



Investor Presentation

Disclaimer

This presentation contains forward-looking statements that reflect the Company management's current views with respect to certain future events. Although it is believed that the expectations reflected in these statements are reasonable, they may be affected by variables and changes in underlying assumptions that could cause actual results to differ materially.

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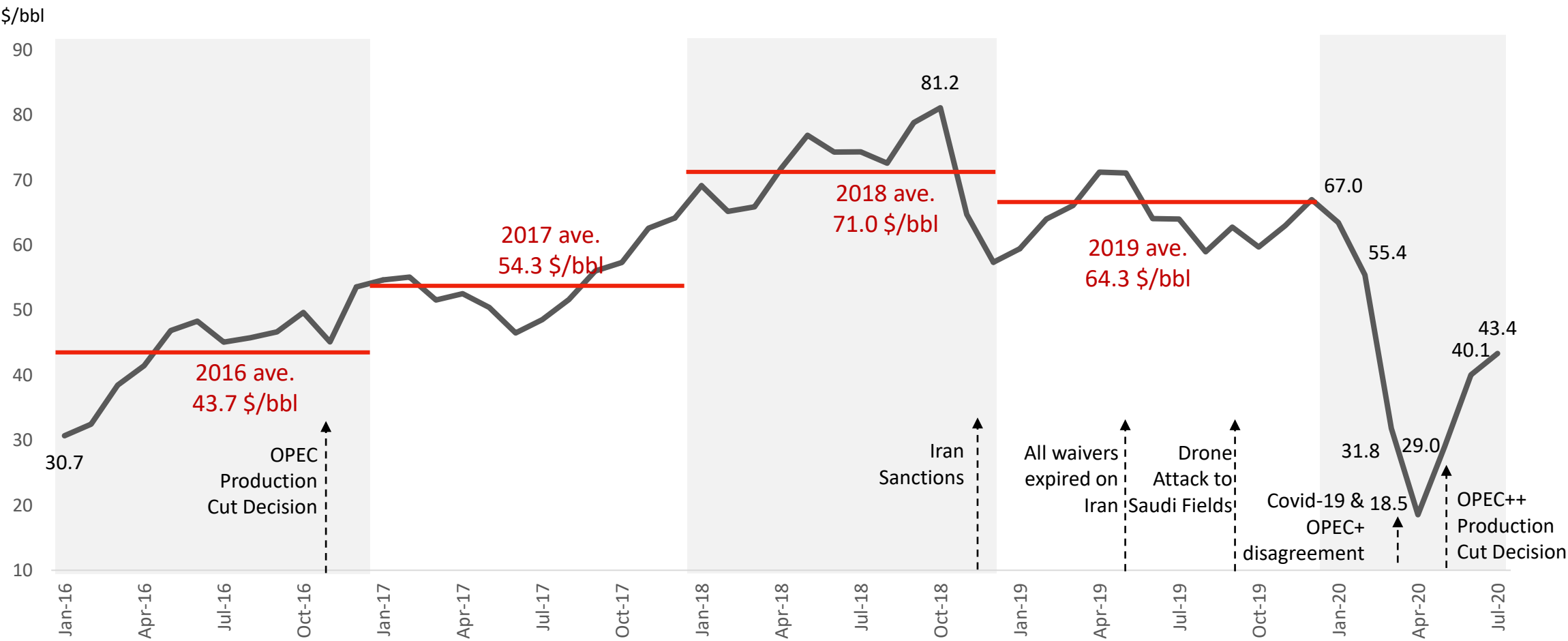


Refining Market

Brent Crude Prices

- + OPEC ++ production cut
- + Impact of Iran & Venezuela sanctions
- + Escalating regional tension

- Concerns on global economic development
- Covid-19 related demand drop
- Storage capacity fill up



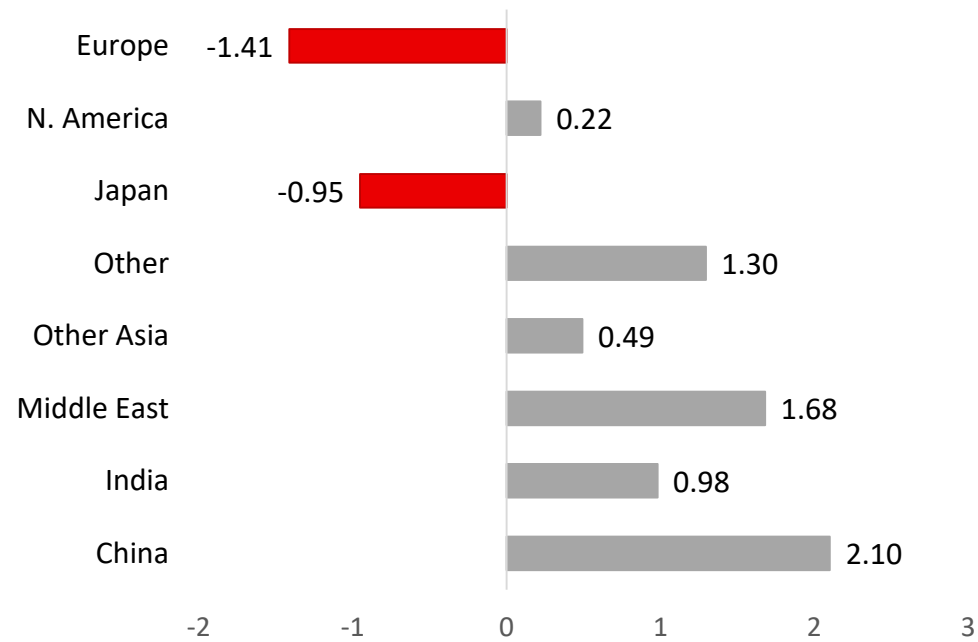
data as of 30 of June 2020

Global Refinery Capacity Changes

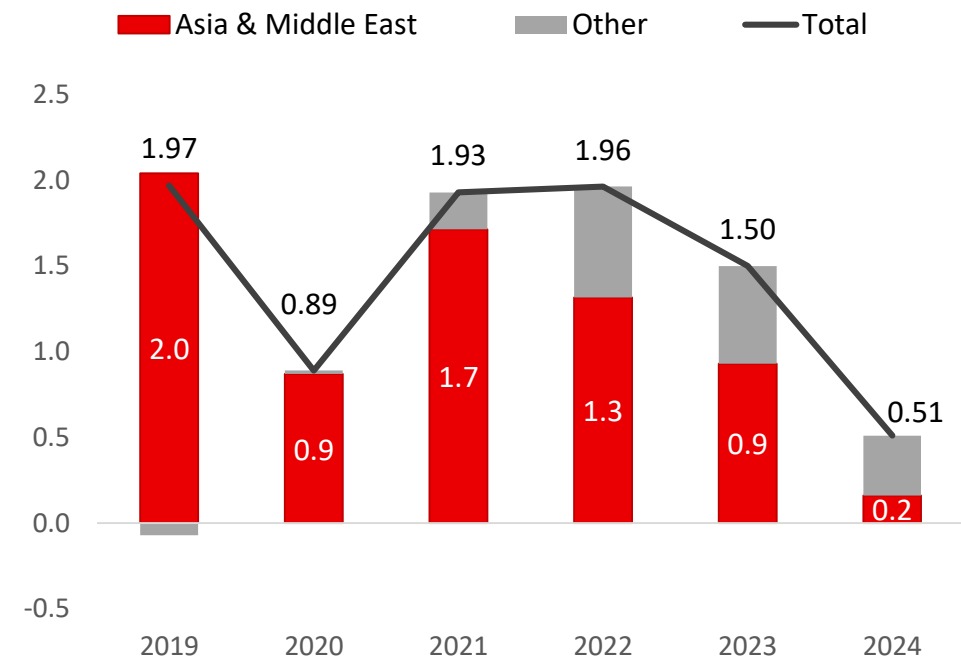
Expectations until 2024:

- ~80% of net capacity additions will come from Asia & Middle East
- Net capacity and demand in Europe will remain roughly unchanged

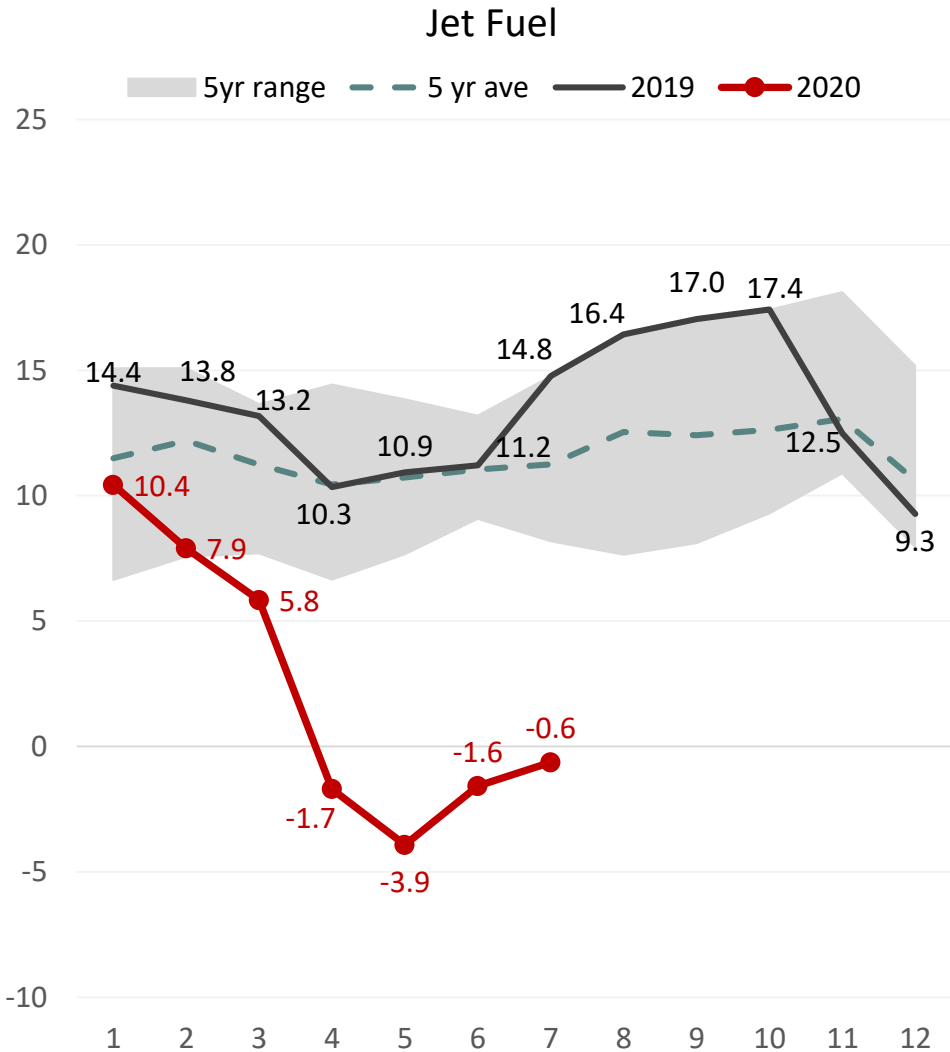
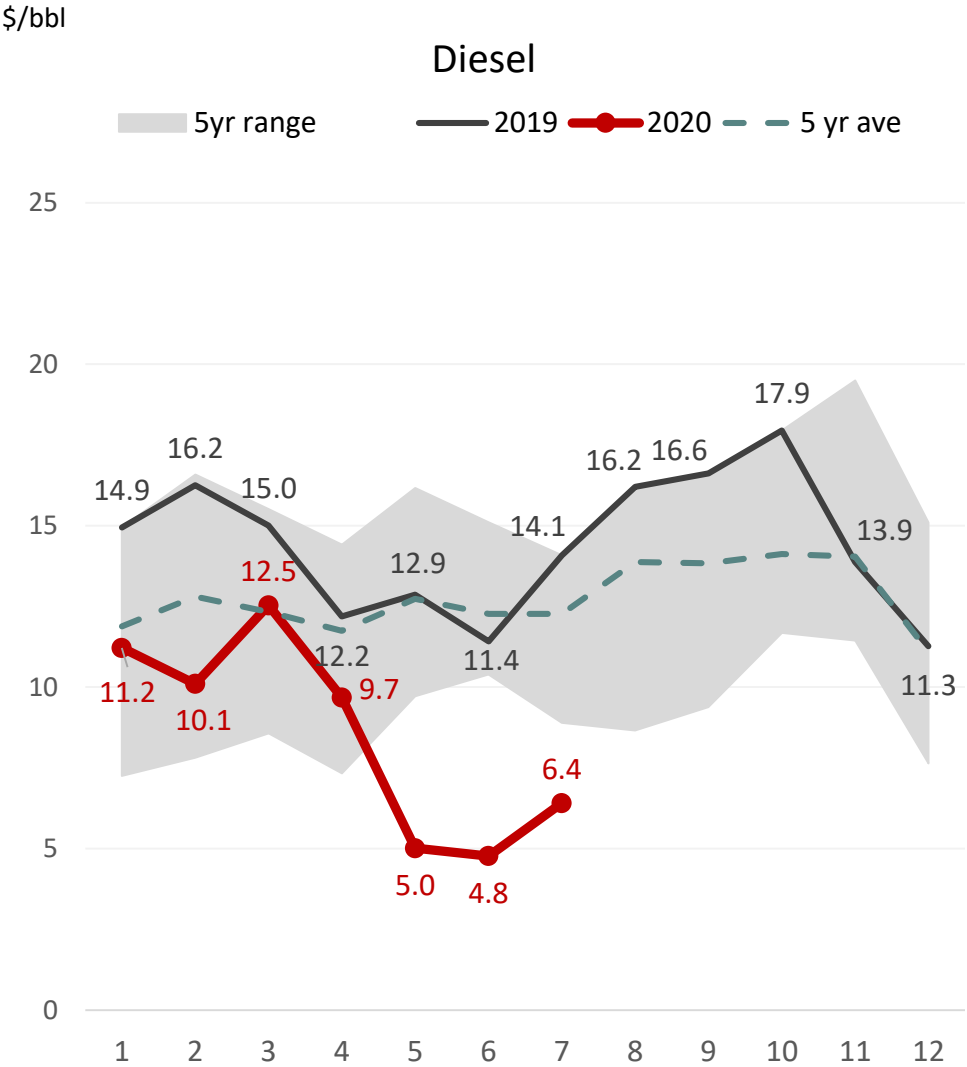
2012-2018 Net Capacity Additions by Region



2019-2024 Net Capacity Additions

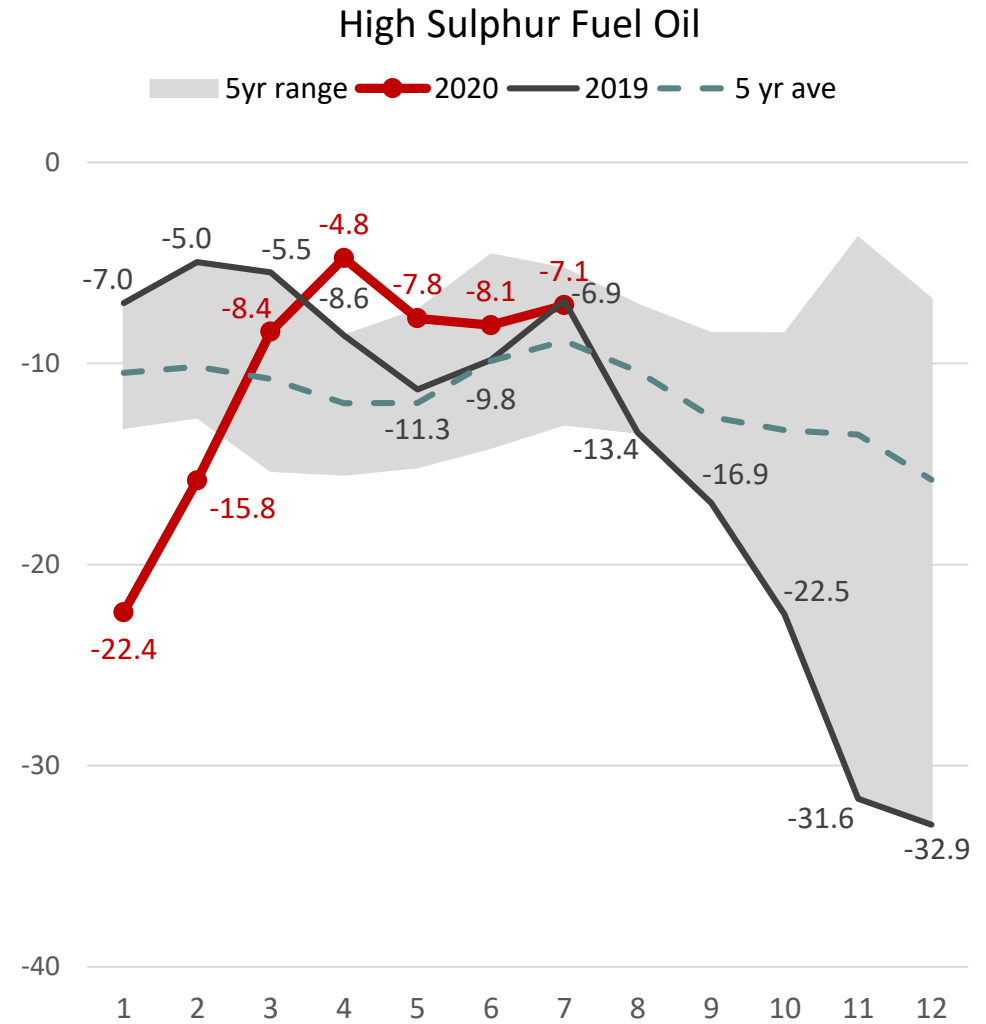
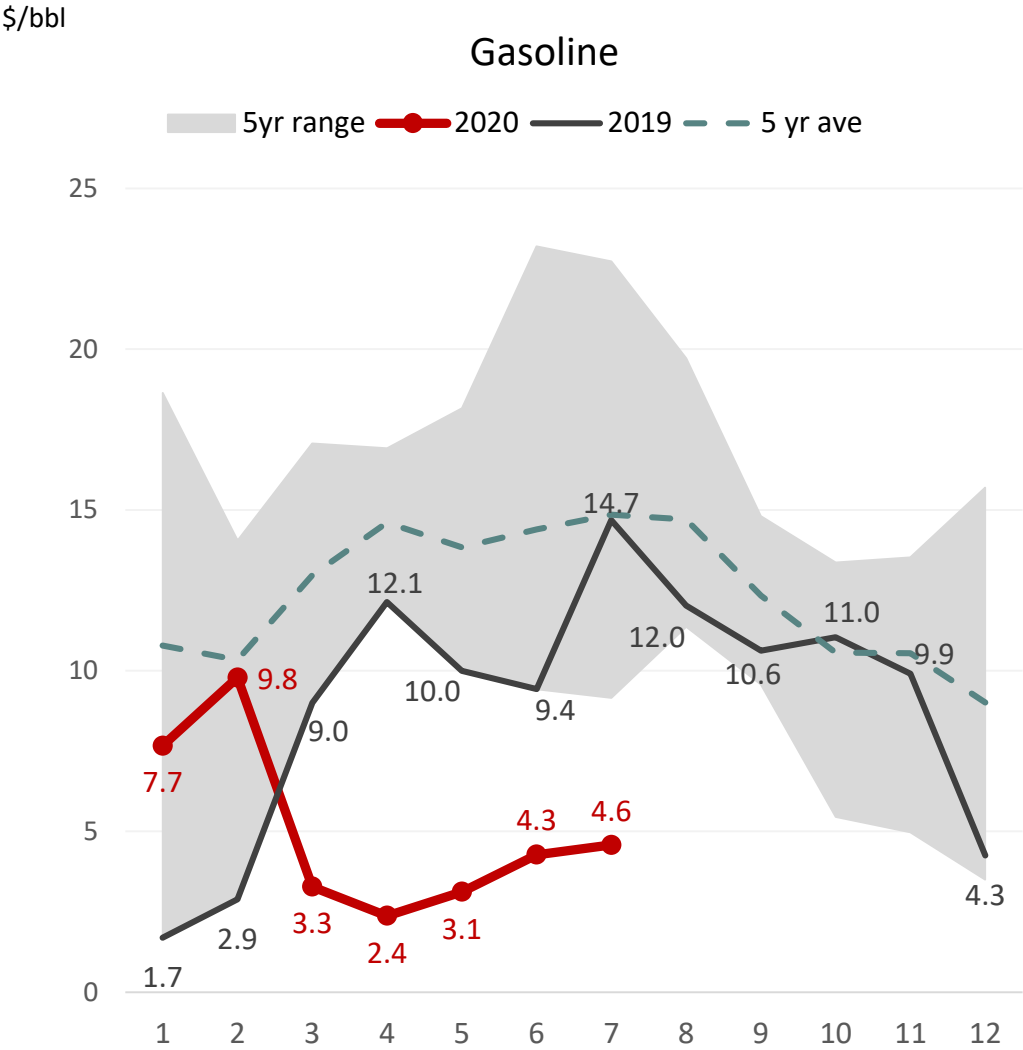


Middle Distillate Cracks



5 yr between 2015-2019, *data as of 31 July 2020

Gasoline and High Sulphur Fuel Oil Cracks

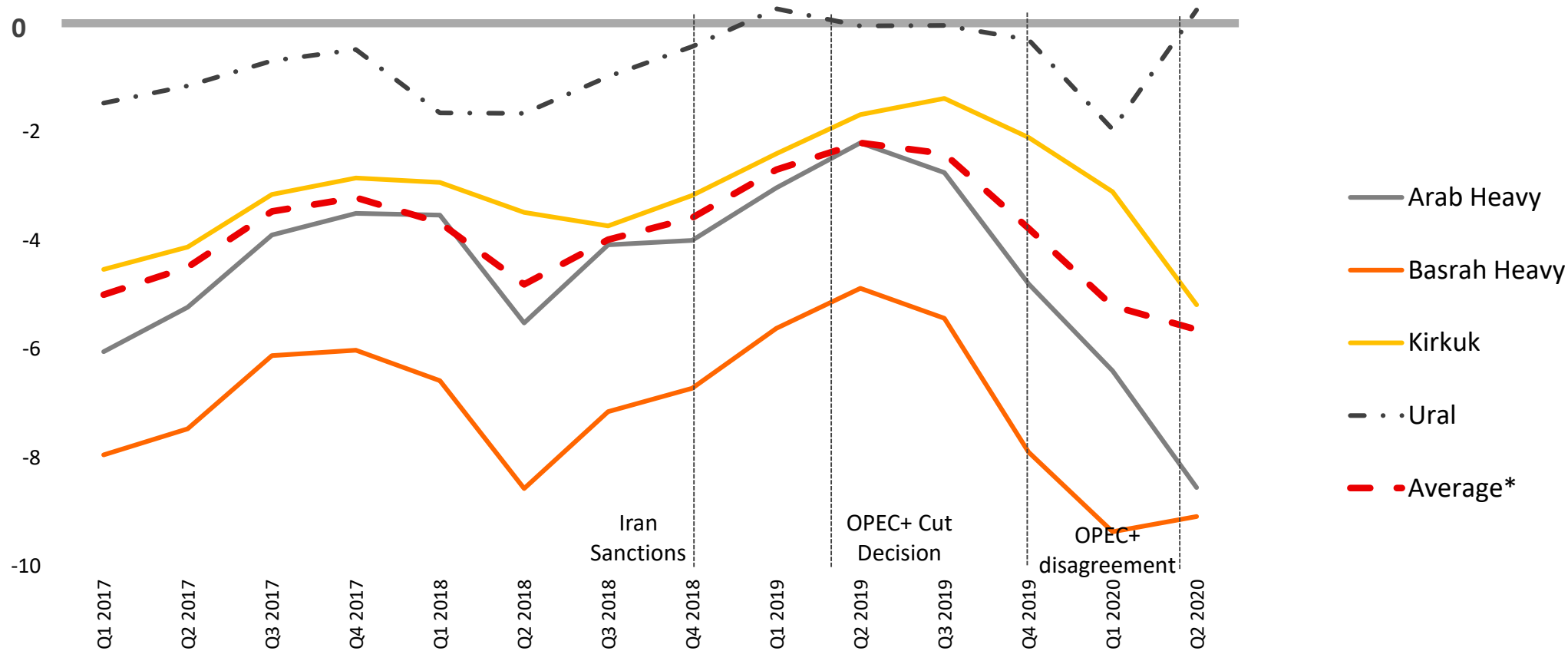


5 yr between 2015-2019, *data as of 31 July 2020

Crude Price Differentials to Brent

Due to the initial OPEC+ disagreement in March, differentials were wider in Q2 compared to Q1. Volatility in differentials continue due to various factors affecting demand and supply dynamics.

2



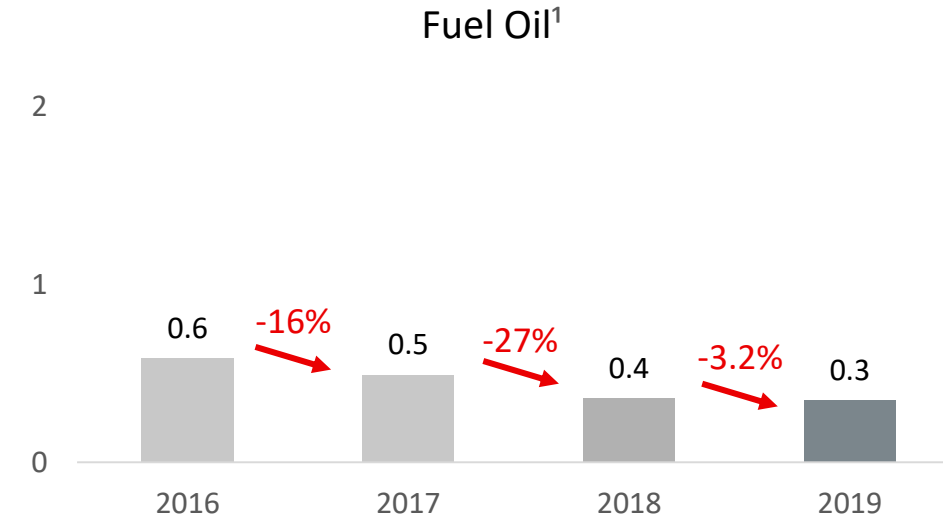
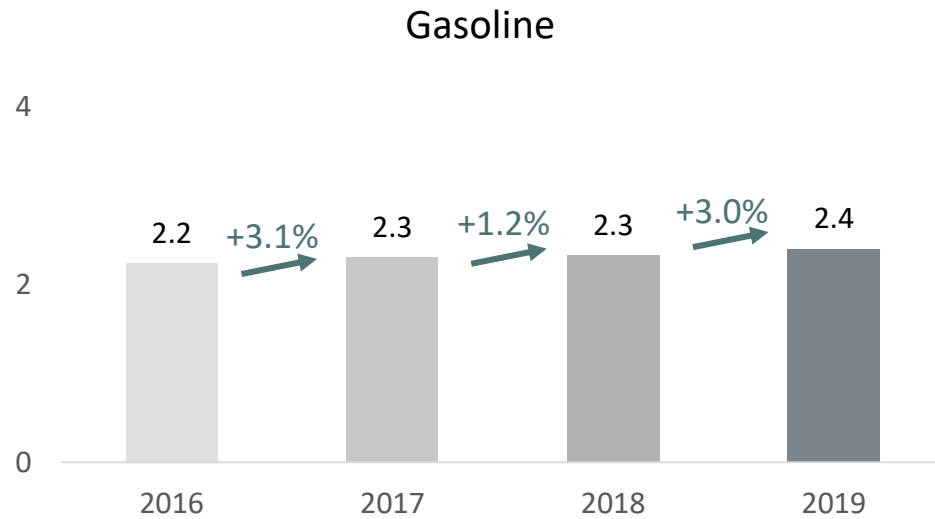
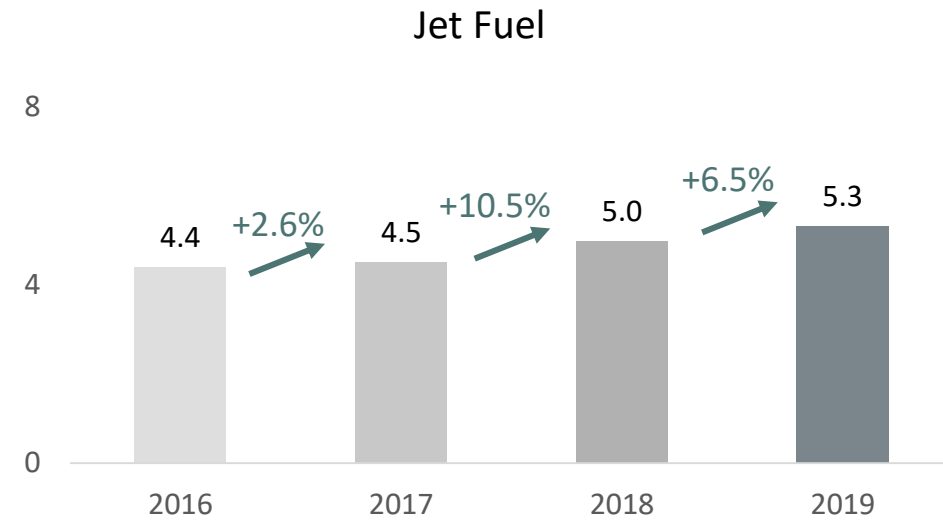
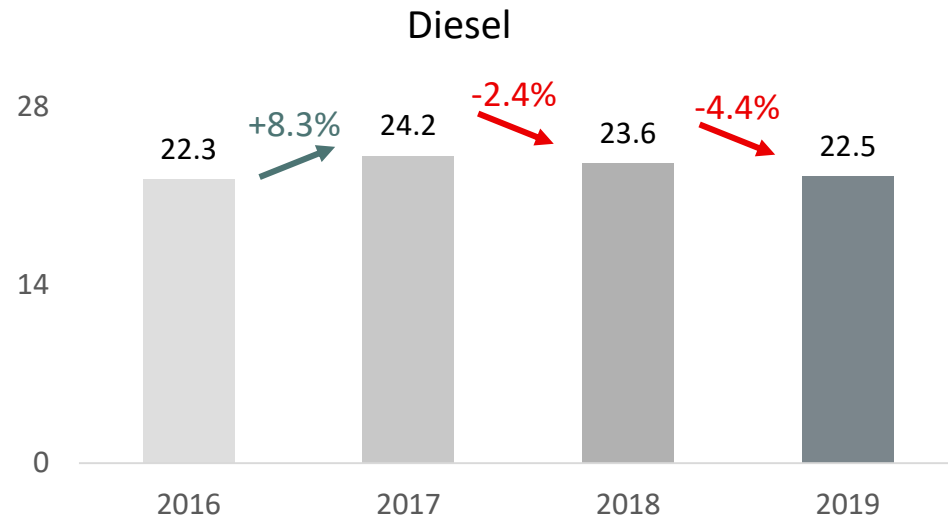
*Simple average of listed differentials



Turkish Market

Turkish Consumption 2016-2019

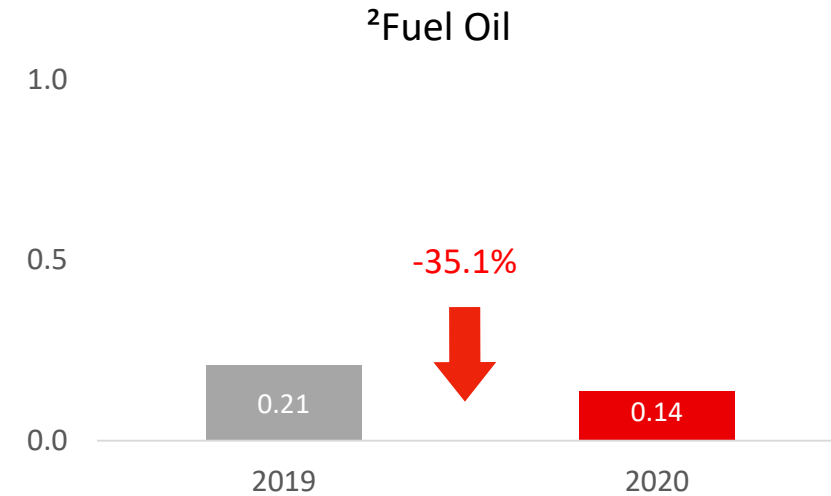
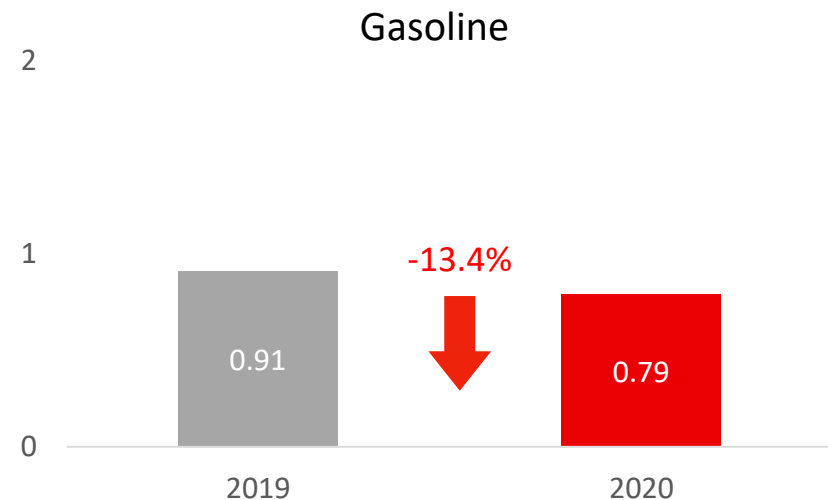
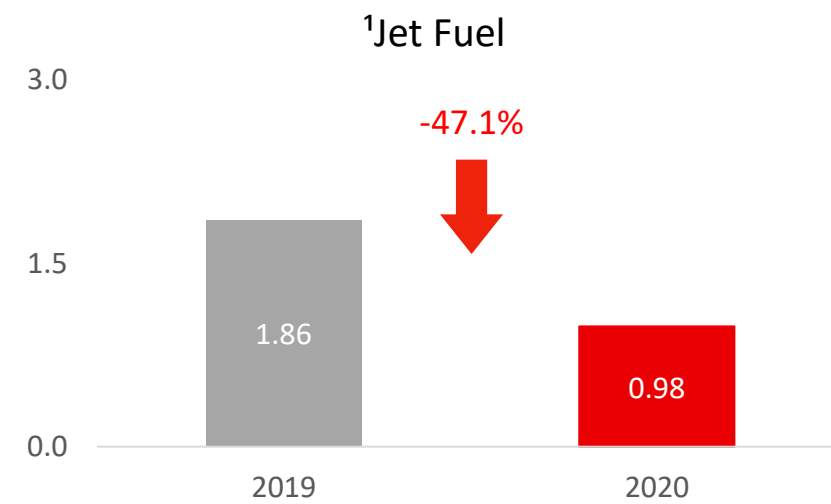
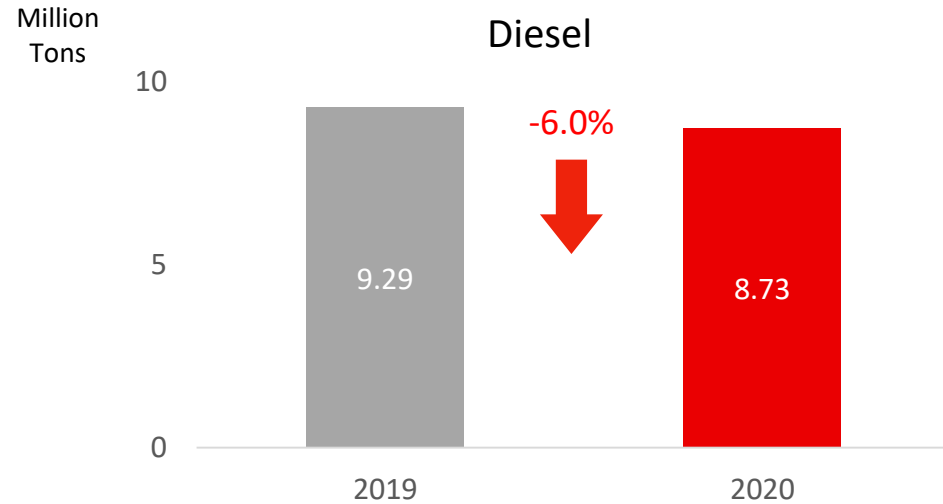
Million
Tons



Source: Tüpraş and EMRA ¹Bunker excluded

Turkish Market, 5M 2020

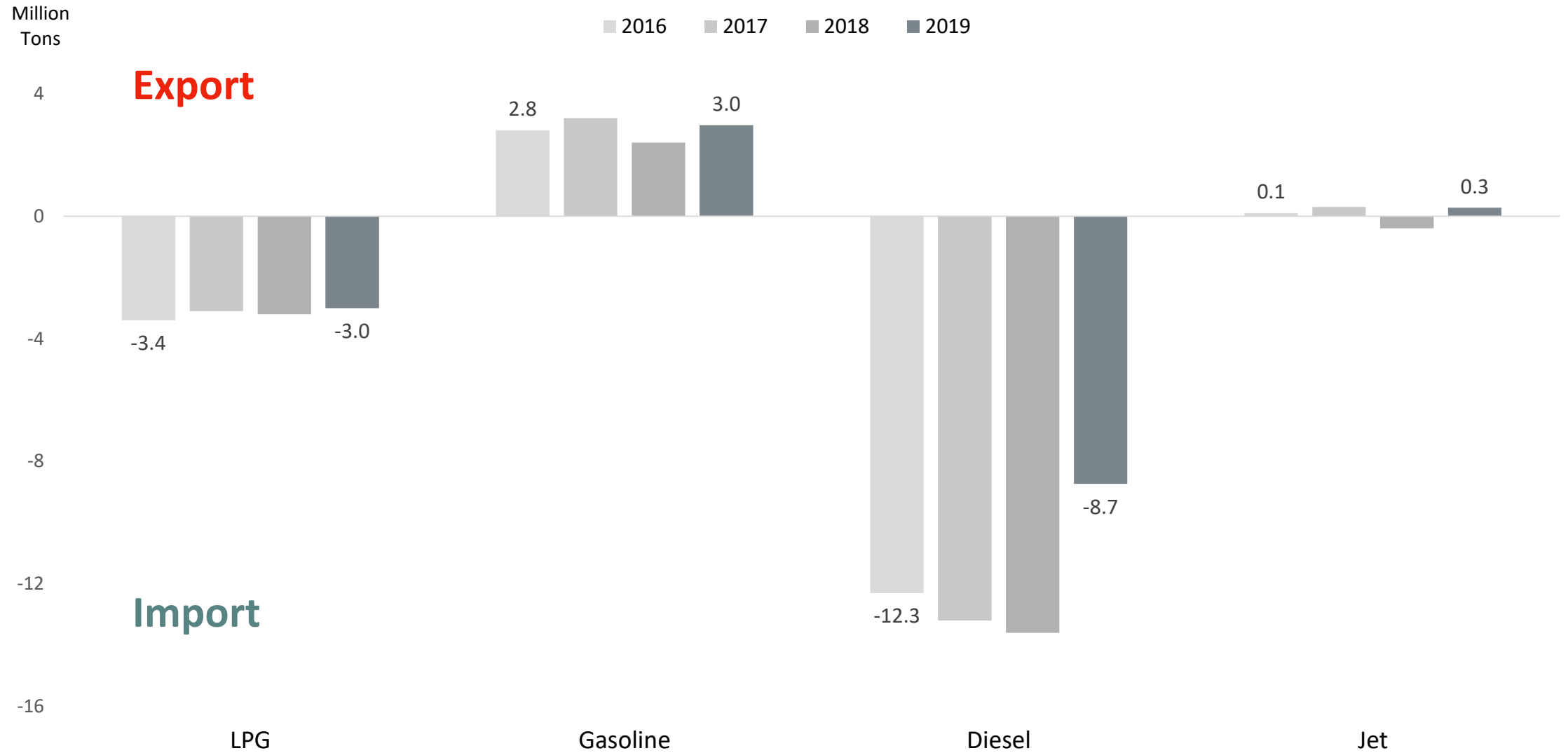
Covid-19 impact on jet demand was deeper as of May while diesel demand was relatively resilient.



¹Transit flight consumption included

²Bunker excluded

Turkey's Net Import / Export Balance

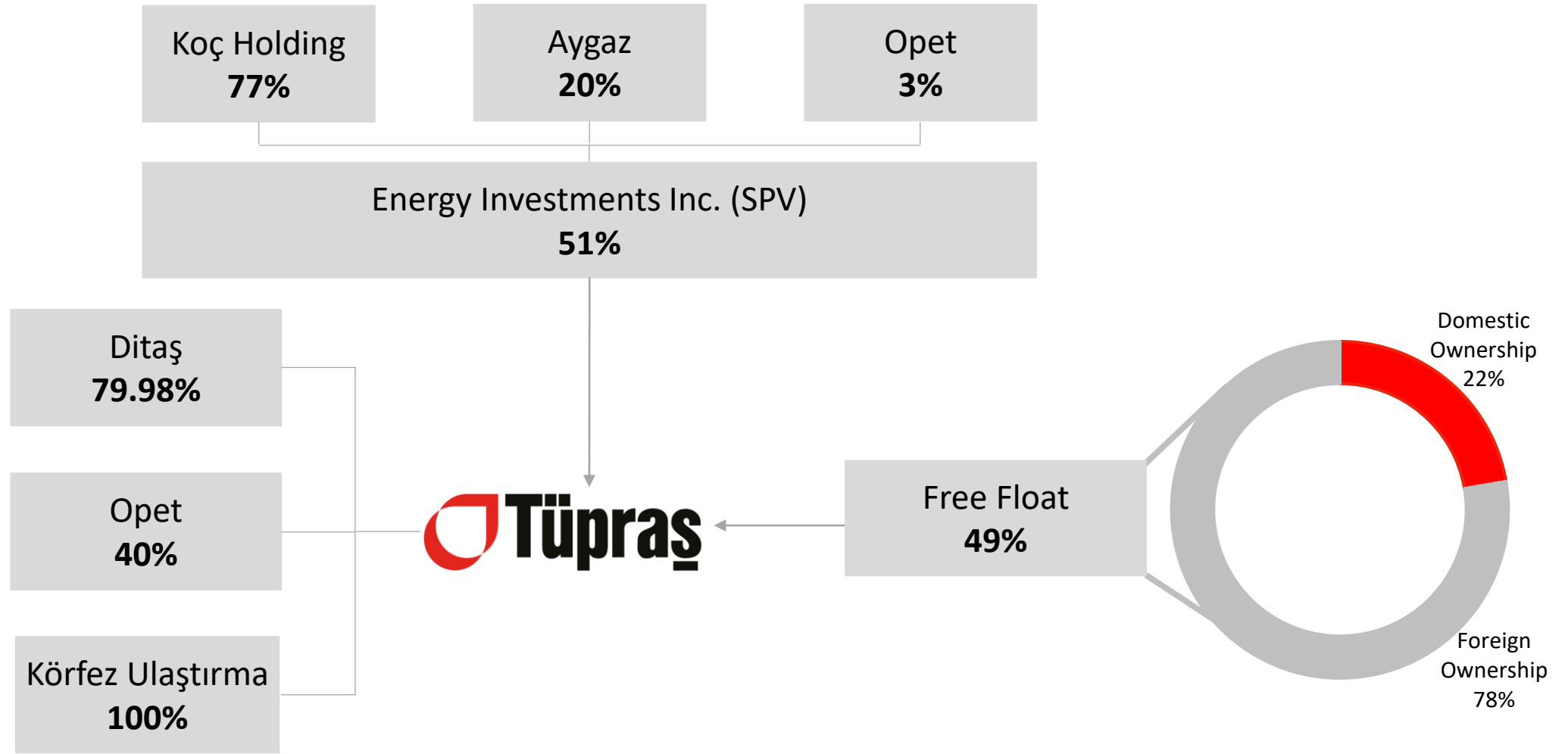




Company Overview

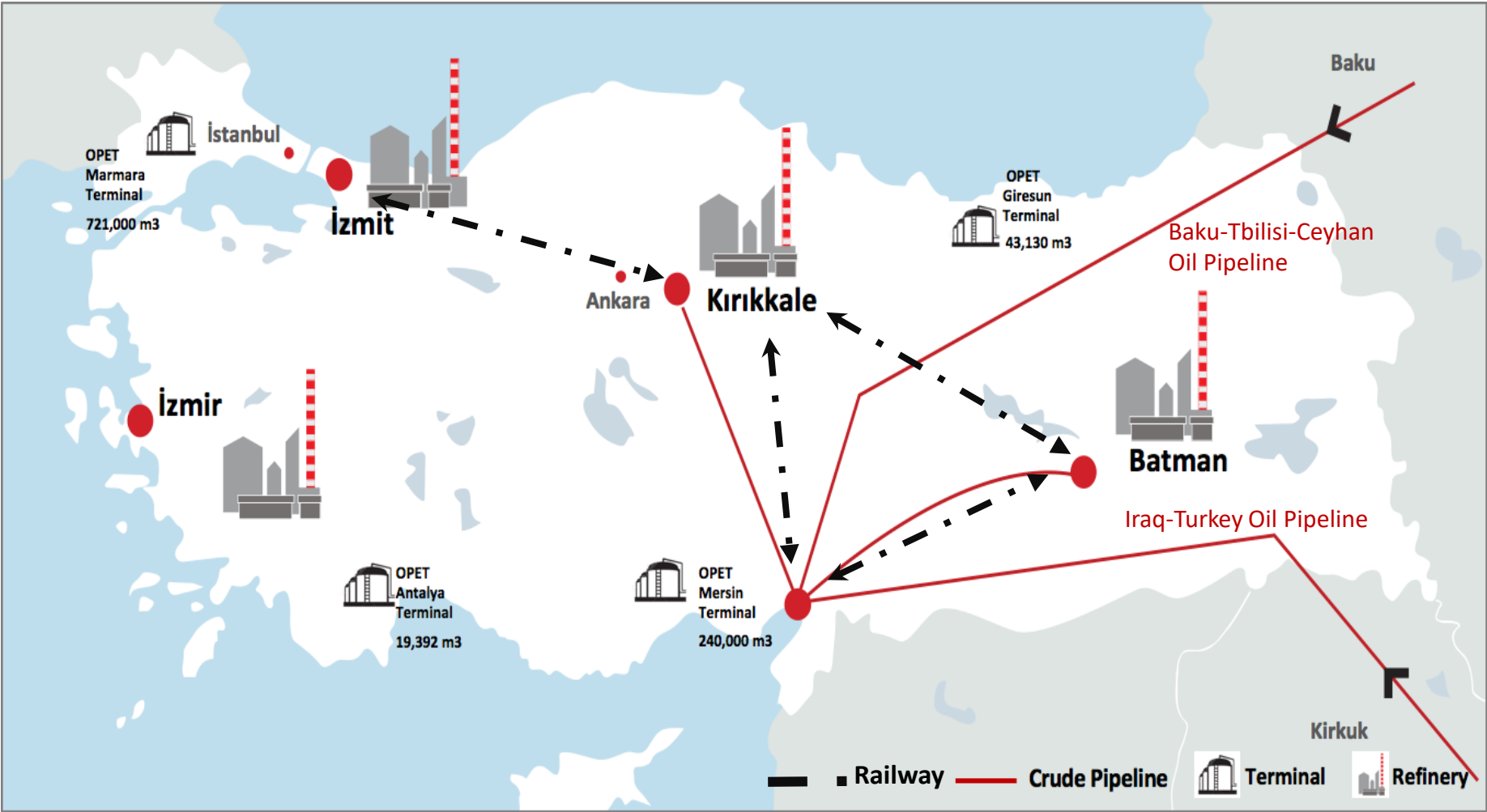
Tüpraş Shareholder Structure

Tüpraş is Turkey's biggest industrial company and leading refiner.



¹As of December 31th, 2019

Tüpraş's Refining Assets & Distribution Network



- + Tüpraş supplies ~55% of Turkey's petroleum product needs
- + Tüpraş benefits from an integrated system optimization with its high complexity, procurement and logistics flexibility

Turkey's Storage Capacity	
Tüpraş & Opet	57%
Others	43%

Total Capacity	30 mn tons
Nelson Complexity	9.5
Tüpraş Storage Cap.	7 mn m ³

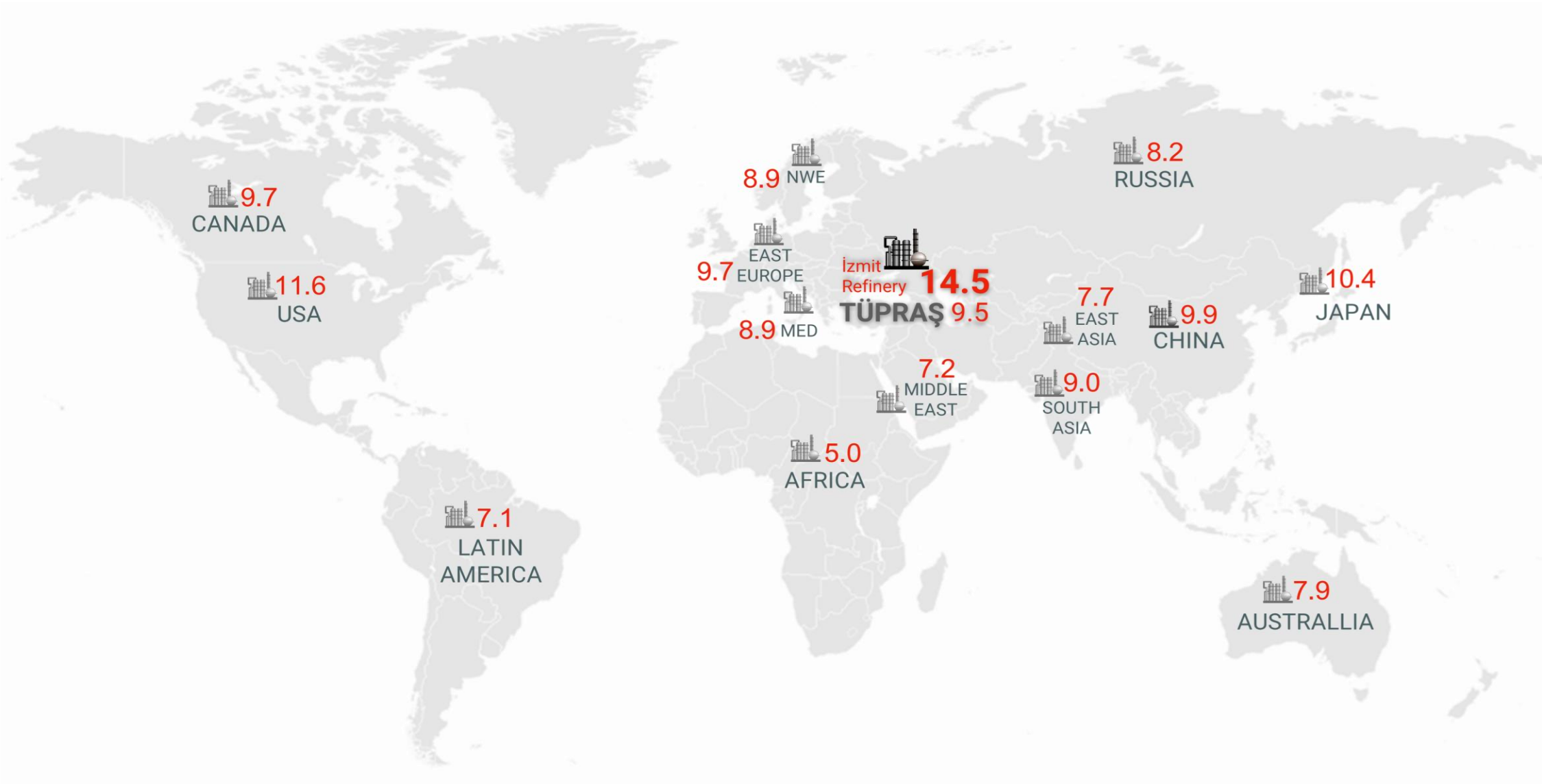
Izmit
<ul style="list-style-type: none">• 11.3 MT Capacity• NC: 14.5• Storage Capacity: 3.0 mn m³

Izmir
<ul style="list-style-type: none">• 11.9 MT Capacity• NC: 7.66• Storage Capacity: 2.5 mn m³

Kırıkkale
<ul style="list-style-type: none">• 5.4 MT Capacity• NC: 6.32• Storage Capacity: 1.3 mn m³

Batman
<ul style="list-style-type: none">• 1.4 MT Capacity• NC: 1.83• Storage Capacity: 0.3 mn m³

Nelson Complexity of Refining Companies



Tüpraş Subsidiaries

OPET, Distribution, Tüpraş Share: 40%



- 1,722 stations as of 30 Jun 2020
- As of May 2020 Market share: 19.4% in white products; 19.1% in black products

DİTAŞ, Marine Transport, Tüpraş Share: 79.98%



- 3 Crude Oil Tanker: 479,765 DWT
- 1 Crude Oil - Product Tanker: 51,532 DWT
- 10 Product Tanker: 171,453 DWT

Körfez Ulaştırma, Railway Transport, Tüpraş Share: 100%



- ~7% share in Turkish rail freight market
- ~1.8 mn ton of product and semi-product carried in 2019.
- Operates with 10 diesel locomotives and over 600 cistern wagons

Tüpraş Trading UK, Trading, Tüpraş Share: 100%



- Trading Office in London will be an important step into wider integration with the global energy landscape by allowing to:
 - Closely monitor international market opportunities
 - Support import and export operations
 - Create additional value from supply chain and sales activities

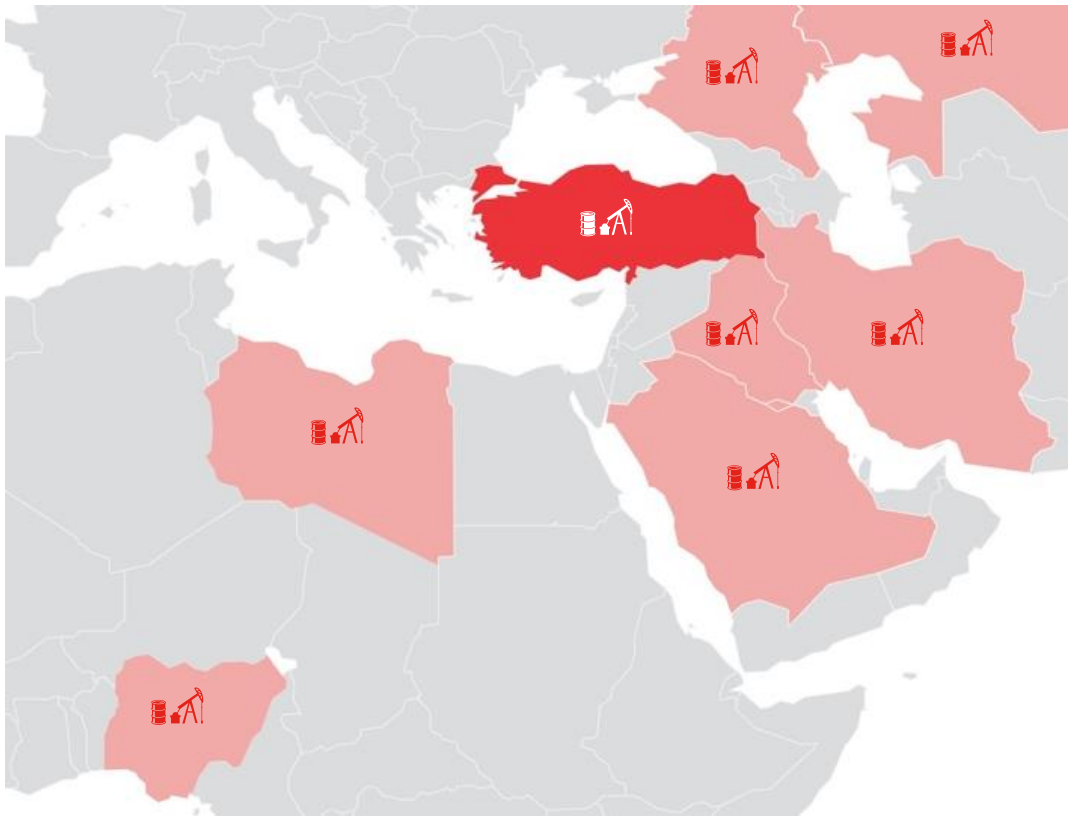


Operations

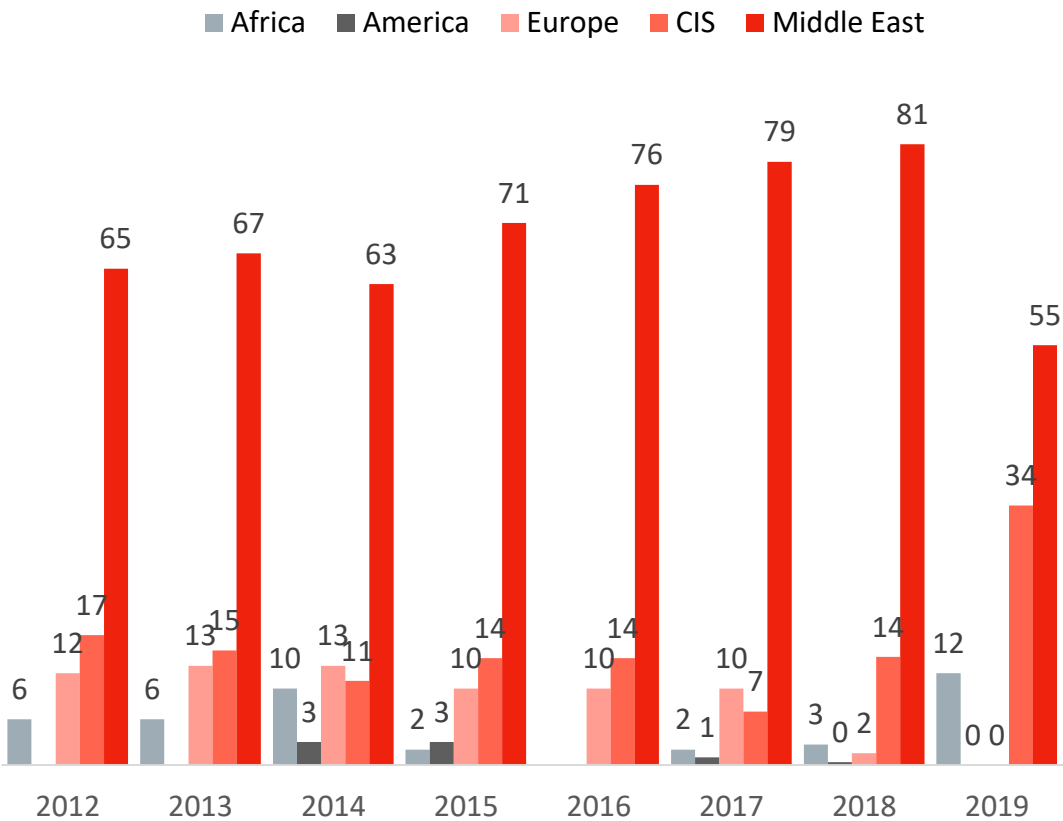
Crude Suppliers of Tüpraş

In 2019, Tüpraş purchased 15 different types of crude from 8 countries with gravities ranging between 20-47 API.

Main Crude Suppliers in 2019

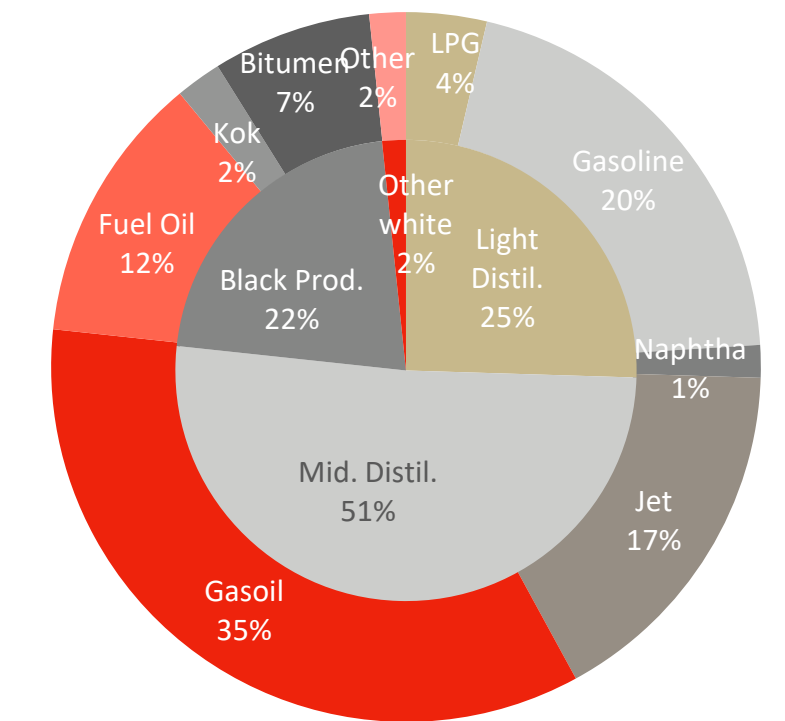


Crude Oil Imports by Region (%)



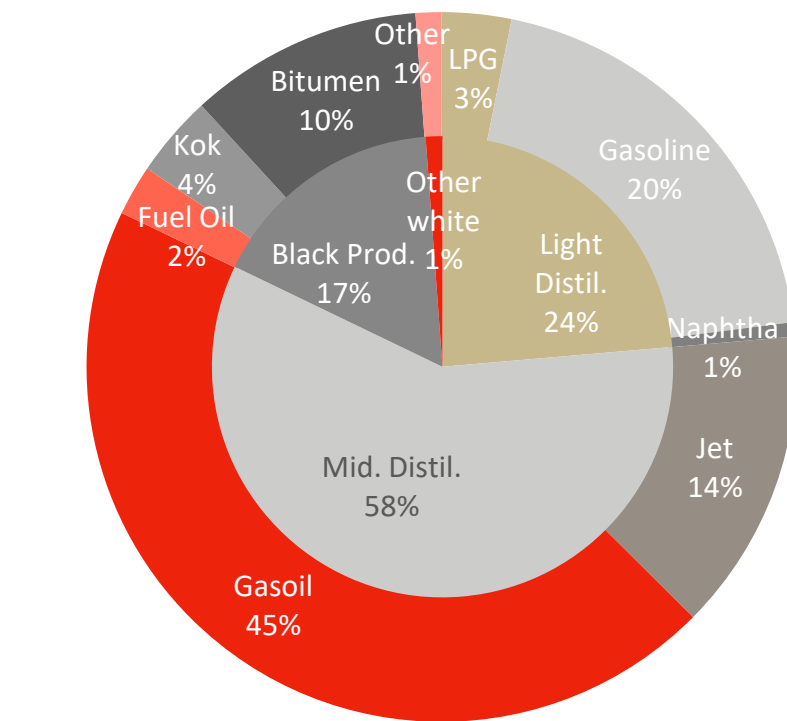
H1 Product Yields

2019 H1



White Product Yield (%)	77.4%
Production	13.7 mn tons
API	32.4

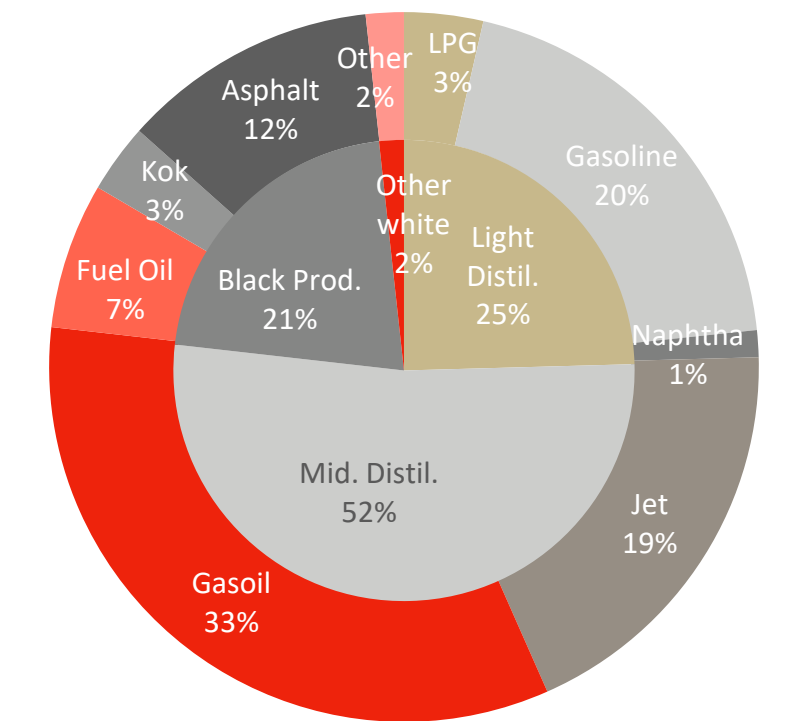
2020 H1



White Product Yield (%)	82.0%
Production	11.0 mn tons
API	31.3

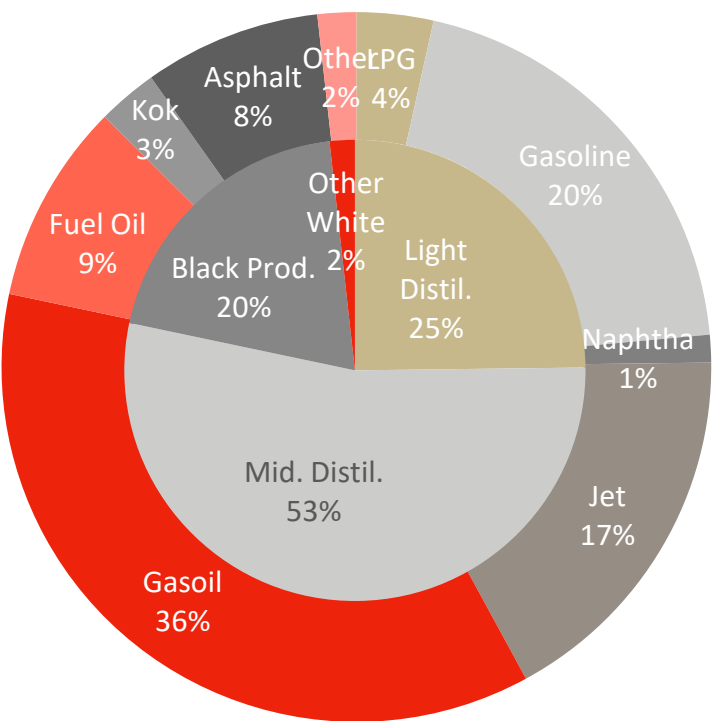
Annual Product Yields

2018



White Product Yield (%)	77.4%
Production	25.7 mn tons
API	31.0

2019

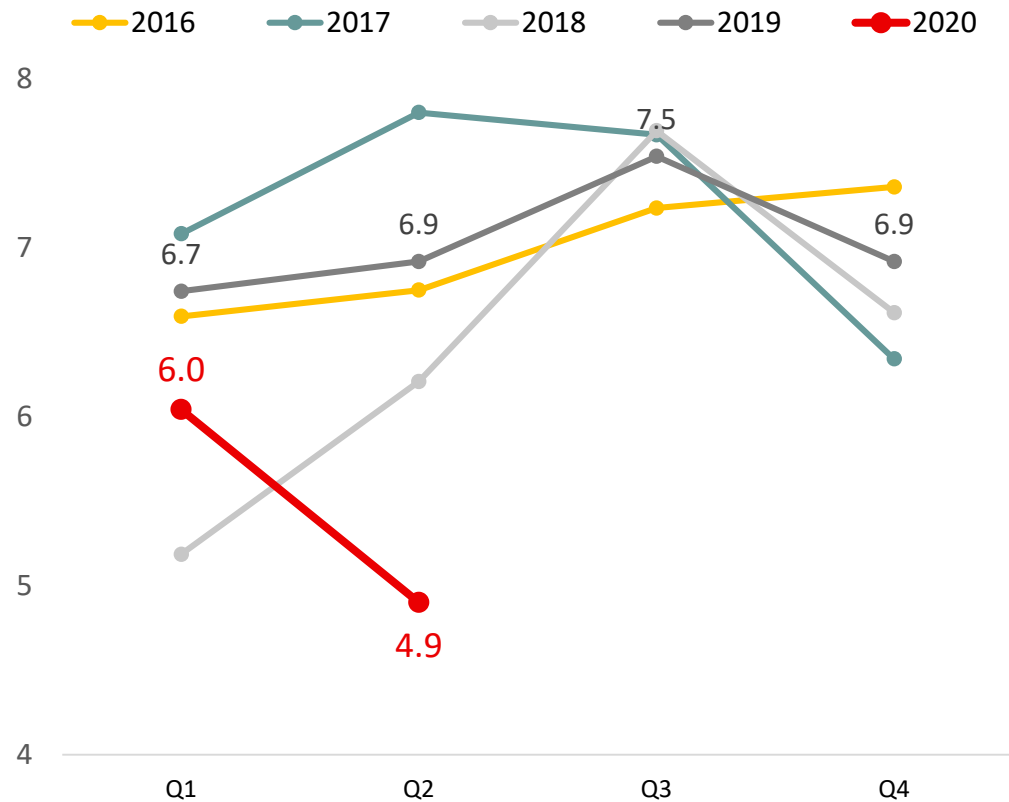


White Product Yield (%)	79.0%
Production	28.1 mn tons
API	32.0

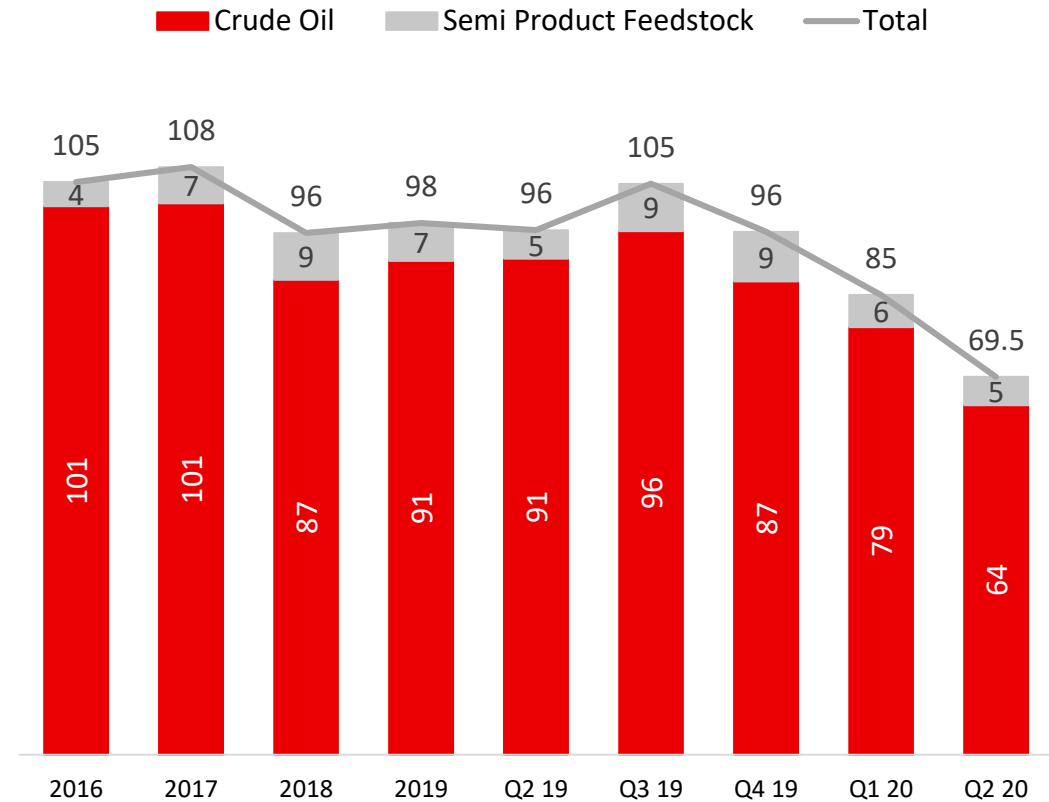
Capacity Utilization and Quarterly Production Volume

- We produced 4.9 million tons in Q2 2020
- Capacity utilization for Q2 2020 was 69.5%, mainly due to lower demand.

Quarterly Production (Mn tons)



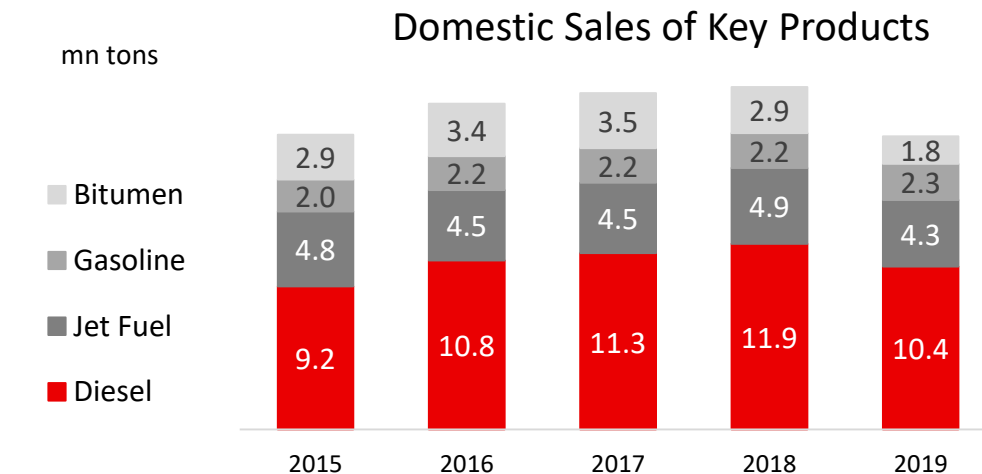
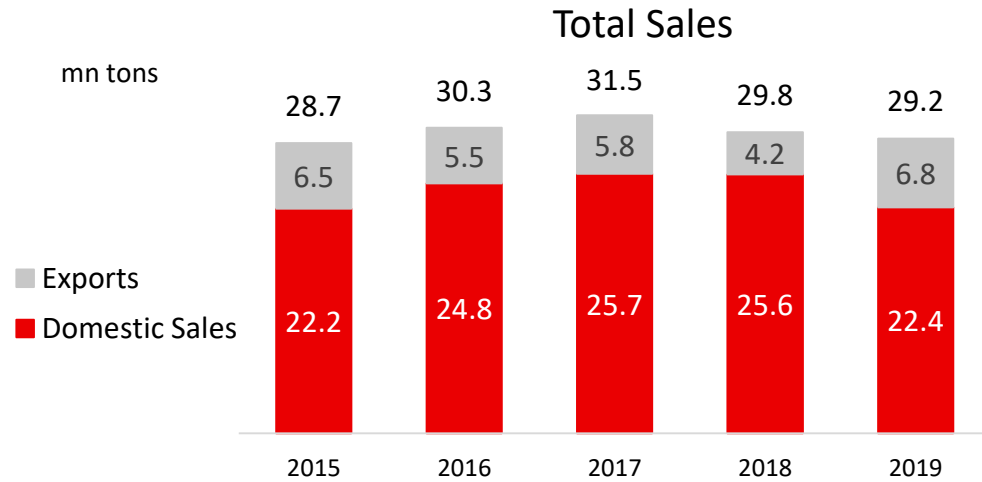
Capacity Utilization¹ (%)



¹Capacity utilization calculation is based on 30 mn tons for Q1 2019 and onwards.

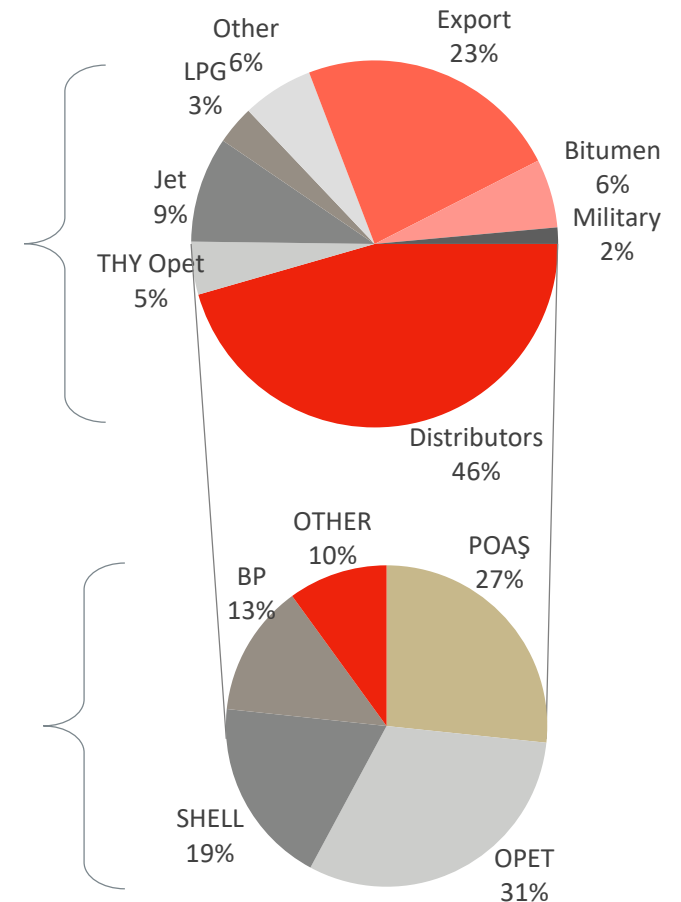
Sales

- Tüpraş generated 29.2 million tons of total sales 2019.



Total Sales, 2019
29.2 mn tons

Customer Groups 2019



Sales to Distributors 2019
13.3 mn tons

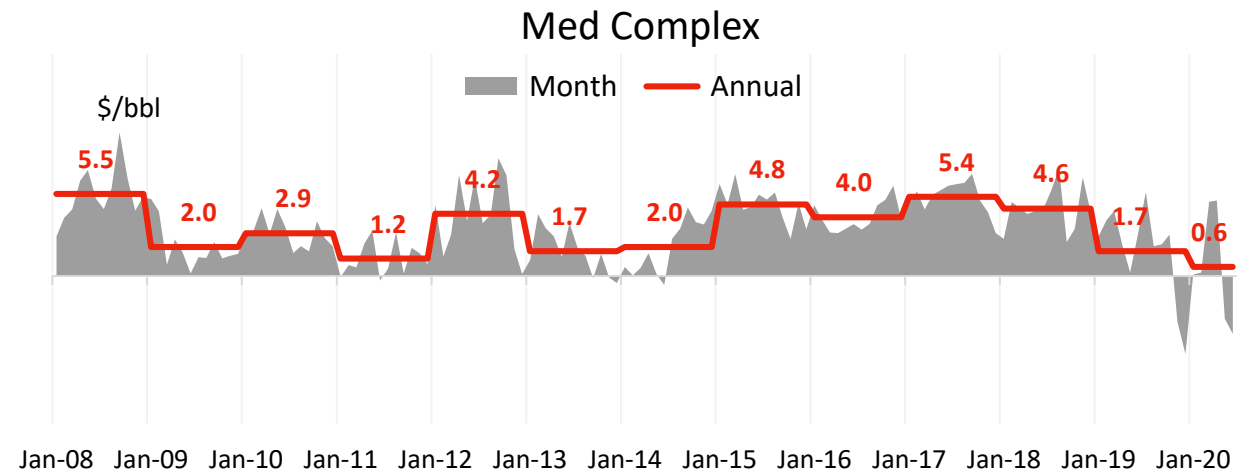
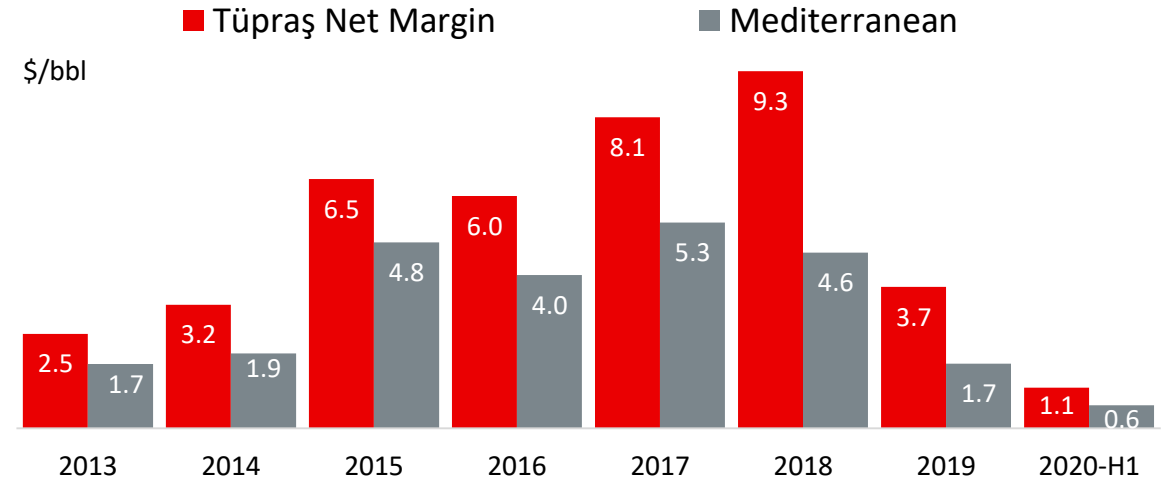


Financials

Refining Margin

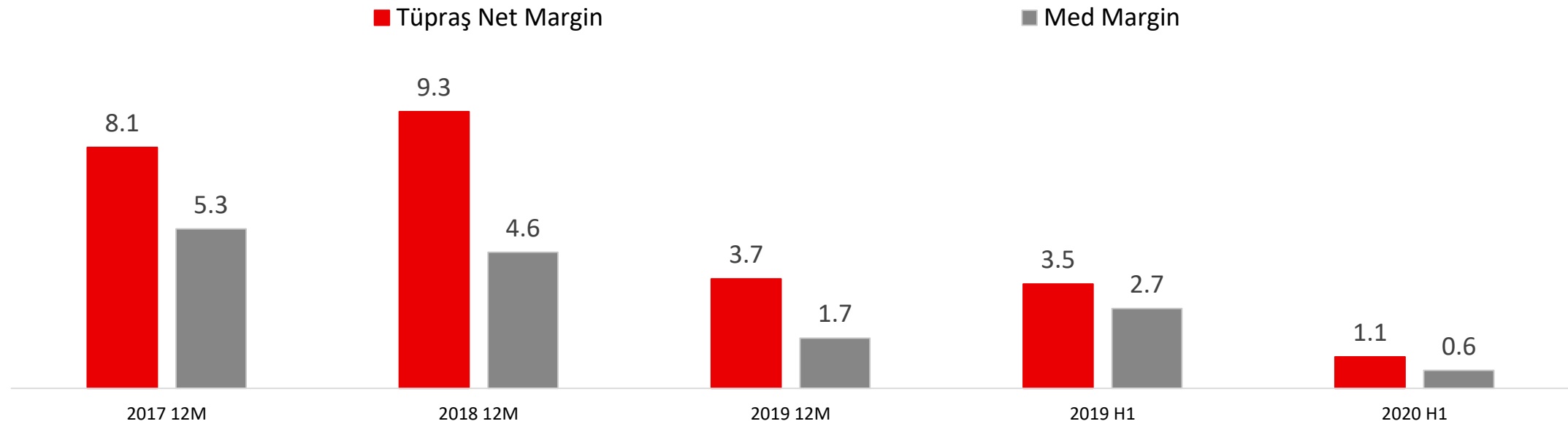
Premium to the benchmark Mediterranean peers' refining margin due to:

- Ability to use heavier and sour crudes with higher complexity
- Access to a wide range of cheaper sources of crude oil
- Close proximity to major suppliers reduces transport costs
- Lower cost basis and more efficient energy usage
- Ability to produce a broad range of refined products with higher value added
- Direct pipeline connections with domestic clients



Tüpraş and Med Refining Margins

Average Margins



(\$/bbl)	Gross Margin	Inventory Effect	Clean Gross Margin	Clean NET Margin	Net Margin	Med Margin
2020 Q2	6.3	-1.3	7.5	2.2	0.9	-0.6
2020 H1	6.7	-2.1	8.8	3.1	1.1	0.6
2019 Q2	8.1	0.4	7.7	2.5	2.8	1.7
2019 H1	8.9	0.7	8.3	2.8	3.5	2.7

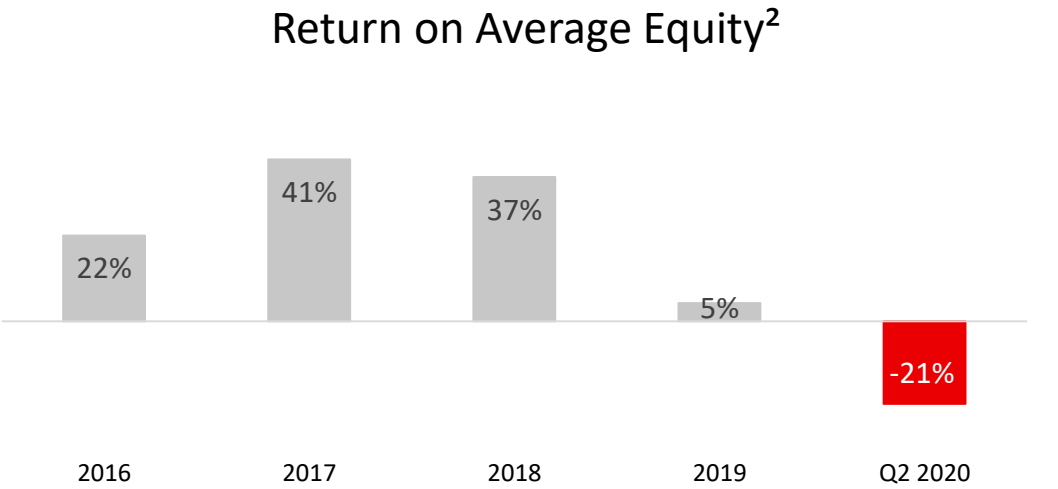
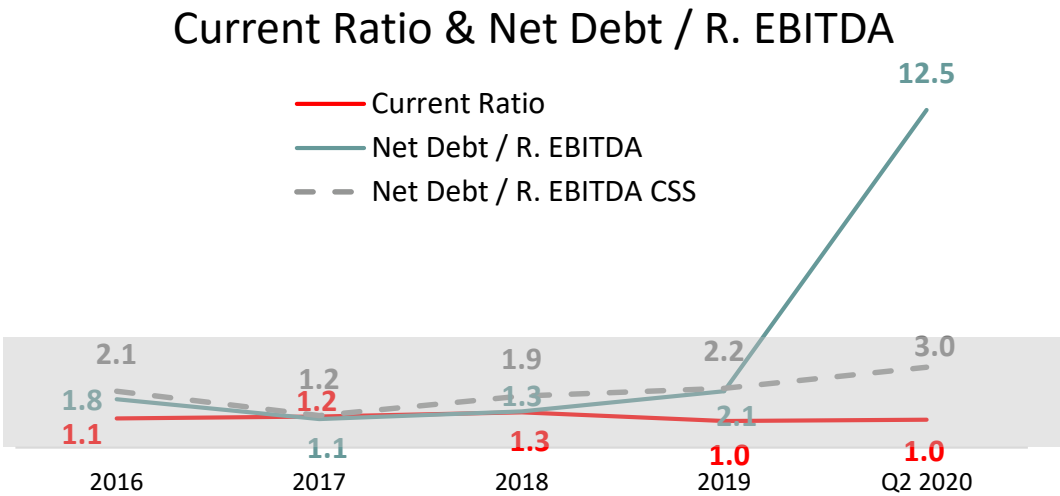
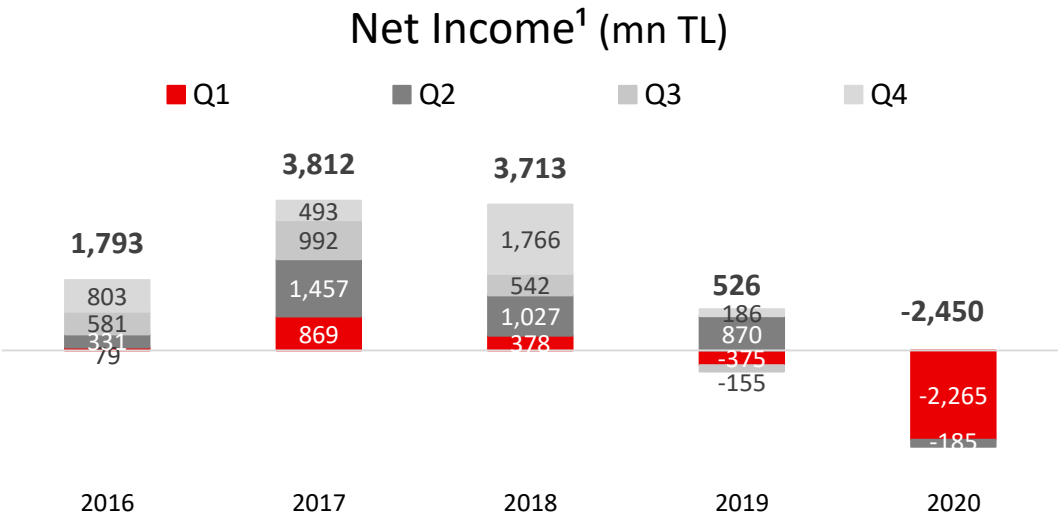
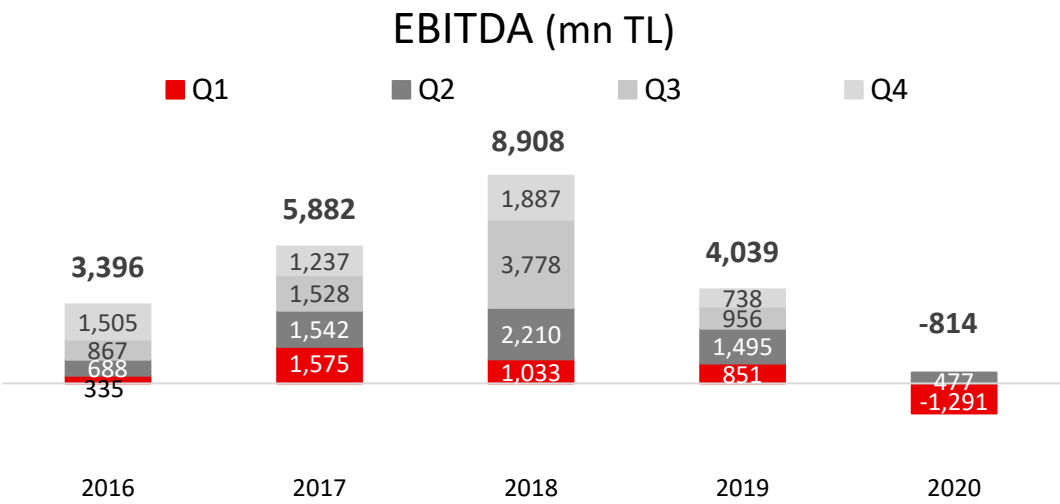
Income Statement

EBITDA realized as 477 mn TL in Q2 2020.

Million TL	Q2 2020	Q2 2019	%	H1 2020	H1 2019	%
Net Sales	9,280	23,953	-61%	26,219	44,661	-41%
COGS	-8,390	-22,282	-62%	-26,239	-41,998	-38%
Gross Profit	890	1,671	-47%	-20	2,662	-101%
Operating Expenses	-520	-420	-24%	-977	-793	-23%
Income/Loss from other operations	-92	82	-212%	-441	-309	-43%
Operating Profit	278	1,333	-79%	-1,438	1,561	-192%
Income/Loss from equity investment	-57	47	-222%	-226	110	-305%
Operating Profit Before Fin. Income/Loss	221	1,379	-84%	-1,663	1,671	-200%
Financial Income/Expense	-550	-796	31%	-1,464	-1,397	-5%
Profit Before Tax	-329	584	-156%	-3,127	274	-1243%
Net Profit (excluding minority interest)	-185	870	-121%	-2,450	495	-595%
EBITDA*	477	1,495	-68%	-814	2,346	-135%
Inventory Gain/Loss	-8	675	-101%	-2,024	976	-307%
EBITDA* CCS	484	820	-41%	1,210	1,370	-12%

*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.

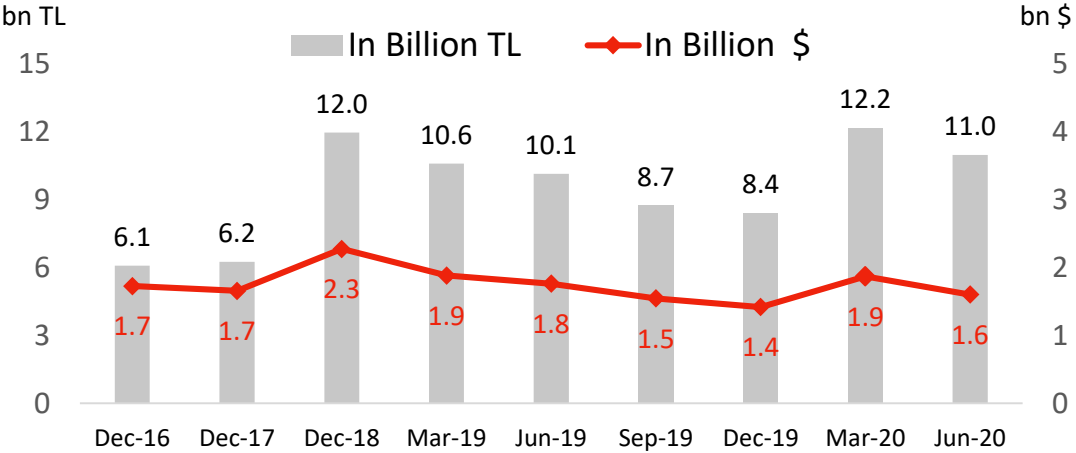
Financial Highlights



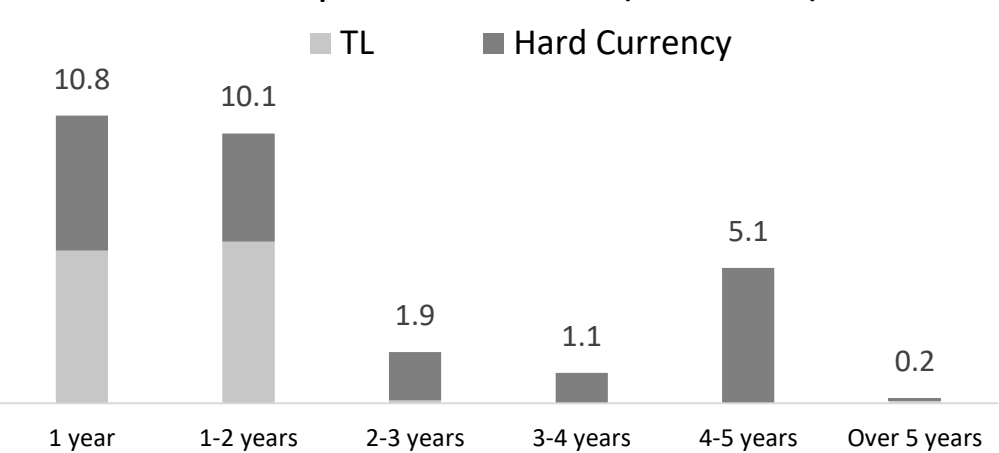
1) Excluding minority interest
2) Calculation based on rolling net income

Balance Sheet Analysis

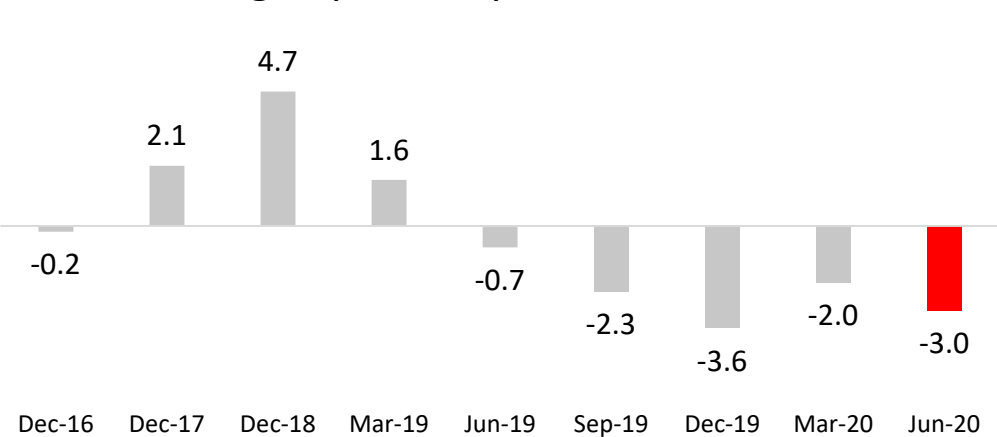
Net Debt



Redemption Schedule (Billion TL)



Working Capital Requirement (Billion TL)



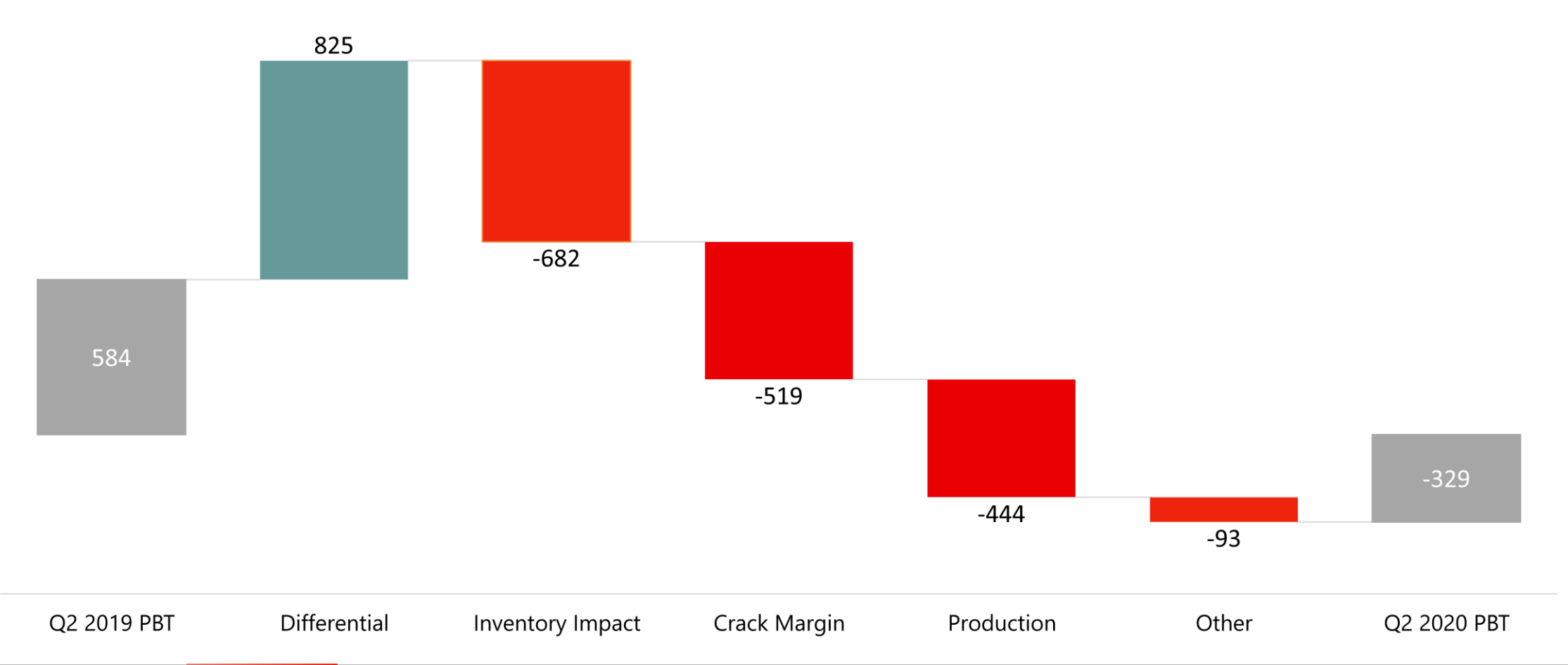
Proactive Financial Management

- Refinancing activities continue with better rates
- Cash levels increased proactively to ensure ample liquidity
- Working capital managed proactively to ensure optimal cash and liquidity management

Q2 Profit Before Tax Bridge (2019-2020)

Despite sizeable support from wider differentials, Profit Before Tax declined with weaker crack margins, lower production and lack of inventory gain with respect to Q2 last year.

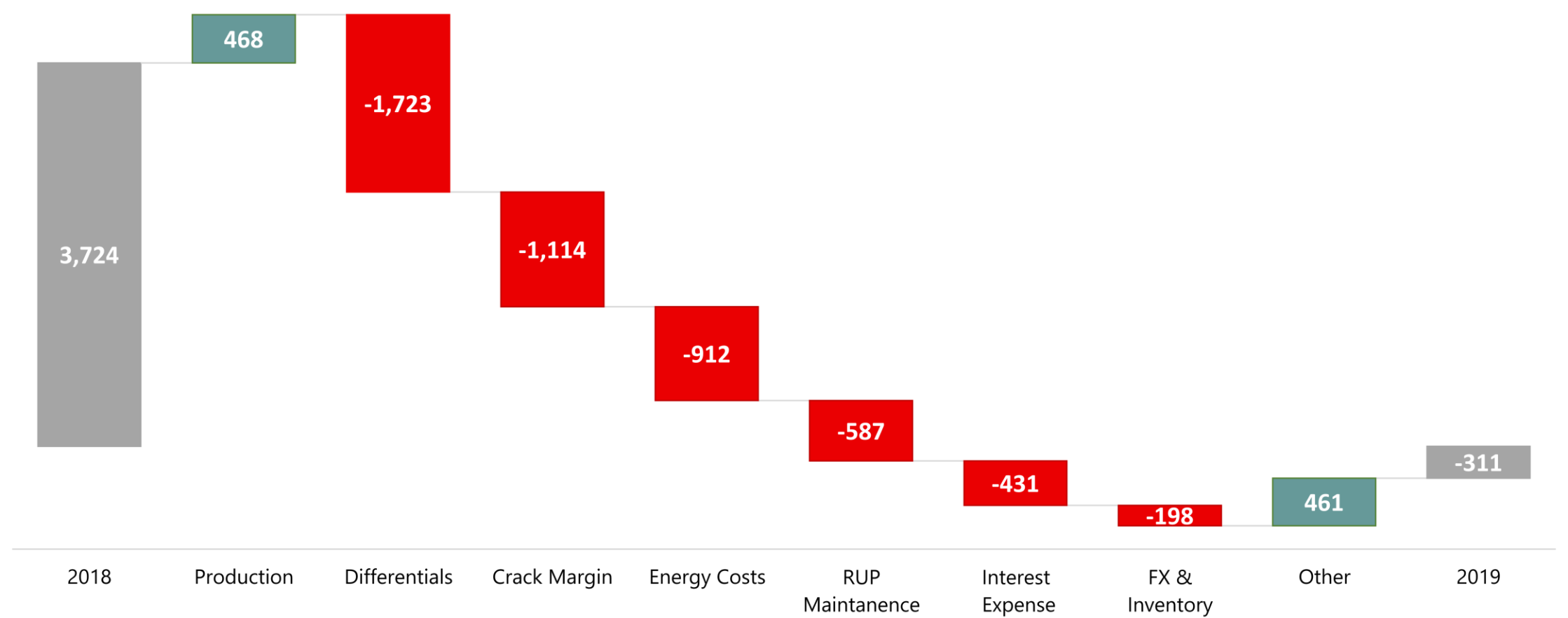
Million TL



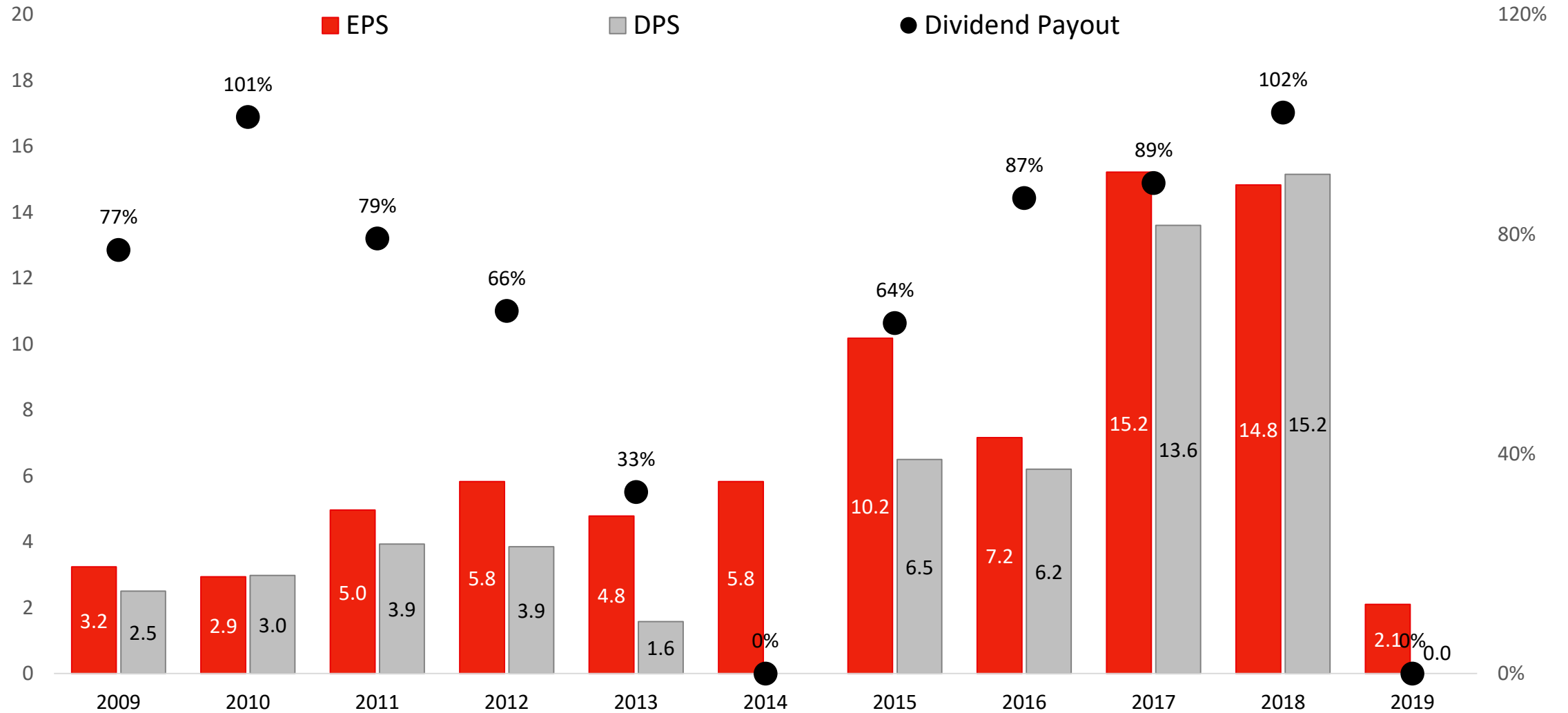
Annual Profit Before Tax Bridge (2018-2019)

2019 PBT was lower mainly due to narrow differentials, weaker crack margins and natural gas price hikes.

Million TL

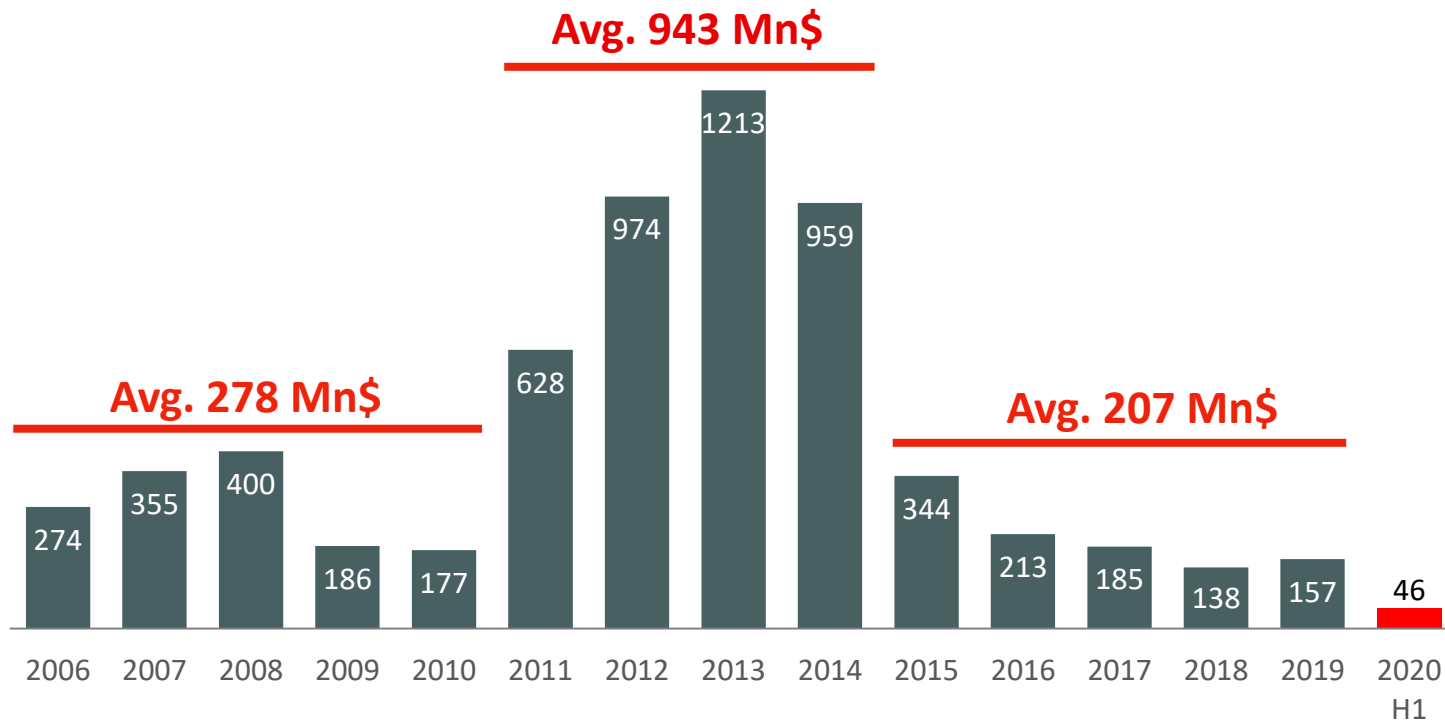


Dividend (TL)



Investments (Million \$)

- c6.7 bn USD investments since privatization
- Reached 9.5 Nelson Complexity
- Capability to process heavier and more sour crude

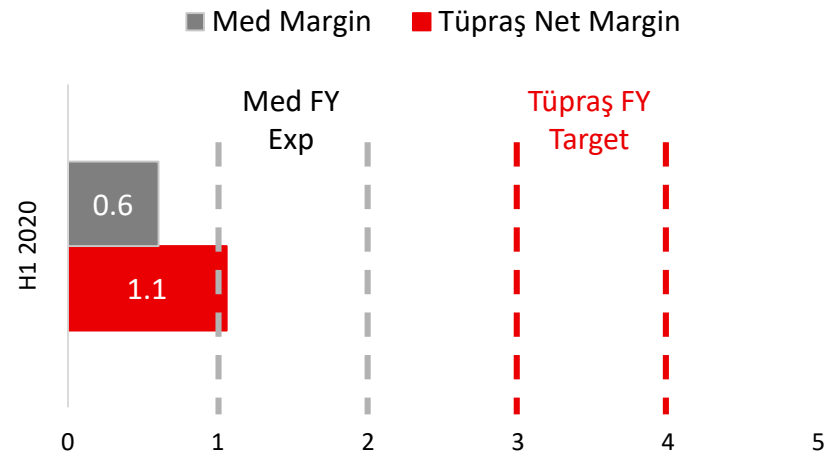


Ongoing Projects

- Revamp of Crude Units
- FCC Modernization
- New Sulphur Units
- Energy Saving Projects
- Optimization of conversion units

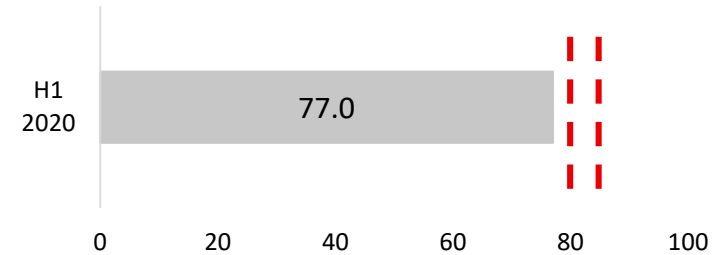
H1 2020 Results

Refining Margins (\$/bbl)



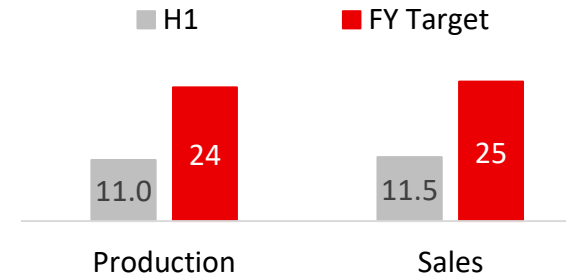
1.1 \$/bbl net refining margin in H1 2020

Capacity Utilization (%)



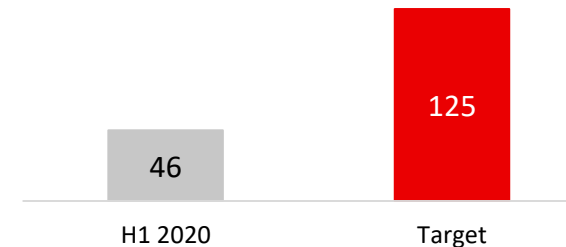
77.0 % total capacity utilization in H1 2020

Operational



11.5 mn tons of sales and 11.0 mn tons of production in H1 2020

Refining Capex (mn \$)

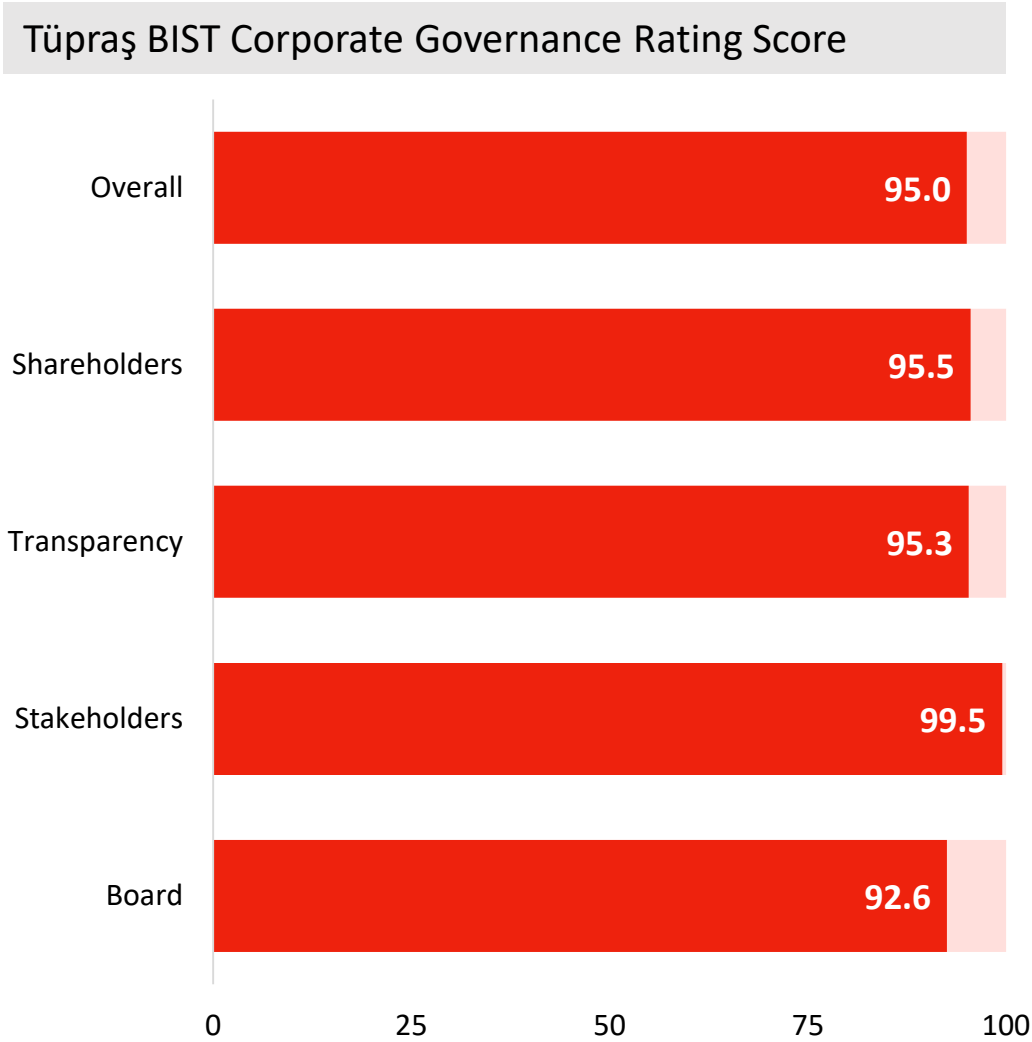


46 mn \$ refining CAPEX in H1 2020

Tüpraş Balance Sheet (Million TL)

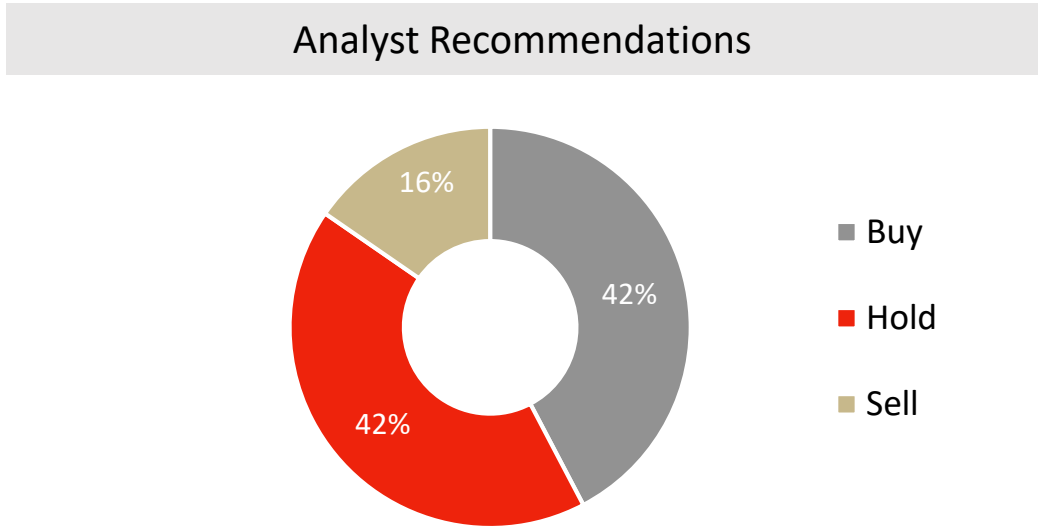
	30.06.2020	31.12.2019	Diff.	Diff. (%)
Current Assets	27,390	27,919	-529	-2
Cash & C. Equivalents	18,178	10,652	7,526	71
Trade Receivables	1,721	4,788	-3,067	-64
Derivatives	779	304	475	156
Inventories	5,503	9,469	-3,965	-42
Pre-paid expenses	269	237	32	13
Other Current Assets	940	2,470	-1,530	-62
Long Term Assets	28,161	27,593	569	2
Financial Assets & Subsidiaries	1,032	1,363	-331	-24
Fixed Assets	20,706	20,587	119	1
Derivatives	79	99	-19	-19
Pre-paid expenses	155	199	-44	-22
Deferred Tax	4,570	3,768	803	21
Other Long Term Assets	1,619	1,578	42	3
Total Assets	55,551	55,512	40	0
Short Term Liabilities	26,444	28,120	-1,677	-6
Financial Loans	10,747	5,178	5,570	108
Trade Payables	10,178	17,816	-7,638	-43
Derivatives	423	79	344	434
Provisions	231	117	114	97
Other ST Liabilities	4,864	4,930	-66	-1
Long Term Liabilities	18,779	14,255	4,525	32
Financial Loans	18,402	13,898	4,504	32
Payables & Provisions	335	316	19	6
Derivatives	31	32	-1	-3
Other LT Liabilities	11	9	3	31
Total equity attributable to equity holders of the parent	10,133	12,963	-2,830	-22
Minority Interests	196	174	22	13
Total Liabilities & Equity	55,551	55,512	40	0

Leading Corporate Governance Score



Source: SAHA Corporate Governance and Rating Services Inc. (October 2019)

Credit Rating Scores			
Foreign Currency Long Term	FitchRatings	MOODY's	S&P Global Ratings
Tüpraş	BB- (Negative)	B1 (Negative)	
Turkey	BB- (Stable)	B1 (Negative)	B+ (Stable)
Koç Holding		B1 (Negative)	BB- (Stable)



Source: Bloomberg

Financial Policy

Financial Discipline: Risk management policies focusing on areas such as leverage, liquidity, counterparty risk, commodity, interest rate and currency exposure.

Leverage & Liquidity

Proactive in liquidity risk management & targets/limits for financial ratios:

- Net financial debt/EBITDA
- Net financial debt/Equity
- Current ratio
- Share of long term debt

Counterparty Risk Policy

Deposit is kept within bank-based limits:

- Credit rating assessment and strong capital base.
- Cap on the maximum deposit allocated to a single bank.
- Threshold for deposits subject to banks shareholders' equity.

Interest Rate & Fx

- The fixed/floating profile of financial debt.
- Proactive management of FX risk with derivative instruments
- Zero FX exposure target.

Commodity Hedging Policy

Inventory Hedging Policy:

- Operational hedge: Optimum stock policy & forward pricing mechanism.
- Financial hedge: Expected inventory exposure for the year end is hedged by using derivatives.
- Hedging ratio increasing throughout the year.

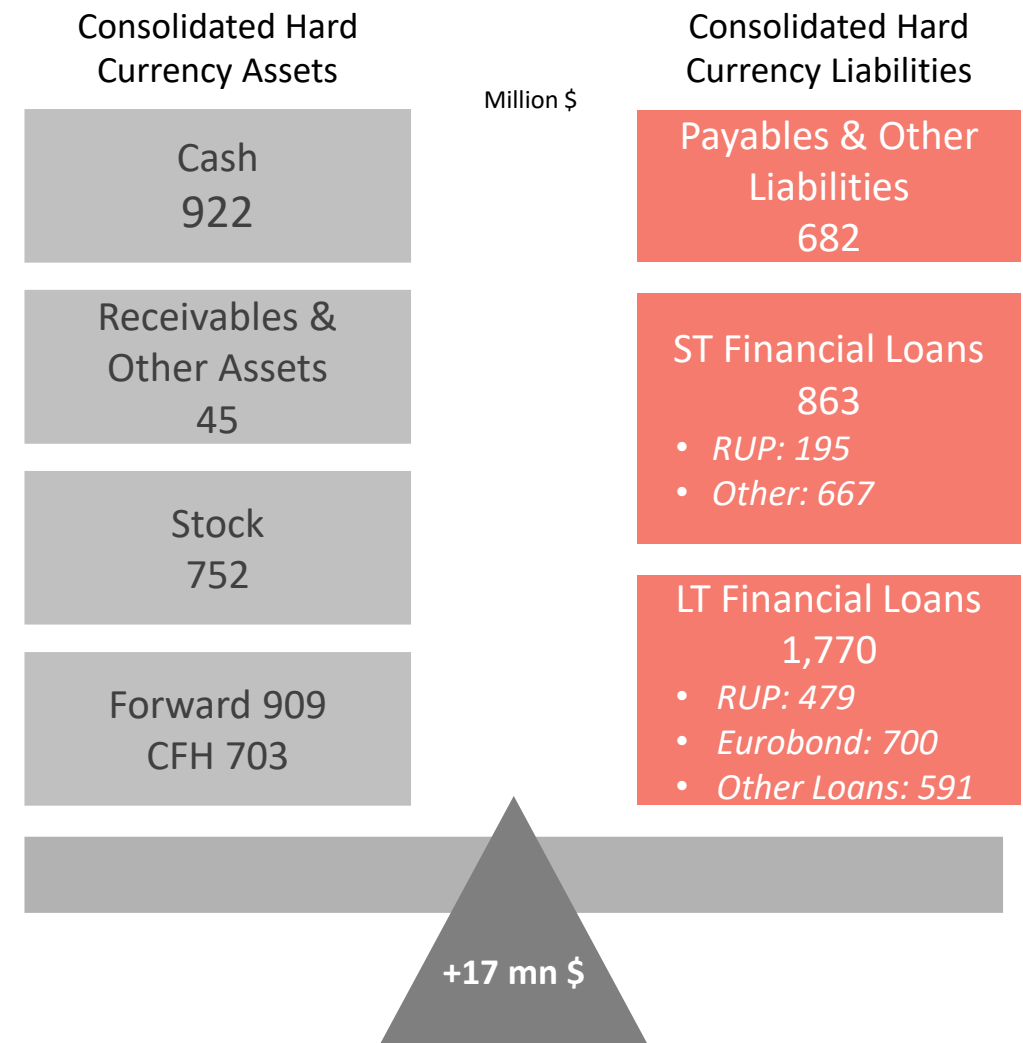
Crack Margin Hedging Policy:

- Financial hedge: Crack margin (gasoline, diesel, jet fuel, fuel oil) risk mitigation by using derivatives.
- Hedge ratio between %0-%50 with up to 1 year hedge tenor

FX Exposure Management (30 Jun 2020)

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

- A significant portion of the Group's crude oil and refined product purchases are denominated in US Dollars. In addition, the Group finances its capital expenditures mostly through borrowings denominated in US Dollars.
- Natural Hedge: The Group is able to mitigate some of the impact of volatility in exchange rates through natural hedges: crude oil and refined product inventories are US Dollar denominated assets.
- Cash flow Hedge: RUP Facility financing loans designated as hedging instruments of highly probable export revenues.
- As a general Koç Holding financial policy, Group companies are allowed to keep foreign exchange positions within certain limits.





Appendix

2020 Refinery Maintenance Schedule

Refinery	Unit	Quarter	Duration (weeks)	Status
Batman	Plt 100/1100 Crude Oil & Vacuum	Q1	10-12	Completed
İzmir	U-100 Crude	Q1	9*	Completed
	U-9200 CCR	Q1	3	Completed
	U-4000 FCC	Q4	6	Postponed to 2021
	U-9200 CCR	Q4	7	Postponed to 2021
	U-9600 Isomerization	Q4	8	Postponed to 2021
	U-9900 MQD	Q4	7	Postponed to 2021
İzmit	Plt-6 Desulphurizer	Q4	4	Postponed to 2021
Kırıkkale				

* This activity had started in Q4-19. Duration figure indicates the portion carried out in 2020

2020 Expectations(*)

Med Complex Refining Margin 1.0-2.0 \$/bbl

- Ural-Brent differential widening compared to 2019
- Weak outlook for jet fuel and gasoline

Tüpraş Net Refining Margin 3.0-4.0 \$/bbl

- Weak outlook for jet fuel and gasoline cracks
- Resilient diesel and strong HSFO cracks
- **~24 mt production, ~25mt sales and 80 - 85% capacity utilization**

Refining Capex ~125 million \$

- Sulphur treatment units, improvement in storage units

* During preparation of the revised 2020 expectations, it has been assumed that Covid-19's negative impact on crude oil and petroleum products demand will began to decrease by June and normal economic activity will resume starting from August.

Competition - STAR Refinery

Timeline



- Feasibility studies began in 2010 and construction kicked off in 2011
- Goldman Sachs has acquired a 13% stake in SOCAR Turkey for \$1.3 billion.
- Total investment size 6.3 bn USD, with 3.3 bn USD credit agreement.
- Following the completion of construction late 2018, reached full capacity utilization in August 2019

Turkish Market Structure (mn tons)

Turkey Demand	Tüpraş	STAR	Total	Turkish Market Demand	Balance
LPG	1.1	0.3	1.4	4.1	-2.7
Petchem F.	0.2	2.6	2.8		
Gasoline	6.1		6.1	2.4	3.7
Jet Fuel	5.2	1.6	6.8	5.2	1.6
Diesel	10.7	4.5	15.2	26.5	-11.3
Fuel Oil	1.8		1.8	1.3	0.5
Bitumen	3.1		3.1	3.1	
Pet coke	0.8	0.7	1.5	4.6	-3.1
Total	~30	~10	~40		

Competition - Regional Competition

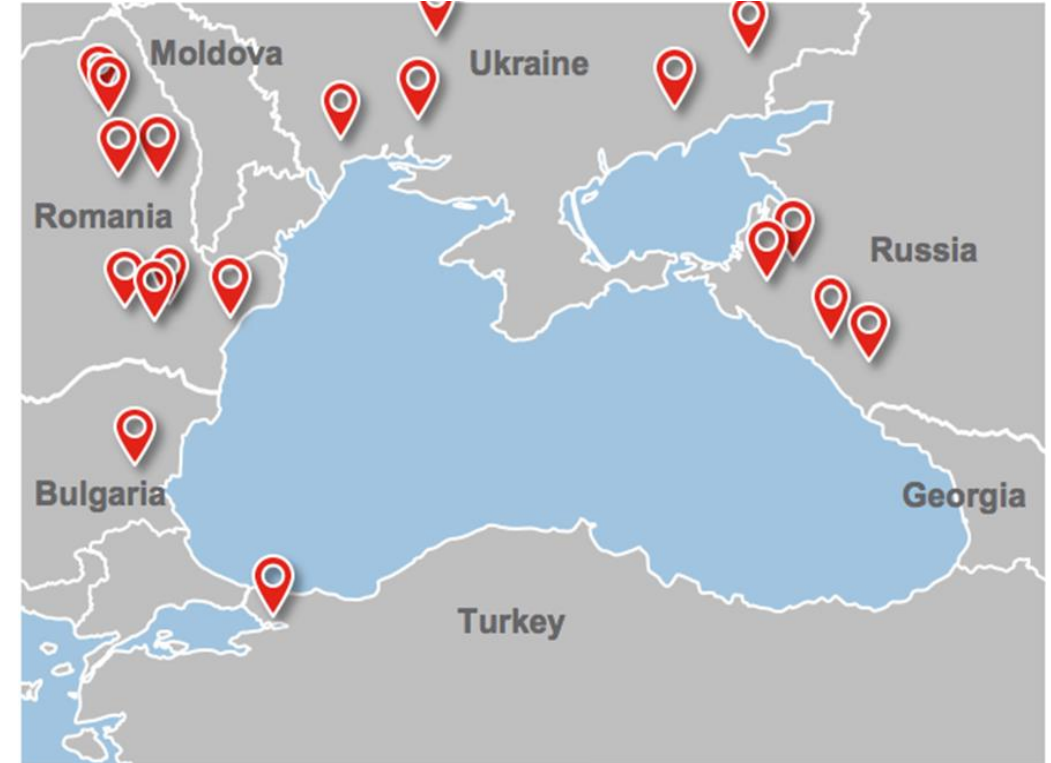
- Tüpraş competes with 71 refineries in the Mediterranean and Black Sea markets.
- Mediterranean regional product balance is also affected from Middle East, North West Europe and Asia flows

Mediterranean



54 Refineries ~7.8mbd

Black Sea

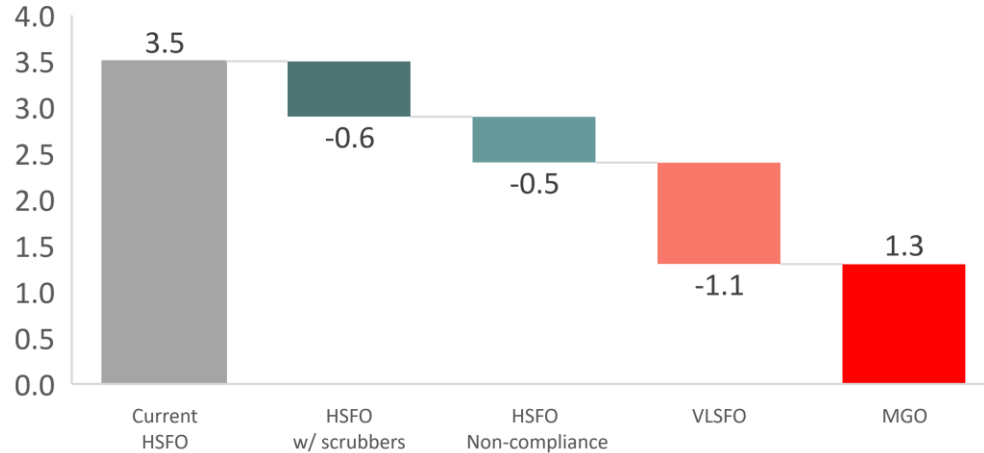


17 Refineries ~1.8mbd

IMO 2020: Changes in Bunker Specification and Its Effects

Current Outlook

HSFO replacement expectations

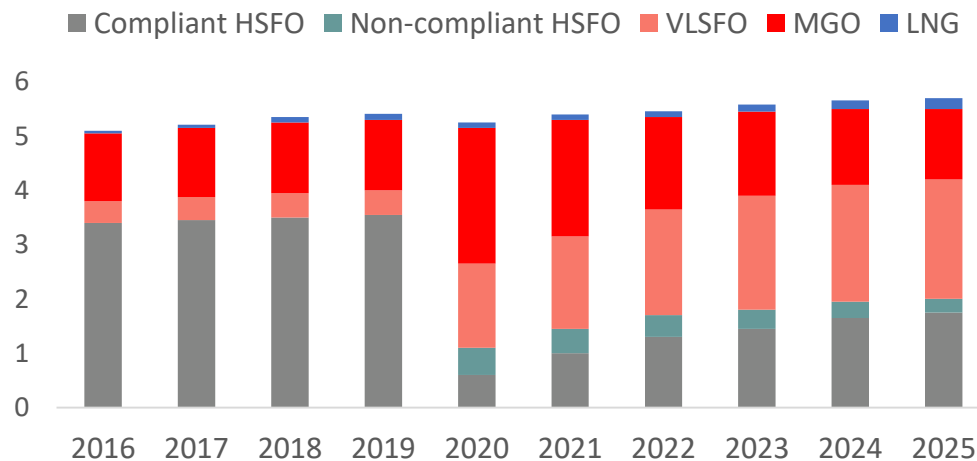


Current compliant fuels

- **Marine Gasoil (Diesel):** Easiest solution as it is already available
- **Very Low Sulphur Fuel Oil (VLSFO):** Either through FCC with sweet crudes or by blending
- **Scrubbers:** As of 05/06/20, ~3.7K vessels are either fitted or scheduled to be fitted and ~0.6K vessels are on order book to be delivered with scrubbers
- **LNG:** requires significant investments at ports

Beyond 2020

Long term outlook for marine fuels



Demand shift beyond 2020

- VLSFO is the initial choice, followed by MGO
- Fuel choice might change through the years as availability & compatibility issues get resolved
- Compliant HSFO use grows as scrubber numbers rise from ~2K after Jan 1st, 2020 (some ports started bans on open-loop scrubbers thus this projection might change)

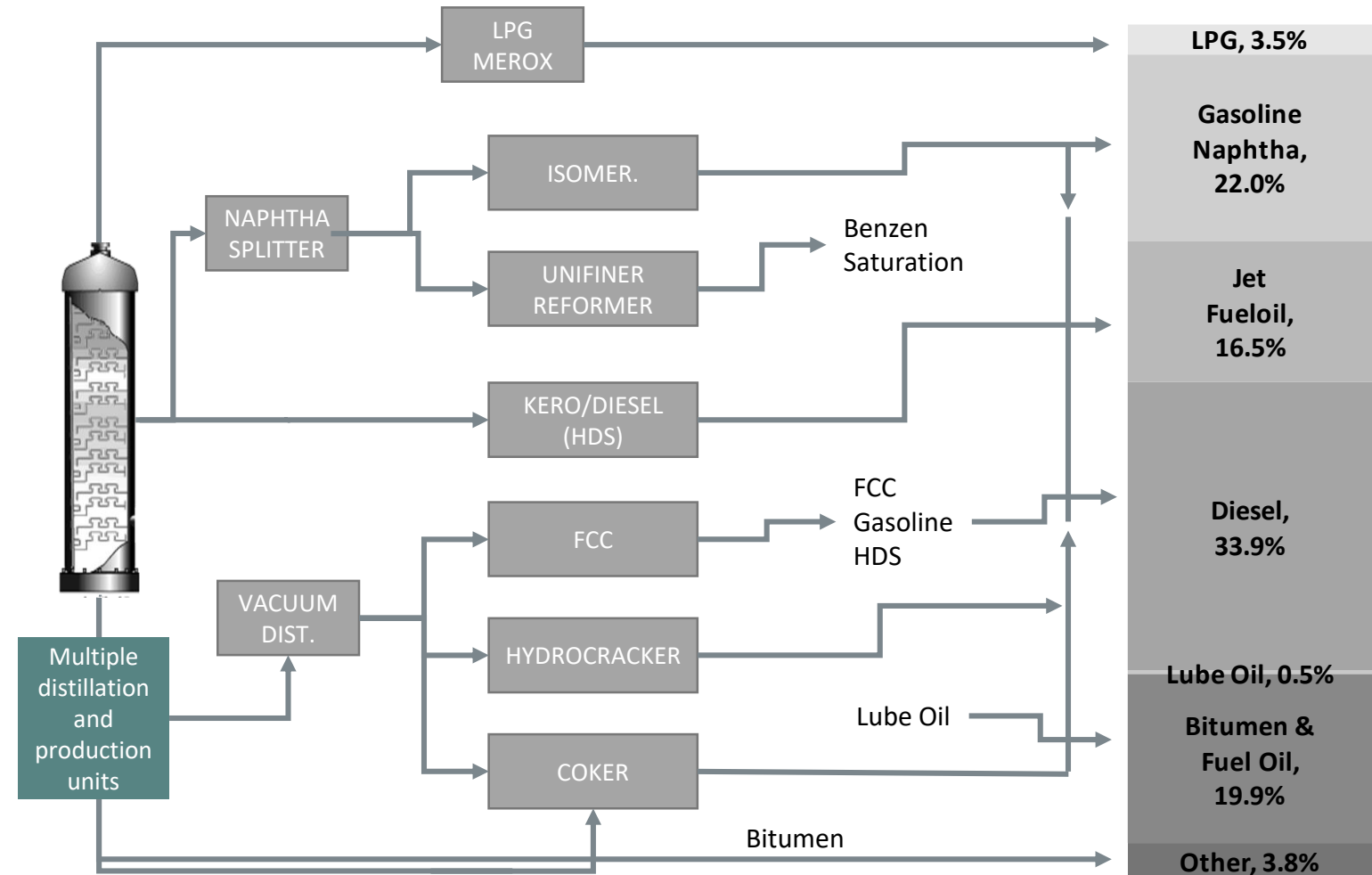
Source: Market Reports

Tüpraş Production Flow and Yield Breakdown

- Tüpraş has 30 million tons of production capacity
- Tüpraş operates 4 refineries with an integrated system optimization program

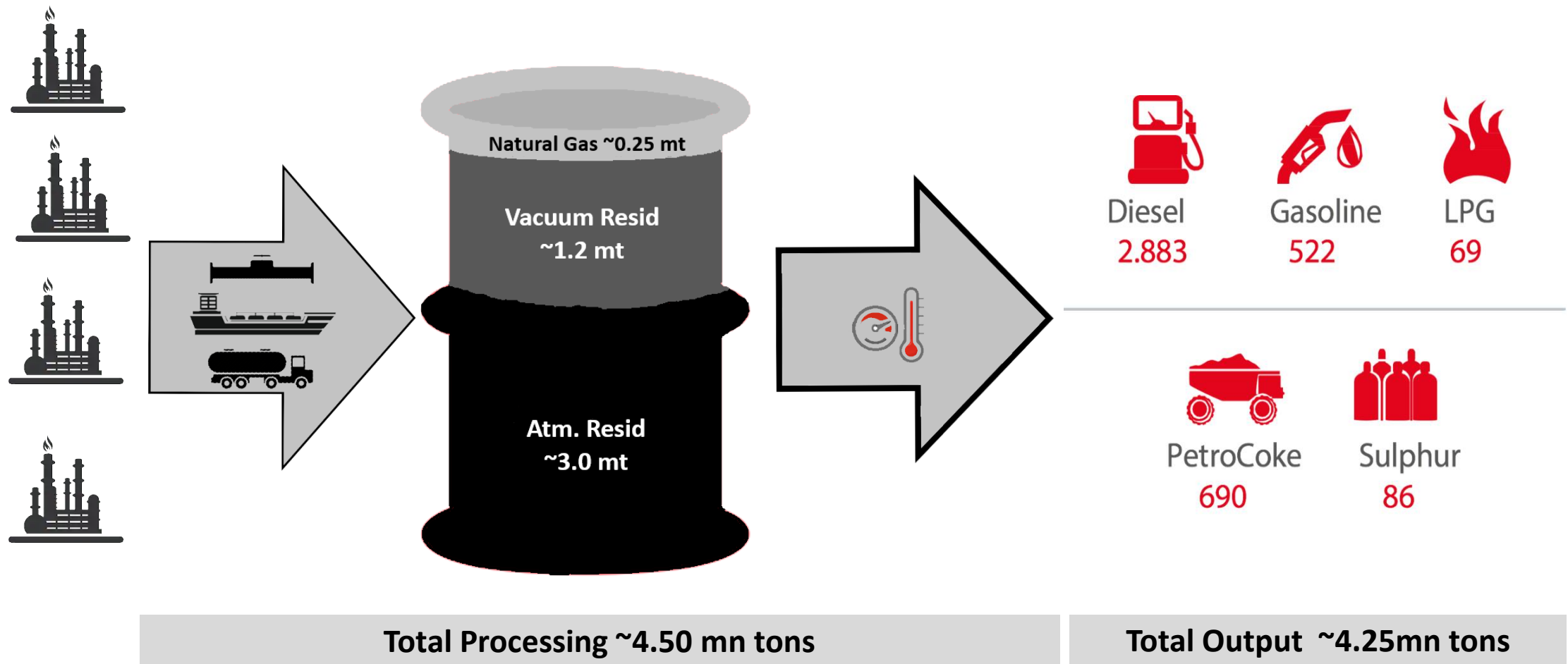
Key Units	# of Units	Capacity (m ³ /d)
CRUDE OIL	8	99,420
VACUUM DIST.	8	42,752
HYDROCRACKER	4	18,032
ISOMERATION	3	7,804
UNIFINER REFORMER	5	16,225
KERO/DIESEL (HDS)	9	37,265
FCC	2	4,650
COKER	1	9000
NAPHTA SPLITTER	8	
LPG MEROX	6	

Flow Diagram



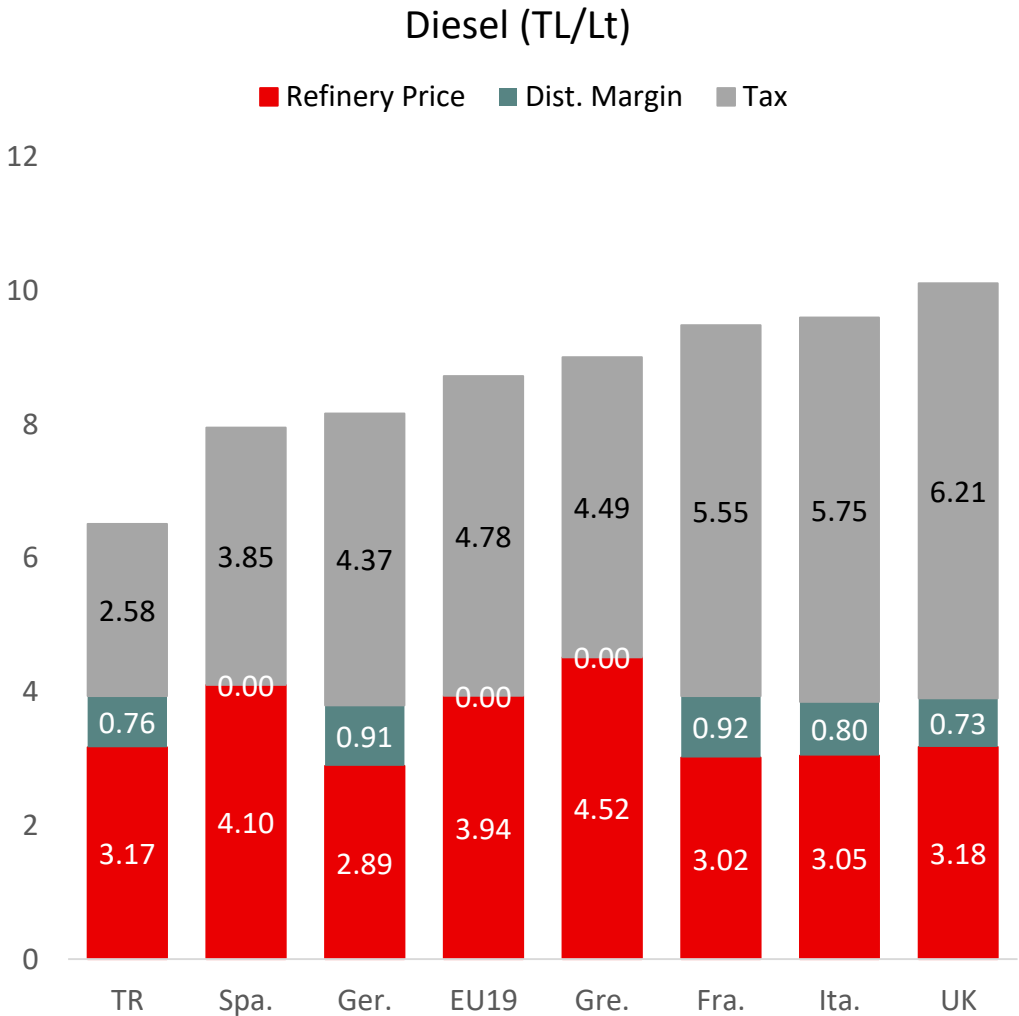
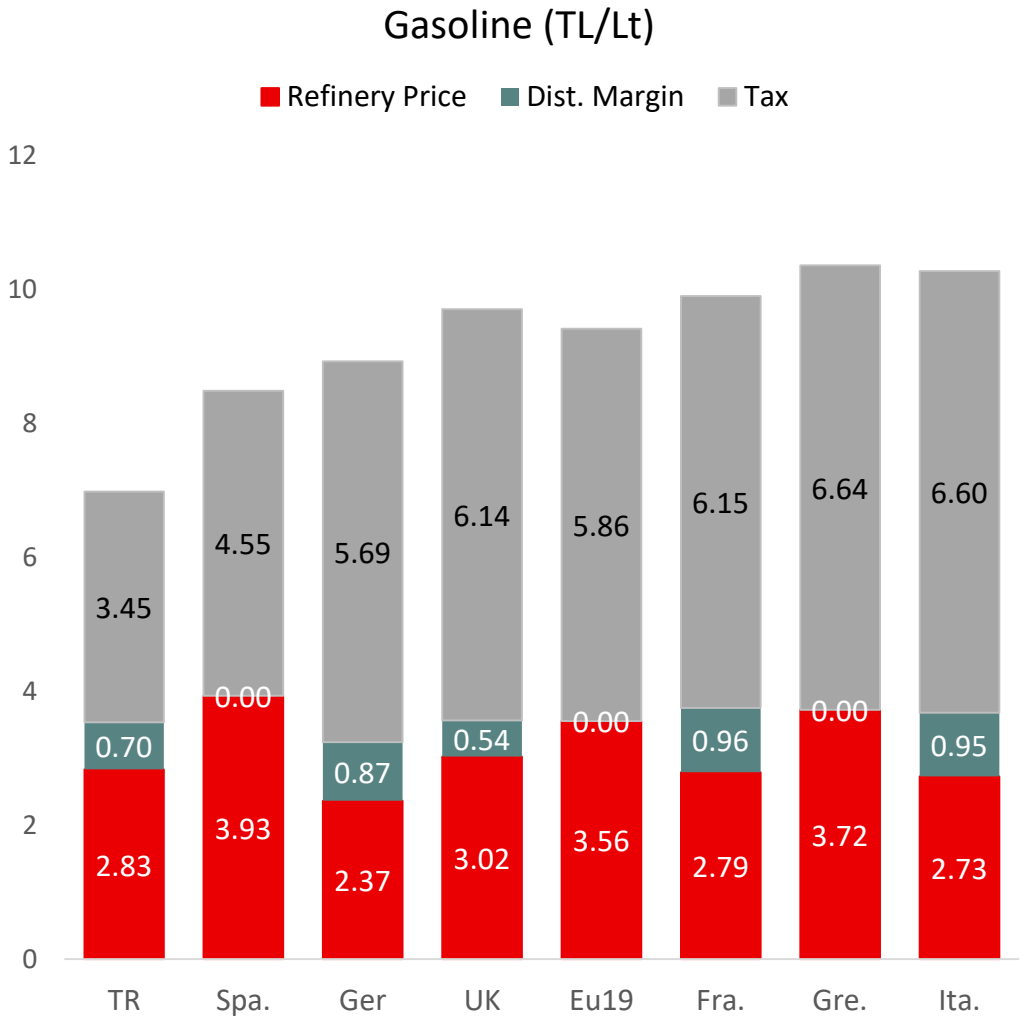
RUP Feedstock and Production

- Residuum Upgrade Plant (RUP) was completed in 2015 and it is the main conversion unit of Tüpraş.
- First periodic maintenance was completed in Q2 2019.



European Pump Price Comparison

Turkish fuel prices are highly competitive with other European countries.



European prices as of 16th December - Turkey's prices as of 24th December 2019

Tüpraş's Sustainability Efforts Over a Decade of Dedication

Tüpraş kicked off its sustainability program back in 2008 and achieved many milestones in a decade

From our investment decisions to our working methodology, we placed sustainability at the forefront of our operations, as a core management aspect. Accordingly, we adopted the UN Sustainable Development Goals (SDGs) as a significant guidance mechanism seeking creative solutions to global challenges.

~500

energy efficiency projects leading to
~35,000 TJ saving
and
2.4 mt CO2 reduction

11.5%

increase in solid waste recovery

45.5%

decrease in fresh water usage

20.7 points

drop in Energy Intensity

~209 MTL

donations and sponsorships

76.5%

increase in female employee numbers

~1.2 mn

workhours dedicated to OHS training

+1.3 points

increase in Corporate Governance rating

17%

female representation in senior and mid-level management



See our Sustainability Report for details

2019 Achievements

Environmental Responsibility



- Tüpraş won **the first and jury special awards in** Energy Efficiency in Industry Project Competition.
- Kırıkkale Refinery New Power Plant project was selected as the **“Project of the Year”** at the ICCI International Energy and Environment Fair and Conference.
- Achieved **69.6%** water recycle ratio
- Achieved **69.5%** solid waste recovery

Social Support



- **~12,000** students have received robotic coding training within **Our Energy to the Future; I Code, Model, Produce CSR Project** .
- 80% of ex-crude procurement activities were conducted through **local businesses**.

Governance Excellence



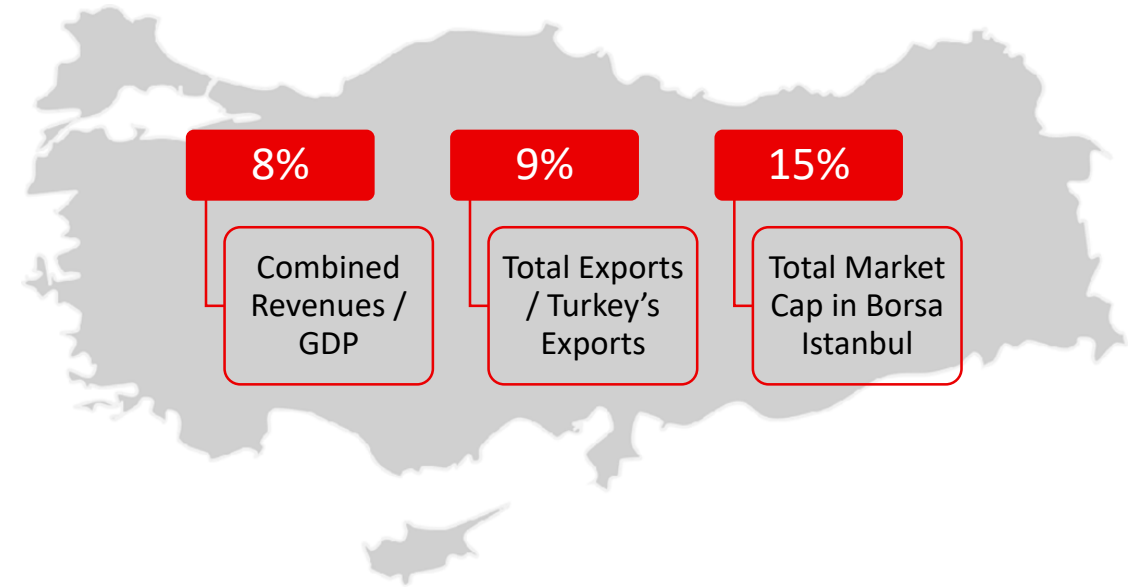
- **9.50** Corporate Governance Rating
- **18%** Female Representation at the Board,
- **17%** Female Representation in Upper and Mid-Level Management.

Turkey's Leading Investment Holding Company

- Koç Holding is Turkey's largest industrial and services group in terms of revenues, exports, employees, taxes paid and market capitalization
- The only Turkish company in Fortuna 500¹.
- 26% CAGR in consolidated profit² the last five years

Pioneer in its Sectors

- Leading positions with clear competitive advantages in sectors with long-term growth potential such as energy, automotive, consumer durables and finance.



Notes : Data as of YE19

(1) 2019 Report (based on consolidated revenues)

(2) In TL terms between 2015-19





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contact us: tuprasir@tupras.com.tr