



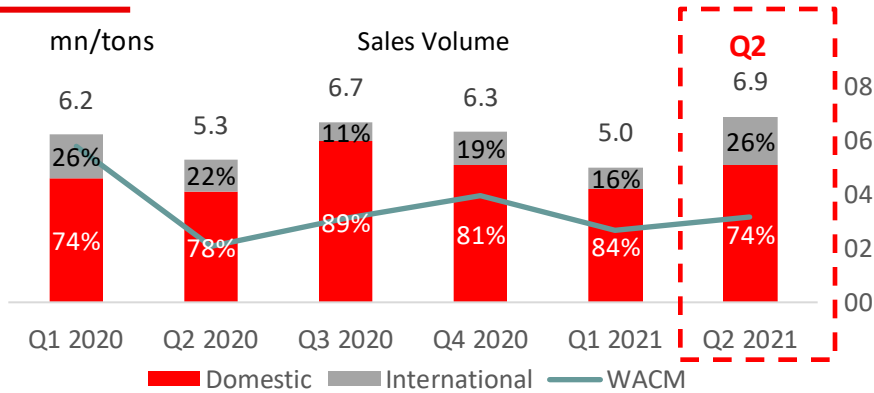
## Q2 2021 Earnings Presentation

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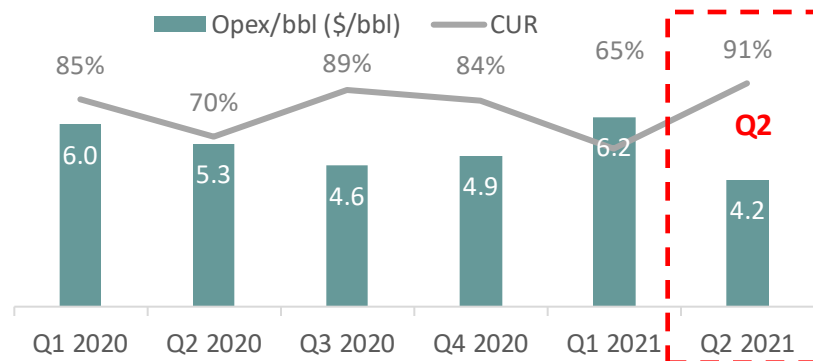
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# Q2 2021 Tüpraş Highlights



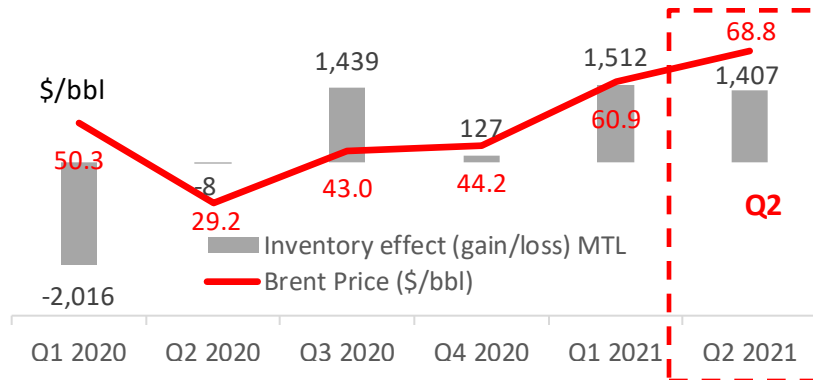
## Strong demand improved sales in Q2, backed by higher international sales

- Mobility in Turkey edged higher especially in June, led to historically high gasoline sales, signalling much better demand for Q3.
- Increase in international sales lifted up total sales in Q2 by effective use of sales network by our international trading arm
- Combined with better cracks, core refining profitability improved materially in Q2'21



## Opex/bbl dramatically reduced by normalized capacity utilization rate

- Opex/bbl improved materially with higher capacity utilization rate in Q2
- Better demand environment reflected into sales performance, increased net refining margin in Q2



## Continued to record material inventory gains with increase in Brent prices

- Brent price continued its steady positive momentum in Q2, reaching peak of last 32 months in early July
- We continuously increase our hedge ratio in line with our hedging policy





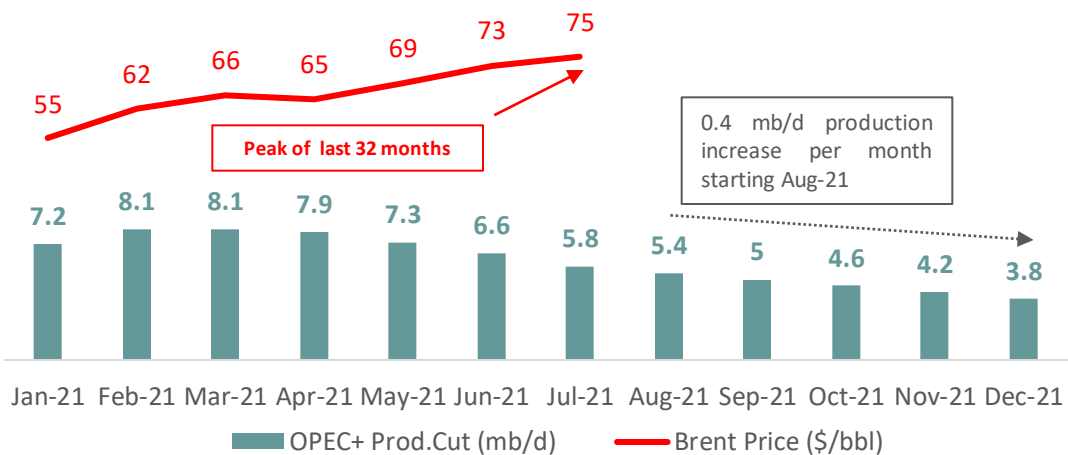
Market



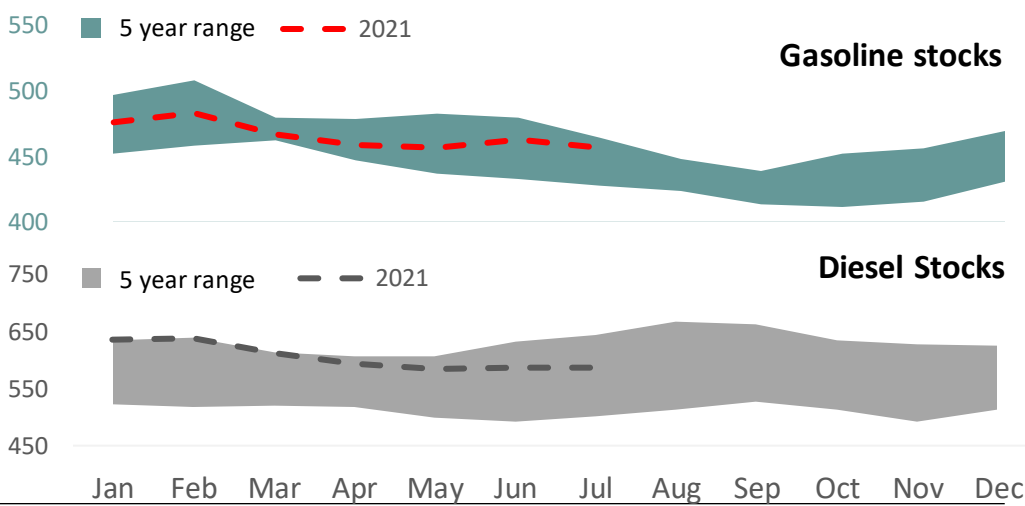
# Q2 2021 – Key Market Highlights

## Global Oil Market

Brent prices maintained its uptrend with improved demand conditions and supportive OPEC+ decisions

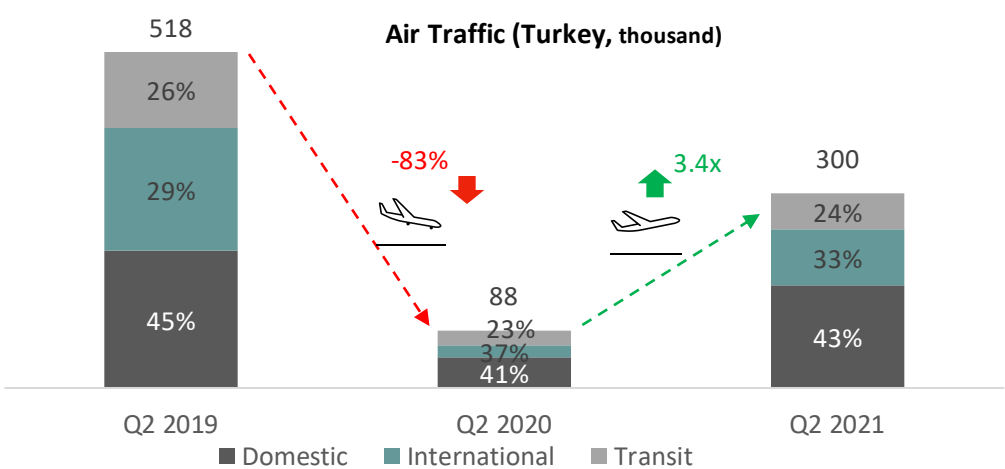


Global gasoline stocks started to move down as summer season begins, being positive for cracks

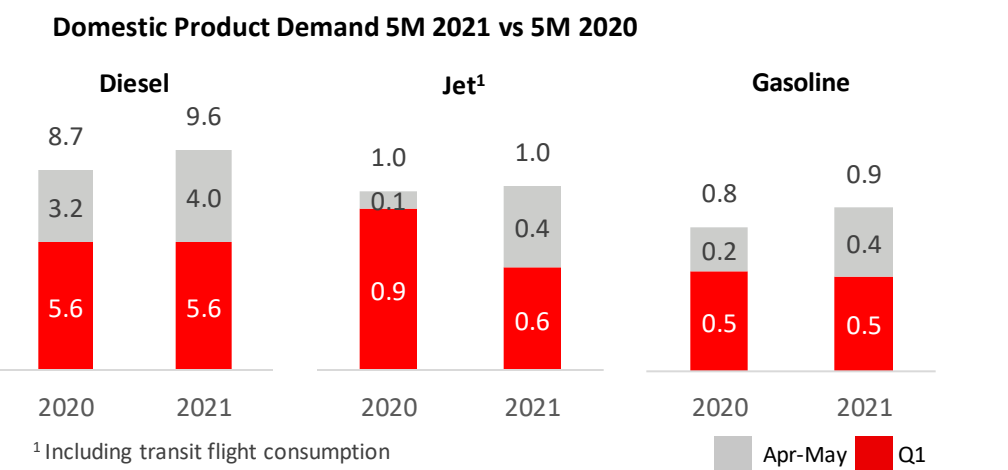


## Turkish Market

Eased lockdown and summer travelling demand reflected into air traffic numbers, domestic catching pre-Covid levels

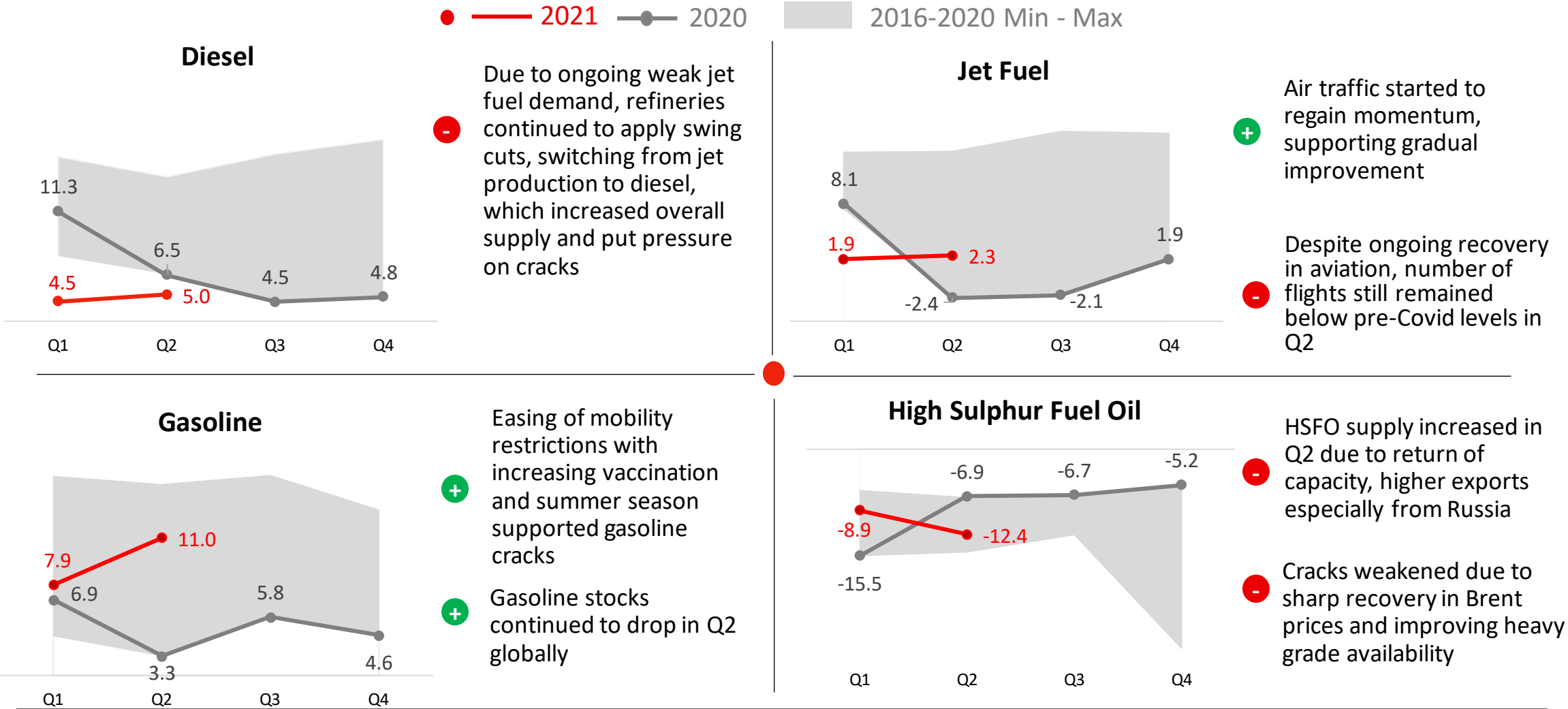


Turkey's diesel consumption remained resilient, while jet fuel was supported with summer season and lower base effect



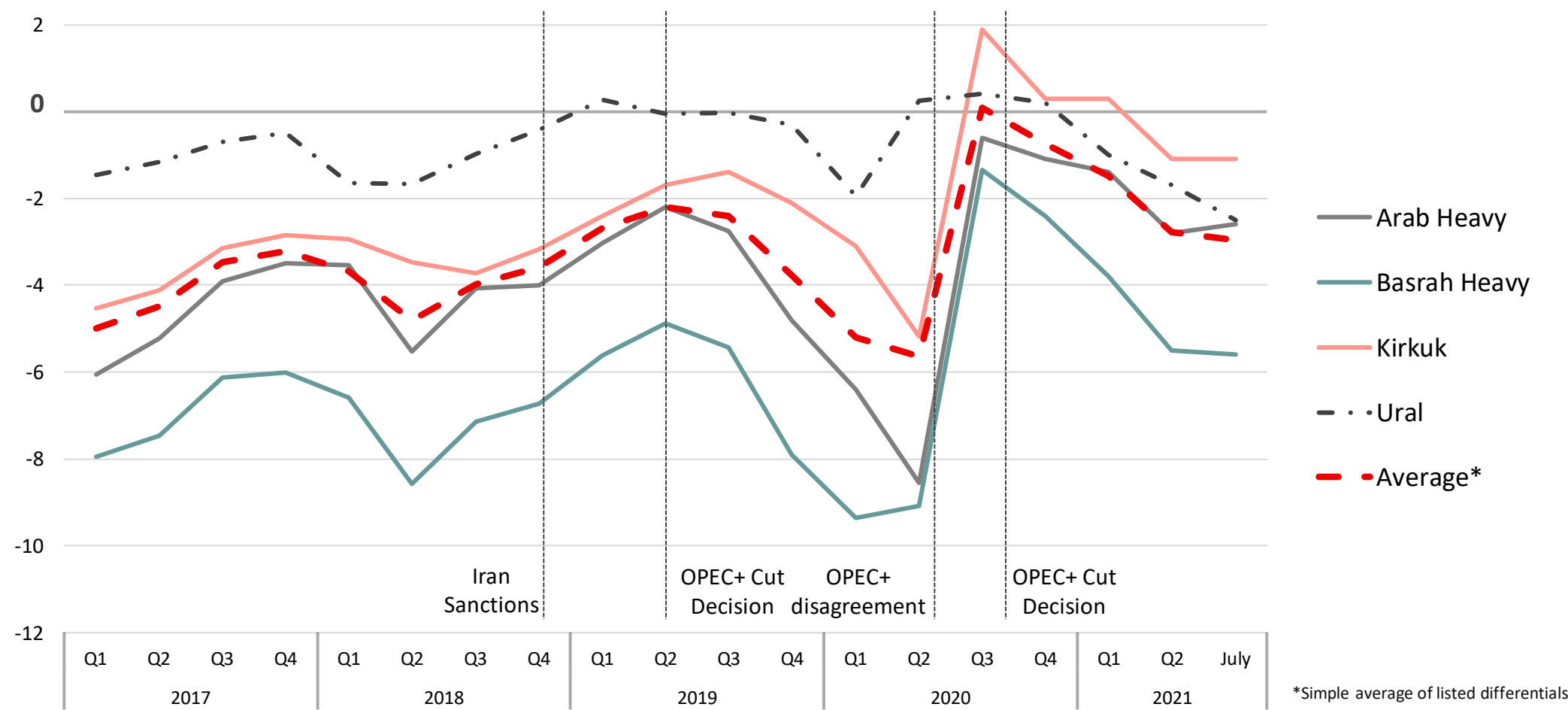
# Quarterly Crack Margin Comparison (\$/bbl) 2016 - 2021

Stock levels of diesel is still elevated resulting in historically lower cracks. Upward trend in gasoline cracks continues.



# Heavy Crude Price Differentials to Brent (\$/bbl)

Differentials widened in Q2 with OPEC’s adherence to its April decision and the trend goes on after OPEC+’s agreement on easing cuts by 2 mb/d between Aug-Dec in July meeting





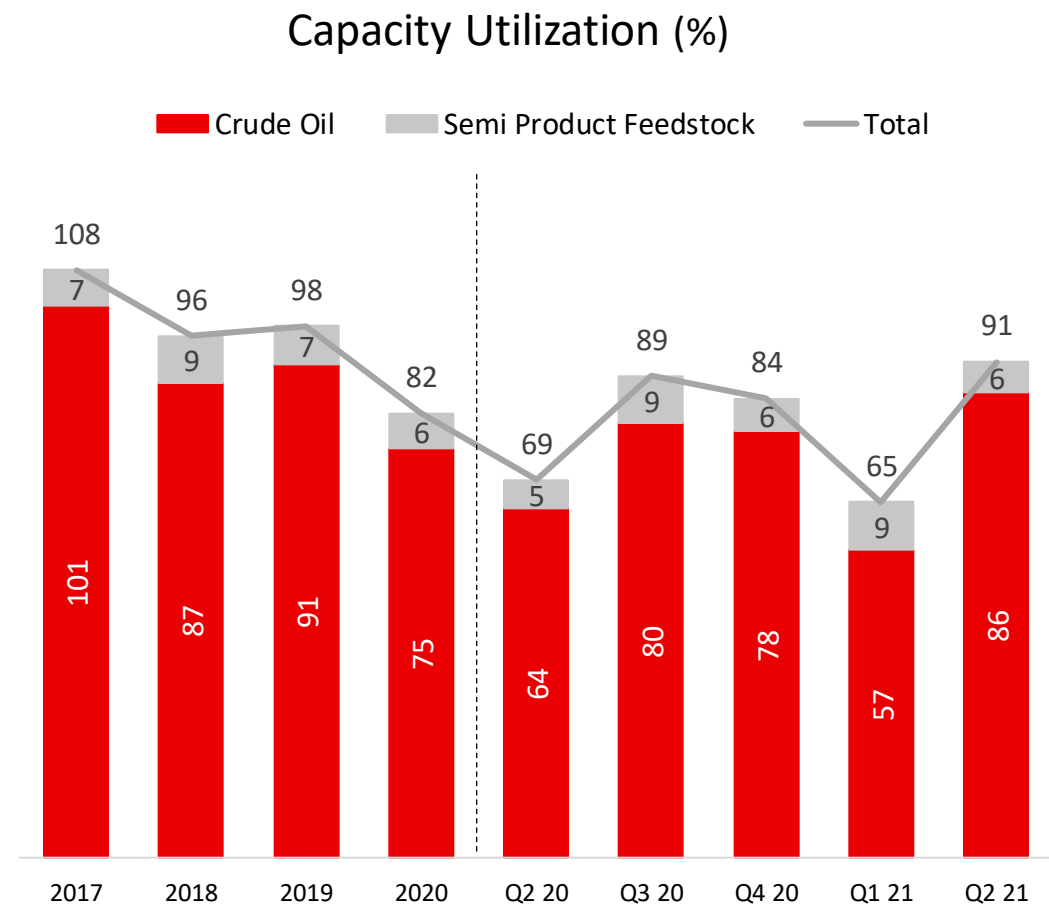
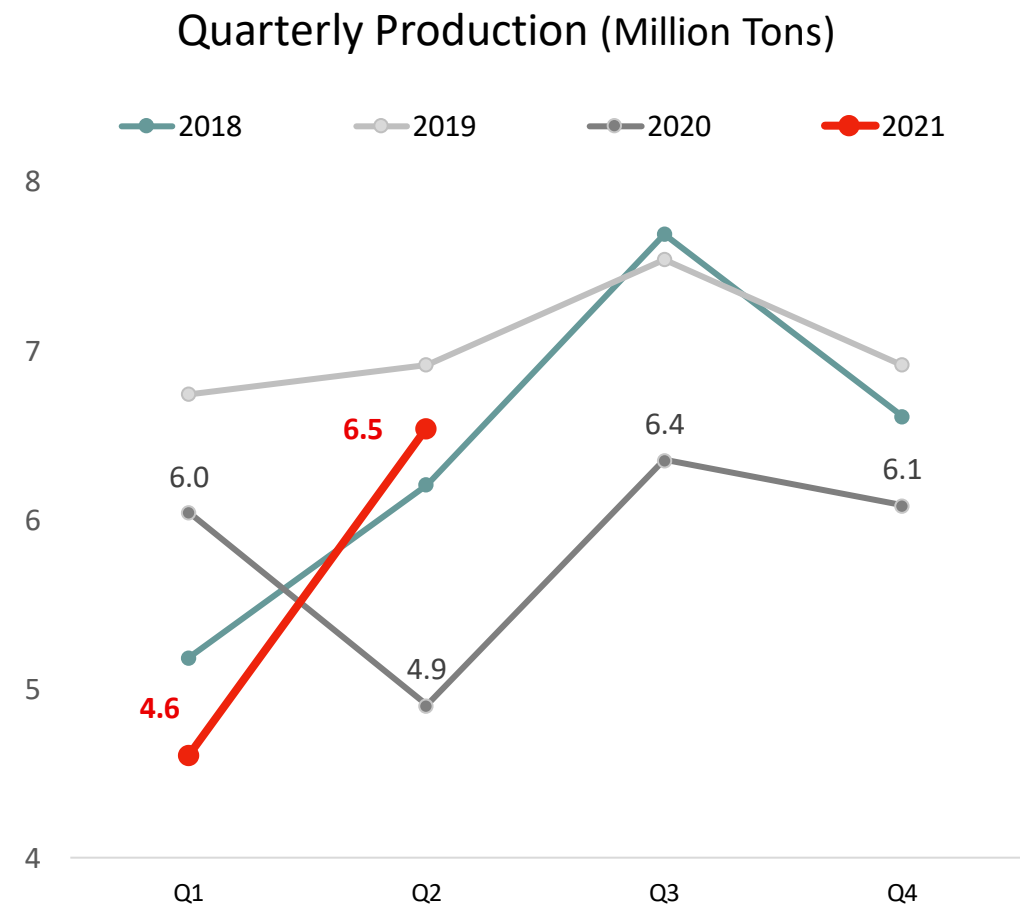


# Operations



# Capacity Utilization and Quarterly Production Volume

- Tüpraş produced 6.5 million tons in Q2 2021.
- Capacity utilization for Q2 2021 was 91% - higher both on y-o-y and q-o-q

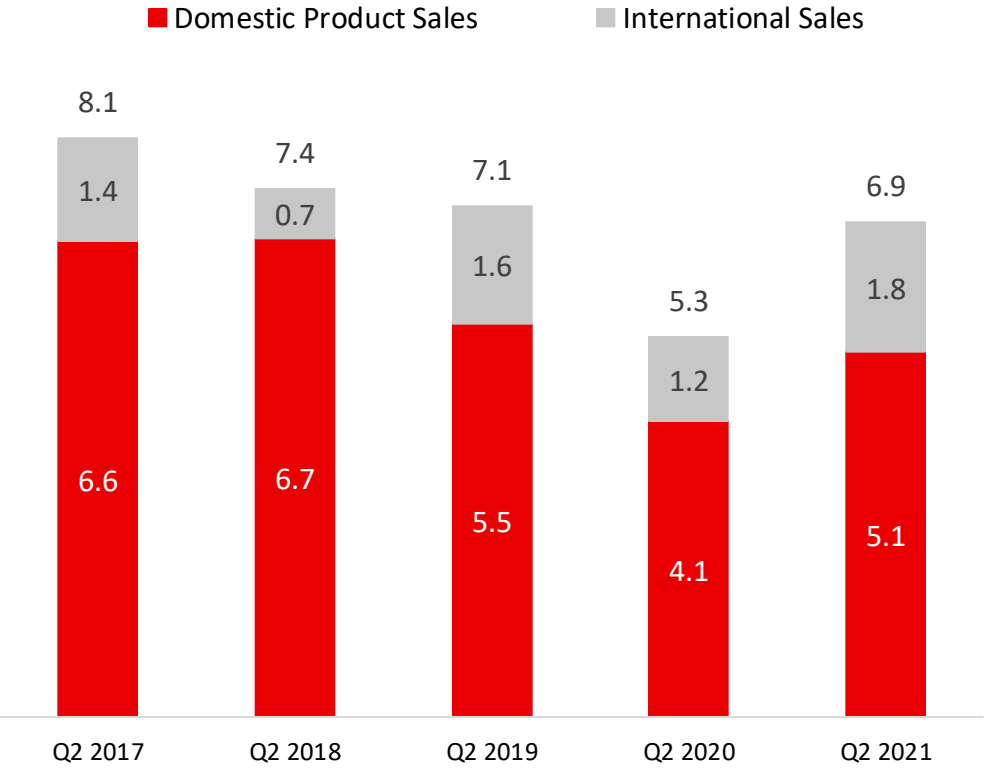


\*Capacity utilization calculation is based on 30 mn tons for Q1 2019 and onwards.

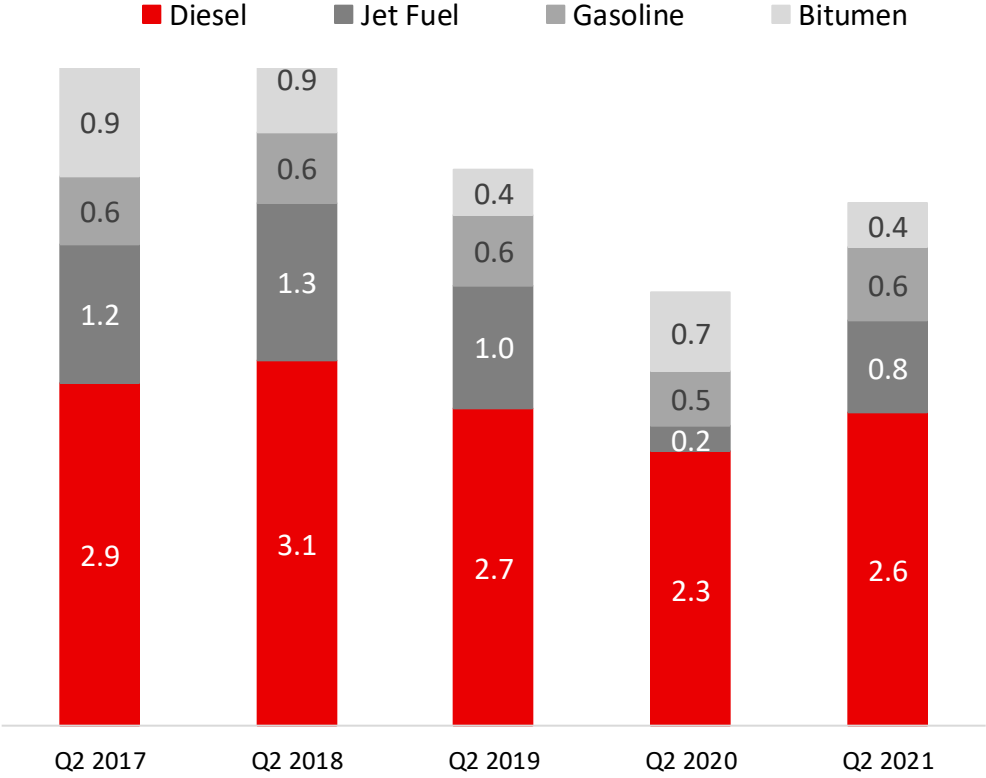
# Product Sales in Q2 (Million Tons)

Tüpraş generated 6.9 million tons of sales in Q2 2021. Mid-distillate sales were strong by resilient domestic demand. Total product sales increased 30% y-o-y, almost reached to pre-pandemic 2019 levels.

### Total Product Sales



### Domestic Sales of Selected Products



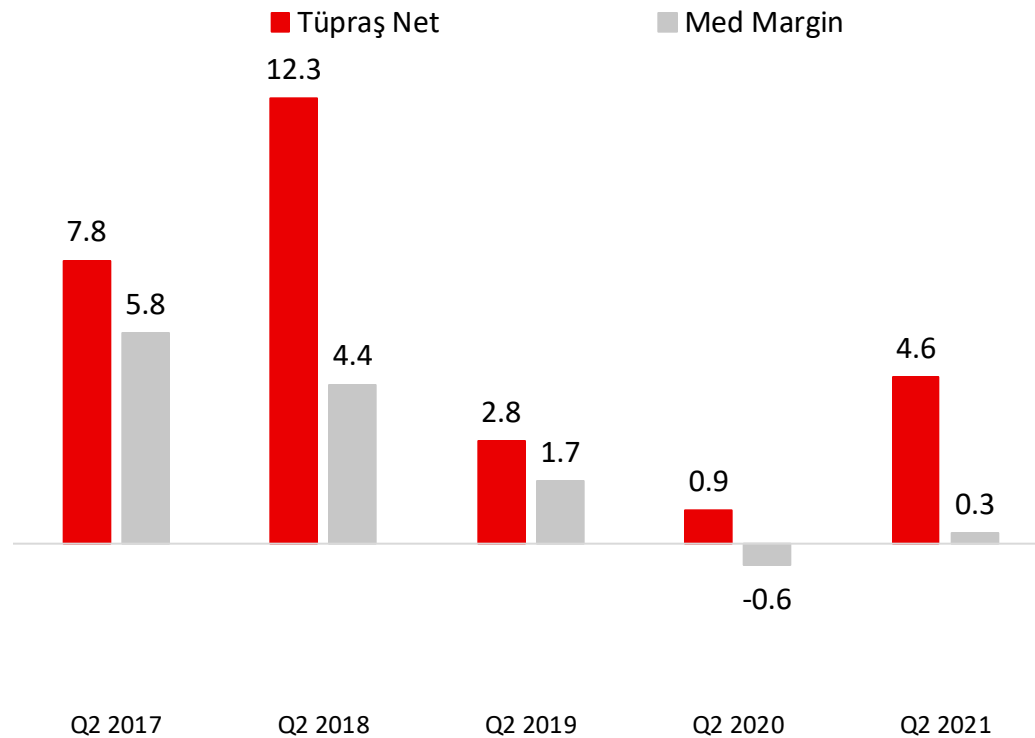




# Financials

# Tüpraş Net Margin and Med Complex Margin Comparison (\$/bbl)

## Q2 Margins



- Tüpraş net refining margin was significantly better y-o-y, supported with strong inventory effect, better crack margins and lower opex/bbl.

Effect of hedging operations excluded from above calculations.



# Income Statement (Million TL)

EBITDA realized as 2,512 mn TL in Q2 2021.

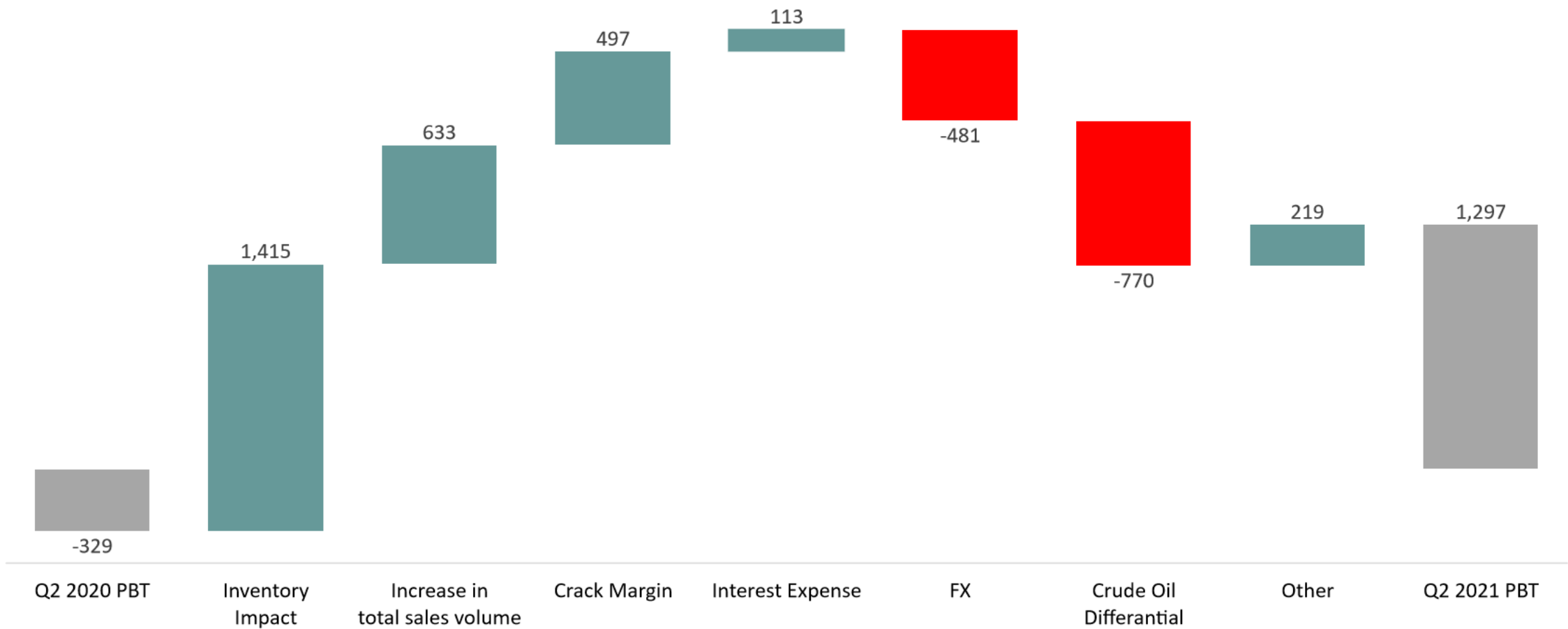
Million TL	Q2 2021	Q2 2020	%	H1 2021	H1 2020	%
Net Sales	33,688	9,280	263%	53,509	26,219	104%
COGS	-30,724	-8,390	266%	-49,018	-26,239	87%
<b>Gross Profit</b>	<b>2,964</b>	<b>890</b>	<b>233%</b>	<b>4,491</b>	<b>-20</b>	<b>-</b>
Operating Expenses	-691	-520	33%	-1,248	-977	28%
Income/Loss from other operations	-325	-92	255%	-1,910	-441	333%
<b>Operating Profit</b>	<b>1,948</b>	<b>278</b>	<b>600%</b>	<b>1,334</b>	<b>-1,438</b>	<b>-</b>
Income/Loss from equity investment	50	-57	-	60	-226	-
<b>Operating Profit Before Fin. Income/Loss</b>	<b>1,999</b>	<b>221</b>	<b>804%</b>	<b>1,394</b>	<b>-1,663</b>	<b>-</b>
Financial Income /Expense	-702	-550	28%	-1,058	-1,464	-28%
<b>Profit Before Tax</b>	<b>1,297</b>	<b>-329</b>	<b>-</b>	<b>337</b>	<b>-3,127</b>	<b>-111%</b>
<b>Net Profit (excluding minority interest)</b>	<b>1,700</b>	<b>-185</b>	<b>-</b>	<b>939</b>	<b>-2,450</b>	<b>-</b>
<b>EBITDA *(mn. TL)</b>	<b>2,512</b>	<b>477</b>	<b>427%</b>	<b>3,681</b>	<b>-814</b>	<b>-</b>
Inventory Gain/Loss (mn. TL)	1,407	-8	-	2,919	-2,024	-
<b>EBITDA* (mn. TL) CCS</b>	<b>1,105</b>	<b>484</b>	<b>128%</b>	<b>763</b>	<b>1,210</b>	<b>-37%</b>

\*On CMB reports. EBIT includes extra items such as FX impacts of trade receivables and payables. In our EBITDA calculation, FX related items are excluded from EBIT as customary in international practices.

# Q2 Profit Before Tax Bridge (2021-2020)

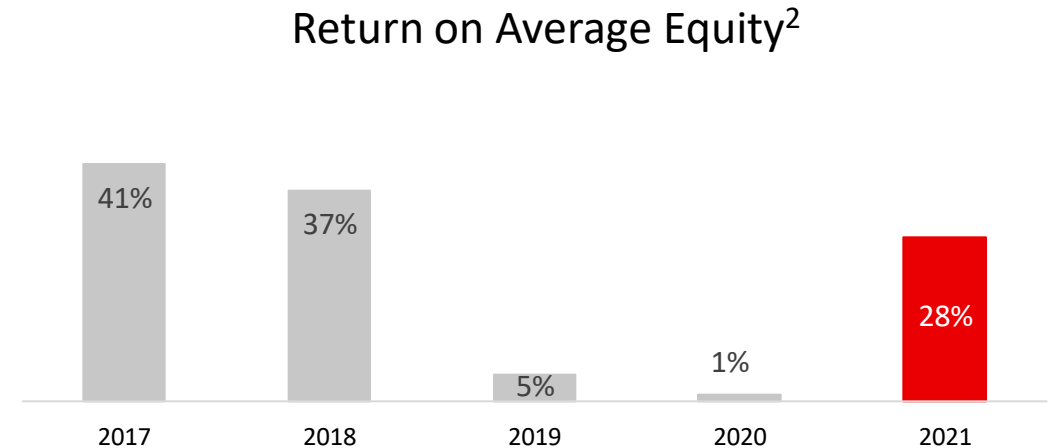
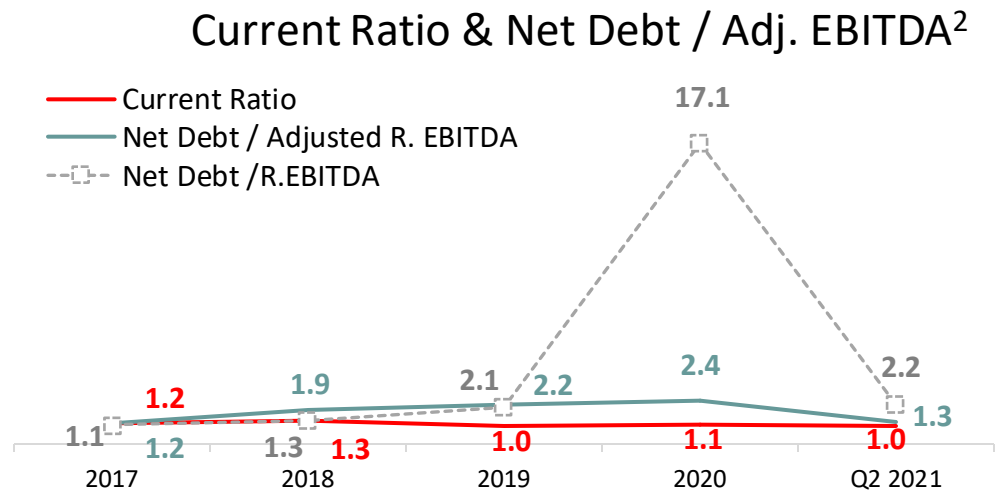
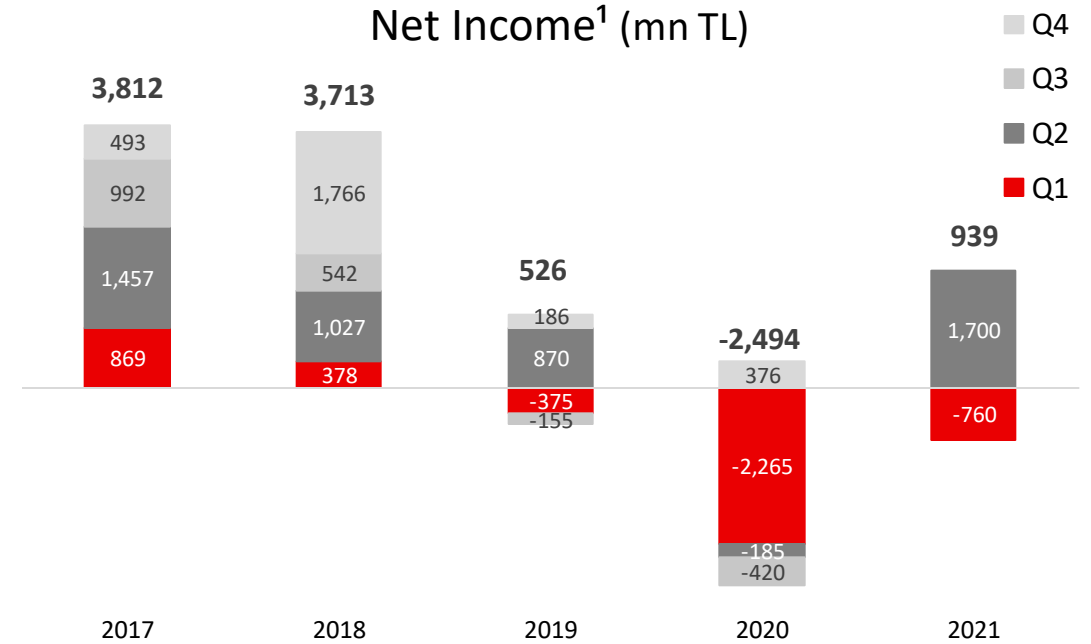
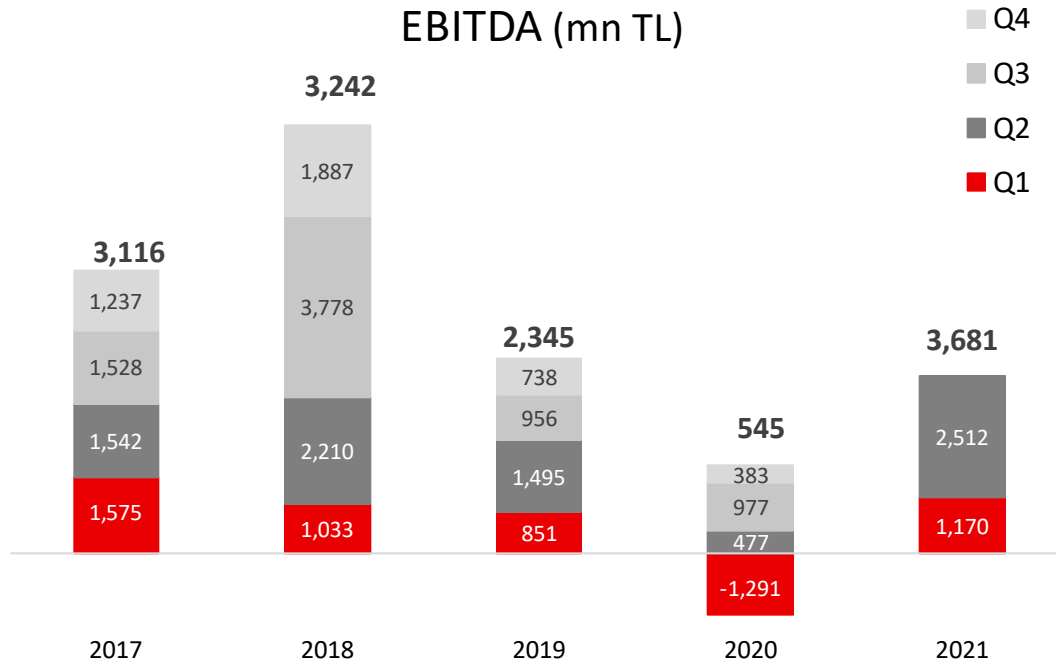
Despite much narrower differentials and elevated FX, Q2 2021 PBT performed strongly with inventory gains, increase in total sales volume, better crack margins and lower interest expenses.

Million TL



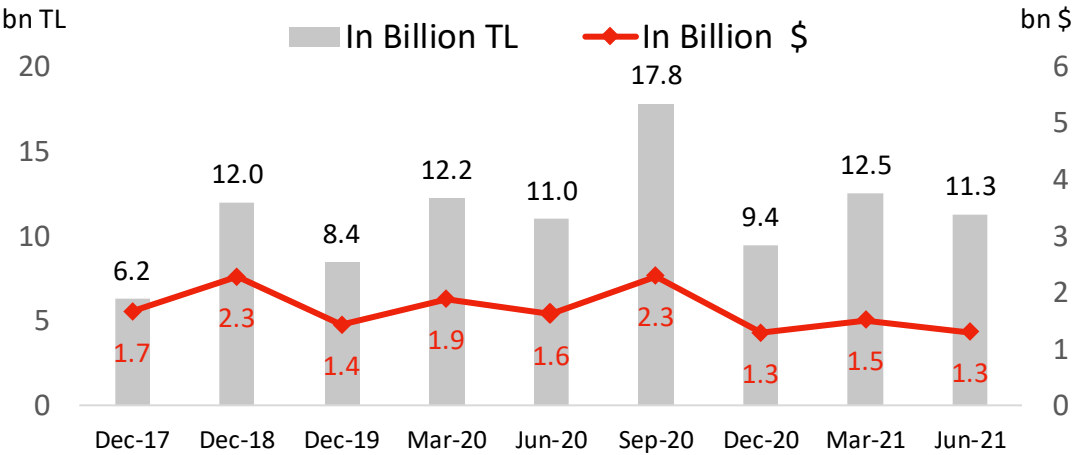


# Financial Highlights

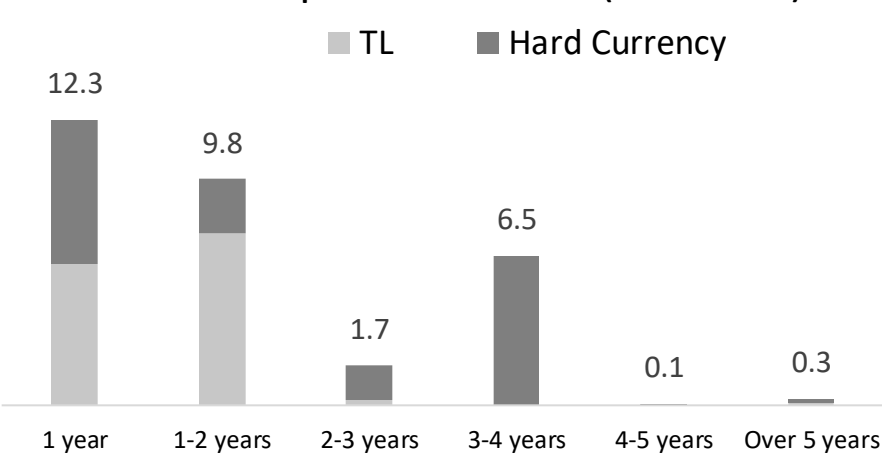


# Balance Sheet Analysis

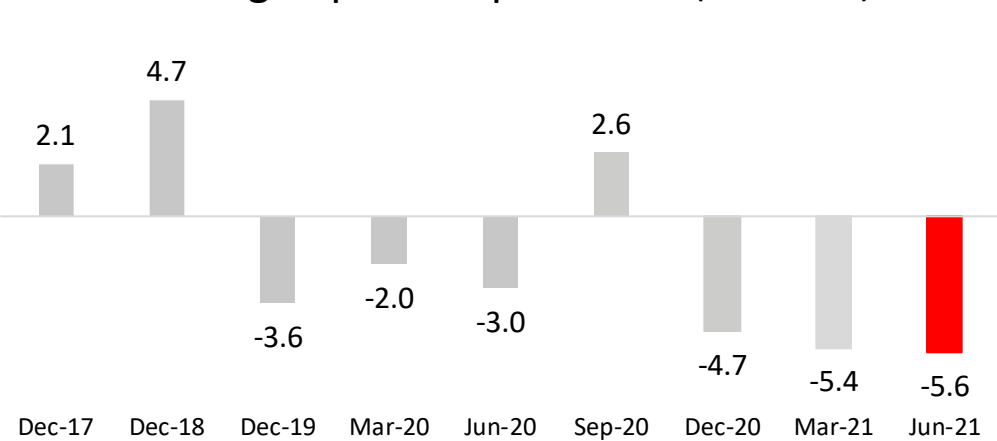
Net Debt



Redemption Schedule (Billion TL)



Working Capital Requirement (Billion TL)



## Financial Management

- Ongoing strict working capital management continues to lower funding needs
- Improved operational profitability generation further helps delevering

# FX Exposure Management (30 June 2021)

Tüpraş continues to employ strict FX policies to mitigate currency risks stemming from volatility.

Consolidated Hard Currency Assets	Million \$	Consolidated Hard Currency Liabilities
Cash 192		Payables & Other Liabilities 2,980
Receivables & Other Assets 147		ST Financial Loans 715 <ul style="list-style-type: none"><li>• RUP: 190</li><li>• Other: 526</li></ul>
Stock 1,737		LT Financial Loans 1,204 <ul style="list-style-type: none"><li>• RUP: 368</li><li>• Eurobond: 670</li><li>• Other Loans: 166</li></ul>
Forward 2,327 CFH* 490		
-7mn \$		

\*Cash Flow Hedge





## Outlook for 2021

# 2021 Refinery Maintenance Schedule

Refinery	Unit	Starting Quarter	Duration (weeks)	Purpose	Status
Batman	Crude Oil & Vacuum	Q1	7*	Seasonal	Done
İzmir	Crude Unit	Q1	9	Revamp / Opportunity Maintenance	Done
	CCR	Q1	10		Done
	FCC	Q1	9		Done
	Isomerization	Q1	10		Done
	Desulphurizer	Q1	11		Done
	Vacuum	Q4	6	Periodic Maintenance	Postponed (2022)
	Lube Complex	Q4	6	Periodic Maintenance	Postponed (2022)
İzmit	Desulphurizer	Q1	4	Periodic Maintenance	Done
	FCC	Q1	30	Revamp	Ongoing
	Crude Unit	Q4	2	Periodic Maintenance	Planned
Kırıkkale					

(\*) This activity started in Q4 2020. Duration figure indicates the portion carried out in 2021

# 2021 Expectations

Med Complex Refining Margin **0.0 - 0.5 \$/bbl**

Tüpraş Net Refining Margin **2.5 - 3.5 \$/bbl**

- 25-26 mt production, 26-27 mt sales and 85 - 90% capacity utilization

Consolidated Capex **~200 million \$**

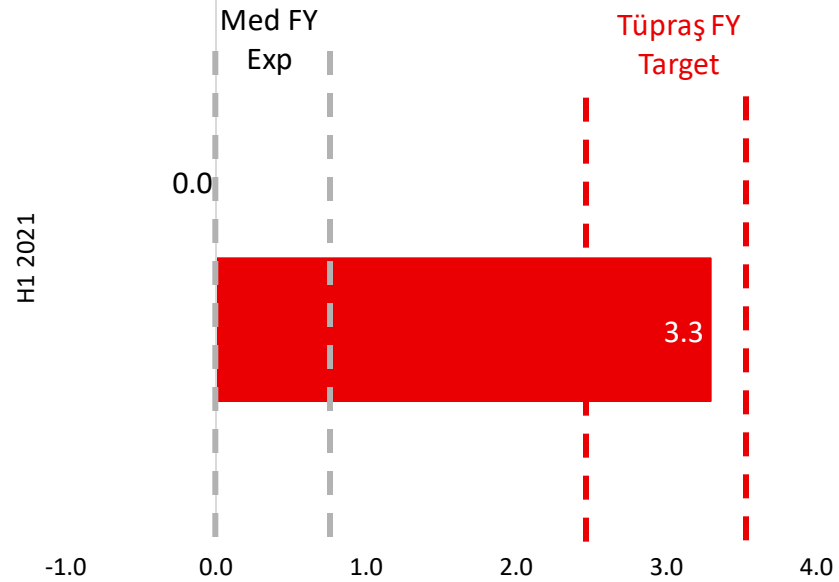
- ~40% of capex for sustainability focused energy efficiency and environmental projects



# H1 2021 Results

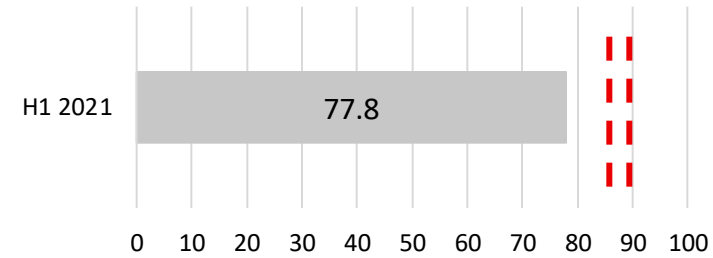
## Refining Margins (\$/bbl)

■ Med Margin ■ Tüpraş Net Margin



3.3 \$/bbl net refining margin in H1 2021

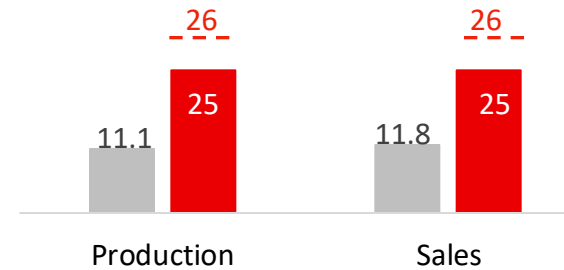
## Capacity Utilization (%)



78% total capacity utilization in H1 2021

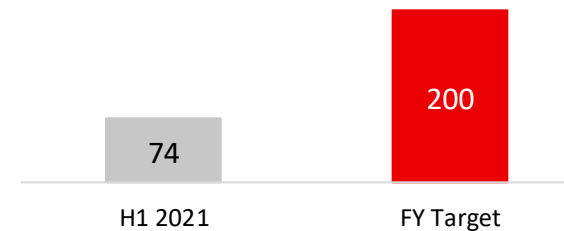
## Operational

■ H1 2021 ■ FY Target



6.9 mn tons of sales and 6.5 mn tons of production in Q2 2021

## Total Capex (mn \$)



74 mn \$ total CAPEX in H1 2021



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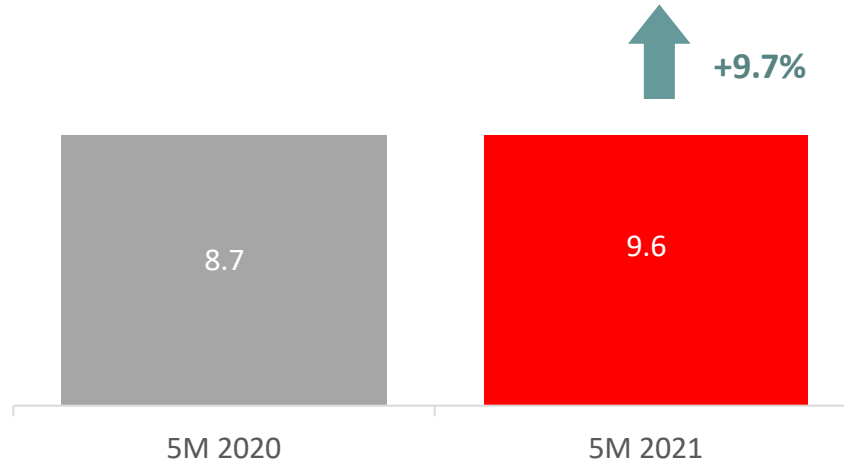
## Appendix



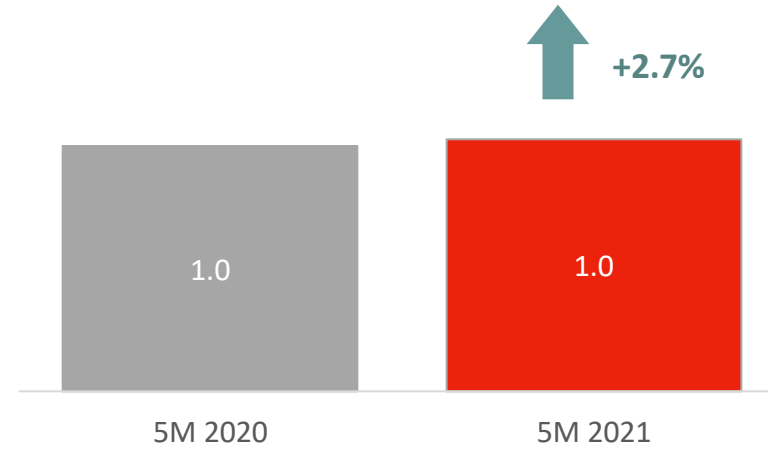
# Turkish Market, 5M 2021

Million  
Tons

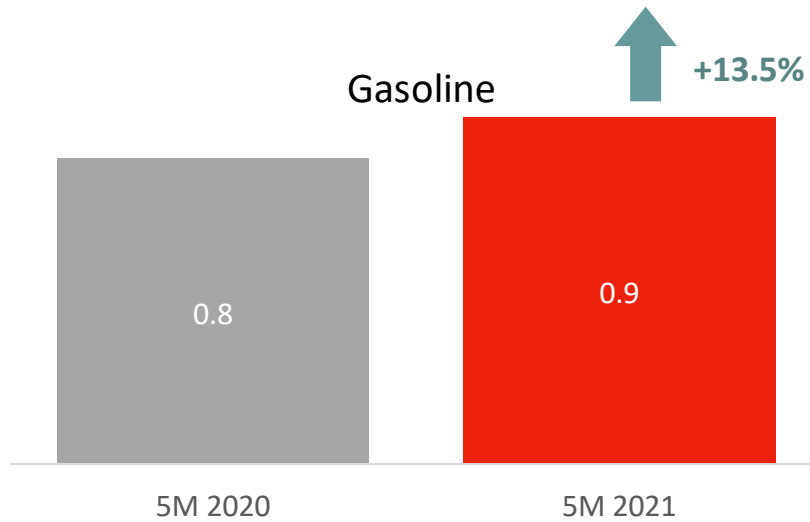
Diesel



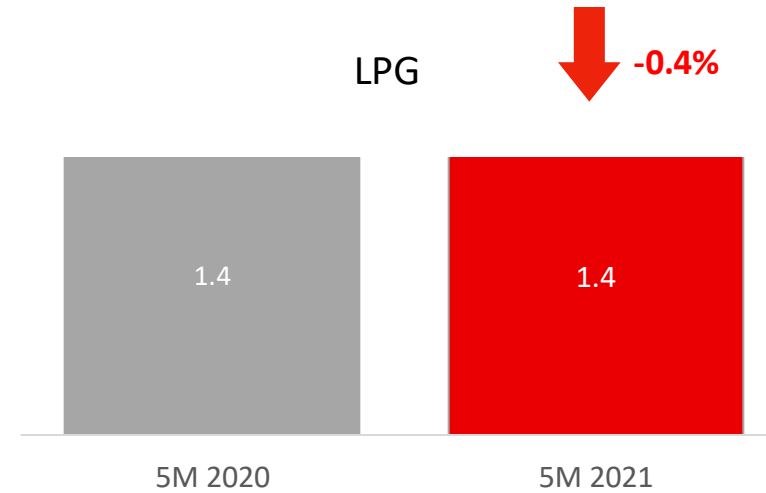
<sup>1</sup>Jet Fuel



Gasoline

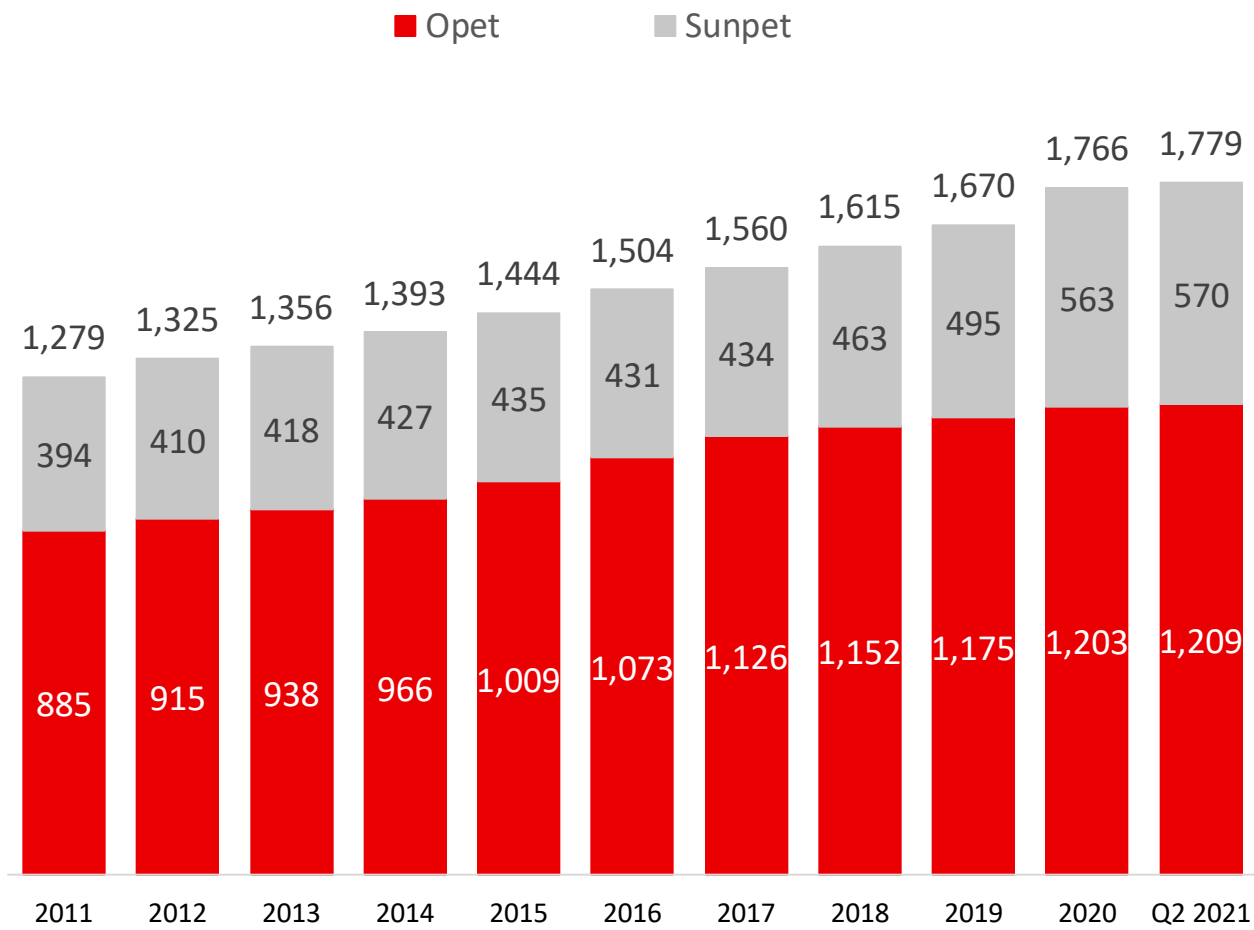


LPG



<sup>1</sup>Transit flight consumption included

Opet has 1,779 fuel stations as of June 2021 end.



Market Share  
as of May 2021

17.30 %

White  
Product

9.52 %

Black  
Product

# Crack Margin Effect on Tüpraş in Q2 (FOB Italy Prices)

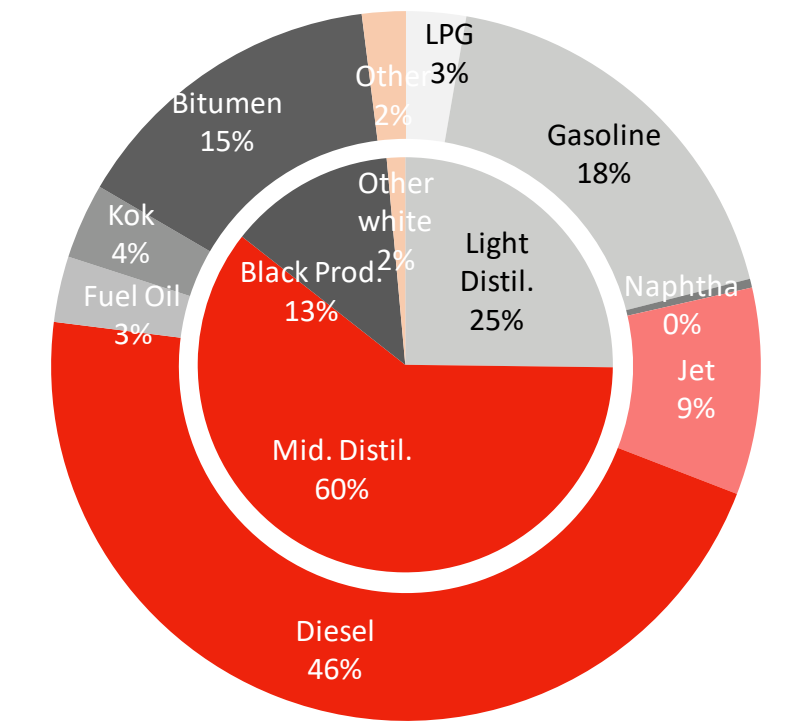
Product	Product Price (\$/ton)		Tüpraş	Crack Margin (\$/bbl)	
	Q2 2021	Q2 2020	Production Yields	Q2 2021	Q2 2020
LPG	487	199	5,0%	-25,5	-11,5
Gasoline	648	263	22,2%	11,0	3,3
Naphtha	575	201	1,3%	-4,0	-6,5
Jet Fuel	559	211	11,9%	2,3	-2,4
Diesel	549	266	41,9%	5,0	6,5
Diesel 1000	540	247	0,0%	3,7	4,0
Fuel Oil 1%	429	191	0,3%	-2,6	0,3
Fuel Oil 3.5%	366	145	3,2%	-12,4	-6,9
Others	423	165	9,6%	1,8	-4,1
Dated Brent (\$/bbl)	68,8	29,2			

Total Crack Margin (\$/bbl)			Total Process	Total Effect	Total Effect
2021 Q2	2020 Q2	Difference	(Q2 2021)	mn \$	mn TL
3,2	2,1	1,2	49	59	497



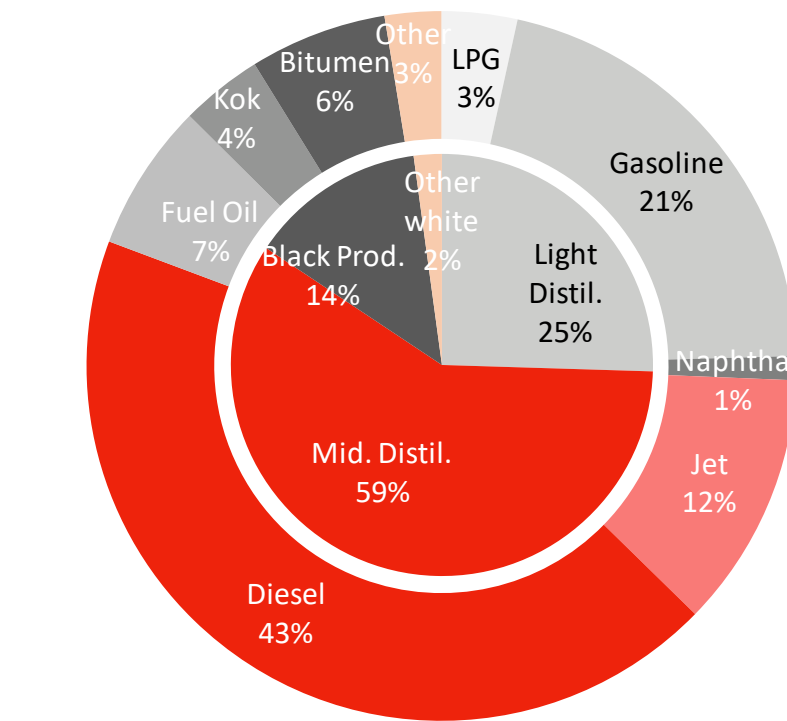
# Q2 Product Yields

Q2 2020



White Product Yield (%)	77.3%
Production	4.9 mn tons
API	30.2

Q2 2021



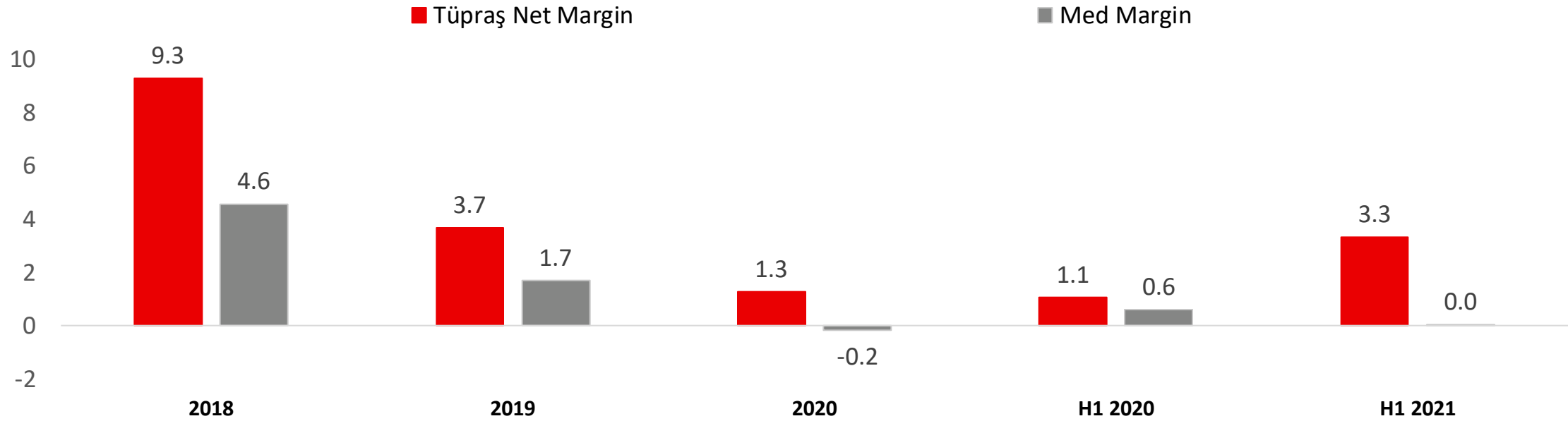
White Product Yield (%)	82.0%
Production	6.5 mn tons
API	31.4

# Tüpraş Balance Sheet (Million TL)

	30.06.2021	31.12.2020	Diff.	Diff. (%)
<b>Current Assets</b>	<b>43,653</b>	<b>30,663</b>	12,990	<b>42</b>
Cash & C. Equivalents	19,365	19,825	-460	-2
Trade Receivables	6,005	1,736	4,269	246
Derivatives	420	380	40	10
Inventories	15,065	7,701	7,364	96
Pre-paid expenses	313	234	80	34
Other Current Assets	2,485	788	1,697	215
<b>Long Term Assets</b>	<b>31,386</b>	<b>30,505</b>	881	<b>3</b>
Financial Assets & Subsidiaries	1,320	1,330	-10	-1
Tangible & Intangible Fixed Assets	22,388	22,137	251	1
Derivatives	92	88	4	4
Pre-paid expenses	101	135	-34	-25
Deferred Tax	5,736	5,002	734	15
Other Longterm Assets	1,750	1,813	-63	-3
<b>Total Assets</b>	<b>75,039</b>	<b>61,169</b>	<b>13,870</b>	<b>23</b>
<b>Short Term Liabilities</b>	<b>43,796</b>	<b>28,341</b>	15,455	<b>55</b>
Financial Loans	12,325	8,502	3,823	45
Trade Payables	26,621	14,137	12,484	88
Derivatives	310	763	-453	-59
Provisions	242	142	100	70
Other ST Liabilities	4,299	4,796	-497	-10
<b>Long Term Liabilities</b>	<b>20,190</b>	<b>21,155</b>	-965	<b>-5</b>
Financial Loans	18,308	20,743	-2,435	-12
Payables & Provisions	360	356	3	1
Derivatives	42	45	-4	-8
Other LT Liabilities	13	10	3	27
<b>Total equity attributable to equity holders of the parent</b>	<b>12,282</b>	<b>11,446</b>	836	<b>7</b>
<b>Minority Interests</b>	<b>238</b>	<b>226</b>	12	<b>5</b>
<b>Total Liabilities &amp; Equity</b>	<b>75,039</b>	<b>61,169</b>	<b>13,870</b>	<b>23</b>

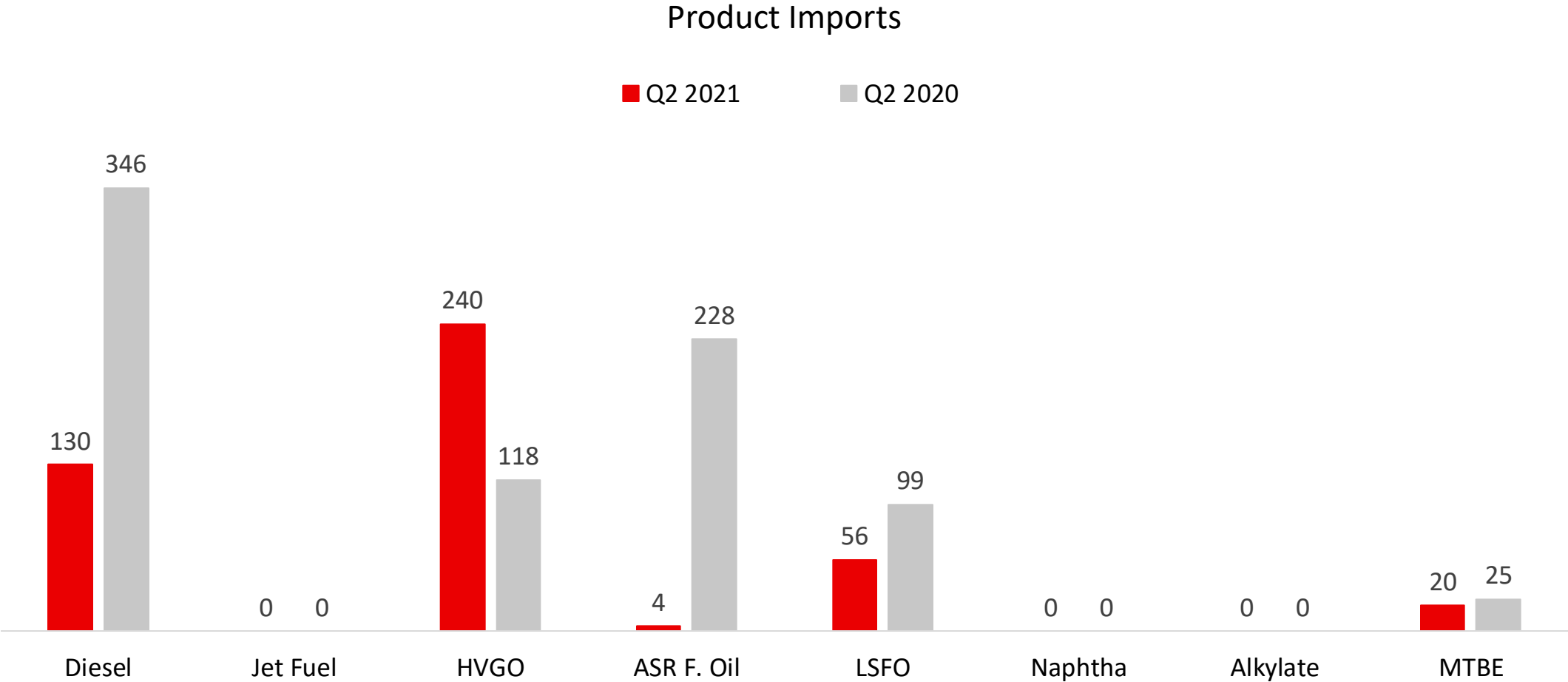
# Tüpraş and Med Margins (\$/bbl)

## Average Margins



(\$/bbl)	Gross Margin	Inventory Effect	Clean Gross Margin	Clean NET Margin	Net Margin	Med Margin
Q2 2021	8.8	1.8	7.0	2.8	4.6	0.3
H1 2021	8.3	2.1	6.2	1.2	3.3	0.0
Q2 2020	6.3	-1.3	7.5	2.2	0.9	-0.6
H1 2020	6.7	-2.1	8.8	3.1	1.1	0.6

# Finished Product and Semi Product Imports (Thousand Tons)







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