

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

**GÜBRE FABRİKALARI TÜRK ANONİM ŞİRKETİ**

**Consolidated statement of cash flows for the period ended March 31, 2023**

**(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)**

	Notes	January 1, – March 31, 2023	January 1, – March 31, 2022
<b>Cash flows from operating activities</b>			
Period income		<b>(7.647.605)</b>	<b>690.342.563</b>
<b>Adjustments to reconcile net profit for the period</b>			
Adjustments related to depreciation and amortization expense	9-10	174.946.489	96.148.236
Adjustments related to gain from investments accounted by equity method		(26.085.450)	(21.833.771)
Adjustments related to provisions for employee benefits	18	142.372.525	41.646.269
Adjustments related to interest expense		251.615.632	230.750.721
Adjustments related to impairment of inventories	8	65.511.893	4.093.821
Adjustments related to impairment of receivables	6	5.727.551	(345.958)
Deferred financial (income) / expense		4.141.228	(7.659.339)
Adjustments related to lawsuit provisions	12	33.865.002	4.450.883
Adjustments related to current year tax expense		(19.910.570)	92.500.476
Adjustments related to losses on sale of property, plant and equipments	9-10	(1.072.015)	(158.514)
Adjustments related to fair value gains on derivative financial instruments		(8.421.300)	39.424.793
Adjustments related to fair value losses (gains) on investment properties		--	86.746
<b>Cash flows from the operating activities before changes in the assets and liabilities</b>		<b>615.043.380</b>	<b>1.169.446.926</b>
<b>Change in working capital (net):</b>			
Adjustments related to increase in trade receivables		(2.013.370.115)	(37.815.270)
Adjustments related to increase in other receivables		(117.248.549)	(91.503.114)
Adjustments related to decrease in inventories		1.973.094.458	24.979.963
Adjustments related to increase in trade payables		(603.386.253)	1.614.929.883
Increase / (decrease) in employee benefit obligations		5.229.991	3.629.802
Increase / (decrease) in deferred income		2.007.838.642	(540.837.037)
Increase / (decrease) in prepaid expenses		(338.489.346)	(1.052.438.495)
Increase / (decrease) in other payables		(164.415.909)	2.882.525
Adjustments related to other decrease in working capital		(156.236.215)	158.812.523
<b>Cash flows from the operations after the changes in working capital</b>		<b>1.208.060.084</b>	<b>1.252.087.706</b>
Interest paid		(314.675.348)	(125.649.906)
Taxes refunds/ (payments)		(87.465.748)	55.913.677
Payments related to provision for employee benefits	18	(98.968.340)	(51.604.938)
<b>Cash flow regarding investment activities</b>		<b>706.950.648</b>	<b>1.130.746.539</b>
<b>Cash flows from investment activities</b>			
Cash outflows from the purchases of property, plant and equipment and intangible assets	9-10	(377.692.505)	(160.944.703)
Cash inflows from the purchases of property, plant and equipment and intangible assets	9-10	5.373.203	8.892.366
Other cash inflows / (outflows)		(799.660.959)	(46.849.666)
<b>Cash flows from investment activities</b>		<b>(1.171.980.261)</b>	<b>(198.902.003)</b>
<b>Cash flows from financing activities</b>			
Cash inflows from financial borrowings		10.943.829.112	3.341.200.000
Cash outflows from financial borrowings payments		(8.810.231.464)	(3.027.163.396)
Other cash inflows / (outflows)		114.759	--
<b>Cash flows from financing activities</b>		<b>2.133.712.407</b>	<b>314.036.604</b>
<b>Net change in cash and cash equivalents before effect of foreign currency translation difference</b>		<b>1.668.682.794</b>	<b>1.245.881.140</b>
<b>Cash and cash equivalents as of January 1</b>		<b>1.083.379.197</b>	<b>1.171.491.537</b>
Foreign currency translation difference		(33.621.935)	78.884.313
<b>Cash and cash equivalents as of March 31</b>		<b>2.718.440.056</b>	<b>2.496.256.990</b>

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