

**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 2022**

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

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# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ENDED 30 SEPTEMBER 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

ASSETS	Notes	Unaudited	Restated (*) Unaudited	Restated (*) Unaudited
		30 September 2022	31 December 2021	31 December 2020
<b>Current Assets</b>		<b>121,808,910</b>	<b>66,515,384</b>	<b>31,281,757</b>
Cash and cash equivalents	5	40,093,559	21,176,186	20,319,133
Financial investments		2,226,497	-	-
Trade receivables	7	29,299,925	13,796,682	1,840,427
Due from related parties	7, 26	4,690,928	1,745,525	360,931
Trade receivables from third parties		24,608,997	12,051,157	1,479,496
Other receivables		83,193	20,566	19,464
Other receivables from third parties		83,193	20,566	19,464
Derivative instruments	16	3,805,955	3,823,700	381,895
Inventories	8	35,168,735	23,757,526	7,700,630
Prepaid expenses	12	853,327	193,490	238,938
Other current assets	13	10,277,719	3,747,234	781,270
<b>Non-Current Assets</b>		<b>42,678,242</b>	<b>39,741,727</b>	<b>32,332,472</b>
Financial investments		86,212	5,697	4,004
Investments accounted for using the equity method	9	2,559,844	2,150,156	1,326,490
Property, plant and equipment	10	28,877,524	28,316,299	23,457,048
Right of use asset		148,942	185,775	202,147
Intangible assets	11	534,300	562,785	255,241
Goodwill		599	-	-
Other intangible assets		533,701	562,186	255,241
Derivative instruments	16	73,868	44,213	87,883
Prepaid expenses	12	620,429	123,436	145,543
Deferred tax assets	24	7,460,575	6,436,140	5,023,992
Other non-current assets	13	2,316,548	1,917,226	1,830,124
<b>Total Assets</b>		<b>164,487,152</b>	<b>106,257,111</b>	<b>63,614,229</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>		<b>94,698,945</b>	<b>64,828,702</b>	<b>28,766,431</b>
Short-term financial liabilities	6	806,169	631,946	2,099,840
Current portion of long term financial liabilities	6	12,691,284	10,996,265	6,434,389
Trade payables	7	68,217,250	43,837,455	14,204,175
Due to related parties	7, 26	953,837	182,912	233,955
Trade payables, third parties		67,263,413	43,654,543	13,970,220
Liabilities for employee benefits	15	215,904	135,876	152,960
Other payables		120,043	323,018	308,769
Due to related parties	26	-	43,328	30,763
Other payables to third parties		120,043	279,690	278,006
Derivative instruments	16	1,123,790	3,466,572	769,707
Deferred income		312,976	32,315	129,254
Current income tax liabilities	24	2,018,952	69,764	2,459
Short-term provisions	14	759,238	219,166	174,151
Short-term provisions for employee benefits		214,518	19,387	24,572
Other provisions		544,720	199,779	149,579
Other current liabilities	13	8,433,339	5,116,325	4,490,727
<b>Non-current liabilities</b>		<b>23,887,889</b>	<b>22,347,409</b>	<b>21,922,365</b>
Long Term Borrowings		23,027,280	21,565,453	21,147,715
Long-term financial liabilities	6	-	-	207,407
Long-term provisions	14	675,498	454,999	361,327
Long-term provisions for employee benefits		675,498	454,999	361,327
Deferred income		11,621	9,987	9,504
Derivative Instruments	16	-	73,058	78,001
Deferred Tax Liability		172,839	155,210	63,354
Other Long Term Liabilities		651	88,702	55,057
<b>Total liabilities</b>		<b>118,586,834</b>	<b>87,176,111</b>	<b>50,688,796</b>
<b>Equity</b>		<b>45,900,318</b>	<b>19,081,000</b>	<b>12,925,433</b>
Share capital	18	275,257	275,257	275,257
Adjustment to share capital	18	1,344,243	1,344,243	1,344,243
Share premium		1,000,699	1,000,699	1,000,699
Accumulated other comprehensive income/(expense) not to be reclassified to profit or loss		11,086,822	11,086,822	7,518,365
Gains/ losses on revaluation and remeasurement		10,997,824	10,997,824	7,470,314
Gain on revaluation of properties		11,010,545	11,010,545	7,478,414
Actuarial gain/(loss) arising from defined benefit plans		(12,721)	(12,721)	(8,100)
Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss		88,998	88,998	48,051
Accumulated other comprehensive income/(expense) to be reclassified to profit or loss		311,466	(2,904,974)	(1,953,059)
Currency translation differences		678,671	297,679	(9,822)
Hedging gains/(losses)		(1,102,438)	(3,802,524)	(2,273,378)
Cash flow hedge gains/(losses)		(1,102,438)	(3,802,524)	(2,273,378)
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss		735,233	599,871	330,141
Restricted reserves	18	503,343	503,343	503,343
Retained earnings		7,503,568	4,008,731	6,357,914
Net income		23,456,118	3,494,837	(2,349,183)
<b>Total equity attributable to equity holders of the parent</b>		<b>45,481,516</b>	<b>18,808,958</b>	<b>12,697,579</b>
<b>Non-controlling interests</b>		<b>418,802</b>	<b>272,042</b>	<b>227,854</b>
<b>Total equity and liabilities</b>		<b>164,487,152</b>	<b>106,257,111</b>	<b>63,614,229</b>

This interim condensed consolidated financial information as of and for the year ended 30 September 2022 have been approved for issue by the Board of Directors on 3 November 2022.

(\*)The restatement effects are explained in Note 2.2.1.

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

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ENDED 30 SEPTEMBER 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

	Notes	Unaudited		Restated (*) Unaudited	
		1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Revenue	19	365,738,864	150,608,799	95,599,650	41,493,466
Cost of sales	19	(322,428,181)	(131,111,115)	(87,713,224)	(38,276,477)
<b>Gross profit (loss)</b>		<b>43,310,683</b>	<b>19,497,684</b>	<b>7,886,426</b>	<b>3,216,989</b>
General administrative expenses	20	(2,341,175)	(945,284)	(1,208,574)	(459,852)
Marketing expenses	20	(2,766,450)	(1,028,438)	(842,144)	(336,363)
Research and development expenses	20	(42,825)	(15,757)	(29,556)	(10,190)
Other operating income	21	3,797,609	1,435,854	722,127	277,727
Other operating expenses	21	(12,633,125)	(5,210,529)	(2,758,307)	(395,809)
<b>Operating profit (loss)</b>		<b>29,324,717</b>	<b>13,733,530</b>	<b>3,769,972</b>	<b>2,292,502</b>
Income/ (expenses) from investment activities	22	162,386	129,488	220	1,389
Income (loss) from investments accounted by equity method	9	514,326	180,115	305,510	244,058
<b>Operating profit before financial income (expense)</b>		<b>30,001,429</b>	<b>14,043,133</b>	<b>4,075,702</b>	<b>2,537,949</b>
Financial income	23	5,648,954	2,793,744	3,587,101	499,542
Financial expense	23	(9,891,249)	(3,589,686)	(5,983,875)	(1,810,023)
<b>Profit (loss) before tax from continued operations</b>		<b>25,759,134</b>	<b>13,247,191</b>	<b>1,678,928</b>	<b>1,227,468</b>
<b>Tax income (expense)</b>		<b>(2,141,501)</b>	<b>(1,628,523)</b>	<b>457,483</b>	<b>(161,217)</b>
Taxes on income	24	(3,774,028)	(2,070,407)	(39,855)	(13,378)
Deferred tax income (expense)	24	1,632,527	441,884	497,338	(147,839)
<b>Net income (loss) from continued operations</b>		<b>23,617,633</b>	<b>11,618,668</b>	<b>2,136,411</b>	<b>1,066,251</b>
<b>Other comprehensive income:</b>					
<b>Items to be reclassified to profit or loss</b>		<b>3,201,685</b>	<b>4,452,913</b>	<b>135,321</b>	<b>245,968</b>
Currency translation differences		380,992	158,230	52,706	7,595
Share of other comprehensive income accounted for investment using equity method that will be reclassified to profit or loss		135,362	51,077	10,874	2,698
Gain (loss) from translation of foreign currency of investments using equity method	9	135,362	51,077	10,874	2,698
Income (expense) relating to avoidance of risk of cash flow		3,311,052	5,313,882	49,456	292,600
Income (loss) of avoidance of risk cash flow		3,311,052	5,313,882	49,456	292,600
Tax effect of other comprehensive income (loss) to be reclassified to profit or loss		(625,721)	(1,070,277)	22,285	(56,925)
Deferred tax income (expense)	24	(625,721)	(1,070,277)	22,285	(56,925)
<b>Other comprehensive income (expense)</b>		<b>3,201,685</b>	<b>4,452,913</b>	<b>135,321</b>	<b>245,968</b>
<b>Total comprehensive income (expense)</b>		<b>26,819,318</b>	<b>16,071,581</b>	<b>2,271,732</b>	<b>1,312,219</b>
<b>Distribution of income for the period:</b>					
Non-controlling interests		161,515	64,375	65,465	22,812
Attributable to equity holders of the parent		23,456,118	11,554,293	2,070,946	1,043,439
<b>Distribution of total comprehensive income</b>					
Non-controlling interests		146,760	61,383	60,108	27,208
Attributable to equity holders of the parent		26,672,558	16,010,197	2,211,624	1,285,011
<b>Earnings (loss) per share from continued operations</b>					
Earnings per share with nominal value Kr1 each (Kr)	25	85.22	41.98	8.27	4.54

(\*)The restatement effects are explained in Note 2.2.1.

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

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), 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	Premiums related to shares	Gain on revaluation of properties	Gains/(losses) on valuation and remeasurement		Hedge gains/(losses)	Cash flow 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
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			Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss						
<b>Unaudited</b>															
1 January 2021	250,419	1,344,243	-	7,447,028	(7,841)	48,051	(9,822)	(2,243,649)	330,141	503,343	6,277,999	(2,493,511)	11,446,401	226,124	11,672,525
Transactions under common control	24,838	-	1,000,699	31,386	(259)	-	-	-	-	-	-	-	-	-	-
1 January 2021 (Restated) (*)	275,257	1,344,243	1,000,699	7,478,414	(8,100)	48,051	(9,822)	(2,273,606)	330,141	503,343	6,277,999	(2,493,511)	11,446,401	226,124	11,672,525
Transfers	-	-	-	-	-	-	-	-	-	-	(2,349,183)	2,349,183	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	(20,020)	(20,020)
- Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	2,070,946	2,070,946	65,465	2,136,411
- Other comprehensive income	-	-	-	-	-	-	52,706	77,098	10,874	-	-	-	140,678	(5,357)	135,321
Total comprehensive income	-	-	-	-	-	-	52,706	77,098	10,874	-	-	2,070,946	2,211,624	60,108	2,271,732
30 September 2021	275,257	1,344,243	1,000,699	7,478,414	(8,100)	48,051	42,884	(2,196,280)	341,015	503,343	4,008,731	2,070,946	14,909,203	267,942	15,177,145
<b>Unaudited</b>															
1 January 2022 (Restated) (*)	275,257	1,344,243	1,000,699	11,010,545	(12,721)	88,998	297,679	(3,802,524)	599,871	503,343	4,008,731	3,494,837	18,808,958	272,042	19,081,000
Transfers	-	-	-	-	-	-	-	-	-	-	3,494,837	(3,494,837)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	23,456,118	23,456,118	161,515	23,617,633
- Other comprehensive income	-	-	-	-	-	-	380,992	2,700,086	135,362	-	-	-	3,216,440	(14,755)	3,201,685
Total comprehensive income	-	-	-	-	-	-	380,992	2,700,086	135,362	-	-	23,456,118	26,672,558	146,760	26,819,318
31 September 2022	275,257	1,344,243	1,000,699	11,010,545	(12,721)	88,998	678,671	(1,102,438)	735,233	503,343	7,503,568	23,456,118	45,481,516	418,802	45,900,318

(\*) The restatement effects are explained in Note 2.2.1.

(\*\*) As a result of the acquisition of Entek shares by partial division, the Company's paid-in capital was increased from 250,419,200 TL to 275,256.514 TL and was registered in the trade registry on 26 August 2022.

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

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 SEPTEMBER 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

	Notes	Restated (*) Unaudited	
		1 January - 30 September 2022	1 January - 30 September 2021
<b>Cash flows from operating activities</b>		<b>30,136,587</b>	<b>4,162,624</b>
<b>Profit/(loss) for the period</b>		<b>23,617,633</b>	<b>2,136,411</b>
<b>Adjustment for reconciliation of profit/(loss) for the period</b>		<b>20,281,990</b>	<b>3,675,758</b>
Adjustment for depreciation and amortisation expense	10, 11	680,255	631,563
Adjustments for (reversal of) impairment loss		226,204	-
Adjustments for (reversal of) impairment loss of inventories		226,204	-
Adjustment for provisions	14	823,427	226,542
Adjustment for interest (income) and expense	23	1,539,776	355,251
Adjustment for unrealized foreign currency translation differences		(4,439,817)	(1,991,236)
Adjustment for fair value (gain) or loss		12,317,148	1,821,165
Adjustment for undistributed profit accounted by equity method	9	(514,326)	(305,510)
Adjustment for tax expenses(income)		2,141,501	(457,483)
Adjustment for (gain)/loss on sales of property, plant and equipment	22	2,346	(141)
Adjustment for other items related with cash flow of investment or financial activities		7,458,304	3,243,513
Other adjustments for reconciliation of profit/(loss)		47,172	152,094
<b>Changes in working capital</b>		<b>(11,543,997)</b>	<b>(1,464,602)</b>
Adjustment for decrease/(increase) in trade receivables		(15,541,913)	(6,413,359)
Adjustment for decrease/(increase) in other receivables related with operations		(7,711,443)	(2,729,944)
Adjustment for decrease/(increase) in derivative assets		(2,073,730)	(349,096)
Adjustment for decrease/(increase) in inventories		(11,637,413)	(8,559,288)
Adjustment for increase/(decrease) in trade payables		24,582,159	17,147,501
Adjustment for increase/(decrease) in other payables related with operations		3,254,183	(418,071)
Adjustment for decrease/(increase) in derivative liabilities		(2,415,840)	(142,345)
<b>Cash flows from operating activities</b>		<b>32,355,626</b>	<b>4,347,567</b>
Tax returns/(payments)		(1,824,580)	(11,214)
Other cash inflow/(outflow)		(394,459)	(173,729)
<b>Cash flows from investing activities</b>		<b>(1,458,815)</b>	<b>(824,798)</b>
Dividends received	9	240,055	80,000
Cash inflows from the sales of property, plant and equipment and intangible assets		(820)	1,266
Cash outflows from the purchase of property, plant and equipment and intangible assets		(1,698,050)	(903,800)
Cash outflows from the purchase of shares in other businesses or funds		-	(2,264)
<b>Cash flows from financing activities</b>		<b>(15,048,367)</b>	<b>(4,742,830)</b>
Cash inflows from financial liabilities	6	16,853,786	13,036,658
Cash outflows from financial liabilities	6	(20,531,111)	(15,664,619)
Cash inflows from derivative instruments		2,812,339	433,762
Cash outflows from derivative instruments		(12,752,087)	(2,261,918)
Cash outflows from payments of rent agreements	6	(63,762)	(26,740)
Dividends paid		-	(20,020)
Interest paid		(2,190,236)	(1,803,329)
Interest received		822,704	1,563,376
<b>Net increase/(decrease) in cash and cash equivalents before the effect of foreign currency translation differences</b>		<b>13,629,405</b>	<b>(1,405,004)</b>
<b>Impact of foreign currency translation differences on cash and cash equivalents</b>		<b>4,439,817</b>	<b>1,991,236</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>18,069,222</b>	<b>586,232</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>16,913,462</b>	<b>17,999,559</b>
<b>Cash and cash equivalents at the end of the period</b>	5	<b>34,982,684</b>	<b>18,585,791</b>

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

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), 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,
- To purchase, sell, import, export, store, market all kinds of petroleum products, LPG and natural gas, to establish marketing and distributing companies or similar partnerships with legal entities or real persons or to acquire, transfer or sell the shares of partnerships, when necessary.

The main operations of Tüpraş and its subsidiaries (collectively referred as “the Group”) are in Turkey and the Group’s business segment has been identified as refining.

The Company is registered at the Capital Markets Board (“CMB”) of Turkey and its shares have been quoted at Borsa İstanbul A.Ş. (“BIST”) since 1991. As of 30 September 2022, the principal shareholders and their respective shareholdings in the Company are as follow (Note 18):

	(%)
Enerji Yatırımları A.Ş.	46.40
Koç Holding A.Ş.	6.35
Koç Family Members and Companies owned by Koç Family Members	0.48
Publicly held	46.78
	<b>100.00</b>

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

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), 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”)	Turkey	Crude oil and petroleum products transportation
Üsküdar Tankercilik A.Ş. (“Üsküdar”)	Turkey	Crude oil and petroleum products transportation
T Damla Denizcilik A.Ş. (“Damla”)	Turkey	Mooring and tug service
Kadıköy Tankercilik A.Ş. (“Kadıköy”)	Turkey	Crude oil and petroleum products transportation
Beykoz Tankercilik A.Ş. (“Beykoz”)	Turkey	Crude oil and petroleum products transportation
Sarıyer Tankercilik A.Ş. (“Sarıyer”)	Turkey	Crude oil and petroleum products transportation
Kartal Tankercilik A.Ş. (“Kartal”)	Turkey	Crude oil and petroleum products transportation
Maltepe Tankercilik A.Ş. (“Maltepe”)	Turkey	Crude oil and petroleum products transportation
Salacak Tankercilik A.Ş. (“Salacak”)	Turkey	Crude oil and petroleum products transportation
Karşıyaka Tankercilik A.Ş. (“Karşıyaka”)	Turkey	Crude oil and petroleum products transportation
Bakırköy Tankercilik A.Ş. (“Bakırköy”)	Turkey	Crude oil and petroleum products transportation
Karaköy Tankercilik A.Ş. (“Karaköy”)	Turkey	Crude oil and petroleum products transportation
Çengelköy Tankercilik A.Ş. (“Çengelköy”)	Turkey	Crude oil and petroleum products transportation
Pendik Tankercilik A.Ş. (“Pendik”)	Turkey	Crude oil and petroleum products transportation
Tuzla Tankercilik A.Ş. (“Tuzla”)	Turkey	Crude oil and petroleum products transportation
Göztepe Tankercilik A.Ş. (“Göztepe”)	Turkey	Crude oil and petroleum products transportation
Körfez Ulaştırma A.Ş. (“Körfez”)	Turkey	Air carriage and transportation
Tupras Trading Ltd. (“Tupras Trading”)	England	Crude oil and petroleum products trade
Entek Elektrik Üretimi A.Ş. (“Entek”)	Turkey	Electricity and steam production and trade
Eltek Elektrik Enerjisi İthalat		
İhracat ve Toptan Ticaret A.Ş. (“Eltek”)	Turkey	Electricity trade
Menzelet Kılavuzlu Elektrik		
Üretimi A.Ş. (“Menzelet Kılavuzlu”)	Turkey	Electricity production and trade
Süloğlu Elektrik Üretimi A.Ş. (“Süloğlu”)	Turkey	Electricity production and trade
Enspire Enerji Yatırımları ve Hizmetleri A.Ş. (“Enspire”)	Turkey	Establishing a power generation facility
Tüpraş Enerji Girişimleri A.Ş. (“Tüpraş Ventures”)	Turkey	Technology and venture investments

  

Joint ventures	Country of Incorporation	Nature of business
OPET Petrolcülük A.Ş. (“Opet”)	Turkey	Petroleum products retail distribution
THY Opet Havacılık Yakıtları A.Ş.	Turkey	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.	Turkey	Petroleum products trading
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş.	Turkey	Lube oil trading
Op Ay Akaryakıt Ticaret Ltd. Şti.	Turkey	Petroleum products trading
Akdeniz Akaryakıt Depolama Nakliyat ve Tic. A.Ş.	Turkey	Petroleum products trading
Opet Aygaz Gayrimenkul A.Ş.	Turkey	Real estate
Ayas Enerji Üretim ve Ticaret A.Ş.	Turkey	Electricity

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

The average number of employees of the Group as at 30 September 2022 is 6,028 (31 December 2021 - 5,892 and 31 December 2020- 5,441).

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

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



# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

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### 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 September 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 Turkey (“POA”).

The consolidated financial statements are presented in accordance with the formats specified in the "Announcement on TMS Taxonomy" published by the POA on 15 April 2019 and the Financial Table Examples and User Guide published by the CMB.

The Group and the group companies established in Turkey 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.

Public Oversight Accounting and Auditing Standards Authority (“POA”) made an announcement on 20 January 2022 about Application of Financial Reporting in Hyperinflationary Economies for Turkish Financial Reporting Standards and Reporting Standards for Large and Medium Sized Entities. In accordance with the announcement, companies that apply TFRS should not adjust financial statements for TAS 29 - Financial Reporting in Hyperinflationary Economies for the year 2021. As of the preparation date of this interim condensed consolidated financial information, POA did not make an additional announcement and no adjustment was made to this interim condensed consolidated financial information in accordance with TAS 29

#### 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 at 30 September 2022 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and IFRIC interpretations effective as of 1 January 2022. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

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### 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### 2.1. Basis of presentation (Continued)

##### a) *Standards, amendments and interpretations applicable as at 30 September 2022:*

- **Amendments to TFRS 7, TFRS 4 and TFRS 16 Interest Rate Benchmark Reform Phase 2 (effective 31 December 2020);** The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one. The Phase 2 amendments provide additional temporary reliefs from applying specific TAS 39 and TFRS 9 hedge accounting requirements to hedging relationships directly affected by IBOR reform.
- **Amendments to TFRS 4 Insurance Contracts – deferral of TFRS 9 (effective 31 December 2020);** These amendments defer the date of application of TFRS 17 by two years to 1 January 2023 and change the fixed date of the temporary exemption in TFRS 4 from applying TFRS 9, Financial instrument until 1 January 2023.
- **Amendment to TFRS 16, ‘Leases’ – Covid-19 related rent concessions Extension of the practical expedient (effective 1 April 2021);** As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to TFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the IASB published an additional amendment to extend the date of the practical expedient from 30 September 2021 to 30 September 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.
- **A number of narrow-scope amendments to TFRS 3, TAS 16, TAS 37 and some annual improvements on TFRS 1, TFRS 9, TAS 41 and TFRS 16;** effective from annual periods beginning on or after 1 January 2022.
  - **Amendments to TFRS 3, ‘Business combinations’** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
  - **Amendments to TAS 16, ‘Property, plant and equipment’** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

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**2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**2.1. Basis of presentation (Continued)**

- **Amendments to TAS 37, ‘Provisions, contingent liabilities and contingent assets’ specify** which costs a company includes when assessing whether a contract will be loss-making.

Annual improvements make minor amendments to IFRS 1, ‘First-time Adoption of TFRS’, TFRS 9, ‘Financial Instruments’, TAS 41, ‘Agriculture’ and the Illustrative Examples accompanying TFRS 16, ‘Leases’.

- **Amendments to TAS 1, Presentation of financial statements’ on classification of liabilities;** effective date deferred until accounting periods starting not earlier than 1 January 2024. These narrow-scope amendments to TAS 1, ‘Presentation of financial statements’, clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what TAS 1 means when it refers to the ‘settlement’ of a liability.

**b) Standards, amendments and interpretations that are issued but not effective as at 30 September 2022:**

- **Narrow scope amendments to TAS 1, Practice statement 2 and TAS 8;** effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- **Amendment to TAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
- **TFRS 17, ‘Insurance Contracts’, as amended in December 2021;** effective from annual periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

The mentioned amendments does not have a significant impact on the financial position and performance of the Group.

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

Financial statements of subsidiaries and joint ventures operating in foreign countries are prepared according to the legislation of the country in which they operate, and adjusted to the Turkish Financial Reporting Standards to reflect the proper presentation and content. Foreign subsidiaries’ and joint ventures’ assets and liabilities are translated into TRY with the foreign exchange rate at the balance sheet date. Exchange differences arising from the retranslation of the opening net assets of foreign undertakings and differences between the average and balance sheet date rates are included in the statements of other comprehensive income and shareholders’ equity.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), 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 2022 have been prepared in accordance with principles stated on the consolidated financial statements for the year ended 31 December 2021 and include financial statements of Tüpraş, and its Subsidiaries.
- b) As of 30 September 2022 and 31 December 2021, the voting rights and effective partnership shares of the subsidiaries and joint ventures that were consolidated are as follows.

	30 September 2022		31 December 2021	
	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 (%)
<b>Subsidiary</b>				
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
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	99.23	99.23
Süloğlu (*)	99.23	99.23	99.23	99.23
Enspire (*)	99.23	99.23	99.23	99.23
Tüpraş Ventures	100.00	100.00	-	-

(\*) The financial statements of Entek and its Subsidiaries, which were acquired in 2022, have been consolidated retrospectively in the financial statements using the “Consolidation of Rights” method published by Public Oversight Accounting and Auditing Standards Authority (Note 2.2.1).

The financial position statements and income statements 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 write 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 comprehensive income statement accounts.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### 2.1. Basis of presentation (Continued)

- c) Joint ventures are companies in which the Group has joint control. Joint control is the contractually agreed sharing of control. The 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 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 at 30 September 2022 and 31 December 2021:

	30 September 2022		31 December 2021	
	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 (%)
<b>Joint ventures accounted by equity method</b>				
Opet	50.00	40.00	50.00	40.00
Opet International Limited (*)	50.00	40.00	50.00	40.00
Opet Trade B.V.(*)	50.00	40.00	50.00	40.00
Opet Trade Singapore (In liquidation) (*) (**)	50.00	40.00	50.00	40.00
Opet Market ve Akaryakıt İstasyon İşletmeciliği A.Ş. (*)	50.00	40.00	50.00	40.00
THY Opet Havacılık Yakıtları A.Ş. (*)	25.00	20.00	25.00	20.00
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (*)	25.00	20.00	25.00	20.00
Op Ay Akaryakıt Ticaret Ltd. Şti.(*)	25.00	20.00	25.00	20.00
Akdeniz Akaryakıt Depolama Nakliyat ve Tic. A.Ş. (*)	16.50	13.20	16.50	13.20
Opet Ayyaz Gayrimenkul A.Ş. (*)	25.00	20.00	25.00	20.00
Ayas Enerji Üretim ve Ticaret A.Ş.(***)	49.62	49.62	49.62	49.62

(\*) Related companies are consolidated or accounted by equity method in Opet’s financial statements.

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

(\*\*\*) Ayas Enerji Üretim ve Ticaret A.Ş. is included in the scope of consolidation in Entek's financial statements, which is included in the financial statements restated retrospectively with the acquisition of Entek shares.

- 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 information and restatement of prior period financial statements

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 2022, the consolidated statement of financial position prepared as of 31 December 2021 and the consolidated statement of comprehensive income for the interim period ended 30 September 2022, the statement of cash flow and the statement of changes in shareholders' equity as of 30 September 2021 prepared comparatively with the interim consolidated financial statements.

In order to comply with the presentation of the current period consolidated financial statements, comparative information is rearranged when deemed necessary and important differences are disclosed. The Group has restated its prior period financial statements in order to comply with the presentation of the current period consolidated financial statements.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 2.2. Changes in accounting policies (Continued)

#### 2.2.1 Comparative information and restatement of prior period financial statements

Tüpraş took over Entek shares with a nominal value of TRY 942,727,458.04 corresponding to 99.23% of Entek shares, from Koç Holding and Aygaz through a partial division. Tüpraş capital increased from TRY 250,419,200 to TRY 275,256,514. In accordance with the principle of "Accounting for Business Combinations Subject to Joint Control" published in the Gazette of Republic of Turkey dated 21 July 2018 by the Public Oversight Accounting and Auditing Standards Authority (POA), the “Consolidation of Rights method” was used to reflect the takeover on the Group's financial statements. Accordingly, the book values of the assets and liabilities of the acquiree, which were included in the financial statements of the company holding joint control as of the acquisition date, is reflected in the financial statements retrospectively as of the beginning of the period which is disclosed comparatively. In this context, with the acquisition of Entek, the financial statements of 31 December 2020 and 31 December 2021, the consolidated statement of profit or loss as of 30 September 2021, the statement of other comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows have been restated.

The effects of the relevant regulations and classifications described above are presented below.

ASSETS	Notes	Reported (*) prior period 31 December 2021	Entek and subsidiaries 31 December 2021	Elimination Rearrangement effects with included effects	Restated (*) prior period 31 December 2021
<b>Current Assets</b>		65,428,752	1,086,632	-	66,515,384
Cash and cash equivalents	5	20,400,235	775,951	-	21,176,186
Trade receivables	7	13,516,823	279,859	-	13,796,682
Due from related parties	7,26	1,668,264	77,261	-	1,745,525
Trade receivables from third parties		11,848,559	202,598	-	12,051,157
Other receivables	-	20,541	25	-	20,566
Other receivables from third parties		20,541	25	-	20,566
Derivative instruments	16	3,817,972	5,728	-	3,823,700
Inventories	8	23,755,862	1,664	-	23,757,526
Prepaid expenses	12	186,381	7,109	-	193,490
Other current assets	13	3,730,938	16,296	-	3,747,234
<b>Non-Current Assets</b>		37,106,249	2,635,478	-	39,741,727
Financial investments		5,389	308	-	5,697
Investments accounted for using the equity method	9	2,150,156	-	-	2,150,156
Goodwill		-	599	-	599
Property, plant and equipment	10	26,288,463	2,027,836	-	28,316,299
Right of use asset		182,156	3,619	-	185,775
Intangible assets	11	66,801	495,385	-	562,186
Other intangible assets		66,801	495,385	-	562,186
Derivative instruments	16	44,213	-	-	44,213
Prepaid expenses	12	94,639	28,797	-	123,436
Deferred tax assets	24	6,377,848	58,292	-	6,436,140
Other non-current assets	13	1,896,584	20,642	-	1,917,226
<b>Total Assets</b>		102,535,001	3,722,110	-	106,257,111
<b>LIABILITIES</b>					
<b>Current liabilities</b>		64,001,571	827,131	-	64,828,702
Short-term financial liabilities	6	563,221	68,725	-	631,946
Current portion of long term financial liabilities	6	10,835,745	160,520	-	10,996,265
Trade payables	7	43,704,239	133,216	-	43,837,455
Due to related parties	7,26	165,021	17,891	-	182,912
Trade payables, third parties		43,539,218	115,325	-	43,654,543
Liabilities for employee benefits	15	134,471	1,405	-	135,876
Other payables		90,127	232,891	-	323,018
Due to related parties	26	43,328	-	-	43,328
Other payables to third parties		46,799	232,891	-	279,690
Derivative instruments	16	3,302,177	164,395	-	3,466,572
Deferred income		32,315	-	-	32,315
Current income tax liabilities	24	38,393	31,371	-	69,764
Short-term provisions	14	200,116	19,050	-	219,166
Short-term provisions for employee benefits		19,387	-	-	19,387
Other provisions		180,729	19,050	-	199,779
Other current liabilities	13	5,100,767	15,558	-	5,116,325
<b>Non-current liabilities</b>		20,705,913	1,641,496	-	22,347,409
Long Term Borrowings		20,218,575	1,346,878	-	21,565,453
Long-term financial liabilities	6	-	-	-	-
Long-term provisions	14	447,560	7,439	-	454,999
Long-term provisions for employee benefits		447,560	7,439	-	454,999
Deferred income		9,987	-	-	9,987
Derivative Instruments	16	29,117	43,941	-	73,058
Deferred Tax Liability		-	155,210	-	155,210
Other Long Term Liabilities		674	88,028	-	88,702

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

<b>Total liabilities</b>	84,707,484	2,468,627	-	87,176,111
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### 2.2. Changes in accounting policies (Continued)

#### 2.2.1 Comparative information and restatement of prior period financial statements

	Notes	Reported (*) past period 31 December 2021	Entek and subsidiaries 31 December 2021	Elimination Rearrangement effects with included effects	Restated (*) past period 31 December 2021
<b>Equity</b>					
Share capital	18	250,419	950,000	(925,162)	275,257
Adjustment to share capital	18	1,344,243	75,536	(75,536)	1,344,243
Share premium		-	-	1,000,699	1,000,699
Accumulated other comprehensive income/(expense) not to be reclassified to profit or loss		11,033,759	53,471	(408)	11,086,822
Gains/ losses on revaluation and remeasurement		10,944,761	53,471	(408)	10,997,824
Gain on revaluation of properties		10,957,223	53,730	(408)	11,010,545
Actuarial gain/(loss) arising from defined benefit plans		(12,462)	(259)	-	(12,721)
Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss		88,998	-	-	88,998
Accumulated other comprehensive income/(expense) to be reclassified to profit or loss		(2,678,176)	(228,534)	1,736	(2,904,974)
Currency translation differences		297,679	-	-	297,679
Hedging gains/(losses)		(3,575,726)	(228,534)	1,736	(3,802,524)
Cash flow hedge gains/(losses)		(3,575,726)	(228,534)	1,736	(3,802,524)
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss		599,871	-	-	599,871
Restricted reserves	18	503,343	-	-	503,343
Retained earnings		3,784,488	225,960	(1,717)	4,008,731
Net income		3,319,134	177,050	(1,347)	3,494,837
<b>Total equity attributable to equity holders of the parent</b>		17,557,210	1,253,483	(1,735)	18,808,958
<b>Non-controlling interests</b>		270,307	-	1,735	272,042
<b>Total equity and liabilities</b>		102,535,001	3,722,110	-	106,257,111

	Notes	Reported (*) past period 31 December 2020	Entek and subsidiaries 31 December 2020	Elimination Rearrangement effects with included effects	Restated (*) past period 31 December 2020
<b>ASSETS</b>					
<b>Current Assets</b>		30,663,146	618,611	-	31,281,757
Cash and cash equivalents	5	19,825,292	493,841	-	20,319,133
Trade receivables	7	1,735,549	104,878	-	1,840,427
Due from related parties	7,26	324,555	36,376	-	360,931
Trade receivables from third parties		1,410,994	68,502	-	1,479,496
Other receivables	-	18,690	774	-	19,464
Other receivables from third parties		18,690	774	-	19,464
Derivative instruments	16	380,129	1,766	-	381,895
Inventories	8	7,700,630	-	-	7,700,630
Prepaid expenses	12	233,614	5,324	-	238,938
Other current assets	13	769,242	12,028	-	781,270
<b>Non-Current Assets</b>		30,505,376	1,827,096	-	32,332,472
Financial investments		3,696	308	-	4,004
Investments accounted for using the equity method	9	1,326,490	-	-	1,326,490
Property, plant and equipment	10	21,875,889	1,581,159	-	23,457,048
Right of use asset		199,005	3,142	-	202,147
Intangible assets	11	62,369	192,872	-	255,241
Other intangible assets		62,369	192,872	-	255,241
Derivative instruments	16	87,883	-	-	87,883
Prepaid expenses	12	134,786	10,757	-	145,543
Deferred tax assets	24	5,002,427	21,565	-	5,023,992
Other non-current assets	13	1,812,831	17,293	-	1,830,124
<b>Total Assets</b>		61,168,522	2,445,707	-	63,614,229

(\*) The reported column shows the consolidated financial statement before the Entek acquisition, and the restated column shows the consolidated financial statement after the Entek acquisition.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 2.2. Changes in accounting policies (Continued)

#### 2.2.1 Comparative information and restatement of prior period financial statements

LIABILITIES	Notes	Reported (*) past period 31 December 2020	Entek and subsidiaries 31 December 2020	Elimination Rearrangement effects with included effects	Restated (*) past period 31 December 2020
<b>Current liabilities</b>		28,340,528	425,903	-	28,766,431
Short-term financial liabilities	6	2,097,808	2,032	-	2,099,840
Current portion of long term financial liabilities	6	6,403,937	30,452	-	6,434,389
Trade payables	7	14,137,468	66,707	-	14,204,175
Due to related parties	7,26	218,486	15,469	-	233,955
Trade payables, third parties		13,918,982	51,238	-	13,970,220
Liabilities for employee benefits	15	151,927	1,033	-	152,960
Other payables		64,113	244,656	-	308,769
Due to related parties	26	30,763	-	-	30,763
Other payables to third parties		33,350	244,656	-	278,006
Derivative instruments	16	762,828	6,879	-	769,707
Deferred income		129,254	-	-	129,254
Current income tax liabilities	24	2,459	-	-	2,459
Short-term provisions	14	142,088	32,063	-	174,151
Short-term provisions for employee benefits		24,572	-	-	24,572
Other provisions		117,516	32,063	-	149,579
Other current liabilities	13	4,448,646	42,081	-	4,490,727
<b>Non-current liabilities</b>		21,155,469	766,896	-	21,922,365
Long Term Borrowings		20,743,323	404,392	-	21,147,715
Long-term financial liabilities	6	-	207,407	-	207,407
Long-term provisions	14	356,405	4,922	-	361,327
Long-term provisions for employee benefits		356,405	4,922	-	361,327
Deferred income		9,504	-	-	9,504
Derivative Instruments	16	45,490	32,511	-	78,001
Deferred Tax Liability		-	63,354	-	63,354
Other Long Term Liabilities		747	54,310	-	55,057
<b>Total liabilities</b>		49,495,997	1,192,799	-	50,688,796
<b>Equity</b>					
Share capital	18	250,419	950,000	(925,162)	275,257
Adjustment to share capital	18	1,344,243	75,536	(75,536)	1,344,243
Share premium		-	-	1,000,699	1,000,699
Accumulated other comprehensive income/(expense) not to be reclassified to profit or loss		7,487,238	31,367	(240)	7,518,365
Gains/ losses on revaluation and remeasurement		7,439,187	31,367	(240)	7,470,314
Gain on revaluation of properties		7,447,028	31,626	(240)	7,478,414
Actuarial gain/(loss) arising from defined benefit plans		(7,841)	(259)	-	(8,100)
Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss		48,051	-	-	48,051
Accumulated other comprehensive income/(expense) to be reclassified to profit or loss		(1,923,330)	(29,957)	228	(1,953,059)
Currency translation differences		(9,822)	-	-	(9,822)
Hedging gains/(losses)		(2,243,649)	(29,957)	228	(2,273,378)
Cash flow hedge gains/(losses)		(2,243,649)	(29,957)	228	(2,273,378)
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss		330,141	-	-	330,141
Restricted reserves	18	503,343	-	-	503,343
Retained earnings		6,277,999	80,529	(614)	6,357,914
Net income		(2,493,511)	145,433	(1,105)	(2,349,183)
<b>Total equity attributable to equity holders of the parent</b>		11,446,401	1,252,908	(1,730)	12,697,579
<b>Non-controlling interests</b>		226,124	-	1,730	227,854
<b>Total equity and liabilities</b>		61,168,522	2,445,707	-	63,614,229

(\*) The reported column shows the consolidated financial statement before the Entek acquisition, and the restated column shows the consolidated financial statement after the Entek acquisition.



# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 2.2. Changes in accounting policies (Continued)

#### 2.2.1 Comparative information and restatement of prior period financial statements

Income Statement	Notes	Reported (*) past period 30 September 2021	Entek and subsidiaries 30 September 2021	Elimination Rearrangement effects with included effects	Restated (*) past period 30 September 2021
Revenue	19	94,501,535	1,098,115	-	95,599,650
Cost of sales	19	(86,952,425)	(760,799)	-	(87,713,224)
		7,549,110	337,316	-	7,886,426
General administrative expenses	20	(1,158,178)	(50,396)	-	(1,208,574)
Marketing expenses	20	(842,144)	-	-	(842,144)
Research and development expenses	20	(29,556)	-	-	(29,556)
Other operating income	21	718,508	3,619	-	722,127
Other operating expenses	21	(2,727,756)	(30,551)	-	(2,758,307)
<b>Operating profit (loss)</b>		<b>3,509,984</b>	<b>259,988</b>	<b>-</b>	<b>3,769,972</b>
Income/ (expenses) from investment activities	22	393	(173)	-	220
Income (loss) from investments accounted by equity method	9	305,510	-	-	305,510
<b>Operating profit before financial income (expense)</b>		<b>3,815,887</b>	<b>259,815</b>	<b>-</b>	<b>4,075,702</b>
Financial income	23	3,499,942	87,159	-	3,587,101
Financial expense	23	(5,823,772)	(160,103)	-	(5,983,875)
<b>Profit (loss) before tax from continued operations</b>		<b>1,492,057</b>	<b>186,871</b>	<b>-</b>	<b>1,678,928</b>
<b>Tax income (expense)</b>		<b>499,646</b>	<b>(42,163)</b>	<b>-</b>	<b>457,483</b>
Taxes on income	24	(11,672)	(28,183)	-	(39,855)
Deferred tax income (expense)	24	511,318	(13,980)	-	497,338
<b>Net income (loss) from continued operations</b>		<b>1,991,703</b>	<b>144,708</b>	<b>-</b>	<b>2,136,411</b>
<b>Other comprehensive income:</b>					
<b>Items to be reclassified to profit or loss</b>					
Currency translation differences		156,097	(20,776)	-	135,321
Share of other comprehensive income accounted for investment using equity method that will be reclassified to profit or loss		52,706	-	-	52,706
Gain (loss) from translation of foreign currency of investments using equity method		10,874	-	-	10,874
Income (expense) relating to avoidance of risk of cash flow		10,874	-	-	10,874
Income (loss) of avoidance of risk cash flow		68,606	(19,150)	-	49,456
Tax effect of other comprehensive income (loss) to be reclassified to profit or loss		68,606	(19,150)	-	49,456
Deferred tax income (expense)		23,911	(1,626)	-	22,285
		23,911	(1,626)	-	22,285
<b>Other comprehensive income (expense)</b>		<b>156,097</b>	<b>(20,776)</b>	<b>-</b>	<b>135,321</b>
<b>Total comprehensive income (expense)</b>		<b>2,147,800</b>	<b>123,932</b>	<b>-</b>	<b>2,271,732</b>
<b>Distribution of income for the period:</b>					
Non-controlling interests		64,365	-	1,100	65,465
Attributable to equity holders of the parent		1,927,338	144,708	(1,100)	2,070,946
<b>Distribution of total comprehensive income</b>					
Non-controlling interests		59,166	-	942	60,108
Attributable to equity holders of the parent		2,088,634	123,932	(942)	2,211,624

(\*) The reported column shows the consolidated financial statement before the acquisition of Entek, and the restated column shows the consolidated financial statement after the acquisition of Entek.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY"), unless otherwise indicated.)

### 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

Condensed consolidated financial statements for the period ended 30 September 2022, have been prepared in compliance with TAS 34, the TFRS standard on interim financial reporting. Furthermore, this interim condensed consolidated financial information as of 30 September 2022 has been prepared applying accounting policies which are consistent with the accounting policies used for the preparation of consolidated financial statements for the year ended 31 December 2021. Thus, this interim condensed consolidated financial information must be evaluated together with the consolidated financial statements for the year ended 31 December 2021.

### 3. BUSINESS COMBINATIONS

No business combinations occurred during the period ended 30 September 2022.

### 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.

#### a) Analysis of information by segments

1 January - 30 September 2022	Refining	Electric	Cross-section correction	Consolidated Total
Revenue	360,604,379	5,134,485	-	365,738,864
Cost of sales	(318,548,953)	(3,879,228)	-	(322,428,181)
	-	-	-	-
<b>Gross profit (loss)</b>	<b>42,055,426</b>	<b>1,255,257</b>	<b>-</b>	<b>43,310,683</b>
Operating expenses	(5,046,500)	(103,950)	-	(5,150,450)
Other operating income	3,778,568	19,041	-	3,797,609
Other operating expenses	(12,579,559)	(53,566)	-	(12,633,125)
<b>Operating profit</b>	<b>28,207,935</b>	<b>1,116,782</b>	<b>-</b>	<b>29,324,717</b>
Income/ (expenses) from investment activities	153,813	18,004	(9,431)	162,386
Income (loss) from investments accounted by equity method	514,326	-	-	514,326
<b>Operating profit before financial income (expense)</b>	<b>28,876,074</b>	<b>1,134,786</b>	<b>(9,431)</b>	<b>30,001,429</b>
Financial income	5,275,978	372,976	-	5,648,954
Financial expense	(9,235,525)	(655,724)	-	(9,891,249)
<b>Profit (loss) before tax from continued operations</b>	<b>24,916,527</b>	<b>852,038</b>	<b>(9,431)</b>	<b>25,759,134</b>
Tax (expense) income from continued operations	(2,818,798)	677,297	-	(2,141,501)
<b>Net income (loss) from continued operations</b>	<b>22,097,729</b>	<b>1,529,335</b>	<b>(9,431)</b>	<b>23,617,633</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 4. SEGMENT REPORTING (Continued)

1 July - 30 September 2022	Refining	Electric	Cross-section correction	Consolidated Total
Revenue	148,278,297	2,330,502	-	150,608,799
Cost of sales	(129,264,010)	(1,847,105)	-	(131,111,115)
<b>Gross profit (loss)</b>	<b>19,014,287</b>	<b>483,397</b>	-	<b>19,497,684</b>
Operating expenses	(1,949,427)	(40,052)	-	(1,989,479)
Other operating income	1,436,377	(523)	-	1,435,854
Other operating expenses	(5,208,708)	(1,821)	-	(5,210,529)
<b>Operating profit</b>	<b>13,292,529</b>	<b>441,001</b>	-	<b>13,733,530</b>
Income/ (expenses) from investment activities	143,123	(13,635)	-	129,488
Income (loss) from investments accounted by equity method	180,115	-	-	180,115
<b>Operating profit before financial income (expense)</b>	<b>13,615,767</b>	<b>427,366</b>	-	<b>14,043,133</b>
Financial income	2,588,140	205,604	-	2,793,744
Financial expense	(3,311,858)	(277,828)	-	(3,589,686)
<b>Profit (loss) before tax from continued operations</b>	<b>12,892,049</b>	<b>355,142</b>	-	<b>13,247,191</b>
Tax (expense) income from continued operations	(2,404,933)	776,410	-	(1,628,523)
<b>Net income (loss) from continued operations</b>	<b>10,487,116</b>	<b>1,131,552</b>	-	<b>11,618,668</b>

1 January - 30 September 2021	Refining	Electric	Cross-section correction	Consolidated Total
Revenue	94,501,535	1,098,115	-	95,599,650
Cost of sales	(86,952,425)	(760,799)	-	(87,713,224)
Gross profit (loss)	7,549,110	337,316	-	7,886,426
Operating expenses	(2,029,878)	(50,396)	-	(2,080,274)
Other operating income	718,508	3,619	-	722,127
Other operating expenses	(2,727,756)	(30,551)	-	(2,758,307)
Operating profit	3,509,984	259,988	-	3,769,972
Income/ (expenses) from investment activities	393	(173)	-	220
Income (loss) from investments accounted by equity method	305,510	-	-	305,510
<b>Operating profit before financial income (expense)</b>	<b>3,815,887</b>	<b>259,815</b>	-	<b>4,075,702</b>
Financial income	3,499,942	87,159	-	3,587,101
Financial expense	(5,823,772)	(160,103)	-	(5,983,875)
<b>Profit (loss) before tax from continued operations</b>	<b>1,492,057</b>	<b>186,871</b>	-	<b>1,678,928</b>
Tax (expense) income from continued operations	499,646	(42,163)	-	457,483
<b>Net income (loss) from continued operations</b>	<b>1,991,703</b>	<b>144,708</b>	-	<b>2,136,411</b>

1 July - 30 September 2021	Refining	Electric	Cross-section correction	Consolidated Total
Revenue	40,992,827	500,639	-	41,493,466
Cost of sales	(37,934,898)	(341,579)	-	(38,276,477)
Gross profit (loss)	3,057,929	159,060	-	3,216,989
Operating expenses	(782,272)	(24,133)	-	(806,405)
Other operating income	277,224	503	-	277,727
Other operating expenses	(376,853)	(18,956)	-	(395,809)
Operating profit	2,176,028	116,474	-	2,292,502
Income/ (expenses) from investment activities	1,667	(278)	-	1,389
Income (loss) from investments accounted by equity method	244,058	-	-	244,058
<b>Operating profit before financial income (expense)</b>	<b>2,421,753</b>	<b>116,196</b>	-	<b>2,537,949</b>
Financial income	496,718	2,824	-	499,542
Financial expense	(1,763,035)	(46,988)	-	(1,810,023)
<b>Profit (loss) before tax from continued operations</b>	<b>1,155,436</b>	<b>72,032</b>	-	<b>1,227,468</b>
Tax (expense) income from continued operations	(145,079)	(16,138)	-	(161,217)
<b>Net income (loss) from continued operations</b>	<b>1,010,357</b>	<b>55,894</b>	-	<b>1,066,251</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 4. SEGMENT REPORTING (Continued)

#### b) Assets by segments

	30 September 2022	31 December 2021	31 December 2020
Refining	158,567,608	102,534,399	61,168,522
Electric	5,858,438	3,722,712	2,445,707
Cross-section correction	(9,431)	-	-
<b>Total Assets</b>	<b>164,416,615</b>	<b>106,257,111</b>	<b>63,614,229</b>

### 5. CASH AND CASH EQUIVALENTS

	30 September 2022	31 December 2021	31 December 2020
Cash at banks			
Demand deposits	6,391,340	472,689	142,028
Time deposits	28,591,344	16,440,773	17,845,988
Demand deposits (blocked)	1,897,976	1,528,537	11,543
Revenue share (blocked)	3,186,036	2,720,305	2,204,004
Time deposit interest accruals	26,863	13,882	115,570
<b>Total</b>	<b>40,093,559</b>	<b>21,176,186</b>	<b>20,319,133</b>

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 at 30 September 2022, 31 December 2021 and 31 December 2020 (Note 13). In addition, demand blocked deposits amounting to TRY1,897,976 thousand are available for derivative transactions carried out in foreign exchanges.(31 December 2021 – TRY1,528,537 thousand, 31 December 2020 – TRY11,543 thousand).

#### Time deposits and other cash and cash equivalents

As at 30 September 2022, 31 December 2021 and 31 December 2020 the maturity and the currency information of the time deposits, are as follows:

#### 30 September 2022

	Effective rate of interest (%)	Less than 1 month	1 - 3 months	Total
TRY	15.20	7,477,298	81,374	7,558,672
USD	2.93	20,823,604	176,259	20,999,862
EUR	0.10	30,351	-	30,351
GBP	0.05	2,459	-	2,459
<b>Time deposit</b>		<b>28,333,712</b>	<b>257,633</b>	<b>28,591,344</b>

#### 31 December 2021

	Effective rate of interest (%)	Less than 1 month	1 - 3 months	Total
TRY	28.29	6,395,578	46,909	6,442,487
USD	1.15	9,278,427	708,247	9,986,674
EUR	0.02	9,537	-	9,537
GBP	0.05	2,075	-	2,075
<b>Time deposit</b>		<b>15,685,617</b>	<b>755,156</b>	<b>16,440,773</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 5. CASH AND CASH EQUIVALENTS (Continued)

31 December 2020

	Effective rate of interest (%)	Less than 1 month	1 - 3 months	Total
TRY	17.77	13,404,300	3,415,041	16,819,341
USD	3.33	477,852	516,405	994,257
EUR	1.16	30,268	-	30,268
GBP	0.20	2,122	-	2,122
Time deposit		13,914,542	3,931,446	17,845,988

Cash and cash equivalents included in the consolidated statements of cash flows for the periods ended 30 September 2022 and 2021 are as follows:

	30 September 2022	30 September 2021
Cash and cash equivalents	40,093,559	21,305,566
Less: Blocked deposits (Revenue share)	(3,186,036)	(2,572,110)
Less: Blocked deposits	(1,897,976)	-
Less: Time deposit interest accruals	(26,863)	(147,665)
<b>Cash and cash equivalents</b>	<b>34,982,684</b>	<b>18,585,791</b>

### 6. FINANCIAL LIABILITIES

	30 September 2022	31 December 2021	31 December 2020
<b>Short-term borrowings:</b>			
Short-term bank borrowings	803,262	631,409	2,086,018
Interest accruals of bank borrowings	2,907	537	13,822
<b>Total</b>	<b>806,169</b>	<b>631,946</b>	<b>2,099,840</b>
<b>Short-term portion of long-term borrowings:</b>			
Short-term portion of long-term bank borrowings	10,177,801	10,032,627	5,438,821
Bonds issued	1,890,000	500,000	650,000
Interest accruals of bank borrowings	281,506	295,663	240,840
Interest accruals of bonds issued	305,450	131,944	72,909
Lease liabilities	36,527	36,031	31,819
<b>Total</b>	<b>12,691,284</b>	<b>10,996,265</b>	<b>6,434,389</b>
<b>Long-term borrowings:</b>			
Bonds issued	9,865,678	10,613,976	15,285,320
Long-term bank borrowings	12,952,661	10,720,300	5,638,350
Interest accruals of bank borrowings	321	-	23,364
Lease liabilities	208,620	231,177	200,681
<b>Total</b>	<b>23,027,280</b>	<b>21,565,453</b>	<b>21,147,715</b>
<b>Total borrowings</b>	<b>36,524,733</b>	<b>33,193,664</b>	<b>29,681,944</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 6. FINANCIAL LIABILITIES (Continued)

Tüpraş has issued a bond on 3 February 2021 with a nominal value of TRY1,100 million, with a maturity of 728 days, coupon payment every 3 months and repayment of principal and coupon at maturity, with 140 bps additional yields on 3MTLREF reference rate. Tüpraş has issued a bond on 231 December 2020 with a nominal value of TRY290 million, with a maturity of 728 days, coupon payment every 3 months and repayment of principal and coupon at maturity, with 140 bps additional yields. Tüpraş has issued a bond on 30 November 2020 with a nominal value of TRY500 million, with a maturity of 728 days, coupon payment every 3 months and repayment of principal and coupon at maturity, with 140 bps additional yields.

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.

In 2011, Tüpraş has signed three loan agreements in order to finance Residuum Upgrading Project (“RUP”) and further to the agreements the loans amounting to USD1,998 million were utilized between 2011 and 2015 for credit insurance payments and capital expenditures. According to financing package loan was insured by SACE and CESCE have 12 years to maturity also there will be no principal and interest payment in first 4 years. The third loan has 7 years to maturity and there will be no principal payment in the first four years. The repayment of the loans has started in 2015 and as at 30 September 2022 the outstanding amount of the loans is USD289 million (31 December 2021 – USD385 million, 31 December 2020 – USD576 million).

Foreign currency balances and effective interest rates for the short and long-term financial liabilities as at 30 September 2022, 31 December 2021 and 31 December 2020 are as follows:

		30 September 2022	
	Effective interest rate (%)	Original currency	Thousand TRY
<b>Short-term borrowings:</b>			
TRY bank borrowings (*)	19.19	155,628,662	155,629
USD bank borrowing	4.09	35,000,000	647,633
			803,262
Interest accruals			2,907
<b>Total short-term financial liabilities</b>			<b>806,169</b>
<b>Short-term portion of long-term borrowings</b>			
TRY borrowings	16.92	5,942,683,622	5,162,685
TRY bonds issued	15.78	1,890,000,000	1,890,000
USD bank borrowings	3.76	271,028,105	5,015,116
TRY lease liabilities	18.16	24,166,679	24,167
EUR lease liabilities	2.97	341,122	6,114
GBP lease liabilities	4.16	312,308	6,246
			12,104,328
<b>Interest accruals</b>			<b>586,956</b>
<b>Total short term portion of long-term borrowings</b>			<b>12,691,284</b>
<b>Long-term borrowings:</b>			
TRY borrowings	18.53	2,801,795,236	2,801,795
USD borrowings	4.99	335,132,333	7,063,883
USD bonds issued	4.50	700,000,000	12,952,660
TRY lease liabilities	22.79	93,624,332	93,625
EUR lease liabilities	3.23	6,332,463	113,498
GBP lease liabilities	4.20	74,902	1,498
			23,026,959
Interest accruals			321
<b>Total long-term borrowings</b>			<b>23,027,280</b>

(\*) Banks provide interest-free loans to the Group for the payment of SCT, Customs and Social Security debts amounting to TRY1,037 thousand as of 30 September 2022 (31 December 2021 – TRY30,061 thousand).

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 6. FINANCIAL LIABILITIES (Continued)

		31 December 2021	
	Effective interest rate (%)	Original currency	Thousand TRY
Short-term borrowings:			
TRY bank borrowings (*)	16.78	98,249,003	98,249
USD bank borrowing	2.77	40,000,000	533,160
			631,409
Interest accruals			537
Total short-term financial liabilities			631,946
Short-term portion of long-term borrowings			
TRY borrowings	12.66	6,419,655,173	6,419,655
TRY bonds issued	18.49	500,000,000	500,000
USD bank borrowings	2.32	271,060,917	3,612,971
TRY lease liabilities	17.60	25,177,846	25,178
EUR lease liabilities	2.94	358,661	5,411
GBP lease liabilities	4.16	302,963	5,443
			10,568,658
Interest accruals			427,607
Total short term portion of long-term borrowings			10,996,265
Long-term borrowings:			
TRY borrowings	17.38	4,733,497,523	4,733,497
TRY bonds issued	18.35	1,390,000,000	1,390,000
USD borrowings	2.69	441,179,232	5,880,478
USD bonds issued	4.50	700,000,000	9,330,300
TRY lease liabilities	20.87	126,246,862	126,246
EUR lease liabilities	3.23	6,896,020	99,356
GBP lease liabilities	4.20	310,352	5,576
			21,565,453
Interest accruals			-
Total long-term borrowings			21,565,453

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 6. FINANCIAL LIABILITIES (Continued)

			31 December 2020
	Effective interest rate (%)	Original currency	Thousand TRY
Short-term borrowings:			
TRY bank borrowings (*)	0.65	118,000,000	866,179
USD bank borrowing	8.80	1,219,838,682	1,219,839
Interest accruals			13,822
<b>Total short-term financial liabilities</b>			<b>2,099,840</b>
Short-term portion of long-term borrowings			
TRY borrowings	9.90	2,721,041,737	2,721,041
TRY bonds issued	16.57	650,000,000	650,000
USD bank borrowings	2.35	295,195,527	2,166,883
EUR borrowings	2.11	61,157,000	550,896
TRY lease liabilities	17.05	24,369,599	24,370
EUR lease liabilities	3.06	506,001	4,558
GBP lease liabilities	4.16	290,824	2,892
			6,120,640
Interest accruals			313,749
<b>Total short term portion of long-term borrowings</b>			<b>6,434,389</b>
Long-term borrowings:			
TRY borrowings	12.32	7,911,744,063	7,911,744
TRY bonds issued	18.07	500,000,000	500,000
USD borrowings	2.44	1,004,505,990	7,373,576
USD bonds issued	4.50	700,000,000	5,138,350
TRY lease liabilities	20.66	132,021,740	132,021
EUR lease liabilities	3.23	7,274,422	62,562
GBP lease liabilities	4.20	613,248	6,098
			21,124,351
Interest accruals			23,364
<b>Total long-term borrowings</b>			<b>21,147,715</b>

As at 30 September 2022, 31 December 2021 and 31 December 2020, the redemption schedule of long-term bank borrowings is as follows:

	30 September 2022	31 December 2021	31 December 2020
1-2 years	<b>6,229,345</b>	9,154,876	12,452,652
2-3 years	<b>14,882,042</b>	10,488,813	2,262,953
3-4 years	<b>379,370</b>	375,531	5,737,553
4-5 years	<b>331,388</b>	801,315	132,625
Over 5 years	<b>1,205,135</b>	744,918	561,932
<b>Total</b>	<b>23,027,280</b>	21,565,453	21,147,715



## TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY"), unless otherwise indicated.)

#### 6. FINANCIAL LIABILITIES (Continued)

The movement of borrowings as of 30 September 2022 and 2021 is as follows:

	2022	2021
1 January	33,193,664	29,970,234
New financial borrowings	16,835,491	13,036,658
Principal payments	(20,531,111)	(15,664,619)
Increase due to lease liabilities	18,295	28,169
Decrease due to payment of lease liabilities	(63,762)	(26,740)
Changes in interest accruals	159,263	138,311
Changes in foreign exchange rates	6,912,892	3,307,379
<b>30 September</b>	<b>36,524,733</b>	<b>30,789,392</b>

#### 7. TRADE RECEIVABLES AND PAYABLES

##### Short-term trade receivables:

	30 September 2022	31 December 2021	31 December 2020
Trade receivables	24,695,511	12,099,002	1,489,605
Due from related parties (Note 26)	4,690,928	1,745,525	360,931
Doubtful trade receivables	5,625	5,625	5,364
Other trade receivables	30	29	7
Less: Unearned credit finance income	(86,544)	(47,874)	(10,116)
Less: Expected credit loss	(5,625)	(5,625)	(5,364)
<b>Total short-term trade receivables (net)</b>	<b>29,299,925</b>	<b>13,796,682</b>	<b>1,840,427</b>

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

As of 30 September 2022, Tüpraş has no factoring and supplier financing transactions. As at 31 December 2021, Tüpraş has offsetted TRY642,051 thousand that are collected from factoring companies as part of the irrevocable factoring and TRY353,725 thousand deducted supplier financing transaction from trade receivables. As of 31 December 2020, Tüpraş has offsetted TRY2,976,335 thousand that are collected from factoring companies as part of the irrevocable factoring and TRY1,127,270 thousand deducted supplier financing transaction from trade receivables.

Movement of the provision for doubtful receivables for the years ended 30 September 2022 and 2021 is as follows:

	2022	2021
1 January	5,625	5,264
Charge for the period	-	399
Payments during the period	-	(135)
<b>30 September</b>	<b>5,625</b>	<b>5,528</b>

## TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

#### 7. TRADE RECEIVABLES AND PAYABLES (Conitnued)

##### Short-term trade payables:

	30 September 2022	31 December 2021	31 December 2020
Trade payables	67,474,030	43,662,796	13,975,821
Due to related parties (Note 26)	953,837	182,912	233,955
Less: Unrealised credit finance charges trade payables	(210,617)	(8,253)	(5,601)
<b>Total short-term trade receivables (net)</b>	<b>68,217,250</b>	<b>43,837,455</b>	<b>14,204,175</b>

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

#### 8. INVENTORIES

	1 September 2022	31 December 2021	31 December 2020
Raw materials and supplies	4,238,732	2,859,550	969,551
Work-in-progress	8,351,787	4,416,821	1,706,414
Finished goods	10,367,196	5,844,006	2,468,321
Trade goods	1,410,672	157,566	75,071
Goods in transit	10,848,382	10,376,546	2,414,477
Other inventories	178,170	103,037	66,796
<b>Total</b>	<b>35,394,939</b>	<b>23,757,526</b>	<b>7,700,630</b>
Provision for impairment of inventory	(226,204)	-	-
<b>Total</b>	<b>35,168,735</b>	<b>23,757,526</b>	<b>7,700,630</b>

As of 30 September 2022 and 2021, movements of provision for inventory impairment are as follows:

	2022	2021
1 January	-	-
Changes in period	226,204	-
Provisions no longer required	-	-
<b>30 September</b>	<b>226,204</b>	<b>-</b>

As of 30 September 2022, sales prices are below costs as a result of the decrease in various product prices and TRY226,204 thousand provision for inventory impairment has been reserved (30 September 2021: None).

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	30 September 2022		31 December 2021		31 December 2020	
	Participation share (%)	Amount	Participation share (%)	Amount	Participation share (%)	Amount
OPET Petrolcülük A.Ş.	40.00	2,559,844	40.00	2,150,156	40.00	1,326,490
		<b>2,559,844</b>		<b>2,150,156</b>		<b>1,326,490</b>

The goodwill amounting to TRY189,073 thousand arising from the purchase of Opet shares on 28 December 2006 were classified on the investments accounted for using the equity method in the financial statements.

The movement in the investments accounted for using the equity method during the period ended 30 September 2022 and 2021 is as follows:

	2022	2021
1 January	2,150,156	1,326,490
Investments accounted for using the equity method;		
Shares in current period profit	514,326	305,510
Dividend payment	(240,000)	(80,000)
Currency translation differences	135,362	10,874
	<b>2,559,844</b>	<b>1,562,874</b>

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

	30 September 2022	31 December 2021	31 December 2020
Current assets	25,076,899	10,019,411	5,059,935
Non-current assets	5,375,944	4,632,856	3,701,575
<b>Total assets</b>	<b>30,452,843</b>	<b>14,652,267</b>	<b>8,761,510</b>
<b>Short term liabilities</b>	<b>18,088,803</b>	<b>5,805,510</b>	<b>2,829,607</b>
Long term liabilities	6,437,114	3,944,050	3,088,361
Equity	5,926,927	4,902,707	2,843,542
<b>Total liabilities</b>	<b>30,452,843</b>	<b>14,652,267</b>	<b>8,761,510</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Sales (net)	125,074,822	52,190,902	37,336,547	16,426,513
Gross profit	4,559,098	1,734,923	1,896,580	726,436
Operating profit	2,839,587	1,090,025	932,328	391,490
Net (loss)/income for the period	1,285,814	450,288	763,774	610,143

With the decision of the Competition Board dated 27 August 2018; By determining the resale price of its dealers, an investigation was initiated against Opet to determine whether Article 4 of the Law on the Protection of Competition numbered 4054 was violated, and as a result of the investigation, the Authority sentenced Opet to a fine of TRY433,932. TRY 325,450, which is three-fourths of the administrative fine calculated within the framework of article 17 of the Misdemeanor Law No.5326, was paid by Opet to the Large Taxpayers Tax Office, without prejudice to all legal rights regarding the relevant decision. A lawsuit was filed by Opet for the annulment of the aforementioned decision, and a stay of execution decision was made in the aforementioned case. As a result of the trial, the Court decided to cancel the administrative fine and return it to Opet together with its legal interest. In September 2021, a penalty of TRY325,450 and legal interest of TRY22,550 were withdrawn. The Competition Authority's application, dated 13 September 2021, to the court of appeal for the annulment of the first instance court's annulment decision was unanimously rejected by the decision of the 8th Administrative Case Division of the Ankara Regional Administrative Court, dated 20 April 2022. The defendant administration appealed the decision of appeal on 30 May 2022 and the file is still under appeal.

### 10. PROPERTY, PLANT AND EQUIPMENT

The movements of property, plant and equipment and related accumulated depreciation for the period ended 30 September 2022 and 2021 is as follows:

	1 January 2022	Currency translation differences	Additions	Transfers	Disposals	30 September 2022
<b>Cost:</b>						
Lands	12,257,773	-	-	-	-	12,257,773
Land improvements	4,256,804	-	65,793	677	(1,085)	4,322,189
Buildings	1,042,151	-	7,150	(9)	(55)	1,049,237
Machinery and equipment	15,854,948	809	67,943	(181)	(12,512)	15,911,007
Motor vehicles	2,251,880	-	377,819	-	(475)	2,629,224
Furniture and fixtures	226,298	-	20,975	1,547	(2,040)	246,780
Construction in progress	1,150,437	-	637,280	(4,817)	-	1,782,900
Special costs	63,845	-	1,876	-	-	65,721
Other tangible assets	36,535	-	13,201	2,783	(2,381)	50,138
	37,140,671	809	1,192,037	-	(18,548)	38,314,969
<b>Accumulated depreciation:</b>						
Land improvements	(1,930,097)	-	(125,690)	(17)	1,079	(2,054,725)
Buildings	(267,150)	-	(16,165)	(4)	52	(283,267)
Machinery and equipment	(6,081,639)	(489)	(390,245)	(46)	11,872	(6,460,547)
Motor vehicles	(395,359)	-	(51,496)	-	355	(446,500)
Furniture and fixtures	(125,281)	-	(25,694)	67	1,562	(149,346)
Special costs	(11,229)	-	(12,107)	-	-	(23,336)
Other tangible assets	(13,617)	-	(8,211)	-	2,104	(19,724)
	(8,824,372)	(489)	(629,608)	-	17,024	(9,437,445)
<b>Net book value</b>	<b>28,316,299</b>					<b>28,877,524</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 10. PROPERTY, PLANT AND EQUIPMENT (Continued)

	31 December 2020	Acquisitions	Currency translation differences	Additions	Transfers	Disposals	30 September 2021
Cost:							
Lands	8,377,651	2,370	-	-	-	-	8,380,021
Land improvements	4,074,514	28,300	-	12,922	-	(816)	4,114,920
Buildings	920,375	2,123	-	36,800	-	(1,640)	957,658
Machinery and equipment	14,789,388	429,052	863	68,568	706	(1,278)	15,287,299
Motor vehicles	2,093,521	367	-	16,884	-	(1,260)	2,109,512
Furniture and fixtures	179,061	937	-	25,688	756	(1,019)	205,423
Construction in progress	1,080,979	-	-	689,750	(5,131)	-	1,765,598
Special costs	3,730	-	-	56,555	-	-	60,285
Other tangible assets	14,742	49	-	2,564	5,205	-	22,560
	31,533,961	463,198	863	909,731	1,536	(6,013)	32,903,276
Accumulated depreciation:							
Land improvements	(1,775,297)	1	-	(114,907)	-	770	(1,889,433)
Buildings	(249,155)	-	-	(14,085)	-	1,357	(261,883)
Machinery and equipment	(5,609,025)	-	(104)	(349,900)	(333)	758	(5,958,604)
Motor vehicles	(339,903)	(355)	-	(62,320)	-	1,258	(401,320)
Furniture and fixtures	(99,867)	(862)	-	(20,470)	-	746	(120,453)
Special costs	(672)	-	-	(8,149)	-	-	(8,821)
Other tangible assets	(2,994)	(47)	-	(8,962)	-	-	(12,003)
	(8,076,913)	(1,263)	(104)	(578,793)	(333)	4,889	(8,652,517)
Net book value	23,457,048						24,250,759

Total depreciation expense amounting to TRY629,608 thousand (30 September 2021 – TRY578,793 thousand) related to tangible fixed assets in the comprehensive consolidated income statement for the period ended as of 30 September 2022 has been allocated to cost of goods sold amounting to TRY445,868 thousand (30 September 2021 – TRY456,185 thousand), to general administration expenses amounting to TRY104,861 thousand (30 September 2021 – TRY47,980 thousand), to marketing, amounting to TRY68,343 thousand (30 September 2021 – TRY63,700 thousand), to research and development expenses amounting to TRY10,536 thousand (30 September 2021 – TRY10,949).

The depreciation expense related to right-of-use assets in the consolidated statement of comprehensive income for the period ended as of 30 September 2022 at TRY19,269 thousand (30 September 2021 – TRY27,822 thousand), is classified to general administrative expenses amounting to TRY11,218 thousand (30 September 2021 – TRY 18,794 thousand), to marketing, amounting to TRY5,125 thousand (30 September 2021 TRY4,964), and to cost of goods sold amounting to TRY2,926 thousand (30 September 2021 – TRY4,064).

As of 30 September 2022, there are no pledge on property, plant and equipment (30 September 2021 : None).

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 11. INTANGIBLE ASSETS

#### Other intangible assets:

The movements of intangible assets and related accumulated amortisation for the period ended 30 September 2022 and 2021 are as follows:

	1 January 2022	Additions	Transfers	Disposals	30 September 2022
<b>Cost:</b>					
Rights and software	128,623	350	-	-	128,973
Development expenses	124,603	1,782	-	-	126,385
Other intangible assets	571,039	763	-	(200)	571,602
	824,265	2,895	-	(200)	826,960
<b>Accumulated amortisation:</b>					
Rights and software	(93,657)	(10,133)	-	-	(103,790)
Development expenses	(92,749)	(8,005)	-	-	(100,754)
Other intangible assets	(75,673)	(13,240)	-	198	(88,715)
	(262,079)	(31,378)	-	198	(293,259)
<b>Net book value</b>	<b>562,186</b>				<b>533,701</b>

  

	1 January 2021	Acquisitions	Additions	Transfers	Disposals	30 September 2021
<b>Cost:</b>						
Rights and software	110,437	9,709	21	-	(1)	120,166
Development expenses	115,194	3,715	-	(1,536)	-	117,373
Other intangible assets	256,966	956	310,203	-	-	568,125
	482,597		310,224	(1,536)	(1)	805,664
<b>Accumulated amortisation:</b>						
Rights and software	(80,848)	(9,196)	(5)	-	-	(90,049)
Development expenses	(82,366)	(8,021)	-	333	-	(90,054)
Other intangible assets	(64,142)	(7,529)	-	-	-	(71,671)
	(227,356)		(5)	333	-	(251,774)
<b>Net book value</b>	<b>255,241</b>					<b>553,890</b>

Total amortisation expenses amounting to TRY31,378 thousand (30 September 2021: TRY24,833 thousand) in the consolidated statement of comprehensive income for the period ended 30 September 2022 have been allocated to the general administration expenses amounting to TRY19,536 thousand (30 September 2021: TRY17,855 thousand) and the cost of sales amounting to TRY11,842 thousand (30 September 2021: TRY6,978 thousand).

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 12. PREPAID EXPENSES

#### Short term prepaid expenses

	30 September 2022	31 December 2021	31 December 2020
Insurance and other expenses	433,000	161,985	137,807
Advances given	420,327	31,505	101,131
<b>Total</b>	<b>853,327</b>	<b>193,490</b>	<b>238,938</b>

#### Long term prepaid expenses:

	30 September 2022	31 December 2021	31 December 2020
Advances given to third parties for property, plant and equipment	607,470	107,948	141,119
Advances given to related parties for property, plant and equipment (Note 26)	6,893	5,643	2,126
Other prepaid expenses	6,066	9,845	2,298
<b>Total</b>	<b>620,429</b>	<b>123,436</b>	<b>145,543</b>

### 13. OTHER ASSETS AND LIABILITIES

#### Other current assets:

	30 September 2022	31 December 2021	31 December 2020
Deferred VAT	6,179,311	2,686,223	41,516
Taxes and funds to be offsetted	1,794,508	102,401	78,565
Deferred Value Added Tax (“VAT”)	931,872	533,242	382,032
Deferred Special Consumption Tax (“SCT”)	567,910	239,502	123,601
Income accruals from commodity hedge (*)	423,474	-	22,746
Spare parts and material stocks	64,862	60,131	89,655
Income accruals	39,856	81,538	16,793
Other current assets	275,926	44,197	26,362
<b>Total</b>	<b>10,277,719</b>	<b>3,747,234</b>	<b>781,270</b>

(\*) As of September 30, 2022 and December 31, 2020, income accruals from forward goods purchase and sale transactions consist of income accruals from derivative transactions made by Tüpraş for hedging purposes. The expense accruals recognized under cost of goods sold and paid on 7 October 2022 (31 December 2020- Paid on January 8, 2021).

#### Other non-current assets:

	30 September 2022	31 December 2021	31 December 2020
Spare parts and material stocks	2,303,391	1,898,482	1,780,871
Other	13,157	18,744	49,253
<b>Total</b>	<b>2,316,548</b>	<b>1,917,226</b>	<b>1,830,124</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 13. OTHER ASSETS AND LIABILITIES (Continued)

#### Other short-term liabilities:

	30 September 2022	31 December 2021	31 December 2020
Revenue share	3,199,614	2,730,078	2,210,451
Other taxes and liabilities	1,858,378	123,943	112,479
SCT payable	1,660,181	794,803	1,090,914
Deferred Value Added Tax (“VAT”)	931,872	533,243	382,032
Deferred Special Consumption Tax (“SCT”)	567,910	239,502	123,601
VAT payable	110,025	93,217	275,366
Expense accruals	65,222	6,885	-
Expense accruals from commodity hedge (*)	3,768	528,339	247,432
Other	36,368	66,314	48,453
	<b>8,433,338</b>	<b>5,116,324</b>	<b>4,490,728</b>

(\*) As of 30 September 2022 and 31 December 2021, expense accruals consist of commodity derivative transactions for inventory of Tüpraş which are exposed to commodity price risk. The expense accruals recognized under cost of goods sold and paid on 7 October 2022 (31 December 2021- Paid on January 7, 2022, 31 December 2020- Paid on January 8, 2021).

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.



## TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

#### 13. OTHER ASSETS AND LIABILITIES (Continued)

As a result of these regulations, the revenue share amounting to TRY3,199,614 thousand accumulated as at 30 September 2022 (31 December 2021: TRY2,730,078 thousand, 31 December 2020: TRY2,210,451 thousand) which is not recognized in the comprehensive income statement, has been classified as “Revenue Share” within “Other short-term liabilities”. TRY3,186,036 thousand is (31 December 2021: TRY2,720,305 thousand, 31 December 2020: TRY1,861,248 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).

#### 14. PROVISIONS

##### Provision for employee benefits:

##### Short-term provision for employee benefits:

	30 September 2022	31 December 2021	31 December 2020
Seniority incentive bonus provision	178,514	6,558	13,067
Personnel bonus accruals	36,004	12,829	11,505
<b>Total</b>	<b>214,518</b>	<b>19,387</b>	<b>24,572</b>

##### Long-term employee benefits:

	30 September 2022	31 December 2021	31 December 2020
Provision for employment termination benefits	540,448	371,235	276,240
Provision for unused vacation	125,301	68,699	73,209
Seniority incentive bonus provision	9,749	15,065	11,878
<b>Total</b>	<b>675,498</b>	<b>454,999</b>	<b>361,327</b>

##### Seniority incentive bonus provision:

Seniority incentive bonus is paid to personnel 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:

	2022	2021
1 January	27,894	23,383
Charge for the period	48,663	16,991
Payments during the period	(30,804)	(12,480)
<b>30 September</b>	<b>45,753</b>	<b>27,894</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 14. PROVISIONS (Continued)

#### *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 2022	31 December 2021	1 December 2020
Discount rate (%)	4.45%	4.45%	4.63%
Turnover rate to estimate probability of retirement (%)	99.20%	99.30%	99.38%

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 Turkey are calculated from the maximum amount of TRY15,371.40 which is effective as at 1 July 2022 (1 January 2022: TRY10,848.59, 1 January 2022: TRY7,638,96).

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

	2022	2021
1 January	371,235	276,240
Interest expense	16,175	17,224
Increase during the period	183,599	22,478
Acquisitions	-	9
Payments during the period	(30,561)	(39,336)
<b>30 September</b>	<b>540,448</b>	<b>276,615</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 14. PROVISIONS (Continued)

#### *Provision for unused vacation:*

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

	2022	2021
1 January	68,699	73,209
Charge for the period	62,751	3,906
Payments during the period	(6,149)	(6,801)
<b>30 September</b>	<b>125,301</b>	<b>70,314</b>

#### **Other short term provisions:**

	30 September 2022	31 December 2021	31 December 2020
Provision for demurrage	295,432	72,961	48,820
EMRA participation share (*)	127,903	78,170	41,458
Provisions for pending claims and law suits	28,489	20,978	23,070
Provisions for cost	11,761	1,827	1,135
Other	81,135	25,843	35,096
	<b>544,720</b>	<b>199,779</b>	<b>149,579</b>

(\*) 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.

Movement of the short-term provisions for the period ended 30 September 2022 and 2021 are as follow:

	Provision for pending claims and lawsuits	EMRA participation share	Provision for demurrage	Provision for cost	Other	Total
<b>1 January 2022</b>	<b>20,978</b>	<b>78,170</b>	<b>72,961</b>	<b>1,827</b>	<b>25,843</b>	<b>180,729</b>
Changes for the period, net	8,238	88,818	349,957	9,934	55,292	512,239
Payments during the period, net	(727)	(39,085)	(127,486)	-	-	(167,298)
<b>30 September 2022</b>	<b>28,489</b>	<b>127,903</b>	<b>295,432</b>	<b>11,761</b>	<b>81,135</b>	<b>525,670</b>
31 December 2020	21,981	41,458	48,820	1,135	4,122	117,516
Changes for the period, net	8,363	41,618	29,287	15,445	71,230	165,943
Payments during the period, net	(990)	(20,729)	(40,066)	-	-	(61,785)
30 September 2021	29,354	62,347	38,041	16,580	75,352	221,674

### 15. LIABILITIES FOR EMPLOYEE BENEFITS

	30 September 2022	31 December 2021	31 December 2020
Due to the personnel	128,999	89,007	113,713
Social security withholdings payment	86,905	46,869	39,247
<b>Total</b>	<b>215,904</b>	<b>135,876</b>	<b>152,960</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 16. DERIVATIVE INSTRUMENTS

	31 September 2022				31 December 2021				31 December 2020			
	Fair values		Assets	Liabilities	Fair values		Assets	Liabilities	Fair values		Assets	Liabilities
	Purchase contract amount	Sales contract amount			Purchase contract amount	Sales contract amount			Purchase contract amount	Sales contract amount		
<i>Cash flow hedge</i>												
Interest rate swap	3,587,597	2,627,795	65,842	-	2,950,611	2,729,767	73,916	39,781	729,500	729,500	447	53,442
Cross currency swap	214,774	484,338	249,470	320,416	157,006	364,743	229,912	171,004	885,015	613,238	318,377	18,222
Commodity derivative	81,707,717	81,707,717	3,030,681	703,729	17,593,118	17,593,118	2,472,790	2,925,263	51,015	51,017	20,939	32,067
<i>Derivatives held for trading</i>												
Currency forwards	13,489,268	13,579,360	459,962	2,167	18,075,316	17,366,337	1,047,082	260,308	15,125,099	16,070,341	42,132	665,976
Commodity derivative	58,562	166,648	-	97,478	10,100,317	10,100,317	-	70,217	-	-	-	-
Interest rate swap	-	-	-	-	-	-	-	-	-	-	-	-
<b>Short term derivative instruments</b>	<b>99,057,918</b>	<b>98,565,858</b>	<b>3,805,955</b>	<b>1,123,790</b>	<b>48,876,368</b>	<b>48,154,282</b>	<b>3,823,700</b>	<b>3,466,572</b>	<b>16,790,629</b>	<b>17,464,096</b>	<b>381,448</b>	<b>769,707</b>
<i>Cash flow hedge</i>												
Interest rate swap	1,721,123	1,721,123	25,689	-	1,690,745	1,690,745	-	73,058	2,126,201	2,126,201	-	78,001
Cross currency swap	107,387	13,464	48,179	-	157,003	27,327	44,213	-	172,928	54,654	87,313	-
Interest rate swap	-	-	-	-	-	-	-	-	750,000	750,000	570	-
<b>Long term derivative instruments</b>			<b>73,868</b>	<b>-</b>			<b>44,213</b>	<b>73,058</b>			<b>87,883</b>	<b>78,001</b>
<b>Total derivative instruments</b>			<b>3,879,823</b>	<b>1,123,790</b>			<b>3,867,913</b>	<b>3,539,630</b>			<b>469,331</b>	<b>847,708</b>

As of 30 September 2022, forward foreign exchange transactions consist of forward and currency swap transactions which generate a sales obligation of TRY13,579,369 thousand in exchange of USD729,000 thousand. (As of 31 December 2021, forward foreign exchange transactions consist of forward and currency swap transactions which generate a sales obligation of TRY17,366,337 thousand in exchange of USD1,356,089 thousand. As of 31 December 2020, forward foreign exchange transactions consist of forward and currency swap transactions which generate a sales obligation of TRY16,070,341 thousand in exchange of USD2,060,500 thousand.)

As of 30 September 2022, interest rate swap consists of exchange of floating rate instalment payments of long term borrowings and bonds amounting to USD192,864 thousand (31 December 2021: USD217,672 thousand, 31 December 2020: USD298,472) and TRY1,740,000 (31 December 2021: TRY1,740,000 thousand, 31 December 2020: USD1,400,000) thousand with fixed rate installment payments for cash flow hedging.

## TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

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#### 16. DERIVATIVE INSTRUMENTS (Continued)

As of 30 September 2022, cross currency swap transactions consist of swaps with fixed interest rate transaction of foreign currency indexed floating interest rate USD 17,410 thousand (31 December 2021: USD23,558 thousand, 31 December 2020: USD144,423 thousand) and fixed interest rate long-term borrowings amounting to TRY40,392 thousand (31 December 2021 TRY54,655 , 31 December 2020: TRY606,314).

As of 30 September 2022, 31 December 2021 and 31 December 2020 commodity derivative transactions consists of average refinery crack margin fixing transactions and crude oil sale and purchase transactions. Average refinery crack margin fixing transactions have been executed for, gasoline stocks of 1,253 thousand barrels, jet fuel stocks of 724 thousand barrels, diesel stocks of 2,680 thousand barrels and fuel oil stocks of 629 thousand barrels for the third quarter of 2022. (31 December 2021: Gasoline stocks of 551 thousand barrels, jet fuel stocks of 214 thousand barrels, diesel stocks of 1,061 thousand barrels and fuel oil stocks of 214 thousand barrels for first quarter of 2022. 31 December 2020: Gasoline stocks of 374 thousand barrels, jet fuel stocks of 265 thousand barrels, diesel stocks of 749 thousand barrels and fuel oil stocks 172 thousand barrels for first quarter of 2021). Crude oil derivative transactions consist of sale and purchase transactions of crude oil amounting to 46.975 thousand barrels (31 December 2021: 10,865 thousand barrels, 31 December 2020: None).

There is no ineffective portion of these derivative instrument transactions.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 17. COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

	30 September 2022		31 December 2021		31 December 2020	
	Original currency(*):	TRY amount:	Original currency(*):	TRY amount:	Original currency(*):	TRY amount:
<b>Guarantees received:</b>						
<b>Letter of guarantees received</b>		<b>5,163,026</b>		2,066,302		1,446,358
- Letter of guarantees in TRY	3,495,815	3,495,815	948,741	948,741	775,268	775,268
- Letter of guarantees in USD	65,788	1,217,332	21,763	290,084	36,186	265,624
- Letter of guarantees in EUR	23,997	447,617	54,712	825,429	44,517	401,005
- Letter of guarantees in other currencies	-	2,262	-	2,048	-	4,461
<b>Guarantee notes received</b>		<b>423</b>		733		679
- Guarantee notes in TRY	423	423	733	733	679	679
<b>Guarantee letters received</b>		<b>990,928</b>		727,787		417,926
- Guarantee letters received in TRY	50,000	50,000	50,000	50,000	50,000	50,000
- Guarantee letters received in USD	50,851	940,928	50,851	677,787	50,000	367,025
- Guarantee letters received in EUR	-	-	-	-	100	901
<b>Guarantee letters of credit</b>		<b>1,178,507</b>		119,507		205,520
- Letters of credit in USD	63,690	1,178,507	8,966	119,507	27,998	205,520
<b>Direct debiting limits</b>		<b>1,348,827</b>		610,515		407,475
- TRY direct debiting limits	1,348,827	1,348,827	610,515	610,515	407,475	407,475
<b>Total guarantees received</b>		<b>8,681,712</b>		3,524,844		2,477,958
<b>Guarantees given:</b>						
<b>Letter of credits given</b>		<b>24,936,662</b>		15,973,754		3,953,337
- Letter of credits in USD	1,163,803	21,534,769	1,196,876	15,953,154	535,781	3,932,903
- Letter of credits in EUR	649	11,629	1,011	15,256	2,268	20,434
- Letter of credits in other currencies	-	3,390,265	-	5,344	-	-
<b>Letter of guarantees given</b>		<b>5,923,432</b>		2,959,205		1,963,157
- Letter of guarantees in TRY	5,897,325	5,897,325	2,945,223	2,945,223	1,803,618	1,803,618
- Letter of guarantees in USD	200	3,703	200	2,667	20,200	148,279
- Letter of guarantees in EUR	1,250	22,404	750	11,315	1,250	11,260
<b>Letters of guarantee given to customs offices</b>		<b>1,306,002</b>		800,740		897,796
- Letter of guarantees in TRY	1,198,463	1,198,463	710,220	710,220	843,749	843,749
- Letter of guarantees in USD	-	-	-	-	-	-
- Letter of guarantees in EUR	6,000	107,539	6,000	90,520	6,000	54,047
<b>Guarantee bond</b>		<b>22,277</b>		-		-
- Guarantee bond in TRY	2,028	2,028	-	-	-	-
- Guarantee bond in USD	1,094	20,249	-	-	-	-
<b>Letters of guarantee given to banks</b>		<b>972,030</b>		860,398		753,762
- Letter of guarantees in USD	52,531	972,030	64,551	860,398	89,322	655,667
- Letter of guarantees in EUR	-	-	-	-	10,890	98,095
<b>Guarantess</b>	<b>104,000</b>	<b>1,924,395</b>	<b>104,000</b>	<b>1,386,216</b>	<b>-</b>	<b>-</b>
<b>Total guarantees given</b>		<b>35,084,797</b>		21,980,313		7,568,052

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

As at 30 September 2022 and 31 December 2021, letter of guarantees received are composed of guarantees from customers and suppliers. Guarantees given are composed letter of credit with of guarantees given to government entities and customs offices. As at 30 September 2022, letters of guarantee given to banks are given for loans which were used by Companies within scope of consolidation amounting to TRY914,139 thousand (31 December 2021: TRY809,367 thousand, 31 December 2020: TRY92,365 thousand) and for derivative financial instruments amounting to TRY57,890 thousand (31 December 2021: TRY51,031 thousand, 31 December 2021: TRY7,847 thousand).

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 17. COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES (Continued)

Collaterals, pledges, mortgages given by the Group as at 30 September 2022, 31 December 2021 and 31 December 2020 are as follows:

	30 September 2022	31 December 2021	31 December 2020
A. CPMs given for companies in the name of its own legal personality	<b>32,188,372</b>	18,975,945	6,814,290
- TRY	<b>7,097,815</b>	3,353,082	2,647,367
- USD	<b>21,558,720</b>	15,198,067	4,081,182
- EUR	<b>141,572</b>	117,091	85,741
- Other	<b>3,390,265</b>	5,344	-
B. CPMs given on behalf of the fully consolidated companies	<b>2,896,425</b>	3,004,368	753,762
- USD	<b>2,896,425</b>	3,004,368	655,667
- EUR	-	-	98,095
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 companies which are not in scope of B and C.	-	-	-
iii) Total amount of CPMs given on behalf of third parties which are not in scope of C.	-	-	-
<b>Total</b>	<b>35,084,797</b>	21,980,313	7,568,052

### 18. EQUITY

The Company’s shareholders and their shareholding percentages as at 30 September 2022, 31 December 2021 and 31 December 2020 are as follows:

	30 September 2022	Share (%)	31 December 2021	Share (%)	31 December 2020	Share (%)
Enerji Yatırımları A.Ş.	127,714	46.4	127,714	46.4	127,714	46.4
Koç Holding A.Ş.	17,471	6.35	17,471	6.35	17,471	6.35
Koç Family Members and Companies owned by Koç Family Members	1,308	0.48	1,308	0.48	1,308	0.48
Publicly held	128,764	46.78	128,764	46.78	128,764	46.78
<b>Paid-in Capital(*)</b>	<b>275,257</b>	<b>100</b>	275,257	100	275,257	100
Adjustments to share capital	1,344,243		1,344,243		1,344,243	
<b>Total Capital</b>	<b>1,619,500</b>		1,619,500		1,619,500	

(\*) As a result of the acquisition of Entek shares by partial division, the Company's paid-in capital was increased from 250,419,200 TL to 275,256,514 TL and was registered in the trade registry on 26 August 2022.

Adjustment to share capital represents the difference between the inflation adjusted amounts of cash and cash equivalents of the paid-in capital and the amounts before the inflation adjustment.

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 2021: 1Kr) each. The authorised and paid-in share capital of the Company comprises 27,525,651,400 Group A shares with a registered nominal value of 1Kr and one Group C share with privileges belonging to the Privatisation Administration.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

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### 18. EQUITY (Continued)

As per the articles of association of the Company, one member of the Board of Directors should be nominated by the 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 loss 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 aforementioned amounts should be classified under “Restricted Reserves”. At 30 September 2022, the restricted reserves of the Company amount to TRY503,343 thousand (31 December 2021 - TRY503,343).

#### *Dividend distribution*

Listed companies distribute dividend 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 dividend 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.

At the Ordinary General Assembly Meeting dated 30 March 2022, in the financial statements prepared in accordance with the Tax Procedural Law records; although the operations in 2021 resulted in a current year profit of TRY676,189 thousand; due to the previous year loss of TRY4,201,409 thousand, it is declared that dividends will not be distributed and the net period profit which was obtained according to the financial statements prepared in accordance with TFRS amounting to TRY3,319,134 thousand attributable to the equity holders of the parent will be transferred to the retained earnings.



# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 19. REVENUE AND COST OF SALES

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Domestic revenue	285,734,358	120,805,433	79,859,391	36,491,461
Export revenue	84,650,402	31,676,912	16,870,191	5,551,896
<b>Gross revenue</b>	<b>370,384,760</b>	<b>152,482,345</b>	96,729,582	42,043,357
Less: Sales discounts	(4,578,823)	(1,853,374)	(1,067,517)	(529,137)
Less: Sales returns	(67,073)	(20,172)	(62,415)	(20,754)
<b>Sales (net)</b>	<b>365,738,864</b>	<b>150,608,799</b>	95,599,650	41,493,466
Cost of goods sold	(322,428,181)	(131,111,115)	(87,713,224)	(38,276,477)
<b>Gross profit</b>	<b>43,310,683</b>	<b>19,497,684</b>	7,886,426	3,216,989
<b>Cost of sales:</b>				
	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Raw material, manufactured and consumable material	309,391,448	125,886,350	83,635,880	36,778,510
Energy expenses	8,739,955	3,571,449	1,761,405	711,929
Personnel expenses	1,535,092	591,399	825,502	290,828
Depreciation and amortization (Note 10-11)	460,636	147,411	468,754	162,758
Other production expenses	2,301,050	914,506	1,021,683	332,452
<b>Cost of sales</b>	<b>322,428,181</b>	<b>131,111,115</b>	87,713,224	38,276,477

### 20. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES AND RESEARCH AND DEVELOPMENT EXPENSES

#### General administrative expenses:

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Personnel expenses	1,009,461	402,648	519,278	184,654
Insurance expenses	328,583	144,198	192,609	70,984
Outsourced services	205,759	82,599	80,897	29,414
Tax duties and fees	196,295	81,031	105,148	49,306
Office expenses	158,473	63,709	48,912	20,454
Depreciation and amortization (Note 10-11)	135,615	51,084	83,196	24,560
Subscription fees	100,634	41,514	47,456	17,442
Lawsuit and consultancy expenses	62,405	19,791	34,552	18,632
Donations	31,676	12,078	17,529	6,926
Transportation and travel expenses	12,667	5,198	4,145	2,145
Other	99,607	41,433	74,852	35,335
<b>Total general administrative expenses</b>	<b>2,341,175</b>	<b>945,283</b>	1,208,574	459,852

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 20. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES AND RESEARCH AND DEVELOPMENT EXPENSES (Continued)

#### Marketing expenses:

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Transportation, storage and insurance expenses	2,096,026	774,947	496,762	203,770
Personnel expenses	250,345	100,510	136,522	49,280
Energy expenses	100,244	41,478	18,025	6,896
Depreciation and amortization (Note 11)	73,468	24,677	68,664	23,227
Outsourced services	72,194	11,084	44,936	27,201
Advertising expenses	46,837	20,410	15,496	1,850
Other	127,336	55,332	61,739	24,139
<b>Total marketing expenses</b>	<b>2,766,450</b>	<b>1,028,438</b>	<b>842,144</b>	<b>336,363</b>

#### Research and development expenses:

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Personnel expenses	22,515	7,934	12,762	3,473
Depreciation and amortization (Not 11)	10,536	3,492	10,949	3,743
Energy expenses	3,515	1,476	586	268
Outsourced services	627	182	504	120
Lawsuit and consultancy expenses	125	19	2,709	2,024
Other	5,507	2,654	2,046	614
<b>Total research and development expenses</b>	<b>42,825</b>	<b>15,757</b>	<b>29,556</b>	<b>10,190</b>

### 21. OTHER OPERATING INCOME/(EXPENSES)

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
<b>Other operating income:</b>				
Credit finance gains	2,809,891	1,184,626	523,312	244,142
Foreign exchange gain from trade receivables	790,210	150,001	114,042	1,690
Other	197,508	101,227	84,773	31,895
<b>Total other operating income</b>	<b>3,797,609</b>	<b>1,435,854</b>	<b>722,127</b>	<b>277,727</b>

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
<b>Other operating expense:</b>				
Foreign exchange loss from trade payables	(11,583,171)	(4,708,906)	(2,569,451)	(337,247)
Credit finance charges	(718,783)	(251,431)	(86,668)	(30,999)
Other	(331,171)	(250,192)	(102,188)	(27,563)
<b>Total other operating expense</b>	<b>(12,633,125)</b>	<b>(5,210,529)</b>	<b>(2,758,307)</b>	<b>(395,809)</b>

## TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

#### 22. INCOME/(EXPENSE) FROM INVESTMENT ACTIVITIES

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Financial investments fair value change	164,677	134,002		
Gain/(loss) on sales of property plant and equipment and intangible assets	(2,346)	(4,505)	141	1,389
Dividend income	55	-	79	-
<b>Total income/(expense) from investment activities</b>	<b>162,386</b>	<b>129,488</b>	<b>220</b>	<b>1,389</b>

#### 23. FINANCIAL INCOME/(EXPENSES)

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
<b>Financial income:</b>				
Foreign exchange gains on deposits	4,439,817	1,946,011	1,991,236	(69,111)
Interest income on deposits	809,723	450,665	1,595,471	568,259
Interest income on derivative instruments	399,414	397,068	394	394
<b>Total financial income</b>	<b>5,648,954</b>	<b>2,793,744</b>	<b>3,587,101</b>	<b>499,542</b>
<b>Financial expense:</b>				
Foreign exchange losses on borrowings	(7,458,304)	(2,858,308)	(3,243,513)	(479,399)
Interest expenses	(2,349,499)	(759,012)	(1,950,722)	(690,939)
Losses on derivative instruments	(40,668)	6,606	(775,624)	(661,984)
Interest expense on derivative instruments	-	-	-	31,942
Other	(42,778)	21,028	(14,016)	(9,643)
<b>Total financial expense</b>	<b>(9,891,249)</b>	<b>(3,589,686)</b>	<b>(5,983,875)</b>	<b>(1,810,023)</b>

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

#### 24. TAX ASSETS AND LIABILITIES

	30 September 2022	31 December 2021	31 December 2020
Current period corporate tax provision	3,773,768	79,907	13,310
Current year tax assets	(1,754,816)	(10,143)	(10,851)
	<b>2,018,952</b>	<b>69,764</b>	<b>2,459</b>

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.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 23. TAX ASSETS AND LIABILITIES (Continued)

The corporation tax rate for the fiscal year 2022 is 23% (2021: 25%, 2020:22%). The corporate tax rate for the 2022 year has been determined as 23%. 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 law on amending the Tax Procedure Law and the Corporate Tax Law was enacted on 20 January 2022, It has been enacted with the number 7352 and it has been decided that the financial statements will not be subject to inflation adjustment in the 2021 and 2022 accounting periods, including the temporary accounting periods, and in the provisional tax periods of the 2023 accounting period, regardless of whether the conditions for the inflation adjustment within the scope of the repeated Article 298 are met.

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 at 30 September 2022, 31 December 2021 and 31 December 2020 using the enacted tax rates are as follows:

	Cumulative temporary differences			Deferred tax (liability)/asset		
	30 September 2022	31 December 2021	31 December 2020	30 September 2022	31 December 2021	31 December 2020
Investment incentives(*)	(37,991,845)	(34,664,738)	29,592,896	7,598,369	6,278,887	4,557,566
Accumulated deductible financial losses (**)	(17,674)	(2,592,801)	(4,202,677)	3,357	520,799	840,535
Difference between the carrying values and tax base of						
Property, plant, equipment and intangible assets	(868,929)	(4,735,231)	7,654,962	1,285,596	418,241	(689,583)
Employment termination benefits	(519,921)	(377,580)	(271,906)	104,819	71,384	54,382
Inventories	157,553	149,788	(185,705)	(36,237)	(34,451)	37,141
Provision for unused vacation liability	(97,248)	(55,089)	(62,013)	19,450	11,035	12,403
Deferred financial income (expense), net	(269,692)	(1,408,806)	(322,080)	58,621	320,740	69,394
Provision lawsuits	(28,489)	(20,087)	(27,080)	6,552	4,620	5,416
Prepaid expenses	-	-	-	-	-	-
Fair value difference of derivative instruments	2,663,713	469,703	(332,804)	(562,665)	(103,347)	70,573
Cash capital incentives	(23,790)	(23,790)	-	4,758	4,758	-
Other	(394,565)	(366,617)	(67,102)	17,883	1,031	2,811
				7,287,736	6,280,930	4,960,638

(\*) 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 Turkey 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 39.90% revaluation rate, which was announced for the second provisional tax period of 2021 by the Ministry of Finance. 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

(\*\*) Deferred tax assets amounting to TL 3,357 thousand to be used in the next 5 years arising from deductible tax losses amounting to TL 17,674 thousand realized on 30 September 2022. Deferred tax assets amounting to TL 520,799 thousand to be used in the next 5 years arising from deductible tax losses amounting to TL 2,592,801 thousand realized on 31 December 2021. Deferred tax assets amounting to TL 840,535 thousand to be used in the next 5 years arising from deductible tax losses amounting to TL 4,202,677 thousand realized on 31 December 2020.

## TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY"), unless otherwise indicated.)

#### 24. TAX ASSETS AND LIABILITIES (Continued)

The company has assessed that the necessary taxable profit will arise in the following periods, the deferred tax asset has been recognised in the current period.

The movement of deferred taxes is as follows:

	2022	2021
<b>Deferred tax asset/(liability), net</b>		
1 January	6,280,930	4,960,638
Charge for the period	1,632,527	497,338
- Hedging cash flow gains/(losses)	(625,721)	22,285
	<b>7,287,736</b>	<b>5,480,261</b>

#### 25. EARNINGS PER SHARE

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
(Loss) profit for the year attributable to shareholders of the Group	23,456,118	11,554,293	2,070,946	1,042,764
Weighted average number of Shares with nominal value of Kr1 each	27,525,651,400	27,525,651,400	27,525,651,400	27,525,651,400
<b>Basic and diluted (loss) earnings per share in Kr</b>	<b>85.22</b>	<b>41.98</b>	<b>7.52</b>	<b>3.79</b>

#### 26. 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 2022	31 December 2021	31 December 2020
Yapı ve Kredi Bankası A.Ş. (2)	4,022,610	7,152,649	6,288,137
<b>Total</b>	<b>4,022,610</b>	<b>7,152,649</b>	<b>6,288,137</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 25. RELATED PARTY TRANSACTIONS (Continued)

#### b Due from related parties:

	30 September 2022	31 December 2021	31 December 2020
Opet Petrolcülük A.Ş. (1)	4,054,955	1,382,904	226,489
THY OPET Havacılık Yakıtları A.Ş. (1)	437,158	186,648	51,113
Aygaz A.Ş. (2)	123,476	75,814	24,516
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. (1)	25,893	21,993	19,237
Ford Otomotiv Sanayi A.Ş.		33,787	-
Other (2)	49,446	44,379	39,576
<b>Total</b>	<b>4,690,928</b>	<b>1,745,525</b>	<b>360,931</b>

As of 30 September 2022, Tüpraş has no factoring. As of 31 December 2021, Tüpraş has deducted the amount of TL 70,000 thousand collected from factoring companies from trade receivables from related parties. As of 31 December 2020, Tüpraş has deducted the amount of TL 250,000 thousand collected from factoring companies from trade receivables from related parties. As of 31 December 2021, there is a supplier financing of 153,100 thousand TL. As of 31 December 2020, there is a supplier financing of 507,000 thousand TL.

#### c) Trade payables:

	30 September 2022	31 December 2021	31 December 2020
Opet Petrolcülük A.Ş. (1)	843,144	41,580	16,923
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	42,049	28,830	16,566
Aygaz A.Ş. (2)	37,089	16,170	8,104
Koç Sistem Bilgi ve İletişim A.Ş. (2)	11,547	42,077	25,098
RAM Sigorta Aracılık Hizmetleri A.Ş. (2)	4,324	5,357	15,431
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	3,350	5,721	5,086
Setur Servis Turistik A.Ş. (2)	956	3,262	3,149
Aygaz Doğalgaz Toptan Satış A.Ş. (2)	-	-	78,084
Ark İnşaat A.Ş. (2)	-	-	44,880
Other (2)	11,377	39,915	20,634
<b>Total</b>	<b>953,837</b>	<b>182,912</b>	<b>233,955</b>

#### d) Other payables:

	30 September 2022	31 December 2021	31 December 2020
Koç Holding A.Ş. (3)	-	43,328	30,763
<b>Total</b>	<b>-</b>	<b>43,328</b>	<b>30,763</b>

#### e) Advances given for property, plant and equipment

	30 September 2022	31 December 2021	31 December 2020
Ark İnşaat A.Ş. (2)	6,893	5,643	2,126
<b>Total</b>	<b>6,893</b>	<b>5,643</b>	<b>2,126</b>

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 26. RELATED PARTY TRANSACTIONS (Continued)

#### f) Bank loans:

	30 September 2022	31 December 2021	31 December 2020
Yapı ve Kredi Bankası A.Ş. (2)	55,473	837,391	821,310
<b>Total</b>	<b>55,473</b>	<b>837,391</b>	<b>821,310</b>

#### g) Lease liabilities:

	30 September 2022	31 December 2021	31 December 2020
Koç Ailesi (3)	24,435	67,827	63,286
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	14,552	16,427	22,477
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	8	20	31
<b>Total</b>	<b>38,995</b>	<b>84,274</b>	<b>84,274</b>

#### h) Product and service sales:

	1 January - 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July - 30 September 2021
Opet Petrolcülük A.Ş. (1)	64,454,303	31,266,313	15,077,575	7,179,849
THY OPET Havacılık Yakıtları A.Ş. (1)	5,581,652	3,137,999	2,159,824	1,079,267
Aygaz A.Ş. (2)	2,817,000	992,174	866,394	342,945
Opet Fuchs Madeni Yağ A.Ş. (1)	189,364	68,822	83,423	20,624
Other (2)	92,041	58,554	287,477	130,002
<b>Total</b>	<b>73,134,360</b>	<b>35,523,862</b>	<b>18,474,693</b>	<b>8,752,687</b>

#### i) Product and service purchases:

	1 January - 30 September 2022	1 July- 30 September 2022	1 January- 30 September 2021	1 July - 30 September 2021
Opet Petrolcülük A.Ş. (1)	3,847,923	2,289,900	270,864	170,902
Ram Sigorta Aracılık Hizmetleri A.Ş. (2) (**)	532,317	411,674	272,837	-
Aygaz A.Ş. (2)	324,539	129,348	186,380	134,140
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	222,577	99,451	87,928	32,350
Koç Holding A.Ş. (3) (*)	77,633	39,260	33,426	10,350
THY OPET Havacılık Yakıtları A.Ş. (1)	54,413	54,413	23	9
Ark İnşaat San. Tic. A.Ş. (2)	35,246	5,732	-	-
Koç Sistem Bilgi ve İletişim A.Ş. (2)	58,290	36,866	30,566	11,130
Otokoç Otomotiv Tic. ve San. A.Ş. (2)	22,779	9,527	20,008	8,238
Opet Fuchs	18,540	7,112	-	-
Aygaz Doğalgaz Toptan Satış A.Ş. (2)	-	-	393,260	196,627
Other (2)	270,728	241,564	36,161	14,593
<b>Total</b>	<b>5,464,985</b>	<b>3,351,601</b>	<b>1,331,453</b>	<b>578,339</b>

(\*) 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.

(\*\*) 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.

## TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

#### 26. RELATED PARTY TRANSACTIONS (Continued)

##### j) Fixed asset purchases:

	30 September 2022	30 September 2022	30 September 2021	30 September 2021
Ark İnşaat A.Ş. (2)	37,350	-	77,836	23,336
Koç Sistem Bilgi ve İletişim A.Ş. (2)	22,242	6,476	9,019	-
Zer Merkezi Hizmetler ve Ticaret A.Ş. (2)	-	-	482	421
Other (2)	564	155	2,145	8,307
<b>Total</b>	<b>60,156</b>	<b>(20,719)</b>	<b>89,483</b>	<b>32,064</b>

##### k) Remuneration of board of directors and executive management:

The senior management of the Group is determined as members and chair of the Board of Directors and General Manager and General Manager Deputies, The total amount of benefits provided to senior management is TRY22,220 thousand as of period ending on 30 September 2022 (30 September 2021 – TRY14,497 thousand). All of this amount consists of short term benefits. (2021: All of this amount consists of short term benefits).

##### l) Financial expenses paid to related parties:

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Yapı ve Kredi Bankası A.Ş. (2)	41,846	6,027	68,177	22,220
Yapı Kredi Faktoring A.Ş. (2)	15,535	-	3,515	909
<b>Total</b>	<b>57,381</b>	<b>6,027</b>	<b>71,692</b>	<b>23,129</b>

##### m) Time deposit interest income:

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
Yapı ve Kredi Bankası A.Ş. (2)	203,387	89,483	724,456	285,833
<b>Total</b>	<b>203,387</b>	<b>89,483</b>	<b>724,456</b>	<b>285,833</b>

##### n) Donations:

As of 30 September 2022, total donation amount paid to related parties is TRY7,225 thousand (30 September 2021 – TRY138 thousand).



# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 27. 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 at 30 September 2022, 31 December 2021 and 31 December 2020 are as follows:

30 September 2022	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	4,690,928	24,608,997	-	83,193	40,093,559	3,879,823	-
- Secured portion of the maximum credit risk by guarantees, etc.	-	3,357,069	-	-	-	-	-
A. Net book value of financial asset either are not due or not impaired	4,690,928	23,632,954	-	83,193	40,093,559	3,879,823	-
B. Net book value of overdue but not impaired financial assets	-	976,043	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-	-
- Overdue(gross book value)	-	5,528	-	2,612	-	-	-
- Impairment (-)	-	(5,528)	-	(2,612)	-	-	-
- 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	-	-	-	-	-	-	-

  

31 December 2021	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	1,745,525	12,051,157	-	20,566	21,176,186	3,867,913	-
- Secured portion of the maximum credit risk by guarantees, etc.	-	803,208	-	-	-	-	-
A. Net book value of financial asset either are not due or not impaired	1,745,525	11,864,217	-	20,566	21,176,186	3,867,913	-
B. Net book value of overdue but not impaired financial assets	-	186,940	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-	-
- Overdue(gross book value)	-	5,528	-	2,612	-	-	-
- Impairment (-)	-	(5,528)	-	(2,612)	-	-	-
- 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	-	-	-	-	-	-	-

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 27. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

31 December 2020	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	360,931	1,479,496	-	19,464	20,319,133	469,778	-
- Secured portion of the maximum credit risk by guarantees, etc.	-	367,278	-	-	-	-	-
A. Net book value of financial asset either are not due or not impaired	360,931	1,289,887	-	19,464	20,319,133	469,778	-
B. Net book value of overdue but not impaired financial assets	-	189,609	-	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-	-
- Overdue(gross book value)	-	5,264	-	1,389	-	-	-
- Impairment (-)	-	(5,264)	-	(1,389)	-	-	-
- 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 2022	Receivables		Bank deposits	Derivative instruments	Other
	Trade Receivables	Other Receivables			
Overdue (1-30 days)	738,237	-	-	-	-
Overdue (1-3 months)	101,393	-	-	-	-
Overdue (3-12 months)	134,579	-	-	-	-
Overdue (1-5 years)	1,834	-	-	-	-
Overdue (5+ years)	-	-	-	-	-

  

31 December 2021	Receivables		Bank deposits	Derivative instruments	Other
	Trade receivables	Other Receivables			
Overdue (1-30 days)	133,507	-	-	-	-
Overdue (1-3 months)	6,081	-	-	-	-
Overdue (3-12 months)	36,404	-	-	-	-
Overdue (1-5 years)	10,948	-	-	-	-
Overdue (5+ years)	-	-	-	-	-

  

3 December 2020	Receivables		Bank deposits	Derivative instruments	Other
	Trade receivables	Other Receivables			
Overdue (1-30 days)	150,402	-	-	-	-
Overdue (1-3 months)	22,675	-	-	-	-
Overdue (3-12 months)	11,475	-	-	-	-
Overdue (1-5 years)	5,057	-	-	-	-
Overdue (5+ years)	-	-	-	-	-

During the impairment test of financial assets, the Group has considered the indicators regarding uncollectibility of receivables that are due. The Group has guarantees received amounting to TRY470,259 thousand (31 December 2021: TRY70,726 thousand, 31 December 2020: TRY:89,116 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.

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira ("TRY"), unless otherwise indicated.)

### 27. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (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 at 30 September 2022 and 31 December 2021 are as follows:

	30 September 2022	31 December 2021	31 December 2020
Group 1	168,595	24,306	9,468
Group 2	5,910,606	3,329,855	591,137
Group 3	21,491,093	9,862,833	877,508
Group 4	753,588	392,748	172,705
<b>Total</b>	<b>28,323,882</b>	<b>13,609,742</b>	<b>1,650,818</b>

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 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 amount 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 16).

#### *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 16).

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 27. 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 at 30 September 2022, 31 December 2021 and 31 December 2020.

	30 September 2022		31 December 2021		31 December 2020	
	TRY	USD(*)	TRY	USD(*)	TRY	USD(*)
Monetary assets	33,201,980	1,794,333	16,778,466	1,258,794	1,527,988	208,159
Monetary liabilities	(89,018,999)	(4,810,850)	(64,579,085)	(4,845,006)	(29,577,085)	(4,029,301)
<b>Monetary assets / (liabilities) foreign currency position</b>	<b>(55,817,019)</b>	<b>(3,016,517)</b>	<b>(47,800,619)</b>	<b>(3,586,212)</b>	<b>(28,049,097)</b>	<b>(3,821,142)</b>
Non-monetary assets	500,223	27,034	14,358	1,077	105,732	14,404
Net foreign currency position of derivative financial instruments	13,419,650	725,238	17,833,889	1,337,977	16,032,087	2,184,059
<b>Net foreign currency asset / (liability) position</b>	<b>(41,897,146)</b>	<b>(2,264,246)</b>	<b>(29,952,372)</b>	<b>(2,247,158)</b>	<b>(11,911,278)</b>	<b>(1,622,679)</b>
Cash flow hedging (**)	4,764,521	257,489	5,809,043	435,820	4,360,123	593,982
<b>Net foreign currency position after cash flow hedging</b>	<b>(37,132,625)</b>	<b>(2,006,757)</b>	<b>(24,143,329)</b>	<b>(1,811,338)</b>	<b>(7,551,155)</b>	<b>(1,028,697)</b>
Inventory in natural hedge scope (***) Ödeme taahhütleri (-)	37,009,447	2,000,100	24,197,942	1,815,436	7,220,776	983,690
<b>Net foreign currency position after cash flow hedging and natural hedge</b>	<b>(123,178)</b>	<b>(6,657)</b>	<b>54,613</b>	<b>4,097</b>	<b>(330,379)</b>	<b>(45,007)</b>

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

(\*\*) The Group uses investment loans amounting to USD257,489 thousand, which is equivalent to TRY4,764,521 thousand (USD435,820 thousand / TRY5,809,043 thousand in 31 December 2021 and USD593,982 thousand / TRY4,360,123 thousand in 31 December 2020) as prevention against USD/TRY spot foreign exchange risk of USD denominated export revenue, which is highly probable to be realized. Based on the outcome of effectiveness test performed on related process, the Group has considered that the process is fully effective and therefore applied cash flow hedge accounting. As of 30 September 2022, TRY3,934,050 thousand of (31 December 2021: TRY4,331,350 and 31 December 2020: TRY:2,736,854) foreign exchange loss that arose from investment loans is classified under equity “Cash flow hedge gains (losses)” which has no effect on current year income statement. As of 30 September 2022, the foreign exchange loss amounting to TRY2,139,083 thousand corresponding to the export income of investment loans denominated in USD has been transferred to the foreign exchange loss in the income statement from “Cash flow hedge gains (losses)” account under equity. Moreover, as of 30 September 2022, foreign exchange loss of these loans in 2022 amounting to TRY1,741,783 were added to the “Cash flow hedge gains (losses)” account under equity.

(\*\*\*) 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 at 30 September 2022, the Group has crude oil and petroleum products inventories amounting to TRY37,009,447 thousand (31 December 2021: TRY24,197,942 thousand and 31 December 2020: TRY7,220,776).

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 27. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

	Foreign exchange position table															
	31 September 2022					31 December 2021					1 December 2021					
	TRY equivalent (In terms of functional currency)	USD	EUR	GBP	Other	TRY equivalent (In terms of functional currency)	USD	EUR	GBP	Other	TRY equivalent (In terms of functional currency)	USD	EUR	GBP	Other	
Trade receivables	2,370,627	127,980	140	-	-	2,287,339	171,536	62	-	-	359,288	45,786	2,570	1	40	
Monetary financial assets (including cash, banks)	30,822,666	1,660,547	2,622	2,463	-	14,491,127	1,061,256	1,222	18,212	-	1,168,700	153,857	3,969	357	10	
Other	69,290	2,856	287	565	-	9,491	237	108	262	(6)	103,077	13,540	255	139	-	
<b>Current assets</b>	<b>33,262,583</b>	<b>1,791,383</b>	<b>3,049</b>	<b>3,028</b>	<b>-</b>	<b>16,787,957</b>	<b>1,233,029</b>	<b>1,392</b>	<b>18,474</b>	<b>(6)</b>	<b>1,631,065</b>	<b>213,183</b>	<b>6,794</b>	<b>497</b>	<b>50</b>	
Monetary financial assets	8,687	469	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	430,933	22,924	-	338	-	4,867	-	-	271	-	2,655	-	-	267	-	
<b>Non-current assets</b>	<b>439,620</b>	<b>23,393</b>	<b>-</b>	<b>338</b>	<b>-</b>	<b>4,867</b>	<b>-</b>	<b>-</b>	<b>271</b>	<b>-</b>	<b>2,655</b>	<b>-</b>	<b>-</b>	<b>267</b>	<b>-</b>	
<b>Total assets</b>	<b>33,702,203</b>	<b>1,814,776</b>	<b>3,049</b>	<b>3,366</b>	<b>-</b>	<b>16,792,824</b>	<b>1,233,029</b>	<b>1,392</b>	<b>18,745</b>	<b>(6)</b>	<b>1,633,720</b>	<b>213,183</b>	<b>6,794</b>	<b>764</b>	<b>50</b>	
Trade payables	62,017,681	3,339,634	11,835	482	-	41,255,266	3,078,146	14,210	-	12,280	13,033,281	1,759,780	12,341	74	3,715	
Financial liabilities	6,056,989	326,670	341	312	-	4,372,467	327,227	359	303	-	3,689,682	426,152	62,015	291	-	
Other monetary liabilities	760,215	40,962	-	113	-	3,571,426	267,944	-	-	-	-	-	-	-	-	
Other payables	52,255	2,811	12	1	-	-	-	-	-	-	-	-	-	-	-	
<b>Current liabilities</b>	<b>68,887,140</b>	<b>3,710,077</b>	<b>12,188</b>	<b>908</b>	<b>-</b>	<b>49,199,159</b>	<b>3,673,317</b>	<b>14,569</b>	<b>303</b>	<b>12,280</b>	<b>17,102,881</b>	<b>2,236,197</b>	<b>74,392</b>	<b>1,433</b>	<b>3,715</b>	
Financial liabilities	20,131,859	1,081,770	6,332	75	-	15,356,392	1,144,231	6,586	310	-	12,428,714	1,683,816	6,945	613	-	
Other monetary liabilities	-	-	-	-	-	23,534	1,766	-	-	-	45,490	6,197	-	-	-	
<b>Non-current liabilities</b>	<b>20,131,859</b>	<b>1,081,770</b>	<b>6,332</b>	<b>75</b>	<b>-</b>	<b>15,379,926</b>	<b>1,145,997</b>	<b>6,586</b>	<b>310</b>	<b>-</b>	<b>12,474,204</b>	<b>1,690,013</b>	<b>6,945</b>	<b>613</b>	<b>-</b>	
<b>Total liabilities</b>	<b>89,018,999</b>	<b>4,791,847</b>	<b>18,520</b>	<b>983</b>	<b>-</b>	<b>64,579,085</b>	<b>4,819,314</b>	<b>21,155</b>	<b>613</b>	<b>12,280</b>	<b>29,577,085</b>	<b>3,926,210</b>	<b>81,337</b>	<b>2,046</b>	<b>3,715</b>	
<b>Net asset/(liability) position of off-balance sheet foreign currency derivatives</b>	<b>13,419,650</b>	<b>725,237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,833,889</b>	<b>1,337,977</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,032,087</b>	<b>2,109,010</b>	<b>61,157</b>	<b>-</b>	<b>-</b>	
Total amount of off-balance sheet derivative financial assets	98,215,712	5,307,867	-	-	-	37,933,427	2,845,932	-	-	-	17,914,110	2,365,399	61,157	-	-	
Total amount of off-balance sheet derivative financial liabilities	(84,796,062)	(4,582,630)	-	-	-	(20,099,538)	(1,507,955)	-	-	-	(1,882,023)	(256,389)	-	-	-	
<b>Net foreign currency asset/(liability) position</b>	<b>(41,897,146)</b>	<b>(2,251,834)</b>	<b>(15,471)</b>	<b>2,383</b>	<b>-</b>	<b>(29,952,372)</b>	<b>(2,248,308)</b>	<b>(19,763)</b>	<b>18,132</b>	<b>(12,286)</b>	<b>(11,911,278)</b>	<b>(1,604,017)</b>	<b>(13,386)</b>	<b>(1,282)</b>	<b>(3,665)</b>	
<b>Cash flow hedging</b>	<b>4,764,521</b>	<b>257,489</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,809,043</b>	<b>435,820</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,360,123</b>	<b>593,982</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net foreign currency position after cash flow hedging</b>	<b>(37,132,625)</b>	<b>(1,994,345)</b>	<b>(15,471)</b>	<b>2,383</b>	<b>-</b>	<b>(24,143,329)</b>	<b>(1,812,488)</b>	<b>(19,763)</b>	<b>18,132</b>	<b>(12,286)</b>	<b>(7,551,155)</b>	<b>(1,010,035)</b>	<b>(13,386)</b>	<b>(1,282)</b>	<b>(3,665)</b>	
<b>Net monetary foreign currency asset/(liability) position</b>	<b>(55,764,764)</b>	<b>(3,000,040)</b>	<b>(15,746)</b>	<b>1,481</b>	<b>-</b>	<b>(47,800,619)</b>	<b>(3,586,522)</b>	<b>(19,871)</b>	<b>17,599</b>	<b>(12,280)</b>	<b>(28,049,097)</b>	<b>(3,726,567)</b>	<b>(74,798)</b>	<b>(1,688)</b>	<b>(3,665)</b>	
<b>Fair value of derivative instruments</b>																
<b>Used for hedging</b>	<b>435,028</b>	<b>40,480</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>889,896</b>	<b>81,253</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(236,376)</b>	<b>(76,093)</b>	<b>-</b>	<b>-</b>	<b>-</b>	

As at 30 September 2022, the Group has TRY123,178 thousand as net foreign currency deficit after natural hedging (31 December 2021: TRY54,613 thousand net foreign currency surplus. 31 December 2020: TRY:330,379 thousand net foreign currency deficit).

# TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 SEPTEMBER 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 27. 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 at 30 September 2022, 31 December 2021 and 31 December 2020.

Statement of foreign currency risk sensitivity				
30 September 2022				
	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
<b>10% change in USD rate:</b>				
USD net assets/ liabilities	(5,570,260)	5,570,260	(438,628)	438,628
Amount hedged for USD risk (-)	709,752	(709,752)	-	-
<b>USD net effect</b>	<b>(4,860,508)</b>	<b>4,860,508</b>	<b>(438,628)</b>	<b>438,628</b>
<b>10% change in EUR rate</b>				
Euro net assets/ liabilities	(29,136)	29,136	-	-
Amount hedged for Euro risk (-)	-	-	-	-
<b>EUR net effect</b>	<b>(29,136)</b>	<b>29,136</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>(4,889,644)</b>	<b>4,889,644</b>	<b>(438,628)</b>	<b>438,628</b>

Statement of foreign currency risk sensitivity				
31 December 2021				
	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
<b>10% change in USD rate:</b>				
USD net assets/ liabilities	(4.780.475)	4.780.475	(500.711)	500.711
Amount hedged for USD risk (-)	2.325.622	(2.325.622)	-	-
<b>USD net effect</b>	<b>(2.454.853)</b>	<b>2.454.853</b>	<b>(500.711)</b>	<b>500.711</b>
<b>10% change in EUR rate</b>				
Euro net assets/ liabilities	(29,979)	29,979	-	-
Amount hedged for Euro risk (-)	-	-	-	-
<b>EUR net effect</b>	<b>(29,979)</b>	<b>29,979</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>(2,484,832)</b>	<b>2,484,832</b>	<b>(500,711)</b>	<b>500,711</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 27. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Statement of foreign currency risk sensitivity				
31 December 2020				
	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	2,735,487	2,735,487	(420,058)	420,058
Amount hedged for USD risk (-)	1,974,501	(1,974,501)	-	-
USD net effect	(760,986)	760,986	(420,058)	420,058
10% change in EUR rate				
Euro net assets/ liabilities	(67,377)	67,377	-	-
Amount hedged for Euro risk (-)	55,090	(55,090)	-	-
EUR net effect	(12,287)	12,287	-	-
<b>TOTAL</b>	<b>(773,273)</b>	<b>773,273</b>	<b>(420,058)</b>	<b>420,058</b>

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 US dollar in the statement of exchange rate sensitivity analysis.

### Export and import

	1 January - 30 September 2022	1 July - 30 September 2022	1 January - 30 September 2021	1 July - 30 September 2021
<b>Export</b>				
USD (equivalent of thousand TRY)	57,303,378	19,939,495	15,578,451	5,431,191
EUR (equivalent of thousand TRY)	4,420	4,420	470	-
<b>Total</b>	<b>57,307,798</b>	<b>19,939,495</b>	<b>15,578,451</b>	<b>5,431,191</b>
<b>Import</b>				
USD (equivalent of thousand TRY)	248,764,457	96,109,483	72,222,304	32,012,073
<b>Total</b>	<b>248,764,457</b>	<b>96,109,483</b>	<b>72,222,304</b>	<b>32,012,073</b>

### 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 at 30 September 2022, 31 December 2021 and 31 December 2020 are as follows:

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in thousands of Turkish Lira ("TRY"), unless otherwise indicated.)

### 27. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

	30 September 2022	31 December 2021	31 December 2020
Total financial liabilities (Note 6)	36,524,733	33,193,664	29,681,944
Less: Cash and cash equivalents (Note 5)	(35,061,999)	(16,927,344)	(18,103,586)
Net financial liabilities	1,462,734	16,266,320	11,578,358
Total shareholders' equity	45,900,319	19,081,000	12,925,433
<b>Total capital invested</b>	<b>47,363,053</b>	<b>35,347,320</b>	<b>24,503,791</b>
<b>Gearing ratio</b>	<b>3.09%</b>	<b>40.02%</b>	<b>47.25%</b>

#### 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.

#### *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.



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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in thousands of Turkish Lira (“TRY”), unless otherwise indicated.)

### 27. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### 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 does not contains observable market inputs

Fair value hierarchy table as at 30 September 2022 is as follows:

<b>Financial assets at fair value in statement of financial position</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Derivative financial assets	-	3,879,823	-
<b>Financial liabilities at fair value in statement of financial position</b>			
Derivative financial liabilities	-	1,123,790	-

Fair value hierarchy table as at 31 December 2021 is as follows:

<b>Financial assets at fair value in statement of financial position</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Derivative financial assets	-	3,867,913	-
<b>Financial liabilities at fair value in statement of financial position</b>			
Derivative financial liabilities	-	3,539,630	-

Fair value hierarchy table as at 31 December 2020 is as follows:

<b>Financial assets at fair value in statement of financial position</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Derivative financial assets	-	469,778	-
<b>Financial liabilities at fair value in statement of financial position</b>			
Derivative financial liabilities	-	847,708	-

### 28. SUBSEQUENT EVENTS

None.