

**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 SEPTEMBER 2024**

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

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TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ENDED 30 SEPTEMBER 2024

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

ASSETS	Notes	Unaudited	Audited
		30 September 2024	31 December 2023
Current assets		230,879,254	273,281,602
Cash and cash equivalents	5	102,526,798	132,221,321
Financial investments	6	512,379	953,498
Trade receivables	8	40,361,157	54,941,013
Due from related parties	8, 28	8,519,657	8,872,131
Trade receivables from third parties		31,841,500	46,068,882
Other receivables	17	426,800	173,401
Other receivables from third parties		426,800	173,401
Derivative instruments	18	3,996,617	2,804,633
Inventories	9	63,775,223	60,408,800
Prepaid expenses	13	2,517,314	1,736,459
Other current assets	14	16,762,966	20,042,477
Non-current assets		221,707,428	225,044,280
Financial investments		534,869	474,736
Investments accounted for using the equity method	10	11,129,454	11,268,071
Property, plant and equipment	11	181,583,231	181,833,938
Right of use asset		882,488	940,885
Intangible assets		5,587,576	5,781,138
Goodwill		2,922	2,922
Other intangible assets	12	5,584,654	5,778,216
Derivative instruments	18	28,326	50,168
Prepaid expenses	13	4,080,222	2,465,393
Deferred tax assets	26	2,203,062	8,784,693
Other non-current assets	14	15,678,200	13,445,258
Total assets		452,586,682	498,325,882
LIABILITIES			
Current liabilities		190,710,926	210,951,146
Short-term financial liabilities	7	5,702,644	3,203,037
Current portion of long term financial liabilities	7	26,709,776	37,511,538
Trade payables	8	106,048,479	133,083,249
Due to related parties	8, 28	455,331	1,338,294
Trade payables, third parties		105,593,148	131,744,955
Liabilities for employee benefits	16	720,299	1,083,062
Other payables	17	10,959,404	669,336
Due to related parties	17, 28		494,172
Other payables to third parties		10,959,404	175,164
Derivative instruments	18	971,333	723,743
Deferred income		1,215,217	212,247
Current income tax liabilities	26	1,158,919	1,838,853
Short-term provisions	15	4,281,530	1,666,219
Short-term provisions for employee benefits		1,255,697	81,515
Other provisions		3,025,833	1,584,704
Other current liabilities	14	32,943,325	30,959,862
Non-current liabilities		16,766,659	11,659,412
Long Term Borrowings	7	12,971,450	7,279,489
Long-term provisions	15	1,901,620	2,817,829
Long-term provisions for employee benefits		1,901,620	2,817,829
Deferred income		39,083	18,697
Derivative Instruments	18	444,070	637,519
Deferred Tax Liability	26	1,396,981	890,032
Other Long Term Liabilities		13,455	15,846
Total liabilities		207,477,585	222,610,558
Equity		245,109,097	275,715,324
Share capital	20	1,926,796	1,926,796
Adjustment to share capital	20	34,141,340	34,141,340
Accumulated other comprehensive income/(expense) not to be reclassified to profit or loss		518,825	179,787
Gains/ losses on revaluation and remeasurement		(88,405)	(427,443)
Gain on revaluation of properties		155,951	155,951
Actuarial gain/(loss) arising from defined benefit plans		(244,356)	(583,394)
Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss		607,230	607,230
Accumulated other comprehensive income/(expense) to be reclassified to profit or loss		3,829,011	2,902,119
Currency translation differences		(84,919)	488,277
Hedging gains/(losses)		2,523,975	1,048,721
Cash flow hedge gains/(losses)		2,523,975	1,048,721
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss		1,389,955	1,365,121
Restricted reserves	20	13,274,469	8,696,794
Retained earnings		174,445,442	152,119,948
Net income		13,572,731	72,790,169
Total equity attributable to equity holders of the parent		241,708,614	272,756,953
Non-controlling interests		3,400,483	2,958,371
Total equity and liabilities		452,586,682	498,325,882

This interim condensed consolidated financial information as of and for the period ended 30 September 2024 have been approved for issue by the Board of Directors on 5 November 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 ("TRY") in terms of the purchasing power of the TRY at 30 September 2024, unless otherwise indicated.)

	Notes	Unaudited		Unaudited	
		1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Revenue	21	599,332,001	196,222,650	681,835,607	292,611,680
Cost of sales	21	(546,004,515)	(177,437,979)	(569,051,907)	(239,814,160)
Gross profit (loss)		53,327,486	18,784,671	112,783,700	52,797,520
General administrative expenses	22	(12,575,085)	(4,169,845)	(11,535,829)	(3,513,167)
Marketing expenses	22	(7,495,124)	(1,721,114)	(6,402,801)	(2,716,815)
Research and development expenses	22	(320,071)	(115,003)	(295,594)	(69,365)
Other operating income	23	10,782,289	2,660,424	11,546,857	3,873,921
Other operating expenses	23	(15,914,482)	(3,855,756)	(29,865,656)	(8,755,161)
Operating profit (loss)		27,805,013	11,583,377	76,230,677	41,616,933
Income/(expenses) from investment activities	24	(13,374)	(9,535)	232,693	235,429
Income (loss) from investments accounted by equity method	10	820,579	487,039	2,269,518	1,259,569
Operating profit before financial income (expense)		28,612,218	12,060,881	78,732,888	43,111,931
Financial income	25	23,534,743	7,965,499	20,740,905	5,618,635
Financial expense	25	(16,057,578)	(5,514,193)	(30,073,907)	(9,254,417)
Monetary loss/gain		(12,598,785)	(3,049,036)	(12,278,941)	(7,250,525)
Profit (loss) before tax from continued operations		23,490,598	11,463,151	57,120,945	32,225,624
Tax (expense) income		(9,622,576)	(3,609,091)	(33,357,588)	(22,225,988)
Taxes on (expense) income	26	(2,944,866)	(740,613)	(13,486,597)	(6,658,067)
Deferred tax (expense) income	26	(6,677,710)	(2,868,478)	(19,870,991)	(15,567,921)
Net income (loss) from continued operations		13,868,022	7,854,060	23,763,357	9,999,636
Other comprehensive income:					
Items not to be reclassified to profit or loss					
Actuarial gain (loss) arising from defined benefit plans		339,038	-	40,279	40,279
Tax effect of other comprehensive income (loss) not to be reclassified to profit or loss		452,051	-	-	-
Deferred tax income (expense)		(113,013)	-	40,279	40,279
		(113,013)	-	40,279	40,279
Items to be reclassified to profit or loss					
Currency translation differences related to the translation of foreign businesses		1,073,713	3,977,249	(2,457,321)	(1,009,158)
Gains (losses) on foreign currency translation differences related to the translation of foreign operations		(573,196)	(161,486)	(53,126)	(617,229)
Share of other comprehensive income accounted for investment using equity method that will be reclassified to profit or loss		(573,196)	(161,486)	(53,126)	(617,229)
Gain (loss) from translation of foreign currency of investments using equity method		24,834	90,598	(169,037)	(392,487)
Income (expense) relating to avoidance of risk of cash flow		1,919,932	5,326,701	(3,243,399)	(402,669)
Income (loss) of avoidance of risk cash flow		1,919,932	5,326,701	(3,243,399)	(402,669)
Tax effect of other comprehensive income (loss) to be reclassified to profit or loss		(297,857)	(1,278,564)	1,008,241	403,227
Deferred tax income (expense)	26	(297,857)	(1,278,564)	1,008,241	403,227
Other comprehensive income (expense)		1,412,751	3,977,249	(2,417,042)	(968,879)
Total comprehensive income (expense)		15,280,773	11,831,309	21,346,315	9,030,757
Distribution of income for the period:					
Non-controlling interests		295,291	110,016	360,117	97,034
Attributable to equity holders of the parent		13,572,731	7,744,044	23,403,240	9,902,602
Distribution of total comprehensive income					
Non-controlling interests		442,112	152,717	476,834	176,255
Attributable to equity holders of the parent		14,838,661	11,678,592	20,869,481	8,854,502
Earnings (loss) per share from continued operations					
Earnings per share with nominal value Kr1 each (Kr)	27	7.04	4.02	12.15	5.14

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 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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 not reclassified to profit or loss	Currency translation differences	Cash flow hedge gains/(losses)								
Unaudited														
1 January 2023	275,257	35,196,088	-	(669,219)	133,328	242,323	(2,433,004)	986,161	4,046,601	120,595,795	83,300,962	241,674,292	2,076,066	243,750,358
Transfers	-	-	-	-	-	-	-	-	4,650,193	78,650,769	(83,300,962)	-	-	-
Increase of capital	1,651,539	(1,054,748)	-	-	-	-	-	-	-	(596,791)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	(46,529,507)	-	(46,529,507)	-	(46,529,507)
- Net profit for the period	-	-	-	-	-	-	-	-	-	23,403,241	23,403,241	360,117	360,117	23,763,358
- Other comprehensive income	-	-	-	40,279	-	(53,126)	(2,351,876)	(169,037)	-	-	(2,533,760)	116,717	116,717	(2,417,043)
Total comprehensive income	-	-	-	40,279	-	(53,126)	(2,351,876)	(169,037)	-	23,403,241	20,869,481	476,834	476,834	21,346,315
30 September 2023	1,926,796	34,141,340	-	(628,940)	133,328	189,197	(4,784,880)	817,124	8,696,794	152,120,266	23,403,241	216,014,266	2,552,900	218,567,166
Unaudited														
1 January 2024	1,926,796	34,141,340	155,951	(583,394)	607,230	488,277	1,048,721	1,365,121	8,696,794	152,119,948	72,790,169	272,756,953	2,958,371	275,715,324
Transfers	-	-	-	-	-	-	-	-	4,577,675	68,212,494	(72,790,169)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	(45,887,000)	-	(45,887,000)	-	(45,887,000)
- Net profit for the period	-	-	-	-	-	-	-	-	-	13,572,731	13,572,731	295,291	295,291	13,868,022
- Other comprehensive income	-	-	-	339,038	-	(573,196)	1,475,254	24,834	-	-	1,265,930	146,821	146,821	1,412,751
Total comprehensive income	-	-	-	339,038	-	(573,196)	1,475,254	24,834	-	13,572,731	14,838,661	442,112	442,112	15,280,773
30 September 2024	1,926,796	34,141,340	155,951	(244,356)	607,230	(84,919)	2,523,975	1,389,955	13,274,469	174,445,442	13,572,731	241,708,614	3,400,483	245,109,097

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 SEPTEMBER 2024

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

		Unaudited 1 January- 30 September 2024	Unaudited 1 January- 30 September 2023
	Notes		
Cash flows from operating activities		20,091,442	105,027,415
Profit/(loss) for the period		13,868,022	23,763,357
Adjustment for reconciliation of profit/(loss) for the period		24,516,985	39,220,814
Adjustment for depreciation and amortisation expense	11, 12	7,198,407	6,125,990
Adjustments for Impairment Loss (Reversal of Impairment Loss)		(113,067)	(1,046,294)
Adjustments for Impairment Loss (Reversal of Impairment Loss) of inventories	9	(113,067)	(1,046,294)
Adjustment for provisions	15	3,624,315	4,064,926
Adjustment for interest (income) and expense	25	(15,370,837)	(4,215,902)
Adjustment for unrealized foreign currency translation differences		2,937,845	10,008,354
Adjustment for fair value (gain) or loss		5,172,332	(13,550,284)
Adjustment for undistributed profit accounted by equity method	10	(820,579)	(2,269,518)
Adjustment for tax expenses(income)	26	9,622,576	33,357,588
Adjustment for (gain)/loss on sales of property, plant and equipment	24	4,483	(101,460)
Adjustment for other items related with cash flow of investment or financial activities	25	282,426	6,118,825
Other adjustments for reconciliation of profit/(loss)		214,561	868,814
Monetary loss/gain		11,764,523	(140,225)
Changes in working capital		(13,710,764)	51,197,530
Adjustment for decrease/(increase) in trade receivables		14,638,461	(14,982,821)
Adjustment for decrease/(increase) in other receivables related with operations		140,667	(3,195,211)
Adjustment for decrease/(increase) in derivative assets		(1,170,142)	5,162,695
Adjustment for decrease/(increase) in inventories		(3,253,356)	3,642,549
Adjustment for increase/(decrease) in trade payables		(27,406,340)	33,832,698
Adjustment for increase/(decrease) in other payables related with operations		3,285,805	21,182,049
Adjustment for decrease/(increase) in derivative liabilities		54,141	5,555,571
Cash flows from operating activities		24,674,243	114,181,701
Tax returns/(payments)	26	(3,327,161)	(7,154,892)
Other cash inflow/(outflow)		(1,255,640)	(1,999,394)
Cash flows from investing activities		(7,026,885)	(7,944,524)
Dividends received	10, 24	984,239	497,413
Cash inflows from the sales of property, plant and equipment and intangible assets		39,690	154,282
Cash outflows from the purchase of property, plant and equipment and intangible assets		(8,482,833)	(8,796,055)
Other cash inflow/(outflow)		432,019	199,836
Cash flows from financing activities		(15,324,521)	(58,377,180)
Cash inflows from financial liabilities	7	33,202,637	9,653,535
Cash outflows from financial liabilities	7	(28,077,535)	(27,782,586)
Cash inflows from derivative instruments		503,745	2,681,691
Cash outflows from derivative instruments		(3,728,718)	(177,419)
Cash outflows from payments of rent agreements	7	(80,004)	(87,549)
Dividends paid		(35,109,595)	(46,529,507)
Interest paid		(5,075,356)	(4,699,134)
Interest received		23,040,305	8,563,789
Net increase/(decrease) in cash and cash equivalents before the effect of foreign currency translation differences		(2,259,964)	38,705,711
Inflation effect on cash and cash equivalents		(27,006,641)	(27,951,900)
Impact of foreign currency translation differences on cash and cash equivalents		2,013,813	8,080,708
Net increase/(decrease) in cash and cash equivalents		(27,252,792)	18,834,519
Cash and cash equivalents at the beginning of the period		116,894,232	92,491,788
Cash and cash equivalents at the end of the period	5	89,641,440	111,326,307

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 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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. (“BIST”) since 1991. As of 30 September 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 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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 September 2024 is 6,251 (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 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 30 September 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 September 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 September 2023 and 31 December 2023, on the purchasing power basis as of 30 September 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 September 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 September 2024	2,526.16	1.00000	343%
31 December 2023	1,859.38	1.35860	268%
30 September 2023	1,691.04	1.49385	254%

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

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

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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 September 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 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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.
- **Annual Improvements to TFRS Accounting Standards – Volume 11;** In July 2024, the IASB issued Annual Improvements to TFRS Accounting Standards – Volume 11, amending the followings: TFRS 1 *First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter*: These amendments are intended to address potential confusion arising from an inconsistency between the wording in TFRS 1 and the requirements for hedge accounting in TFRS 9. TFRS 7 *Financial Instruments: Disclosures – Gain or Loss on Derecognition*: The amendments update the language on unobservable inputs in the Standard and include a cross reference to TFRS 13. TFRS 9 *Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price*: TFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with TFRS 9, the lessee is required to apply derecognition requirement of TFRS 9 and recognise any resulting gain or loss in profit or loss. TFRS 9 has been also amended to remove the reference to ‘transaction price’. TFRS 10 *Consolidated Financial Statements – Determination of a ‘De Facto Agent’*: The amendments are intended to remove the inconsistencies between TFRS 10 paragraphs. IAS 7 *Statement of Cash Flows – Cost Method*: The amendments remove the term of “cost method” following the prior deletion of the definition of ‘cost method’.
- **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.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

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

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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”) (Continued):*

- **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.

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.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

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

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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

- a) The interim condensed consolidated financial information for the interim period ended 30 September 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 September 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 September 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 (***)	85.33	83.26	85.33	83.26
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. 73.77% of Esinti shares was purchased by Entek and 24.27% 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 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 30 September 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 September 2024 and 31 December 2023:

	30 September 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. (**)	16.67	13.89	16.67	13.89
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.

(****) Demre 7 and Demre 8 Tankercilik A.Ş. were established on 21 February 2024.

- 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 September 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 September 2024 have been presented comparatively with the period ended 30 September 2023.

TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

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

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

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 September 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 September 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 September 2024	Refining	Electric	Consolidated Total
Revenue	591,886,596	7,445,405	599,332,001
Cost of sales	(540,185,346)	(5,819,169)	(546,004,515)
Gross profit (loss)	51,701,250	1,626,236	53,327,486
Operating expenses	(19,767,875)	(622,405)	(20,390,280)
Other operating income	10,742,297	39,992	10,782,289
Other operating expenses	(15,890,273)	(24,209)	(15,914,482)
Operating profit	26,785,399	1,019,614	27,805,013
Income/ (expenses) from investment activities	(4,000)	(9,374)	(13,374)
Income (loss) from investments accounted by equity method	820,579	-	820,579
Operating profit before financial income (expense)	27,601,978	1,010,240	28,612,218
Financial income	22,871,844	662,899	23,534,743
Financial expense	(15,399,235)	(658,343)	(16,057,578)
Monetary loss/gain	(12,703,321)	104,536	(12,598,785)
Profit (loss) before tax from continued operations	22,371,266	1,119,332	23,490,598
Tax (expense) income from continued operations	(9,028,658)	(593,918)	(9,622,576)
Net income (loss) from continued operations	13,342,608	525,414	13,868,022
1 July- 30 September 2024	Refining	Electric	Consolidated Total
Revenue	193,511,698	2,710,952	196,222,650
Cost of sales	(175,441,657)	(1,996,322)	(177,437,979)
Gross profit (loss)	18,070,041	714,630	18,784,671
Operating expenses	(5,812,949)	(193,013)	(6,005,962)
Other operating income	2,638,882	21,542	2,660,424
Other operating expenses	(3,845,368)	(10,388)	(3,855,756)
Operating profit	11,050,606	532,771	11,583,377
Income/ (expenses) from investment activities	(4)	(9,531)	(9,535)
Income (loss) from investments accounted by equity method	487,039	-	487,039
Operating profit before financial income (expense)	11,537,641	523,240	12,060,881
Financial income	7,729,642	235,857	7,965,499
Financial expense	(5,337,828)	(176,365)	(5,514,193)
Monetary loss/gain	(3,034,641)	(14,395)	(3,049,036)
Profit (loss) before tax from continued operations	10,894,814	568,337	11,463,151
Tax (expense) income from continued operations	(3,349,647)	(259,444)	(3,609,091)
Net income (loss) from continued operations	7,545,167	308,893	7,854,060

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4. Segment reporting (Continued)

a) Analysis of information by segments (Continued)

1 January- 30 September 2023	Refining	Electric	Consolidated Total
Revenue	673,490,593	8,345,014	681,835,607
Cost of sales	(562,749,712)	(6,302,195)	(569,051,907)
Gross profit (loss)	110,740,881	2,042,819	112,783,700
Operating expenses	(17,716,199)	(518,025)	(18,234,224)
Other operating income	11,518,457	28,400	11,546,857
Other operating expenses	(29,832,987)	(32,669)	(29,865,656)
Operating profit	74,710,152	1,520,525	76,230,677
Income/ (expenses) from investment activities	203,730	28,963	232,693
Income (loss) from investments accounted by equity method	2,269,518	-	2,269,518
Operating profit before financial income (expense)	77,183,400	1,549,488	78,732,888
Financial income	19,265,101	1,475,804	20,740,905
Financial expense	(28,005,010)	(2,068,897)	(30,073,907)
Monetary loss/gain	(12,279,333)	392	(12,278,941)
Profit (loss) before tax from continued operations	56,164,158	956,787	57,120,945
Tax (expense) income from continued operations	(32,259,616)	(1,097,972)	(33,357,588)
Net income (loss) from continued operations	23,904,542	(141,185)	23,763,357

1 July- 30 September 2023	Refining	Electric	Consolidated Total
Revenue	290,019,102	2,592,578	292,611,680
Cost of sales	(238,128,263)	(1,685,897)	(239,814,160)
Gross profit (loss)	51,890,839	906,681	52,797,520
Operating expenses	(6,096,298)	(203,049)	(6,299,347)
Other operating income	3,870,286	3,635	3,873,921
Other operating expenses	(8,745,834)	(9,327)	(8,755,161)
Operating profit	40,918,993	697,940	41,616,933
Income/ (expenses) from investment activities	210,703	24,726	235,429
Income (loss) from investments accounted by equity method	1,259,569	-	1,259,569
Operating profit before financial income (expense)	42,389,265	722,666	43,111,931
Financial income	5,292,169	326,466	5,618,635
Financial expense	(8,647,636)	(606,781)	(9,254,417)
Monetary loss/gain	(7,185,236)	(65,289)	(7,250,525)
Profit (loss) before tax from continued operations	31,848,562	377,062	32,225,624
Tax (expense) income from continued operations	(21,831,760)	(394,228)	(22,225,988)
Net income (loss) from continued operations	10,016,802	(17,166)	9,999,636

b) Assets by segments

	30 September 2024	31 December 2023
Refining	426,684,797	472,638,693
Electric	25,901,885	25,687,189
Total Assets	452,586,682	498,325,882

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

5. Cash and cash equivalents

	30 September 2024	31 December 2023
Cash at banks		
Demand deposits	4,896,337	2,096,916
Time deposits	84,745,103	114,797,316
Demand deposits (blocked)	4,798,444	5,630,003
Time deposits (blocked)	2,039	3,951
Revenue share (blocked)	6,589,922	6,558,159
Time deposit interest accruals	1,494,953	3,134,976
Total	102,526,798	132,221,321

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 September 2024, and 31 December 2023 (Note 14). In addition, demand blocked deposits amounting to TRY4,798,444 thousand are available for derivative transactions carried out in foreign exchanges. (31 December 2023 – TRY5,630,003 thousand). Time blocked deposits amounting to TRY2,039 thousand are available for time electricity market and renewable energy resources guarantee system (31 December 2023 – TRY3,951 thousand).

Time deposits and other cash and cash equivalents

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

30 September 2024

	Effective rate of interest (%)	Less than 1 month	1- 3 months	Total
TRY	50.67	47,803,160	2,860,000	50,663,160
USD	4.87	31,955,551	-	31,955,551
EUR	2.75	252,482	1,866,583	2,119,065
GBP	0.01	7,327	-	7,327
Time deposit		80,018,520	4,726,583	84,745,103

31 December 2023

	Effective rate of interest (%)	Less than 1 month	1- 3 months	Total
TRY	44.62	59,848,411	16,391,437	76,239,848
USD	4.49	38,025,146	111,214	38,136,360
EUR	3.31	414,960	-	414,960
GBP	0.05	6,148	-	6,148
Time deposit		98,294,665	16,502,651	114,797,316

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

	30 September 2024	30 September 2023
Cash and cash equivalents	102,526,798	124,687,088
Less: Blocked deposits (Revenue share)	(6,589,922)	(6,552,745)
Less: Blocked demand deposits	(4,798,444)	(6,039,129)
Less: Blocked time deposits	(2,039)	(4,005)
Less: Time deposit interest accruals	(1,494,953)	(764,902)
Cash and cash equivalents	89,641,440	111,326,307

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6. Financial investments

Short-term financial investments:

	30 September 2024	31 December 2023
Investment fund	512,379	4,021
Time deposits	-	681,846
Currency protected deposits (*)	-	267,631
Total	512,379	953,498

(*) 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 (TRY equivalent)	Term
TRY	257,050	267,631	1-3 months
		267,631	

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

	2024	2023
1 January	267,631	4,779,826
Principal collected during the period	(196,990)	(3,344,495)
Received during the period	-	4,730,735
Fair value difference	-	131,233
Monetary loss/gain	(70,641)	(1,590,191)
30 September	-	4,707,108

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

7. Financial liabilities

	30 September 2024	31 December 2023
Short-term borrowings:		
Short-term bank borrowings	5,512,828	3,194,118
Interest accruals of bank borrowings	189,816	8,919
Total	5,702,644	3,203,037
Short-term portion of long-term borrowings:		
Short-term portion of long-term bank borrowings	1,202,036	8,606,850
Bonds issued	23,894,448	28,046,816
Interest accruals of bank borrowings	440,087	535,206
Interest accruals of bonds issued	1,070,348	204,968
Lease liabilities	102,857	117,698
Total	26,709,776	37,511,538
Long-term borrowings:		
Long-term bank borrowings	5,665,054	6,675,660
Bonds issued	6,800,000	-
Interest accruals of bank borrowings	-	12,572
Lease liabilities	506,396	591,257
Total	12,971,450	7,279,489
Total borrowings	45,383,870	47,994,064

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.

Tüpraş has issued a bond on 23 July 2024 with a nominal value of TRY4,000 million, with a maturity of 727 days, coupon payment every 3 months and repayment of principal and coupon at maturity, with 100 bps additional yields on TRYREF reference rate. Tüpraş has issued a bond on 12 August 2024 with a nominal value of TRY2,800 million, with a maturity of 730 days, coupon payment every 3 months and repayment of principal and coupon at maturity, with 100 bps additional yields on TRYREF reference rate.

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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 September 2024 and 31 December 2023 are as follows:

		30 September 2024	
	Effective interest rate (%)	Original currency	Thousand TRY
Short-term borrowings:			
TRY bank borrowings (*)	45.41	1,187,142,680	1,187,143
USD bank borrowing		126,890,156	4,325,685
			5,512,828
Interest accruals			189,816
Total short-term financial liabilities			5,702,644
Short-term portion of long-term borrowings:			
TRY bank borrowings	22.65	571,807,271	571,807
USD bank borrowings	6.54	15,394,888	524,812
USD bonds issued	4.50	700,000,000	23,863,000
EUR bank borrowings	4.36	3,600,030	136,866
TRY lease liabilities	24.08	67,803,000	67,803
EUR lease liabilities	3.20	332,237	12,631
GBP lease liabilities	4.55	492,350	22,422
			25,199,341
Interest accruals			1,510,435
Total short term portion of long-term borrowings			26,709,776
Long-term borrowings:			
TRY borrowings	58.40	2,957,681,237	2,957,681
TRY bonds issued	58.68	6,800,000,000	6,800,000
USD borrowings	5.90	65,366,455	2,228,342
EUR bank borrowings	4.36	12,600,104	479,031
TRY lease liabilities	27.71	225,262,150	225,262
EUR lease liabilities	3.23	5,678,284	215,877
GBP lease liabilities	4.55	1,432,935	65,257
			12,971,450
Interest accruals			-
Total long-term borrowings			12,971,450

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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	292,370,720	292,371
USD bank borrowing		98,393,316	2,901,747
			3,194,118
Interest accruals			8,919
Total short-term financial liabilities			3,203,037
Short-term portion of long term borrowings:			
TRY borrowings	19.08	1,130,325,316	1,130,325
USD bank borrowings	6.59	248,185,278	7,317,206
USD bonds issued	4.55	951,020,000	28,046,816
EUR bank borrowings	4.67	4,891,001	159,319
TRY lease liabilities	27.96	83,369,130	83,369
EUR lease liabilities	3.20	440,853	14,386
GBP lease liabilities	4.55	532,602	19,943
			36,771,364
Interest accruals			740,174
Total short term portion of long-term borrowings			37,511,538
Long-term borrowings:			
TRY borrowings	21.51	2,475,308,741	2,475,308
USD borrowings	7.74	118,318,038	3,483,074
EUR borrowings	4.67	22,020,024	717,278
TRY lease liabilities	28.03	241,260,010	241,260
EUR lease liabilities	3.23	8,054,403	262,836
GBP lease liabilities	4.55	2,327,876	87,161
			7,266,917
Interest accruals			12,572
Total long-term borrowings			7,279,489

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7. Financial liabilities (Continued)

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

	30 September 2024	31 December 2023
1-2 years	10,346,379	3,379,147
2-3 years	1,089,352	692,819
3-4 years	391,906	712,792
4-5 years	214,048	677,724
Over 5 years	929,765	1,817,007
Total	12,971,450	7,279,489

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

	2024	2023
1 January	47,994,064	74,476,168
New financial borrowings	33,092,914	9,408,185
Principal payments	(28,077,535)	(27,782,586)
Increase due to lease liabilities	109,723	245,350
Decrease due to payment of lease liabilities	(80,004)	(87,549)
Changes in interest accruals	954,089	(127,490)
Changes in foreign exchange rates	4,951,658	18,089,067
Monetary loss/gain	(13,561,039)	(24,393,953)
30 September	45,383,870	49,827,192

8. Trade receivables and payables

Short-term trade receivables:

	30 September 2024	31 December 2023
Trade receivables	32,167,598	46,451,155
Due from related parties (Note 28)	8,519,657	8,872,131
Doubtful trade receivables	7,736	10,154
Other trade receivables	13	25
Less: Unearned credit finance income	(326,111)	(382,298)
Less: Expected credit loss	(7,736)	(10,154)
Total short-term trade receivables (net)	40,361,157	54,941,013

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

As of 30 September 2024, TRY9,635,000 thousand collected from factoring companies within the scope of irrevocable factoring has been deducted from trade receivables (31 December 2023 – TRY8,824,107 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 September 2024 and 30 September 2023 is as follows:

	2024	2023
1 January	10,154	12,586
Charge for the period	262	2,841
Payments during the period	-	(36)
Monetary loss/gain	(2,680)	(4,224)
30 September	7,736	11,167

Short-term trade payables:

	30 September 2024	31 December 2023
Trade payables	106,101,103	132,624,480
Due to related parties (Note 28)	455,331	1,338,294
Less: Unrealised credit finance charges trade payables	(507,955)	(879,525)
Total short-term trade payables (net)	106,048,479	133,083,249

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

9. Inventories

	30 September 2024	31 December 2023
Raw materials and supplies	7,421,967	10,006,476
Work-in-progress	14,177,062	13,383,933
Finished goods	12,467,937	16,638,608
Trade goods	1,103,530	800,839
Goods in transit (*)	28,202,332	19,311,640
Other inventories	488,165	466,141
Total	63,860,993	60,607,637
Provision for impairment of inventory	(85,770)	(198,837)
Total	63,775,223	60,408,800

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

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

	2024	2023
1 January	198,837	1,048,378
Changes in period	85,770	2,084
Provisions no longer required	(198,837)	(1,048,378)
30 September	85,770	2,084

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10. Investments accounted for using the equity method

	30 September 2024		31 December 2023	
	Participation share (%)	Amount	Participation share (%)	Amount
OPET Petrolcülük A.Ş.	41.67	11,129,454	41.67	11,268,071
Total		11,129,454		11,268,071

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

	2024	2023
1 January	11,268,071	10,286,169
Investments accounted for using the equity method;		
Shares in current period profit	820,579	2,269,518
Dividend payment	(984,030)	(497,413)
Currency translation differences	24,834	(169,037)
30 September	11,129,454	11,889,237

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

	30 September 2024	30 September 2023
Current assets	37,270,931	42,878,377
Non-current assets	29,954,845	29,613,969
Total assets	67,225,776	72,492,346
Short term liabilities	33,226,386	38,565,680
Long term liabilities	7,303,712	6,885,458
Equity	26,695,678	27,041,208
Total liabilities	67,225,776	72,492,346

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Sales (net)	265,879,444	87,490,806	278,479,718	152,821,808
Gross profit	9,537,038	3,848,721	10,838,331	5,557,691
Operating profit	2,347,776	1,836,468	4,658,857	3,247,645
Net income for the period	1,969,233	1,168,801	5,446,407	3,509,240

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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 September 2024 and 30 September 2023 is as follows:

	1 January 2024	Currency translation differences	Additions	Disposals	30 September 2024	
Cost:						
Lands	35,119,604	-	47,904	-	35,167,508	
Land improvements	53,640,668	-	146,619	-	53,787,287	
Buildings	12,861,573	-	13,886	-	12,875,459	
Machinery and equipment	199,579,731	1,675	93,629	(3,757)	199,671,278	
Motor vehicles	23,525,462	-	57,343	(76,937)	23,505,868	
Furniture and fixtures	2,341,613	2,986	149,869	(2,539)	2,491,929	
Construction in progress	11,710,748	118	5,981,697	-	17,692,563	
Special costs	365,945	9,035	10,424	(14,126)	371,278	
Other tangible assets	483,415	-	694	-	484,109	
	339,628,759	13,814	6,502,065	(97,359)	346,047,279	
Accumulated depreciation:						
Land improvements	(33,091,650)	-	(1,248,998)	-	(34,340,648)	
Buildings	(5,379,633)	-	(177,366)	-	(5,556,999)	
Machinery and equipment	(112,105,768)	(1,007)	(4,158,729)	1,816	(116,263,688)	
Motor vehicles	(5,507,987)	-	(872,601)	55,352	(6,325,236)	
Furniture and fixtures	(1,433,309)	(1,007)	(214,187)	501	(1,648,002)	
Special costs	(192,556)	(3,120)	(19,351)	-	(215,027)	
Other tangible assets	(83,918)	-	(30,530)	-	(114,448)	
	(157,794,821)	(5,134)	(6,721,762)	57,669	(164,464,048)	
Net book value	181,833,938				181,583,231	
	1 January 2023	Currency translation differences	Additions	Transfers	Disposals	30 September 2023
Cost:						
Lands	34,699,243	-	-	-	-	34,699,243
Land improvements	51,960,464	-	217,851	-	(2,804)	52,175,511
Buildings	12,474,917	-	55,839	-	(3)	12,530,753
Machinery and equipment	194,279,160	339	408,256	-	(5,313)	194,682,442
Motor vehicles	19,659,344	-	2,891,229	-	(599,754)	21,950,819
Furniture and fixtures	2,121,424	124	137,068	-	(10,929)	2,247,687
Construction in progress	9,247,675	1,812	5,015,898	(8,842)	-	14,256,543
Special costs	310,809	574	2,240	-	-	313,623
Other tangible assets	276,987	-	2,069	-	(6,411)	272,645
	325,030,023	2,849	8,730,450	(8,842)	(625,214)	333,129,266
Accumulated depreciation:						
Land improvements	(31,622,517)	-	(1,037,212)	-	1,322	(32,658,407)
Buildings	(4,957,471)	-	(130,300)	-	3	(5,087,768)
Machinery and equipment	(107,569,684)	(272)	(3,268,139)	-	4,390	(110,833,705)
Motor vehicles	(4,749,781)	-	(595,561)	-	558,616	(4,786,726)
Furniture and fixtures	(1,253,309)	(106)	(363,216)	-	9,655	(1,606,976)
Special costs	(125,715)	(430)	(70,674)	-	-	(196,819)
Other tangible assets	(51,445)	-	(62,453)	-	-	(113,898)
	(150,329,922)	(808)	(5,527,555)	-	573,986	(155,284,299)
Net book value	174,700,101					177,844,967

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11. Property, plant and equipment (Continued)

Total depreciation expense amounting to TRY6,721,762 thousand (30 September 2023 – TRY5,527,555 thousand) related to tangible fixed assets in the comprehensive consolidated income statement for the period ended as of 30 September 2024 has been allocated to cost of goods sold amounting to TRY3,697,648 thousand (30 September 2023 – TRY3,048,461 thousand), to general administration expenses amounting to TRY2,300,466 thousand (30 September 2023 – TRY1,750,856 thousand), to marketing expenses amounting to TRY530,255 thousand (30 September 2023 – TRY579,666 thousand), to research and development expenses amounting to TRY193,393 thousand (30 September 2023 – TRY148,572).

The depreciation expense related to right-of-use assets in the consolidated statement of comprehensive income for the period ended as of 30 September 2024 at TRY140,470 thousand (30 September 2023 – TRY293,177 thousand), is classified to general administrative expenses amounting to TRY89,012 thousand (30 September 2023 – TRY 151,355 thousand), to marketing expenses amounting to TRY21,895 thousand (30 September 2023 TRY76,877), and to cost of goods sold amounting to TRY29,563 thousand (30 September 2023 – TRY64,945).

As of 30 September 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 September 2024 and 30 September 2023 are as follows:

	1 January 2024	Additions	Disposals	30 September 2024	
Cost:					
Rights and software	1,585,330	57,871	(48)	1,643,153	
Development expenses	1,450,571	82,236	-	1,532,807	
Other intangible assets	6,050,813	2,506	(1,455)	6,051,864	
	9,086,714	142,613	(1,503)	9,227,824	
Accumulated amortisation:					
Rights and software	(1,171,400)	(149,309)	48	(1,320,661)	
Development expenses	(1,162,297)	(93,521)	-	(1,255,818)	
Other intangible assets	(974,801)	(93,345)	1,455	(1,066,691)	
	(3,308,498)	(336,175)	1,503	(3,643,170)	
Net book value	5,778,216			5,584,654	
	1 January 2023	Additions	Transferler	Disposals	30 September 2023
Cost:					
Rights and software	1,358,208	23,192	-	(8,883)	1,372,517
Development expenses	1,255,541	91,568	-	-	1,347,109
Other intangible assets	4,252,287	2,912	8,842	(3)	4,264,038
	6,866,036	117,672	8,842	(8,886)	6,983,664
Accumulated amortisation:					
Rights and software	(1,097,993)	(135,313)	-	7,291	(1,226,015)
Development expenses	(1,076,543)	(98,572)	-	-	(1,175,115)
Other intangible assets	(878,228)	(71,373)	-	1	(949,600)
	(3,052,764)	(305,258)	-	7,292	(3,350,730)
Net book value	3,813,272				3,632,934

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12. Intangible assets (Continued)

Other intangible assets (Continued):

Total amortisation expenses amounting to TRY336,175 thousand (30 September 2023: TRY305,258 thousand) in the consolidated statement of comprehensive income for the period ended 30 September 2024 have been allocated to the general administration expenses amounting to TRY253,502 thousand (30 September 2023: TRY239,939 thousand) and the cost of sales amounting to TRY82,673 thousand (30 September 2023: TRY65,319 thousand).

13. Prepaid expenses

Short term prepaid expenses

	30 September 2024	31 December 2023
Insurance and other expenses	2,003,481	1,178,754
Advances given	513,833	551,358
Advances given to third parties for property, plant and equipment	-	6,347
Total	2,517,314	1,736,459

Long term prepaid expenses:

	30 September 2024	31 December 2023
Advances given to third parties for property, plant and equipment	2,616,076	1,926,209
Advances given to related parties for property, plant and equipment (Note 28)	1,185,556	41,751
Other prepaid expenses	278,590	497,433
Total	4,080,222	2,465,393

14. Other assets and liabilities

Other current assets:

	30 September 2024	31 December 2023
Deferred Value Added Tax (“VAT”)	10,020,317	12,681,410
Deferred VAT	2,048,603	78,762
Deferred Special Consumption Tax (“SCT”)	1,732,149	846,245
Taxes and funds to be offsetted	1,109,826	653,317
Spare parts and material stocks	706,852	410,232
Income accruals	412,128	251,213
VAT to be refunded	143,441	4,354,286
Income accruals from commodity hedge (*)	-	327,092
Other current assets	589,650	439,920
Total	16,762,966	20,042,477

(*) As of 31 December 2023, income accruals from forward purchases and sales transactions consist of income accruals from derivative transactions made by Tüpraş for hedging purposes. These income accruals were accounted for in the cost of goods sold account and were fully collected on 8 January 2024.

Other non-current assets:

	30 September 2024	31 December 2023
Spare parts and material stocks	15,673,345	13,443,749
Other	4,855	1,509
Total	15,678,200	13,445,258

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14. Other assets and liabilities (Continued)

Other short-term liabilities:

	30 September 2024	31 December 2023
SCT payable	10,175,606	8,757,219
Deferred Value Added Tax (“VAT”)	10,020,317	12,681,410
Revenue share	6,639,341	6,599,465
VAT payable	3,344,653	471,763
Deferred Special Consumption Tax (“SCT”)	1,732,149	846,245
Taxes and liabilities payable	394,602	999,525
Expense accruals	15,653	21,266
Other	621,004	582,969
Total	32,943,325	30,959,862

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 TRY6,639,341 thousand accumulated as of 30 September 2024 (31 December 2023: TRY6,599,465 thousand) which is not recognized in the comprehensive income statement, has been classified as “Revenue Share” within “Other short-term liabilities”. TRY6,589,922 thousand is (31 December 2023: TRY6,558,159 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 September 2024	31 December 2023
Personnel bonus accruals	1,210,635	47,394
Seniority incentive bonus provision	45,062	34,121
Total	1,255,697	81,515

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15. Provisions (Continued)

Provision for employee benefits (Continued):

Long-term employee benefits:

	30 September 2024	31 December 2023
Provision for employment termination benefits	1,387,991	2,438,404
Provision for unused vacation	353,680	291,539
Seniority incentive bonus provision	159,949	87,886
Total	1,901,620	2,817,829

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	122,007	114,528
Charge for the period	166,065	166,540
Payments during the period	(36,809)	(108,788)
Monetary loss/gain	(46,252)	(49,203)
30 September	205,011	123,077

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 September 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	2,438,404	2,355,803
Interest expense	57,745	155,755
Actuarial (gain)/loss	(452,051)	-
Charge for the period	155,974	526,645
Payments during the period	(214,662)	(310,187)
Monetary loss/gain	(597,419)	(888,837)
30 September	1,387,991	1,839,179

Provision for unused vacation:

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

	2024	2023
1 January	291,539	277,613
Charge for the period	201,862	216,846
Payments during the period	(46,679)	(54,326)
Monetary loss/gain	(93,042)	(122,926)
30 September	353,680	317,207

Other short-term provisions:

	30 September 2024	31 December 2023
Provision for demurrage	1,767,418	1,200,305
EMRA participation share (*)	256,940	253,508
Provisions for pending claims and law suits	30,923	33,894
Other	970,552	96,997
	3,025,833	1,584,704

(*) 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 September 2024 and 30 September 2023 are as follow:

	Provision for pending claims and lawsuits	EMRA participation share	Provision for demurrage	Other	Total
1 January 2024	33,894	253,508	1,200,305	96,997	1,584,704
Changes for the period, net	7,573	183,595	1,843,552	1,007,949	3,042,669
Payments during the period, net	(993)	(104,672)	(851,825)	-	(957,490)
Monetary loss/gain	(9,551)	(75,491)	(424,614)	(134,394)	(644,050)
30 September 2024	30,923	256,940	1,767,418	970,552	3,025,833
1 January 2023	75,705	269,018	600,516	135,839	1,081,078
Changes for the period, net	(12,445)	240,502	1,363,740	1,407,343	2,999,140
Payments during the period, net	(475)	(111,116)	(633,310)	(781,193)	(1,526,094)
Monetary loss/gain	(22,703)	(114,369)	(340,183)	(165,548)	(642,803)
30 September 2023	40,082	284,035	990,763	596,441	1,911,321

16. Liabilities for employee benefits

	30 September 2024	31 December 2023
Due to the personnel	420,720	658,088
Social security withholdings payment	299,579	424,974
Total	720,299	1,083,062

17. Other receivables and other payables

	30 September 2024	31 December 2023
Receivable from insurance recoveries	185,821	11,335
Receivable from personnel	155,324	88,957
Deposits and guarantees given	85,655	73,109
Other doubtful receivables	3,678	5,021
Less: Provision for other doubtful receivables	(3,678)	(5,021)
Total other receivables	426,800	173,401

	30 September 2024	31 December 2023
Dividend payables to unrelated parties	10,777,405	683
Deposits and guarantees received	181,999	174,481
Other payables to related parties (Note 28)	-	494,172
Total other payables	10,959,404	669,336

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18. Derivative instruments

	30 September 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	742,621	742,621	44,925	-	605,778	605,778	53,829	-
Commodity derivative	48,949,622	48,949,622	3,924,298	152,840	43,322,705	43,322,705	2,723,937	150,235
<i>Derivatives held for trading</i>								
Currency forwards	19,034,742	19,934,443	2,090	645,781	47,412,633	51,441,650	13,468	502,672
Foreign currency swap	1,317,677	1,317,677	-	9,831	-	-	-	-
Commodity derivative	4,813,701	4,813,701	25,304	-	6,579,590	6,579,590	13,399	-
Cross currency swap	50,684	204,836	-	162,881	27,004	95,351	-	70,836
Short term derrivative instruments			3,996,617	971,333			2,804,633	723,743
<i>Cash flow hedge</i>								
Interest rate swap	1,806,226	1,806,226	28,326	3,689	627,381	627,381	50,136	-
<i>Derivatives held for trading</i>								
Currency forwards	-	-	-	-	2,857	862,203	32	-
Cross currency swap	137,050	553,815	-	440,381	243,032	858,151	-	637,519
Long term derrivative instruments			28,326	444,070			50,168	637,519
Total derrivative instruments			4,024,943	1,415,403			2,854,801	1,361,262

As of 30 September 2024, forward foreign exchange transactions consist of forward transactions which generate sales obligation of TRY15,702,430 thousand in exchange of USD434,225 thousand and sales obligation of USD124,141 thousand in exchange of AED458,546 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 September 2024 purchasing power TRY52,303,853 thousand for in exchange of USD1,185,543 thousand).

As of 30 September 2024, interest rate swap consists of exchange of floating rate instalment payments of long-term borrowings and bonds amounting to USD30,767 thousand and TRY1,500,000 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 September 2024, cross currency swap transactions consist of swaps with fixed interest rate transaction of foreign currency indexed floating interest rate USD5,507 thousand (31 December 2023: USD6,752 thousand) and fixed interest rate long-term borrowings amounting to TRY758,651 thousand (31 December 2023: Adjusted by 30 September 2024 purchasing power TRY953,502 thousand).

As of 30 September 2024, and 31 December 2023, goods purchase and sale transactions consist of 56,992 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 September 2024		31 December 2023	
	Original currency(*):	TRY amount:	Original currency(*):	TRY amount (**):
Guarantees received:				
Letter of guarantees received		9,992,258		8,997,306
- Letter of guarantees in TRY	4,281,953	4,281,953	3,945,096	3,945,096
- Letter of guarantees in USD	126,885	4,325,507	90,051	3,601,572
- Letter of guarantees in EUR	35,546	1,351,372	31,258	1,383,309
- Letter of guarantees in other currencies	-	33,426	-	67,329
Guarantee notes received		350		6,294
- Guarantee notes in TRY	350	350	575	575
- Guarantee notes in USD	-	-	143	5,719
Guarantee letters received		1,733,495		2,033,754
- Guarantee letters received in USD	50,851	1,733,495	50,851	2,033,754
Guarantee letters of credit		7,804,685		7,537,653
- Letters of credit in USD	228,944	7,804,685	188,466	7,537,653
Direct debiting limits		1,203,188		1,536,086
- TRY direct debiting limits	1,203,188	1,203,188	1,536,086	1,536,086
Total guarantees received		20,733,976		20,111,093
Guarantees given:				
Letter of credits given		28,115,736		38,485,217
- Letter of credits in USD	824,750	28,115,736	917,680	36,702,391
- Letter of credits in EUR	-	-	52	2,287
- Letter of credits in other currencies	-	-	63,170	1,780,539
Letter of guarantees given		15,362,590		8,521,567
- Letter of guarantees in TRY	14,727,568	14,727,568	8,513,563	8,513,563
- Letter of guarantees in USD	338	11,527	200	8,004
- Letter of guarantees in EUR	16,400	623,495	-	-
Letters of guarantee given to customs offices		2,493,763		4,068,277
- Letter of guarantees in TRY	2,265,655	2,265,655	3,802,748	3,802,748
- Letter of guarantees in EUR	6,000	228,108	6,000	265,529
Guarantee bond		279,722		27,184
- Guarantee bond in TRY	163,928	163,928	262	262
- Guarantee bond in USD	3,322	113,247	599	23,957
- Guarantee bond in EUR	67	2,547	67	2,965
Letters of guarantee given to banks		565,529		1,144,199
- Letter of guarantees in USD	16,589	565,529	28,609	1,144,199
Guarantees		3,655,672		3,989,827
- Guarantees in USD	105,900	3,610,131	98,487	3,938,959
- Guarantees in other currencies	1,000	45,541	1,000	50,868
-Garantörlükler (USD)		50,473,012		56,236,271

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

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

As of 30 September 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 September 2024, letters of guarantee given to banks are given for loans which were used by Companies within scope of consolidation amounting to TRY524,134 thousand (31 December 2023: TRY1,067,638 thousand) and for derivative financial instruments amounting to TRY41,395 thousand (31 December 2023: TRY76,561 thousand).

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19. Commitments and contingent assets and liabilities (Continued)

Collaterals, pledges, mortgages (CPMs) given by the Group as of 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
A. CPMs given for companies in the name of its own legal personality	46,251,811	51,102,245
- TRY	17,157,151	12,316,573
- USD	28,240,510	36,734,352
- EUR	854,150	270,781
- Other	-	1,780,539
B. CPMs given on behalf of the fully consolidated companies	4,221,201	5,134,026
- USD	4,175,660	5,083,158
- EUR	-	-
- Other	45,541	50,868
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	50,473,012	56,236,271

20. Equity

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

	30 September 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 (*)	34,141,340		34,141,340	
Total Capital	36,068,136		36,068,136	

(*) 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 September 2024 in accordance with TFRS and Tax Procedure Law (“TPL”) financial statements are as follows:

30 September 2024 (TFRS)	Historical value	Inflation adjustment effect	Indexed value
Share capital	1,926,796	34,141,340	36,068,136
Legal reserves	7,492,332	5,782,137	13,274,469
30 September 2024 (TPL)	Historical value	Inflation adjustment effect	Indexed value
Share capital	1,926,796	8,825,833	10,752,629
Legal reserves	7,492,332	8,449,849	15,942,181

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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 September 2024, the restricted reserves of the Company amount to TRY13,274,469 thousand (31 December 2023 – TRY8,696,794).

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 September 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)

The company has decided to distribute a total of TRY23,000,000 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 24 September 2024. 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 TRY11.937 which is 1,193.69% for each share with a nominal value of TRY1.00; other shareholders at a rate of 1,193.69% and a cash dividend of TRY11.937 gross and at a rate of 1,074.32% and TRY10.743 net cash dividend was paid for one share with a nominal value of TRY1.00. While the owner of the shares that were not available for trading on the stock exchange were paid on 27 September 2024, the payment for the owner of the shares that were open to trading on the stock exchange was made on 1 October 2024.

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 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Domestic revenue	491,372,020	173,546,467	581,086,500	242,274,931
Export revenue	114,251,812	25,173,055	111,136,469	54,993,521
Gross revenue	605,623,832	198,719,522	692,222,969	297,268,452
Less: Sales discounts	(6,011,248)	(2,285,597)	(9,613,191)	(4,265,811)
Less: Sales returns	(280,583)	(211,275)	(774,171)	(390,961)
Sales (net)	599,332,001	196,222,650	681,835,607	292,611,680
Cost of goods sold	(546,004,515)	(177,437,979)	(569,051,907)	(239,814,160)
Gross profit	53,327,486	18,784,671	112,783,700	52,797,520

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21. Revenue and cost of sales (Continued)

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Raw material, manufactured and consumable material	506,023,844	166,138,595	532,743,221	228,443,550
Energy expenses	13,801,457	4,132,733	15,047,393	3,231,687
Personnel expenses	6,699,284	2,557,573	6,152,431	2,880,651
Depreciation and amortization (Note 11-12)	3,809,884	1,146,984	3,178,725	953,026
Other production expenses	15,670,046	3,462,094	11,930,137	4,305,246
Cost of sales	546,004,515	177,437,979	569,051,907	239,814,160

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

General administrative expenses:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Personnel expenses	5,293,908	1,723,239	4,039,641	1,370,619
Depreciation and amortization (Note 11-12)	2,642,980	872,062	2,142,150	457,456
Insurance expenses	1,276,124	433,706	1,160,091	410,565
Outsourced services	742,942	219,978	744,046	247,953
Tax duties and fees	632,252	306,674	732,518	203,416
Donations	491,893	175,694	1,183,419	257,492
Office expenses	364,780	112,982	407,705	115,895
Subscription fees	290,419	111,599	272,483	89,323
Lawsuit and consultancy expenses	279,973	85,594	249,521	113,762
Transportation and travel expenses	87,918	29,362	58,505	21,382
Other	471,896	98,955	545,750	225,304
Total general administrative expenses	12,575,085	4,169,845	11,535,829	3,513,167

Marketing expenses:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Transportation, storage and insurance expenses	4,627,711	818,217	3,993,645	2,019,874
Personnel expenses	1,077,492	354,275	839,463	228,804
Depreciation and amortization (Note 11)	552,150	137,694	656,543	123,904
Advertising expenses	352,766	127,729	153,076	31,890
Energy expenses	134,557	37,698	195,563	47,526
Outsourced services	10,589	3,192	140,619	109,586
Other	739,859	242,309	423,892	155,231
Total marketing expenses	7,495,124	1,721,114	6,402,801	2,716,815

Research and development expenses:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Depreciation and amortization (Not 11)	193,393	67,920	148,572	24,329
Personnel expenses	103,763	36,436	99,036	32,217
Outsourced services	2,522	359	1,946	793
Energy expenses	930	342	1,373	407
Tax duties and fees	25	25	20,884	26
Other	19,438	9,921	23,783	11,593
Total research and development expenses	320,071	115,003	295,594	69,365

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23. Other operating income /(expense)

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Other operating income:				
Credit finance gain	7,365,333	1,881,703	4,482,511	2,541,490
Foreign exchange gain from trade receivables	2,941,636	697,075	6,570,297	1,211,344
Rent income	29,652	8,248	25,699	8,218
Other	445,668	73,398	468,350	112,869
Total other operating income	10,782,289	2,660,424	11,546,857	3,873,921
Other operating expense:				
Foreign exchange loss from trade payables	(9,823,253)	(2,437,363)	(24,885,765)	(6,407,553)
Credit finance charge	(4,617,913)	(954,964)	(4,106,910)	(2,494,292)
Other	(1,473,316)	(463,429)	(872,981)	146,684
Total other operating expense	(15,914,482)	(3,855,756)	(29,865,656)	(8,755,161)

24. Income/(expense) from investment activities

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Financial investments fair value change	(9,100)	(9,100)	131,233	127,215
Gain/(loss) on sales of property plant and equipment and intangible assets	(4,483)	(644)	101,460	108,214
Dividend income	209	209	-	-
Total income/(expense) from investment activities	(13,374)	(9,535)	232,693	235,429

25. Financial income/(expense)

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Financial income:				
Interest income on deposits	21,400,282	7,391,098	8,787,546	3,639,845
Foreign exchange gain on deposits	2,013,813	563,441	8,080,708	874,174
Gains on derivative instruments	120,648	10,960	3,872,651	1,104,616
Total financial income	23,534,743	7,965,499	20,740,905	5,618,635
Financial expense:				
Interest expense	(6,029,445)	(2,560,925)	(4,571,644)	(1,850,196)
Foreign exchange loss on borrowings	(5,234,084)	(1,156,955)	(24,207,887)	(6,730,023)
Losses on derivative instruments	(4,498,661)	(1,604,219)	(1,048,315)	(552,854)
Other	(295,388)	(192,094)	(246,061)	(121,344)
Total financial expense	(16,057,578)	(5,514,193)	(30,073,907)	(9,254,417)

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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26. Tax assets and liabilities

	30 September 2024	31 December 2023
Current period corporate tax provision (*)	2,647,227	11,612,458
Current year tax assets	(1,488,308)	(9,773,605)
Current income tax liabilities	1,158,919	1,838,853

(*) 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 TRY5,161,236 thousand based on 30 September 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 September 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 September 2024 and 30 September 2023 are summarized below:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Tax Income/ (expenses)				
Current tax expense	(2,944,866)	(740,613)	(13,486,597)	(6,658,067)
Deffered tax income	(6,677,710)	(2,868,478)	(19,870,991)	(15,567,921)
Total tax income/ (expense)	(9,622,576)	(3,609,091)	(33,357,588)	(22,225,988)

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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 September 2024 and 30 September 2023 using the enacted tax rates are as follows:

	Cumulative temporary differences		Deferred tax (liability)/asset	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Investment incentives(*)	(37,588,780)	(51,796,774)	9,397,195	10,359,355
Accumulated deductible financial losses (**)	(138,167)	(332,733)	34,542	83,183
Difference between the carrying values and tax base of property, plant, equipment and intangible assets	19,187,188	953,486	(4,882,181)	(400,062)
Employment termination benefits	(1,209,780)	(1,707,677)	302,446	427,267
Inventories	(9,679,304)	(13,925,041)	2,419,826	3,513,064
Provision for unused vacation liability	(295,423)	(243,318)	73,856	60,830
Deferred financial income (expense), net	(440,308)	79,219	110,077	(19,804)
Provision lawsuits	(29,240)	(33,894)	7,310	6,779
Fair value difference of derivative instruments	2,560,446	1,455,201	(640,111)	(363,800)
Gain on revaluation of tangibles	34,658,850	34,658,632	(6,498,534)	(6,498,494)
Other	(1,926,619)	(4,540,146)	481,655	726,343
Deferred tax asset - net			806,081	7,894,661

(*) 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 34.14% revaluation rate for the third 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 TRY34,542 thousand (31 December 2023 – TRY83,183 thousand) to be used within the next 5 years are formed from the deductible tax losses of TRY138,167 thousand (31 December 2023 – TRY332,733 thousand) realized on 30 September 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 TRY9,397,195 thousand (31 December 2023: TRY10,359,355 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 September 2024. TRY962,160 thousand deferred tax loss is recognized in the consolidated profit or loss statement for the period between 1 January – 30 September 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 September 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	7,894,661	(87,504)
Charge for the period	(6,677,710)	(19,870,991)
Charge to equity:		
- Hedging cash flow gains/(losses)	(297,857)	1,008,241
- Actuarial gains/(losses) arising from defined benefit plans	(113,013)	40,279
30 September	806,081	(18,909,975)

27. Earnings per share/(loss)

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Profit for the year attributable to shareholders of the Group	13,572,731	7,744,044	23,403,240	9,902,602
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 per share in Kr	7.04	4.02	12.15	5.14

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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 September 2024	31 December 2023
Yapı ve Kredi Bankası A.Ş. (2)	7,815,228	19,281,109
Total	7,815,228	19,281,109

b) Due from related parties:

	30 September 2024	31 December 2023
Opet Petrolcülük A.Ş. (1)	7,222,059	7,236,389
THY OPET Havacılık Yakıtları A.Ş. (1)	901,996	832,467
Aygaz A.Ş. (2)	262,929	536,859
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	53,038	85,487
Other (2)	79,635	180,929
Total	8,519,657	8,872,131

As of 30 September 2024, Tüpraş has no trade receivables from related parties that it has collected from factoring companies (31 December 2023- TRY2,581,340 thousand).

c) Trade payables:

	30 September 2024	31 December 2023
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	219,685	247,295
Opet Petrolcülük A.Ş. (1)	96,486	449,640
Koç Sistem Bilgi ve İletişim A.Ş. (2)	32,224	143,417
RAM Sigorta Aracılık Hizmetleri A.Ş. (2)	30,919	33,803
Defaş Madencilik Sanayi ve Ticaret A.Ş. (2)	17,450	25,246
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	11,055	17,285
Setur Servis Turistik A.Ş. (2)	10,347	28,914
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	6,316	14,608
KocDigital Çözümler A.Ş. (2)	6,105	99,564
Ark İnşaat San. Tic. A.Ş. (2)	4,655	65,508
Divan Turizm İşletmeleri A.Ş. (2)	619	44,078
Aygaz A.Ş. (2)	-	58,700
Other (2)	19,470	110,236
Total	455,331	1,338,294

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28. Related party transactions (Continued)

d) Other payables:

	30 September 2024	31 December 2023
Koç Holding A.Ş. (3)	-	494,171
Enerji Yatırımları A.Ş. (3)	-	1
Total	-	494,172

e) Advances given for property, plant and equipment

	30 September 2024	31 December 2023
RMK Marine Gemi Yapım Sanayii ve Deniz Taşımacılığı İşletmesi A.Ş. (2)	1,142,893	41,751
Ark İnşaat San. Tic. A.Ş. (2)	42,663	-
Total	1,185,556	41,751

f) Lease liabilities:

	30 September 2024	31 December 2023
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	151,487	169,696
Koç Ailesi (3)	57,421	44,923
Temel Ticaret ve Yatırım A.Ş. (3)	6,123	8,321
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	5,721	5,979
Total	220,752	228,919

g) Product and service sales:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Opet Petrolcülük A.Ş. (1)	87,418,486	30,395,232	153,927,153	69,757,069
THY OPET Havacılık Yakıtları A.Ş. (1)	13,271,580	4,837,610	15,918,524	7,054,258
Aygaz A.Ş. (2)	2,235,707	940,222	3,950,232	1,758,378
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	367,632	106,943	493,242	227,301
Demir Export (2)	129,670	37,553	110,558	81,472
Other (2)	1,734,485	668,364	2,183,558	2,129,558
Total	105,157,560	36,985,924	176,583,267	81,008,036

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28. Related party transactions (Continued)

h) Product and service purchases:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Opet Petrolcülük A.Ş. (1)	4,014,108	1,032,814	9,018,749	3,802,551
Ram Sigorta Aracılık Hizmetleri A.Ş. (2) (*)	1,561,390	920,979	1,955,595	584,606
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	829,092	164,667	820,854	230,045
Aygaz A.Ş. (2)	443,126	149,506	1,262,068	164,872
Koç Holding A.Ş. (3) (**)	273,794	75,344	182,002	47,491
Arçelik Pazarlama A.Ş. (2)	206,977	87,323	216,837	216,837
Koç Sistem Bilgi ve İletişim A.Ş. (2)	193,486	42,697	341,344	61,018
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	77,005	15,152	96,098	34,894
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	75,112	17,954	88,830	38,103
Ark İnşaat San. Tic. A.Ş. (2)	47,631	3,364	369,437	243,355
Other (2)	425,015	139,911	709,563	17,695
Total	8,146,736	2,649,711	15,061,377	5,441,467

(*) 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 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Koç Sistem Bilgi ve İletişim A.Ş. (2)	342,339	55,601	129,679	101,693
Ark İnşaat San. Tic. A.Ş. (2)	273,090	135,733	-	-
Aygaz A.Ş. (2)	-	-	32,931	32,931
Other (2)	20,470	12,623	2,977	1,316
Total	635,899	203,957	165,587	135,940

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 September 2024, the total amount of benefits provided to the Company's top executives is adjusted by 30 September 2024 purchasing power TRY75,835 thousand (30 September 2023 –TRY84,519 thousand).

k) Financial expenses paid to related parties:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Yapı Kredi Faktoring A.Ş. (2)	-	-	59,871	12,058
Yapı ve Kredi Bankası A.Ş. (2)	-	-	6,264	6,264
Total	-	-	66,135	18,322

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28. Related party transactions (Continued)

l) Time deposit interest income:

	1 January- 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Yapı ve Kredi Bankası A.Ş. (2)	6,354,926	1,428,875	1,475,674	246,357
Total	6,354,926	1,428,875	1,475,674	246,357

m) Donations:

As of 30 September 2024, total donation amount paid to related parties is TRY58,958 thousand (30 September 2023 – TRY65,295 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 September 2024 and 31 December 2023 are as follows:

30 September 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	8,519,657	31,841,500	-	426,800	102,526,798	4,024,943	-
- Secured portion of the maximum credit risk by guarantees, etc.	-	3,062,569	-	-	-	-	-
A. Net book value of financial asset either are not due or not impaired	8,519,657	31,781,637	-	426,800	102,526,798	4,024,943	-
B. Net book value of overdue but not impaired financial assets	-	59,863	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value)	-	7,736	-	3,678	-	-	-
- Impairment (-)	-	(7,736)	-	(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	8,872,131	46,068,882	-	173,401	132,903,167	2,854,801	-
- Secured portion of the maximum credit risk by guarantees, etc.	-	4,595,932	-	-	-	-	-
A. Net book value of financial asset either are not due or not impaired	8,872,131	45,763,895	-	173,401	132,903,167	2,854,801	-
B. Net book value of overdue but not impaired financial assets	-	304,987	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value)	-	10,154	-	5,021	-	-	-
- Impairment (-)	-	(10,154)	-	(5,021)	-	-	-
- 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 September 2024	Receivables		Bank deposits	Derivative instruments	Other
	Trade Receivables	Other Receivables			
Overdue (1-30 days)	47,781	-	-	-	-
Overdue (1-3 months)	5,830	-	-	-	-
Overdue (3-12 months)	6,240	-	-	-	-
Overdue (1-5 years)	12	-	-	-	-
Overdue (5+ years)	-	-	-	-	-

31 December 2023	Receivables		Bank deposits	Derivative instruments	Other
	Trade Receivables	Other Receivables			
Overdue (1-30 days)	117,399	-	-	-	-
Overdue (1-3 months)	142,423	-	-	-	-
Overdue (3-12 months)	42,600	-	-	-	-
Overdue (1-5 years)	2,564	-	-	-	-
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 TRY13,633 thousand (31 December 2023: TRY141,804 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 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
Group 1	2,911	10,230
Group 2	9,157,317	5,042,944
Group 3	31,136,758	49,565,663
Group 4	4,308	17,189
Total	40,301,294	54,636,026

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 constituted 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 September 2024 and 31 December 2023.

	30 September 2024		31 December 2023	
	TRY	USD(*)	TRY(**)	USD(*)
Monetary assets	49,269,002	1,445,263	57,516,477	1,438,101
Monetary liabilities	(125,413,346)	(3,678,890)	(165,713,841)	(4,135,931)
Monetary assets / (liabilities) foreign currency position	(76,144,344)	(2,233,627)	(108,197,364)	(2,697,830)
Non-monetary assets	448,416	13,154	1,269,504	31,742
Net foreign currency position of derivative financial instruments	14,044,081	411,971	46,461,988	1,161,491
Net foreign currency asset / (liability) position	(61,651,847)	(1,808,502)	(60,465,872)	(1,504,597)
Cash flow hedging (**)	412,864	12,111	943,315	23,586
Net foreign currency position after cash flow hedging	(61,238,983)	(1,796,391)	(59,522,557)	(1,481,011)
Inventory in natural hedge scope (***)	64,037,884	1,878,494	60,592,123	1,515,002
Net foreign currency position after cash flow hedging and natural hedge	2,798,901	82,103	1,069,566	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 September 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 September 2024, the Group has crude oil and petroleum products inventories amounting to TRY64,037,884 thousand (31 December 2023- TRY60,592,123 thousand).

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29. Financial instruments and financial risk management (Continued)

	Foreign exchange position table									
	30 September 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	1,028,940	30,146	33	-	-	8,722,944	217,966	123	-	-
Monetary financial assets (including cash, banks)	48,239,005	1,350,845	56,214	1,127	234	48,786,072	1,208,667	9,429	560	2
Other	448,416	5,806	3,889	2,254	-	432,472	6,982	1,042	2,106	-
Current assets	49,716,361	1,386,797	60,136	3,381	234	57,941,488	1,433,615	10,594	2,666	2
Monetary financial assets	1,057	31	-	-	-	7,461	187	-	-	-
Other	-	-	-	-	-	837,032	20,929	-	-	-
Non-current assets	1,057	31	-	-	-	844,493	21,116	-	-	-
Total assets	49,717,418	1,386,828	60,136	3,381	234	58,785,981	1,454,731	10,594	2,666	2
Trade payables	90,594,073	2,628,254	24,642	1,319	7	97,027,878	2,373,486	40,259	2,066	171
Financial liabilities	29,410,435	857,522	4,079	492	-	38,895,756	965,518	4,356	392	-
Other monetary liabilities	2,224,954	64,538	989	(279)	-	24,995,972	622,463	933	1,129	-
Other payables	182,493	4,731	88	392	-	216,292	5,176	203	6	-
Current liabilities	122,411,955	3,555,045	29,798	1,924	7	161,135,898	3,966,643	45,751	3,593	171
Financial liabilities	3,001,391	65,366	18,278	1,716	-	4,577,943	87,429	22,136	1,988	-
Non-current liabilities	3,001,391	65,366	18,278	1,716	-	4,577,943	87,429	22,136	1,988	-
Total liabilities	125,413,346	3,620,411	48,076	3,640	7	165,713,841	4,054,072	67,887	5,581	171
Net asset/(liability) position of off-balance sheet foreign currency derivatives	14,044,081	574,766	(34,659)	-	(4,232,009)	46,461,988	1,158,652	4,519	-	-
Total amount of off-balance sheet derivative financial assets	74,644,355	2,189,626	-	-	-	97,587,818	2,435,016	4,519	-	-
Total amount of off-balance sheet derivative financial liabilities	(60,600,274)	(1,614,860)	(34,659)	-	(4,232,009)	(51,125,830)	(1,276,364)	-	-	-
Net foreign currency asset/(liability) position	(61,651,847)	(1,658,817)	(22,600)	(259)	(4,231,782)	(60,465,872)	(1,440,689)	(52,774)	(2,915)	(169)
Cash flow hedging	412,864	12,111	-	-	-	943,315	23,586	-	-	-
Net foreign currency position after cash flow hedging	(61,238,983)	(1,646,706)	(22,600)	(259)	(4,231,782)	(59,522,557)	(1,417,103)	(52,774)	(2,915)	(169)
Net monetary foreign currency asset/(liability) position	(75,961,851)	(2,234,658)	8,259	(2,121)	227	(107,981,072)	(2,622,076)	(58,132)	(5,015)	(169)
Fair value of derivative instruments Used for hedging	(643,691)	(18,882)	-	-	-	(489,203)	(12,210)	-	-	-

(*) Previous year's TRY equivalent amounts of guarantees with original balance amounts in foreign currency have been prepared based on 30 September 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 September 2024 and 31 December 2023.

30 September 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	(7,617,948)	7,617,948	(214,602)	214,602
Amount hedged for USD risk (-)	2,174,530	(2,174,530)	-	-
USD net effect	(5,443,418)	5,443,418	(214,602)	214,602
10% change in EUR rate				
Euro net assets/ liabilities	31,395	(31,395)	-	-
Amount hedged for Euro risk (-)	(131,768)	131,768	-	-
EUR net effect	(100,373)	100,373	-	-
TOTAL	(5,543,791)	5,543,791	(214,602)	214,602
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 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Export				
USD (equivalent of thousand TRY)	111,973,648	25,105,028	90,365,544	34,710,614
EUR (equivalent of thousand TRY)	4	4	2,736	-
Total	111,973,652	25,105,032	90,368,280	34,710,614
Import				
USD (equivalent of thousand TRY)	452,744,898	146,066,185	450,016,782	181,841,999
Total	452,744,898	146,066,185	450,016,782	181,841,999

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 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
Total financial liabilities (Note 7)	45,383,870	47,994,064
Less: Cash and cash equivalents (Note 5)	(91,136,393)	(120,029,208)
Less: Financial investments (Note 6)	(512,379)	(953,498)
Net financial liabilities	(46,264,902)	(72,988,642)
Total shareholders’ equity	245,109,097	275,715,324
Total capital invested	198,844,195	202,726,682
Gearing ratio	-23.27%	-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 September 2024 is as follows:

Financial assets at fair value in statement of financial position	Level 1	Level 2	Level 3
Derivative financial assets	-	4,024,943	-
Financial investments	-	512,379	-
Financial liabilities at fair value in statement of financial position			
Derivative financial liabilities	-	1,415,403	-

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	-	2,854,801	-
Financial investments	-	953,498	-
Financial liabilities at fair value in statement of financial position			
Derivative financial liabilities	-	1,361,262	-

30. Subsequent events

The final coupon payment and redemption transactions for the 7-year maturity debt instrument with a fixed coupon interest rate of 4.50% and a total amount of USD700 million which was issued on 18 October 2017 by the Group to international investors have been redeemed 18 October 2024.

As a result of the fuel supply tender by İstanbul Havalimanı TFS Akaryakıt Hizmetleri A.Ş., it has been informed that the Group has been entitled to sell 1.8 million tonnes of jet fuel annually to İstanbul Airport for a second time for 5 years.