



## Borusan Birleşik Boru Fabrikaları Sanayi ve Ticaret A.Ş.

Material Disclosure

December 18, 2023

Update Notification Flag	No
Correction Notification Flag	No
Date of the Previous Notification About the Same Subject	-
Postponed Notification Flag	Yes
Summary Info	Announcement Regarding Gemlik Large Diameter Pipe Production Facility

### EXPLANATION

In alignment with evolving market conditions, changing industrial dynamics, and our strategic objective to establish a local presence in target markets regarding the production of large diameter pipes which are included in infrastructure and project business line, our company completed the acquisition of "Berg Pipe" in the United States of America ("USA") in April 2023 and with the relevant acquisition, due to excess supply of large diameter pipes in Turkey and neighboring regions, a growing emphasis on protective policies in foreign markets, and the anticipation of regulatory changes such as carbon border taxes, which may further constrain international competition in the near to medium term, our Board of Directors has decided to initiate studies to evaluate the options of (i) the potential transfer of machinery and equipment exclusively related to the infrastructure and project business line, used in large diameter pipe production at our Gemlik Facilities, either partially or entirely, to our facilities in the USA, where we maintain our expectation of robust market demand in the medium to long term, (ii) exploring the possibility of relocating the machinery and equipment to another geographical location through direct investment or partnership arrangements, (iii) considering the sale of these assets as a whole and apart from these options, the sale of the land and buildings where only the relevant machinery and equipment is situated.

When our Company started the evaluations regarding the aforementioned decision, there was no concrete development on the sale transaction thus in order not to mislead investors and to prevent its legitimate interests from being harmed; our Company has decided to postpone the announcement of the information regarding the initiation of evaluations on the subject matter with the board of directors resolution dated May 3, 2023 and numbered 15 in accordance with the Article 6 of the Special Circumstances Communiqué numbered II-15.1. Within this process that aims to enable the Company to use its resources in the most efficient way, due to the concrete developments regarding the sale of the land and buildings where the machinery and equipment are situated, it has been required to make a public disclosure considering that the reason for postponement has been eliminated.

Within the scope of aforementioned evaluations, developments will subsequently be disclosed to the public.

*The Turkish translation of this disclosure is also available and in case of any discrepancy, the Turkish version shall prevail.*

*We proclaim that our above disclosure is in conformity with the principles set down in “Material Events Communiqué” of Capital Markets Board, and it fully reflects all information coming to our knowledge on the subject matter thereof, and it is in conformity with our books, records and documents, and all reasonable efforts have been shown by our Company in order to obtain all information fully and accurately about the subject matter thereof, and we’re personally liable for the disclosures.*