355)	(58,732)	(384,431)
30 June 2024	27,663	197,819	1,620,094	641,252	2,486,828
1 January 2023	69,506	246,988	551,339	124,715	992,548
Changes for the period, net	(16,911)	147,247	850,608	1,075,843	2,056,787
Payments during the period, net	(467)	(109,208)	(304,602)	(482,852)	(897,129)
Monetary loss/gain	(10,504)	(42,902)	(121,540)	(53,736)	(228,682)
30 June 2023	41,624	242,125	975,805	663,970	1,923,524

16. Liabilities for employee benefits

	30 June 2024	31 December 2023
Social security withholdings payment	468,740	390,175
Due to the personnel	356,740	604,200
Total	825,480	994,375

17. Other receivables and other payables

	30 June 2024	31 December 2023
Receivable from insurance recoveries	178,702	10,407
Receivable from personnel	101,527	81,673
Deposits and guarantees given	29,943	67,122
Other doubtful receivables	3,678	4,610
Less: Provision for other doubtful receivables	(3,678)	(4,610)
Total other receivables	310,172	159,202

	30 June 2024	31 December 2023
Deposits and guarantees received	224,128	160,194
Dividend payables to third parties	876	627
Other payables to related parties (Note 28)	-	453,706
Total other payables	225,004	614,527

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18. Derivative instruments

	30 June 2024				31 December 2023			
	Fair values		Assets	Liabilities	Fair values		Assets	Liabilities
	Purchase contract amount	Sales contract amount			Purchase contract amount	Sales contract amount		
<i>Cash flow hedge</i>								
Interest rate swap	430,032	430,032	26,110	-	556,173	556,173	49,421	-
Commodity derivative	45,136,694	45,136,694	1,023,231	2,282,591	39,775,192	39,775,192	2,500,886	137,933
<i>Derivatives held for trading</i>								
Currency forwards	22,711,258	23,895,530	343	749,567	43,530,214	47,229,311	12,365	461,509
Foreign currency swap	891,271	891,271	2,836	-	-	-	-	-
Commodity derivative	5,957,901	5,957,901	-	159,456	6,040,815	6,040,815	12,301	-
Cross currency swap	34,783	136,871	-	103,049	24,792	87,543	-	65,036
Short term derrivative instruments			1,052,520	3,294,663			2,574,973	664,478
<i>Cash flow hedge</i>								
Interest rate swap	356,090	356,090	67,016	-	576,008	576,008	46,031	-
<i>Derivatives held for trading</i>								
Currency forwards	-	-	-	-	2,623	791,601	29	-
Cross currency swap	158,465	623,524	-	469,447	223,131	787,881	-	585,315
Long term derrivative instruments			67,016	469,447			46,060	585,315
Total derrivative instruments			1,119,536	3,764,110			2,621,033	1,249,793

As of 30 June 2024, forward foreign exchange transactions consist of forward transactions which generate sales obligation of TRY19,076,651 thousand in exchange of USD545,064 thousand and sales obligation of USD146,800 thousand in exchange of AED542,239 thousand (As of 31 December 2023, forward foreign exchange transactions consist of forward and currency swap transactions which generate a sales obligation of adjusted by 30 June 2024 purchasing power TRY48,020,912 thousand for in exchange of USD1,185,543 thousand).

As of 30 June 2024, interest rate swap consists of exchange of floating rate instalment payments of long-term borrowings and bonds amounting to USD23,948 thousand (31 December 2023: USD30,833 thousand) with fixed rate installment payments for cash flow hedging.

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18. Derivative instruments (Continued)

As of 30 June 2024, cross currency swap transactions consist of swaps with fixed interest rate transaction of foreign currency indexed floating interest rate USD5,887 thousand (31 December 2023: USD6,752 thousand) and fixed interest rate long-term borrowings amounting to TRY760,395 thousand (31 December 2023: Adjusted by 30 June 2024 purchasing power TRY875,424 thousand).

As of 30 June 2024, and 31 December 2023, goods purchase and sale transactions consist of 59,392 thousand barrels (31 December 2023 – 43,549 thousand barrels) crude oil purchase and sale transactions realized in various maturities to hedge the risk of crude oil price changes in the Group's highly probable future sales.

There is no ineffective portion of these derivative instrument transactions.

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19. Commitments and contingent assets and liabilities

	30 June 2024		31 December 2023	
	Original currency (*):	TRY amount:	Original currency (*):	TRY amount (**):
Guarantees received:				
Letter of guarantees received		9,722,899		8,260,555
- Letter of guarantees in TRY	4,147,811	4,147,811	3,622,049	3,622,049
- Letter of guarantees in USD	130,375	4,279,729	90,051	3,306,655
- Letter of guarantees in EUR	35,405	1,243,729	31,258	1,270,036
- Letter of guarantees in other currencies	-	51,630	-	61,815
Guarantee notes received		350		5,779
- Guarantee notes in TRY	350	350	528	528
- Guarantee notes in USD	-	-	143	5,251
Guarantee letters received		1,669,230		1,867,218
- Guarantee letters received in USD	50,851	1,669,230	50,851	1,867,218
Guarantee letters of credit		9,001,479		6,920,426
- Letters of credit in USD	274,216	9,001,479	188,466	6,920,426
Direct debiting limits		1,007,743		1,410,303
- TRY direct debiting limits	1,007,743	1,007,743	1,410,302	1,410,303
Total guarantees received		21,401,701		18,464,281
Guarantees given:				
Letter of credits given		21,648,596		35,333,826
- Letter of credits in USD	659,491	21,648,596	917,680	33,696,988
- Letter of credits in EUR	-	-	52	2,100
- Letter of credits in other currencies	-	-	63,170	1,634,738
Letter of guarantees given		10,840,914		7,823,772
- Letter of guarantees in TRY	10,127,246	10,127,247	7,816,423	7,816,423
- Letter of guarantees in USD	338	11,099	200	7,349
- Letter of guarantees in EUR	20,000	702,568	-	-
Letters of guarantee given to customs offices		5,243,761		3,735,143
- Letter of guarantees in TRY	5,032,991	5,032,991	3,491,357	3,491,357
- Letter of guarantees in EUR	6,000	210,770	6,000	243,786
Guarantee bond		189,096		24,958
- Guarantee bond in TRY	163,928	163,928	241	241
- Guarantee bond in USD	695	22,814	599	21,995
- Guarantee bond in EUR	67	2,354	67	2,722
Letters of guarantee given to banks		644,156		1,050,505
- Letter of guarantees in USD	19,623	644,156	28,609	1,050,505
Guarantees		3,517,732		3,663,117
- Guarantees in USD	105,900	3,476,295	98,487	3,616,414
- Guarantees in other currencies	1,000	41,437	1,000	46,703
Total guarantees given		42,084,255		51,631,321

(*) Original balance amounts are expressed in thousands of currencies.

(**) Previous year's TL equivalent amounts of guarantees with original balance amounts in foreign currency have been prepared on the basis of 30 June 2024 purchasing power.

As of 30 June 2024, and 31 December 2023, letters of guarantees received are composed of guarantees from customers and suppliers. Guarantees given are composed of a letter of credit with guarantees given to government entities and customs offices. As of 30 June 2024, letters of guarantee given to banks are given for loans which were used by Companies within scope of consolidation amounting to TRY597,027 thousand (31 December 2023: TRY980,214 thousand) and for derivative financial instruments amounting to TRY47,129 thousand (31 December 2023: TRY70,291 thousand).

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19. Commitments and contingent assets and liabilities (Continued)

Collaterals, pledges, mortgages given by the Group as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
A. CPMs given for companies in the name of its own legal personality	37,922,368	46,917,699
- TRY	15,324,166	11,308,021
- USD	21,682,510	33,726,332
- EUR	915,692	248,608
- Other	-	1,634,738
B. CPMs given on behalf of the fully consolidated companies	4,161,887	4,713,622
- USD	4,120,450	4,666,919
- Other	41,437	46,703
C. CPMs given for continuation of its economic activities on behalf of third parties	-	-
D. Total amount of other CPMs	-	-
i) Total amount of CPMs given on behalf of the majority shareholder	-	-
ii) Total amount of CPMs given to on behalf of other Group	-	-
iii) Total amount of CPMs given on behalf of third parties which are not in scope of C.	-	-
Total	42,084,255	51,631,321

20. Equity

The Company’s shareholders and their shareholding percentages as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	Share (%)	31 December 2023	Share (%)
Enerji Yatırımları A.Ş.	893,997	46.40	893,997	46.40
Koç Holding A.Ş.	122,298	6.35	122,298	6.35
Koç Family Members and Companies owned by Koç Family Members	9,153	0.47	9,153	0.47
Publicly held	901,348	46.78	901,348	46.78
Paid-in Capital	1,926,796	100.00	1,926,796	100.00
Adjustments to share capital (*)	31,187,874		31,187,874	
Total Capital	33,114,670		33,114,670	

(*) Capital adjustment differences represent the difference between the inflation-adjusted total amounts of cash and cash-like additions to paid-in capital and the amounts before inflation adjustment.

The historical values and inflation adjustment effects of the following accounts under shareholders’ equity of Company’s as of 30 June 2024 in accordance with TFRS and Tax Procedure Law (“TPL”) financial statements are as follows:

30 June 2024 (TFRS)	Historical value	Inflation adjustment effect	Indexed value
Share capital	1,926,796	31,187,874	33,114,670
Legal reserves	5,192,332	4,883,477	10,075,809
30 June 2024 (TPL)	Historical value	Inflation adjustment effect	Indexed value
Share capital	1,926,796	8,307,028	10,233,824
Legal reserves	5,192,332	7,732,648	12,924,980

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(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

20. Equity (Continued)

The registered capital of the Company is TRY500,000 thousand and is divided into 50,000,000,000 shares with a registered nominal value of 1 Kuruş (“Kr”) (31 December 2023- 1 Kr) each. The authorised and paid-in share capital of the Company comprises 192,679,559,799 (31 December 2023: 192,679,559,799). Group A shares with a registered nominal value of 1Kr and one Group C share with privileges belonging to the Privatisation Administration.

As per the articles of association of the Company, one member of the Board of Directors should be nominated by Group C shareholders. Board of Directors’ decisions on the supply needs of petroleum products of the Turkish Military Forces requires the consent of the member representing the Group C shareholders. Retained earnings, as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below.

Restricted reserves

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (“TCC”), The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum until the total reserve reaches 20% of the Company’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless the reserve exceeds 50% of paid-in share capital.

In accordance with Turkish Financial Reporting Standards the amounts should be classified under “Restricted Reserves”. On 30 June 2024, the restricted reserves of the Company amount to TRY10,075,809 thousand (31 December 2023 – TRY7,984,650).

Dividend distribution

Listed companies distribute dividends in accordance with the Communiqué No, II-19,1 issued by the CMB which is effective from 1 February 2014.

Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communiqué does not constitute a minimum dividend rate. Companies distribute dividends in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be distributed by fixed or variable instalments and advance dividend can be paid in accordance with profit on year-end financial statements of the Company.

In accordance with the Turkish Commercial Code (TCC), unless the required reserves and the dividend for shareholders as determined in the article of association or in the dividend distribution policy of the company are set aside, no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of usufruct right certificates, to the members of the board of directors or to the employees; and no dividend can be distributed to these persons unless the determined dividend for shareholders is paid in cash.

The proposal to distribute TRY20,000,000 as cash dividend from the remaining balance of the net distributable period profit for the year 2023, according to the legal records, after the allocation of the general legal reserve, for the interim period ending as of 30 June 2024 was approved at the Ordinary General Assembly Meeting dated 1 April 2024. While the relevant distribution is being made, one share with a nominal value of TRY1.00 and 1,037.99% is given to full-fledged corporations and limited taxpayer partners who receive dividends through a workplace or permanent representative in Türkiye. TRY10.380 gross, TRY10.380 net dividend payment to other shareholders at a rate of 1,037.99% and a cash dividend of TRY10.380 gross and at a rate of 934.19% TRY9.342 net cash dividend was paid for one share with a nominal value of TRY1.00.

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20. Equity (Continued)

Dividend distribution (Continued)

In the year ending on 31 December 2023, it has been committed and paid in the March to distribute a total of nominal TRY12,500,000 thousand as gross cash dividend from the remaining balance after the second legal funds are set aside from the 2022 net distributable profit for the year according to the legal records, While the relevant distribution is being made, one share with a nominal value of TRY1.00 and a rate of 4,541.22% is given to full-fledged corporations and limited taxpayer partners who receive dividends through a workplace or permanent representative in Türkiye and paid TRY45.412 gross = net dividend payment. For other shareholders at a rate of 4,541.22% and a cash dividend of TRY45.412 gross and at a rate of 4,087.10% TRY40.871 net cash dividend was paid for one share with a nominal value of TRY1.00.

The company has decided to distribute a total of TRY14,500,000 in dividends from the balance remaining after the allocation of second-tier legal reserves covered by past year profits according to Capital Markets Board ("CMB") regulations and extraordinary reserves according to legal records, following the Extraordinary General Assembly Meeting held on 26 September 2023. During the distribution, full taxpayer corporations and limited tax-payer corporate partners earning dividends through a business place or permanent representative in Türkiye received a gross = net dividend of TRY7.525 which is 752.54% for each share with a nominal value of TRY1.00; other shareholders at a rate of 752.54% and a cash dividend of TRY7.525 gross and at a rate of 677.29% and TRY6.773 net cash dividend was paid for one share with a nominal value of TRY1.00.

21. Revenue and cost of sales

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Domestic revenue	291,797,239	150,783,788	311,065,288	158,023,924
Export revenue	81,783,655	41,647,650	51,545,235	28,098,890
Gross revenue	373,580,894	192,431,438	362,610,523	186,122,814
Less: Sales discounts	(3,420,539)	(1,672,855)	(4,909,467)	(2,445,224)
Less: Sales returns	(63,632)	(42,911)	(351,827)	(48,057)
Sales (net)	370,096,723	190,715,672	357,349,229	183,629,533
Cost of goods sold	(338,382,791)	(173,283,800)	(302,275,494)	(154,319,423)
Gross profit	31,713,932	17,431,872	55,073,735	29,310,110
Cost of sales:				
	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Raw material, manufactured and consumable material	312,050,357	160,527,094	279,379,735	144,187,554
Energy expenses	8,876,904	4,406,133	10,848,086	3,951,501
Personnel expenses	3,802,526	1,565,557	3,003,845	1,522,917
Depreciation and amortization (Note 11-12)	2,444,822	1,176,107	2,043,431	1,066,767
Other production expenses	11,208,182	5,608,909	7,000,397	3,590,684
Cost of sales	338,382,791	173,283,800	302,275,494	154,319,423

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22. General administrative expenses, marketing expenses and research and development expenses

General administrative expenses:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Personnel expenses	3,278,249	1,573,846	2,450,448	1,047,102
Depreciation and amortization (Note 11-12)	1,625,889	830,067	1,546,730	559,665
Insurance expenses	773,428	497,487	688,145	440,922
Outsourced services	480,136	245,112	455,466	223,369
Tax duties and fees	298,915	131,632	485,772	293,017
Donations	290,304	144,550	850,100	210,781
Office expenses	231,177	122,342	267,913	124,237
Lawsuit and consultancy expenses	178,460	86,771	124,641	72,982
Subscription fees	164,176	78,192	168,160	104,058
Transportation and travel expenses	53,761	23,904	34,083	16,148
Other	342,398	178,512	294,204	169,392
Total general administrative expenses	7,716,893	3,912,415	7,365,662	3,261,673

Marketing expenses:

	1 January- 30 June 2024	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Transportation, storage and insurance expenses	3,497,516	1,937,344	1,812,133	1,184,100
Personnel expenses	663,989	295,704	560,650	272,979
Depreciation and amortization (Note 11)	380,514	182,665	489,020	208,731
Advertising expenses	206,608	136,137	111,262	51,034
Energy expenses	88,927	41,682	135,913	52,388
Outsourced services	6,791	1,347	45,605	10,036
Other	456,803	273,714	229,547	121,260
Total marketing expenses	5,301,148	2,868,593	3,384,130	1,900,528

Research and development expenses:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Depreciation and amortization (Not 11)	115,197	57,887	114,069	48,990
Personnel expenses	61,813	19,173	61,348	25,742
Outsourced services	1,986	1,436	1,059	682
Energy expenses	540	265	887	367
Other	8,738	1,535	30,340	27,234
Total research and development expenses	188,274	80,296	207,703	103,015

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(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

23. Other operating income /(expense)

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Other operating income:				
Credit finance gains	5,034,548	2,667,862	1,782,064	1,031,382
Foreign exchange gain from trade receivables	2,060,743	1,487,587	4,920,093	4,712,719
Rent expenses	19,651	10,352	16,049	6,898
Other	341,783	162,318	326,371	96,325
Total other operating income	7,456,725	4,328,119	7,044,577	5,847,324

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Other operating expense:				
Foreign exchange loss from trade payables	(6,781,023)	(2,040,480)	(16,964,977)	(15,715,102)
Credit finance charges	(3,362,972)	(1,712,128)	(1,480,556)	(944,326)
Other	(927,182)	(566,632)	(936,161)	(537,016)
Total other operating expense	(11,071,177)	(4,319,240)	(19,381,694)	(17,196,444)

24. Income/(expense) from investment activities

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Gain/(loss) on sales of property plant and equipment and intangible assets	(3,525)	(3,923)	(6,201)	(1,555)
Financial investments fair value change	-	782	3,689	(17,930)
Total income/(expense) from investment activities	(3,525)	(3,141)	(2,512)	(19,485)

25. Financial income/(expense)

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Financial income:				
Interest income on deposits	12,861,901	5,557,324	4,726,140	2,216,961
Foreign exchange gains on deposits	1,331,594	481,762	6,616,370	6,005,668
Gains on derivative instruments	100,706	68,521	2,541,353	2,513,670
Total financial income	14,294,201	6,107,607	13,883,863	10,736,299
Financial expense:				
Foreign exchange losses on borrowings	(3,743,233)	(530,708)	(16,046,550)	(13,440,187)
Interest expenses	(3,184,466)	(1,798,822)	(2,498,581)	(1,022,825)
Losses on derivative instruments	(2,657,402)	(2,617,187)	(454,886)	(7,278)
Other	(94,834)	(59,526)	(114,504)	(56,819)
Total financial expense	(9,679,935)	(5,006,243)	(19,114,521)	(14,527,109)

Gains and losses arising from derivative instruments include gains and losses on forward foreign currency transactions, interest rate swap transactions, cross currency swap transactions and foreign currency swap transactions.

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(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

26. Tax assets and liabilities

	30 June 2024	31 December 2023
Current period corporate tax provision	1,986,324	10,661,563
Current year tax assets	(764,896)	(8,973,286)
Current income tax liabilities	1,221,428	1,688,277

(*) In accordance with the Law No, 7440 on the “Restructuring of Certain Receivables and Amending Certain Laws” published in the Official Gazette on 12 March 2023, the exemption and deduction subject to corporate income deduction in accordance with the regulations in the laws, by being shown in the corporate tax return for the year 2022. An additional tax of 10% should be calculated over the deduction amounts and tax bases subject to reduced corporate tax, without being associated with the period's income, and 5% over the exempted earnings. As of 31 December 2023, the amount accrued by the Company for the related tax in addition to the corporate tax is TRY4,738,604 thousand based on 30 June 2024 purchasing power, and the payment for the said tax made in two installments.

Turkish tax legislation does not permit a parent company, its subsidiaries and its joint ventures to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on an individual-entity basis.

Corporate tax rate in Türkiye as of 30 June 2024 is 25% (2023: 25%), Corporation tax is payable on the total income of the companies after adjusting for certain disallowable expenses, corporate income tax exemptions (participation exemption, investment allowance, etc.) and allowances (as research and development expenditures deduction).

The tax amounts reflected in the profit or loss statements for the years ending 30 June 2024 and 30 June 2023 are summarized below:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Tax income/ (expense)				
Current tax expense	(2,023,736)	(1,454,133)	(6,269,322)	(624,104)
Deffered tax income/ (expense)	(3,497,275)	(2,465,895)	(3,950,678)	810,535
Total tax income/ (expense)	(5,521,011)	(3,920,028)	(10,220,000)	186,431

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26. Tax assets and liabilities (Continued)

The analysis of cumulative temporary differences and the related deferred tax assets and liabilities in respect of items for which deferred income tax has been provided as of 30 June 2024 and 30 June 2023 using the enacted tax rates are as follows:

	Cumulative temporary differences		Deferred tax (liability)/asset	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Investment incentives (*)	(35,351,276)	(47,555,356)	8,837,819	9,511,071
Accumulated deductible financial losses (**)	(138,140)	(305,487)	34,535	76,371
Difference between the carrying values and tax base of property, plant, equipment and intangible assets	10,769,778	875,409	(2,779,040)	(367,302)
Employment termination benefits	(789,608)	(1,567,843)	197,403	392,280
Inventories	(11,817,249)	(12,784,779)	2,954,313	3,225,394
Provision for unused vacation liability	(259,723)	(223,394)	64,931	55,849
Deferred financial income (expense), net	(54,083)	72,732	13,521	(18,183)
Provision lawsuits	(25,980)	(31,119)	6,495	6,224
Fair value difference of derivative instruments	(2,499,342)	1,336,040	624,835	(334,010)
Gain on revaluation of tangibles	31,820,583	31,820,583	(5,966,359)	(5,966,359)
Other	(2,236,425)	(4,168,372)	559,106	666,865
Deferred tax asset- net			4,547,559	7,248,200

(*) In the first quarter of 2011, within the scope of the decree of the Council of Ministers dated 14 July 2009 and numbered 2009/15199, the Company was granted a Large-Scaled Investment Incentive Certificate for Residuum Upgrading Project (RUP). Investment expenditures made within the scope of this certificate are subject to 30% contribution from the government where the contribution is provided as a reduction in corporate tax payable by 50%. As of 7 October 2013, Residuum Upgrading Project was granted Strategic Investment Incentive by Incentive Implementation and Foreign Investment Department of Ministry of Economy of Republic of Türkiye which became applicable after 19 October 2012. Expenditures made within the scope of Strategic Investment Incentive Certificate are subject to 50% contribution from the government where the contribution is provided as a reduction in corporate tax payable by 90%. The company has performed the revaluation of the unutilized investment incentives for both certificates by using the 22.20% revaluation rate for the second provisional tax period. In addition to the government contribution within the scope of Strategic Investment Incentive the Company benefits from VAT exemption, VAT refund, customs duty exemption, incentive for employer share of insurance premium and interest incentive from this certificate.

There are two priority and one regional comprehensive incentive certificates for the expansion investments made by Körfez, one of the company's subsidiaries. Within the scope of these 3 incentive certificates, in order to continue its main activities, investment expenditures were made for technical machinery as well as locomotives and wagon investments. With these documents, the company benefits from a 40% investment contribution rate, 80% corporate tax reduction. VAT exemption, customs tax exemption, employer's insurance premium support and interest support incentives.

(**) The deferred tax effect of deductible tax losses is calculated separately for each company included in the consolidation of the group. Deferred tax assets amounting to TRY34,535 thousand (31 December 2023 – TRY76,371 thousand) to be used within the next 5 years are formed from the deductible tax losses of TRY138,140 thousand (31 December 2023 – TRY305,487 thousand) realized on 30 June 2024.

Tax Advantages Obtained Under the Investment Incentive System:

Earnings of the Group that are derived from investments linked to an investment incentive certificate are subject to corporate tax at discounted rates for a certain period, which starts when the investment starts to partly or fully operate and ends when the maximum investment contribution amount is reached. Within this scope, the Group has accounted for TRY8,837,819 thousand (31 December 2023: TRY9,511,071 thousand) of tax advantages as deferred tax assets which are expected to be recovered in the foreseeable future in the consolidated financial statements as of 30 June 2024. TRY673,252 thousand deferred tax loss is recognized in the consolidated profit or loss statement for the period between 1 January – 30 June 2024, from accounting of such deferred tax assets.

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26. Tax assets and liabilities (Continued)

Tax Advantages Obtained Under the Investment Incentive System (Continued):

Deferred tax assets are recognized for deductible temporary differences, carry forward tax losses and indefinite-life investment incentives which allows payment of corporate tax at discounted rates, as long as it is probable that sufficient taxable income will be generated in the future. In this context, the Group recognizes deferred tax assets from investment incentives based on long-term plans, including taxable profit projections derived from business models, which are re-evaluated at each balance sheet date to assess recoverability of such deferred tax assets. The Group expects to recover such deferred tax assets within 5 years from the balance sheet date.

In the sensitivity analysis performed as of 30 June 2024 and 31 December 2023, when the inputs of key macroeconomic and sectoral assumptions that form the business plans are increased/decreased by 10%, there is no change in the projected 5-year recovery periods of deferred tax assets related to investment incentives.

The movement of deferred taxes is as follows:

	2024	2023
Deferred tax asset/(liability), net		
1 January	7,248,200	(80,386)
Charge for the period	(3,497,275)	(3,950,678)
Charge to equity:		
- Hedging cash flow gains/(losses)	900,392	555,468
- Actuarial gains/(losses) arising from defined benefit plans	(103,758)	-
30 June	4,547,559	(3,475,596)

27. Earnings per share/(loss)

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Profit for the year attributable to shareholders of the Group	5,351,345	5,004,075	12,395,033	9,348,016
Weighted average number of Shares with nominal value of Kr1 each	192,679,559,800	192,679,559,800	192,679,559,800	192,679,559,800
Basic and diluted earnings (loss) per share in Kr	2.78	2.60	6.43	4.85

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28. Related party transactions

Related party transactions were classified according to the following groups and contain all descriptions in this footnote.

- (1) Joint ventures
- (2) Koç Holding group companies
- (3) Parent, ultimate parent

a) Deposits:

	30 June 2024	31 December 2023
Yapı ve Kredi Bankası A.Ş. (2)	11,695,508	17,702,261
Total	11,695,508	17,702,261

b) Due from related parties:

	30 June 2024	31 December 2023
Opet Petrolcülük A.Ş. (1)	8,873,281	6,643,831
THY OPET Havacılık Yakıtları A.Ş. (1)	1,057,755	764,300
Aygaz A.Ş. (2)	275,438	492,898
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	49,014	78,487
Other (2)	42,883	166,114
Total	10,298,371	8,145,630

As of 30 June 2024, Tüpraş has no trade receivables from related parties that it has collected from factoring companies (31 December 2023- TRY2,369,965 thousand).

c) Trade payables:

	30 June 2024	31 December 2023
Opet Petrolcülük A.Ş. (1)	199,628	412,820
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	180,292	227,045
Arçelik A.Ş. (2)	178,378	-
RAM Sigorta Aracılık Hizmetleri A.Ş. (2)	144,200	31,035
Ford Otomotiv Sanayi A.Ş. (2)	84,052	4,300
Koç Sistem Bilgi ve İletişim A.Ş. (2)	82,920	131,673
Aygaz A.Ş. (2)	51,540	53,893
Defaş Madencilik Sanayi ve Ticaret A.Ş. (2)	41,809	23,178
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	40,192	13,412
Divan Turizm İşletmeleri A.Ş. (2)	13,566	40,469
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	13,364	15,870
Ark İnşaat San. Tic. A.Ş. (2)	10,877	60,143
KocDigital Çözümler A.Ş. (2)	4,222	91,411
Other (2)	40,402	123,458
Total	1,085,442	1,228,707

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(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 June 2024, unless otherwise indicated.)

28. Related party transactions (Continued)

d) Other payables:

	30 June 2024	31 December 2023
Koç Holding A.Ş. (3)	-	453,705
Enerji Yatırımları A.Ş. (3)	-	1
Total	-	453,706

e) Advances given for property, plant and equipment

	30 June 2024	31 December 2023
RMK Marine Gemi Yapım Sanayii ve Deniz Taşımacılığı İşletmesi A.Ş. (2)	756,661	38,332
Ark İnşaat San. Tic. A.Ş. (2)	38,329	-
Total	794,990	38,332

f) Lease liabilities:

	30 June 2024	31 December 2023
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	118,957	155,800
Koç Ailesi (3)	58,480	41,245
Temel Ticaret ve Yatırım A.Ş. (3)	6,123	7,640
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	5,326	5,488
Total	188,886	210,173

g) Product and service sales:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Opet Petrolcülük A.Ş. (1)	52,353,336	27,296,111	77,277,147	49,128,264
THY OPET Havacılık Yakıtları A.Ş. (1)	7,743,270	4,343,080	8,138,345	4,236,529
Aygaz A.Ş. (2)	1,189,391	607,491	2,012,357	1,250,343
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	239,340	131,926	244,163	180,359
Other (2)	1,063,385	598,129	76,281	44,365
Total	62,588,722	32,976,737	87,748,293	54,839,860

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28. Related party transactions (Continued)

h) Product and service purchases:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Opet Petrolcülük A.Ş. (1)	2,737,141	1,018,125	4,789,028	1,884,117
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	610,012	334,200	542,426	331,970
Ram Sigorta Aracılık Hizmetleri A.Ş. (2) (*)	587,965	546,007	1,258,715	1,247,953
Aygaz A.Ş. (2)	269,574	115,295	1,007,344	396,447
Koç Holding A.Ş. (3) (**)	182,198	90,643	123,496	70,140
Koç Sistem Bilgi ve İletişim A.Ş. (2)	138,440	78,828	257,369	131,468
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	56,788	32,368	56,192	27,440
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	52,477	23,338	46,573	24,889
Ark İnşaat San. Tic. A.Ş. (2)	40,642	8,119	115,756	107,608
Other (2)	371,609	236,566	635,208	469,675
Total	5,046,846	2,483,489	8,832,107	4,691,707

(*) It includes the paid and accrued premium amounts within the scope of policies signed with insurance companies which are not related parties. via Ram Sigorta Aracılık Hizmetleri A.Ş. which operates as an insurance agency.

(**) Consists of the Group’s share of invoices issued by Koç Holding, the ultimate parent of Tüpraş in accordance with the “11-Intra-group Services” of General Communique numbered 1 on Distribution of Hidden Income through Transfer Pricing which represents the services provided for financing, legal, tax and remuneration of senior management by the ultimate parent to its group companies.

i) Fixed asset purchases:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Koç Sistem Bilgi ve İletişim A.Ş. (2)	263,256	185,327	25,695	2,732
Ark İnşaat San. Tic. A.Ş. (2)	126,108	35,575	-	-
Other (2)	7,204	3,689	1,525	419
Total	396,568	224,591	27,220	3,151

j) Remuneration of board of directors and executive management:

The Company's senior executives have been determined as the Chairman and Members of the Board of Directors, the General Manager, Assistant General Managers and Directors directly reporting to the General Manager. For the period ending on 30 June 2024, the total amount of benefits provided to the Company's top executives is adjusted by 30 June 2024 purchasing power TRY50,649 thousand (30 June 2023 –TRY54,065 thousand). This amount consists entirely of short-term benefits (30 June 2023 – TRY9,405 of this amount is related to the payments made due to leaving the job.).

k) Financial expenses paid to related parties:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Yapı Kredi Faktoring A.Ş. (2)	-	-	43,898	13,345
Total	-	-	43,898	13,345

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28. Related party transactions (Continued)

l) Time deposit interest income:

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Yapı ve Kredi Bankası A.Ş. (2)	4,522,632	1,922,226	1,128,644	396,995
Total	4,522,632	1,922,226	1,128,644	396,995

m) Donations:

As of 30 June 2024, total donation amount paid to related parties is TRY8,734 thousand (30 June 2023 – TRY5,055 thousand).

29. Financial instruments and financial risk management

The Group’s activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Credit risk:

The Group is subject to credit risk arising from trade receivables related to credit sales, deposits at banks. These risks are managed by limiting the aggregate risk from any individual counterparty and obtaining sufficient collateral where necessary and making only cash-based sales to customers considered as having a higher risk. Collectability of trade receivables are evaluated by management depending on their past experiences and current economic condition and are presented in the consolidated financial statements net of adequate doubtful provision.

Credit risks of the Group for each financial instrument type as of 30 June 2024 and 31 December 2023 are as follows:

30 June 2024	Receivables				Bank deposits	Derivative instruments	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
Maximum exposed credit risk as of reporting date	10,298,371	34,653,536	-	310,172	87,868,257	1,119,536	-
- Secured portion of the maximum credit risk by guarantees, etc.	-	3,691,273	-	-	-	-	-
A. Net book value of financial asset either are not due or not impaired	10,298,371	34,260,967	-	310,172	87,868,257	1,119,536	-
B. Net book value of overdue but not impaired financial assets	-	392,569	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value)	-	7,474	-	3,678	-	-	-
Impairment (-)	-	(7,474)	-	(3,678)	-	-	-
Secured portion of the net value by guarantees, etc. *	-	-	-	-	-	-	-
- Not due yet (gross book value)	-	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-	-
Secured portion of the net value by guarantees, etc.	-	-	-	-	-	-	-
D. Components which are including credit risk except financial statement	-	-	-	-	-	-	-

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29. Financial instruments and financial risk management (Continued)

Credit risk (Continued):

31 December 2023	Receivables				Bank deposits	Derivative instruments	Other
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
Maximum exposed credit risk as of reporting date	8,145,630	42,296,496	-	159,202	122,020,290	2,621,033	-
- Secured portion of the maximum credit risk by guarantees, etc.	-	4,219,590	-	-	-	-	-
A. Net book value of financial asset either are not due or not impaired	8,145,630	42,016,483	-	159,202	122,020,290	2,621,033	-
B. Net book value of overdue but not impaired financial assets	-	280,013	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value)	-	9,323	-	4,610	-	-	-
- Impairment (-)	-	(9,323)	-	(4,610)	-	-	-
- Secured portion of the net value by guarantees, etc.	-	-	-	-	-	-	-
- Not due yet (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured portion of the net value by guarantees, etc.	-	-	-	-	-	-	-
D. Components which are including credit risk except financial statement	-	-	-	-	-	-	-

Maturity analysis of past due and not impaired trade receivables

30 June 2024	Receivables		Bank deposits	Derivative instruments	Other
	Trade Receivables	Other Receivables			
Overdue (1-30 days)	360,341	-	-	-	-
Overdue (1-3 months)	21,542	-	-	-	-
Overdue (3-12 months)	10,681	-	-	-	-
Overdue (1-5 years)	5	-	-	-	-
Overdue (5+ years)	-	-	-	-	-

31 December 2023	Receivables		Bank deposits	Derivative instruments	Other
	Trade Receivables	Other Receivables			
Overdue (1-30 days)	107,786	-	-	-	-
Overdue (1-3 months)	130,761	-	-	-	-
Overdue (3-12 months)	39,112	-	-	-	-
Overdue (1-5 years)	2,354	-	-	-	-
Overdue (5+ years)	-	-	-	-	-

During the impairment test of financial assets, the Group considered the indicators regarding uncollectibility of receivables that are due. The Group has guarantees received amounting to TRY234,117 thousand (31 December 2023: TRY130,192 thousand) for trade receivables overdue but not impaired. Major part of receivables without guarantees are from government entities which regularly made sales, any collection risk is not projected.

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29. Financial instruments and financial risk management (Continued)

Credit risk (Continued):

The credit quality of trade receivables that are neither past due nor impaired

The Group categorizes the details of credit quality of trade receivables that are neither past due nor impaired or receivables whose conditions are examined under four groups. The details of credit quality of such trade receivables as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
Group 1	8,815	9,393
Group 2	6,228,453	4,629,999
Group 3	37,752,549	44,598,001
Group 4	569,521	924,720
Total	44,559,338	50,162,113

Group 1-	New customers (less than three months)
Group 2-	State owned enterprises
Group 3-	Existing customers with no payment defaults in previous periods (have been customers by more than three months)
Group 4-	Customers with previous record of collection delays but from which all receivables due are collected (Excluding Group 1 and 2)

Market risk:

Tüpraş identifies commodity price, interest rate and currency risk as major components of market risk, foreign exchange and interest risk are evaluated separately based on portfolio and product.

Commodity price risk

The Company is exposed to the effects of fluctuation in oil prices related to its crude oil inventory held for production. For the elimination of commodity price risk, the management regularly reviews the number of stocks.

Sales prices' of Tüpraş's products, are determined based on Mediterranean product prices, which is described as the "closest accessible free market formation in the world" by the Turkish Petroleum Market Law N, 5015, and USD selling rates. Within the framework of legal definitions, changes of prices in Mediterranean petroleum products market and changes in USD exchange rate are assessed daily by the management and the new selling price based on these two factors is updated when it differs significantly upwards or downwards from the current sales price.

Since instability in crude oil prices may cause unwanted and unexpected fluctuations in net profit and cash flows, the Company has consituted hedging policy in order to eliminate this risk, within this framework, short and long-term hedging transactions are made by using various derivative instruments (Note 18).

Product crack risk

Besides the fluctuations in crude oil prices, in order to eliminate fluctuation risk in product prices profit margins of the products (crack) can be fixed by using various derivative instruments (hedging). Therefore, a hedging policy has been created by comparing historical price levels and by hedging a certain percentage of the total sales volume at certain crack levels (Note 18).

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29. Financial instruments and financial risk management (Continued)

Foreign exchange risk

The Group is exposed to foreign exchange risk due to operations in foreign currency. These risks are managed by analysis of the foreign currency monetary assets and liabilities in the consolidated financial statements, by a comprehensive risk tracking system which includes natural hedging and similar practices.

The table below summarizes the net balance sheet foreign currency position risk and components that are managed within the risk tracking system of the Group as of 30 June 2024 and 31 December 2023.

	30 June 2024		31 December 2023	
	TRY	USD(*)	TRY(**)	USD(*)
Monetary assets	52,762,637	1,607,333	52,806,696	1,438,101
Monetary liabilities	(137,614,149)	(4,192,205)	(152,144,236)	(4,135,931)
Monetary assets / (liabilities) foreign currency position	(84,851,512)	(2,584,872)	(99,337,540)	(2,697,830)
Non-monetary assets	325,178	9,906	1,165,550	31,742
Net foreign currency position of derivative financial instruments	17,131,990	521,900	42,657,413	1,161,491
Net foreign currency asset / (liability) position	(67,394,344)	(2,053,066)	(55,514,577)	(1,504,597)
Cash flow hedging	496,365	15,121	866,071	23,586
Net foreign currency position after cash flow hedging	(66,897,979)	(2,037,945)	(54,648,506)	(1,481,011)
Inventory in natural hedge scope (***)	68,429,151	2,084,589	55,630,490	1,515,002
Net foreign currency position after cash flow hedging and natural hedge	1,531,172	46,644	981,984	33,991

(*) Dollar equivalent amounts are determined through dividing total TRY equivalent positions to exchange rate of dollar as at balance sheet date.

(**) Previous year's TRY equivalent amounts of guarantees with original balance amounts in foreign currency have been prepared based on 30 June 2024 purchasing power.

(***) The Group manages its foreign currency risk arising from foreign currency denominated financial liabilities and trade payables by regularly considering and reflecting the foreign exchange rate changes in the determination of petroleum product prices. As of 30 June 2024, the Group has crude oil and petroleum products inventories amounting to TRY68,429,151 thousand (31 December 2023- TRY55,630,490 thousand).

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29. Financial instruments and financial risk management (Continued)

	Foreign exchange position table									
	30 June 2024					31 December 2023				
	TRY equivalent (In terms of functional currency)	USD	EUR	GBP	Other	TRY equivalent (In terms of functional currency)(*)	USD	EUR	GBP	Other
Trade receivables	2,124,801	64,562	156	-	-	8,008,659	217,966	123	-	-
Monetary financial assets (including cash, banks)	50,635,521	1,501,143	37,906	655	-	44,791,187	1,208,667	9,429	560	2
Other	325,178	4,881	3,705	840	-	397,059	6,982	1,042	2,106	-
Current assets	53,085,500	1,570,586	41,767	1,495	-	53,196,905	1,433,615	10,594	2,666	2
Monetary financial assets	2,315	71	-	-	-	6,850	187	-	-	-
Other	-	-	-	-	-	768,491	20,929	-	-	-
Non-current assets	2,315	71	-	-	-	775,341	21,116	-	-	-
Total assets	53,087,815	1,570,657	41,767	1,495	-	53,972,246	1,454,731	10,594	2,666	2
Trade payables	102,790,330	3,100,366	27,925	872	-	89,082,676	2,373,486	40,259	2,066	171
Financial liabilities	28,180,426	853,717	4,309	415	-	35,710,747	965,518	4,356	392	-
Other monetary liabilities	4,076,068	125,452	0	(1,015)	-	22,949,158	622,463	933	1,129	-
Other payables	105,862	2,614	50	442	-	198,581	5,176	203	6	-
Current liabilities	135,152,686	4,082,149	32,284	714	-	147,941,162	3,966,643	45,751	3,593	171
Financial liabilities	2,461,463	50,704	20,162	1,842	-	4,203,074	87,429	22,136	1,988	-
Other monetary liabilities	-	-	-	-	-	-	-	-	-	-
Non-current liabilities	2,461,463	50,704	20,162	1,842	-	4,203,074	87,429	22,136	1,988	-
Total liabilities	137,614,149	4,132,853	52,446	2,556	-	152,144,236	4,054,072	67,887	5,581	171
Net asset/(liability) position of off-balance sheet foreign currency derivatives	17,131,990	689,729	(19,652)	-	(4,818,879)	42,657,413	1,158,652	4,519	-	-
Total amount of off-balance sheet derivative financial assets	74,890,367	2,275,299	5,720	-	-	89,596,765	2,435,016	4,519	-	-
Total amount of off-balance sheet derivative financial liabilities	(57,758,377)	(1,585,570)	(25,372)	-	(4,818,879)	(46,939,352)	(1,276,364)	-	-	-
Net foreign currency asset/(liability) position	(67,394,344)	(1,872,467)	(30,331)	(1,062)	(4,818,879)	(55,514,577)	(1,440,689)	(52,774)	(2,915)	(169)
Cash flow hedging	496,365	15,121	-	-	-	866,071	23,586	-	-	-
Net foreign currency position after cash flow hedging	(66,897,979)	(1,857,346)	(30,331)	(1,062)	(4,818,879)	(54,648,506)	(1,417,103)	(52,774)	(2,915)	(169)
Net monetary foreign currency asset/(liability) position	(84,745,650)	(2,564,463)	(14,334)	(1,459)	-	(99,138,959)	(2,622,076)	(58,132)	(5,015)	(169)
Fair value of derivative instruments Used for hedging	(749,224)	(22,824)	-	-	-	(449,145)	(12,210)	-	-	-

(*) Previous year's TRY equivalent amounts of guarantees with original balance amounts in foreign currency have been prepared based on 30 June 2024 purchasing power.

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29. Financial instruments and financial risk management (Continued)

The table below summarizes the effect of foreign currency rate changes on net balance sheet foreign currency position of the Group as of 30 June 2024 and 31 December 2023.

30 June 2024				
	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
10% change in USD rate:				
USD net assets/ liabilities	(8,418,162)	8,418,162	(211,270)	211,270
Amount hedged for USD risk (-)	2,474,741	(2,474,741)	-	-
USD net effect	(5,943,421)	5,943,421	(211,270)	211,270
10% change in EUR rate				
Euro net assets/ liabilities	(50,355)	50,355	-	-
Amount hedged for Euro risk (-)	(69,034)	69,034	-	-
EUR net effect	(119,389)	119,389	-	-
TOTAL	(6,062,810)	6,062,810	(211,270)	211,270
31 December 2023				
	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
10% change in USD rate:				
USD net assets/ liabilities	(7,718,922)	7,718,922	(189,464)	189,464
Amount hedged for USD risk (-)	3,623,665	(3,623,665)	-	-
USD net effect	(4,095,257)	4,095,257	(189,464)	189,464
10% change in EUR rate				
Euro net assets/ liabilities	(189,362)	189,362	-	-
Amount hedged for Euro risk (-)	13,302	(13,302)	-	-
EUR net effect	(176,060)	176,060	-	-
TOTAL	(4,271,317)	4,271,317	(189,464)	189,464

The Group accounted investment loans in scope of cash flow hedge accounting and foreign exchange income / expense arising from these loans are recognised in equity. 10% increase and decrease effect of foreign exchange rates are calculated with the same method and the calculated foreign exchange gains / losses are presented as hedged portion in the foreign exchange sensitivity table. Furthermore, the hedged portion of foreign exchange gains / losses via forwards and cross currency swap transactions is classified as the amount hedged against the US dollar in the statement of exchange rate sensitivity analysis.

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29. Financial instruments and financial risk management (Continued)

Export and import

	1 January- 30 June 2024	1 April- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2023
Export				
USD (equivalent of thousand TRY)	79,754,517	39,471,177	48,008,164	28,132,034
EUR (equivalent of thousand TRY)	-	-	2,511	-
Total	79,754,517	39,471,177	48,010,675	28,132,034
Import				
USD (equivalent of thousand TRY)	281,563,269	143,290,685	246,213,213	133,066,213
Total	281,563,269	143,290,685	246,213,213	133,066,213

Capital risk management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The gearing ratios as of 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
Total financial liabilities (Note 7)	32,802,064	44,064,032
Less: Cash and cash equivalents (Note 5)	(75,611,885)	(110,200,525)
Less: Financial investments (Note 6)	(134,607)	(875,420)
Net financial liabilities	(42,944,428)	(67,011,913)
Total shareholders’ equity	235,292,313	253,138,164
Total capital invested	192,347,885	186,126,251
Gearing ratio	-22.33%	-36.00%

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The estimated fair values of financial instruments have been determined by the Group, using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realise in a current market exchange.

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29. Financial instruments and financial risk management (Continued)

Fair value of financial instruments (Continued)

Financial liabilities

The fair values of short-term financial liabilities and other financial liabilities are estimated to be their fair values since they are short term. The fair values of long-term bank borrowings with variable interest are considered to approximate their respective carrying values, since the initial rates applied to bank borrowings are updated periodically by the lender to reflect active market price quotations.

Fair value hierarchy table:

The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted).

Level 2: The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other variables used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

Level 3: Valuation techniques do not contain observable market inputs.

Fair value hierarchy table as of 30 June 2024 is as follows:

Financial assets at fair value in statement of financial position	Level 1	Level 2	Level 3
Derivative financial assets	-	1,119,536	-
Financial investments	-	134,607	-
Financial liabilities at fair value in statement of financial position			
Derivative financial liabilities	-	3,764,110	-

Fair value hierarchy table as of 31 December 2023 is as follows:

Financial assets at fair value in statement of financial position	Level 1	Level 2	Level 3
Derivative financial assets	-	2,621,033	-
Financial investments	-	875,420	-
Financial liabilities at fair value in statement of financial position			
Derivative financial liabilities	-	1,249,793	-

30. Subsequent events

None.