

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.

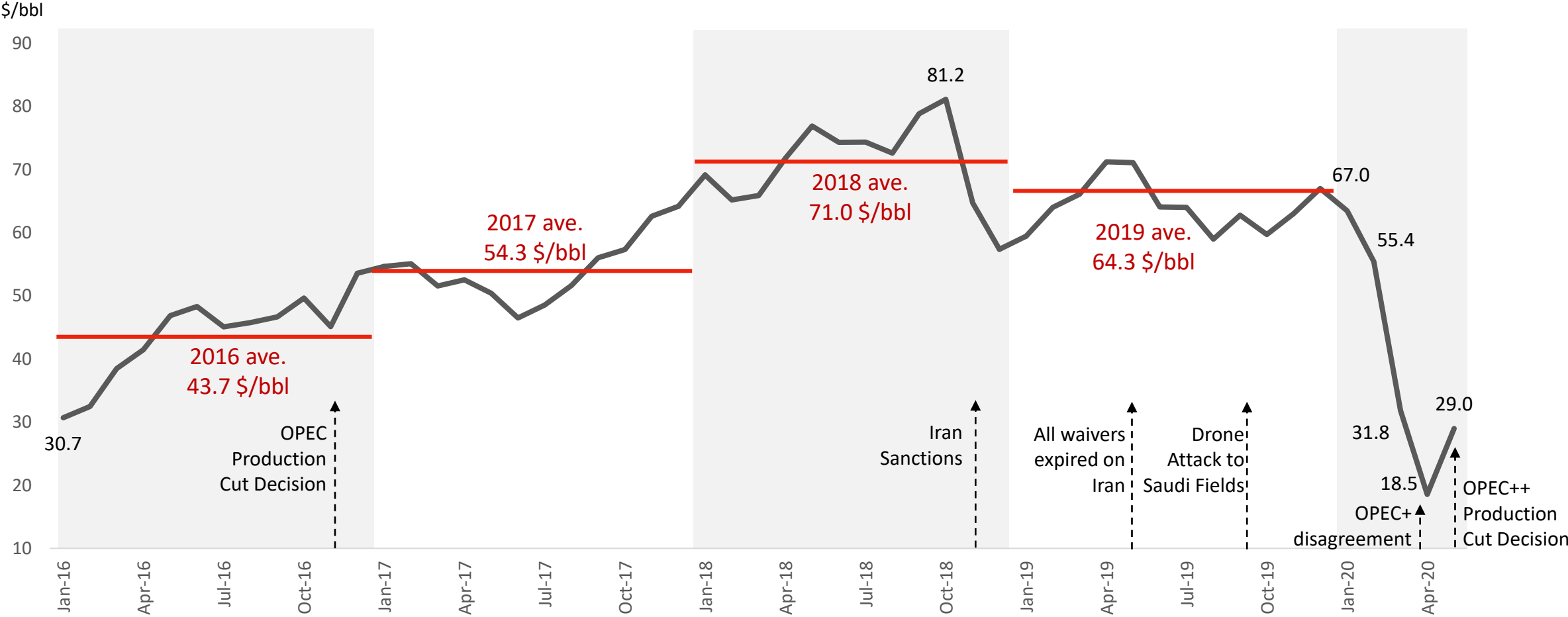
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Refining Market

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



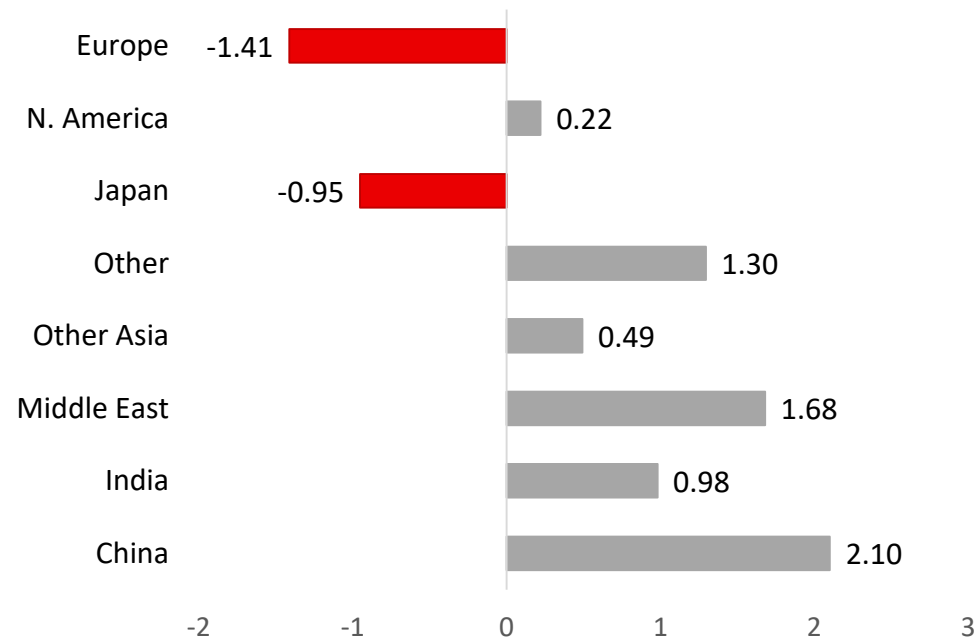
data as of 31 May 2020

Global Refinery Capacity Changes

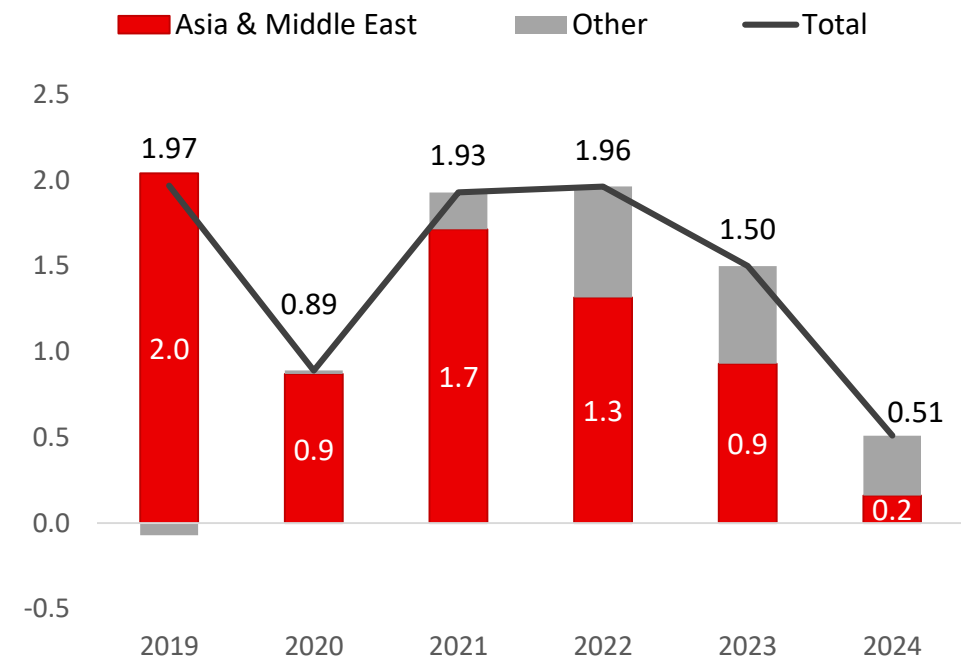
Expectations until 2024:

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

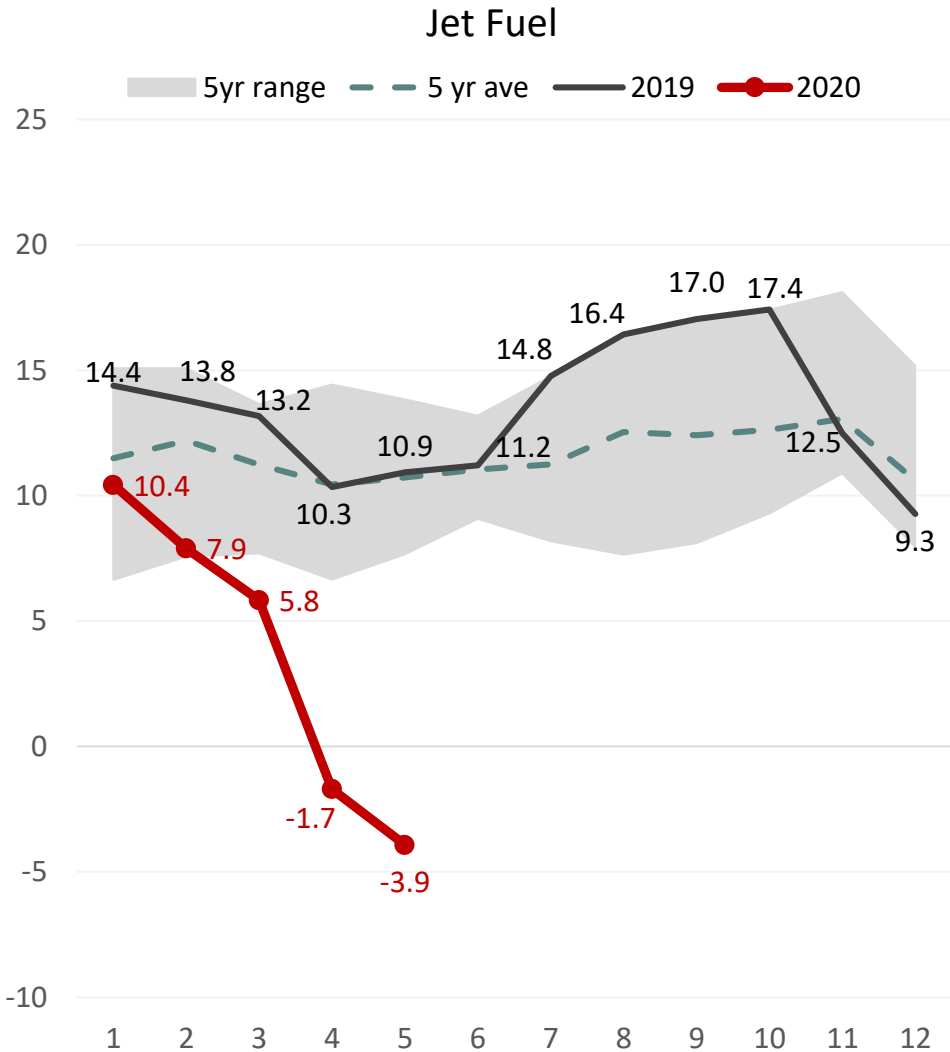
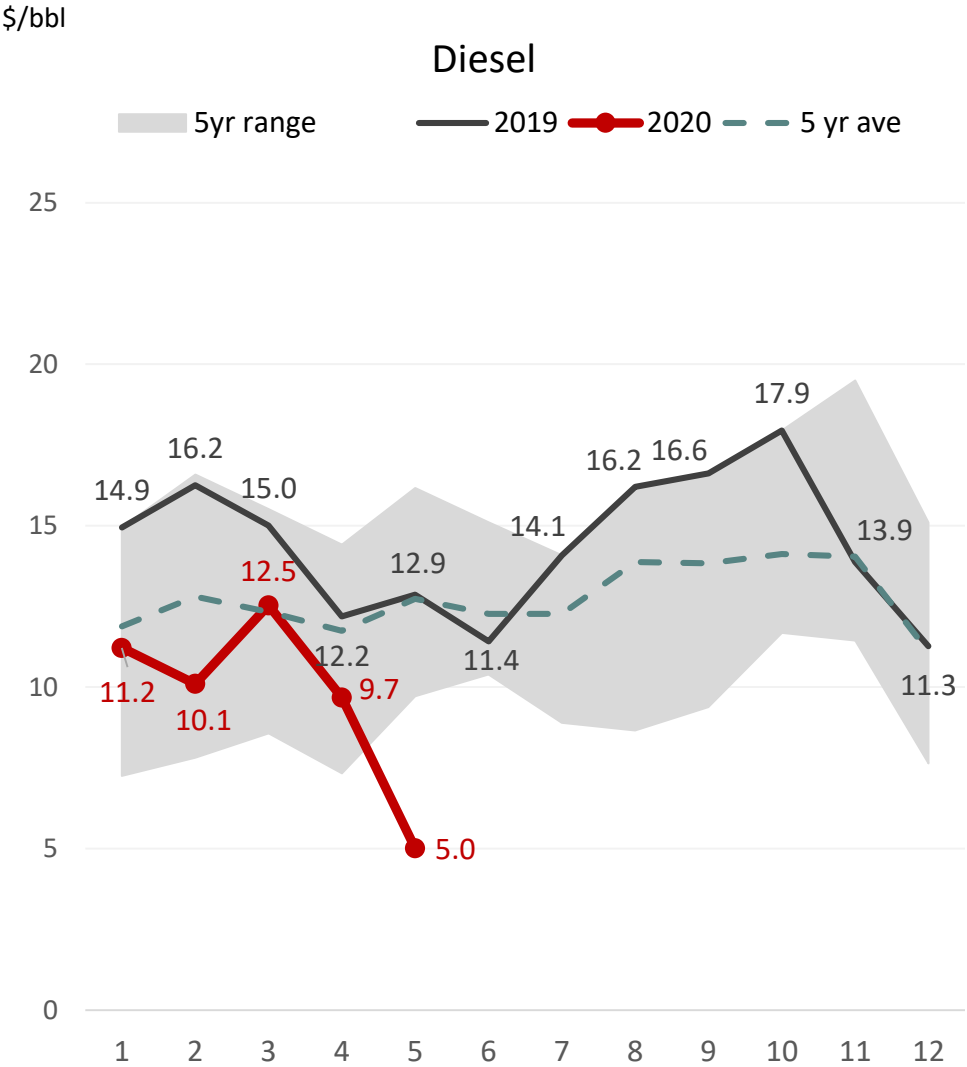
2012-2018 Net Capacity Additions by Region



2019-2024 Net Capacity Additions

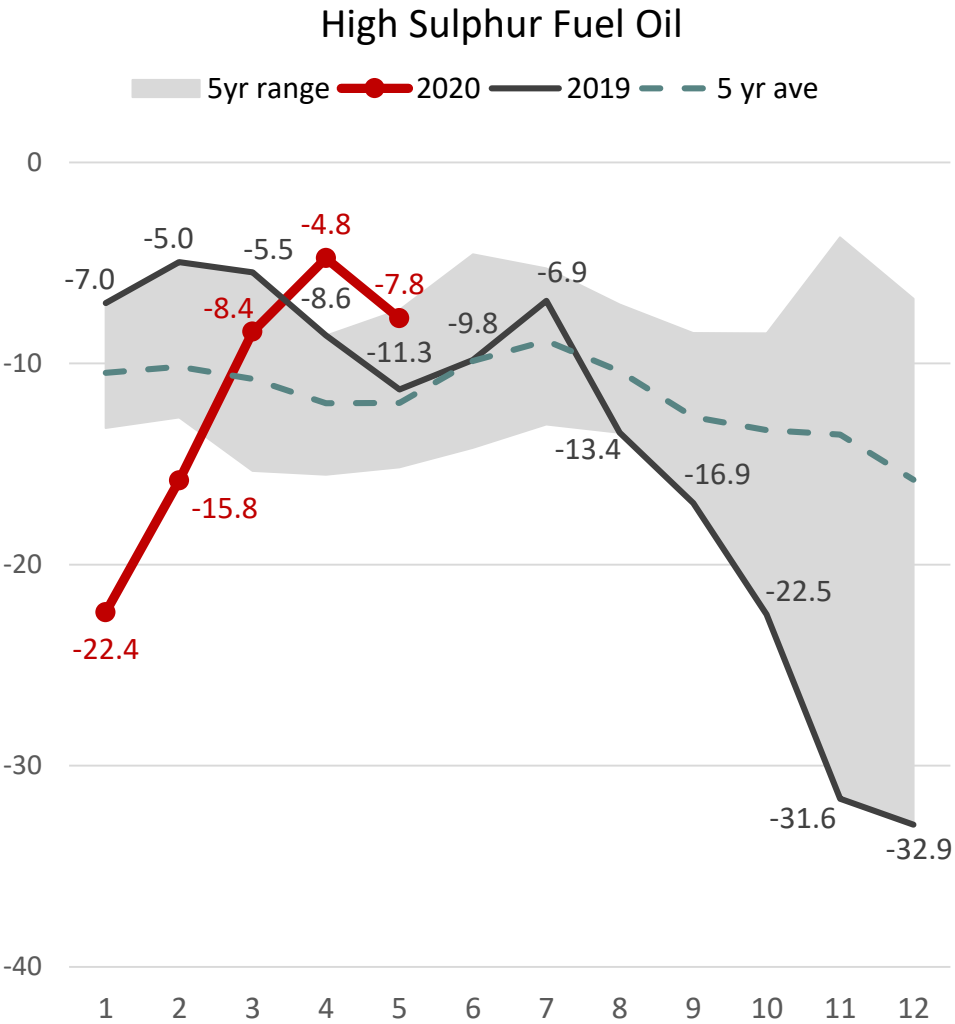
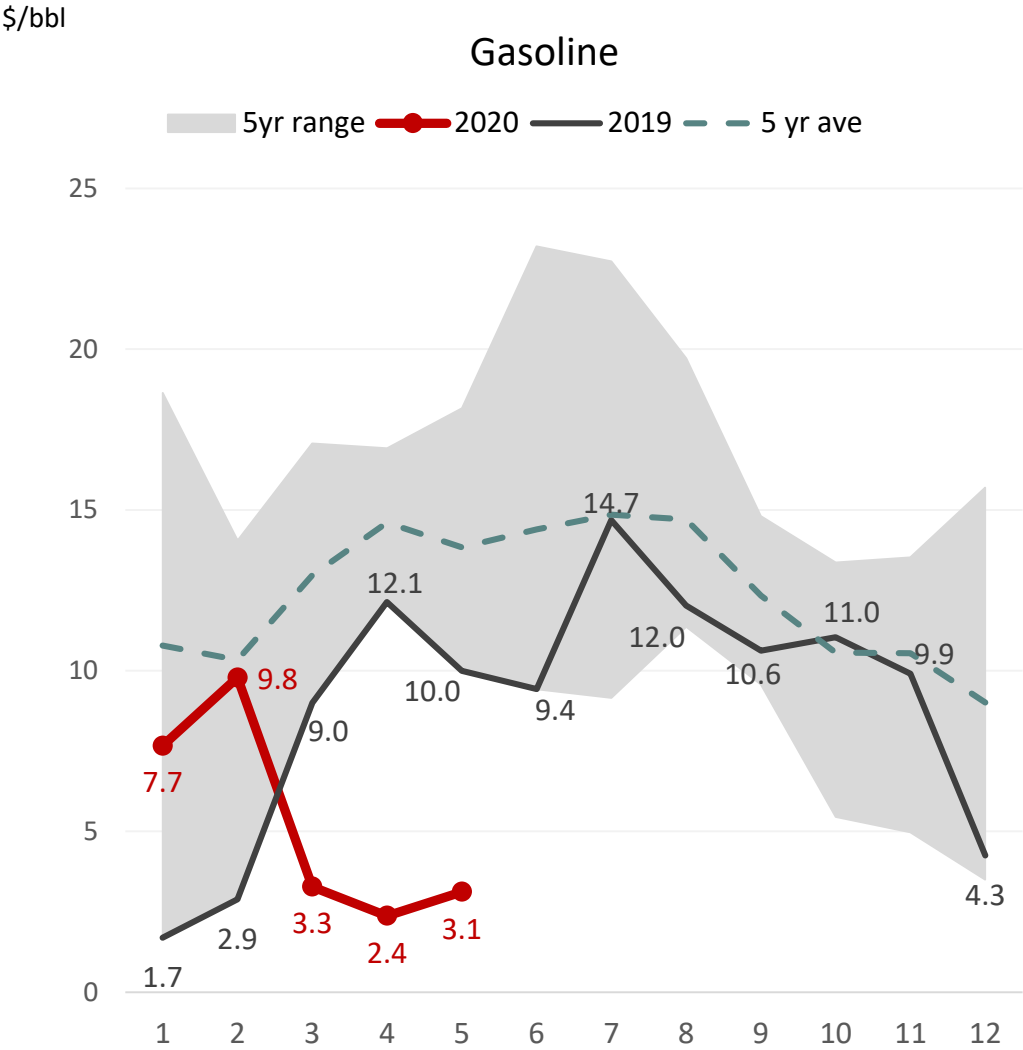


Middle Distillate Cracks



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

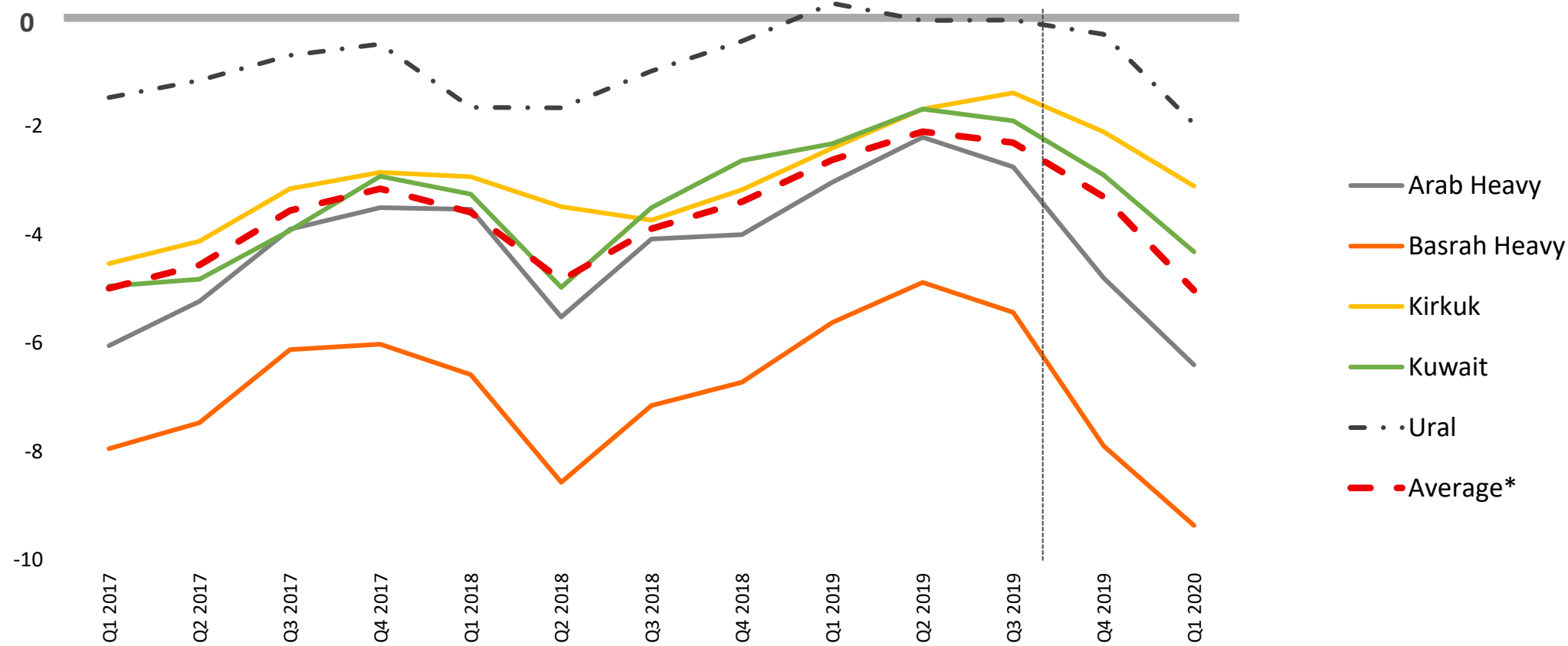
Gasoline and High Sulphur Fuel Oil Cracks



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

Crude Price Differentials to Brent

In Q1 2020, differentials widened compared to Q4 2019 on the back of higher supply against weaker demand and IMO driven feedstock shift to lighter crude



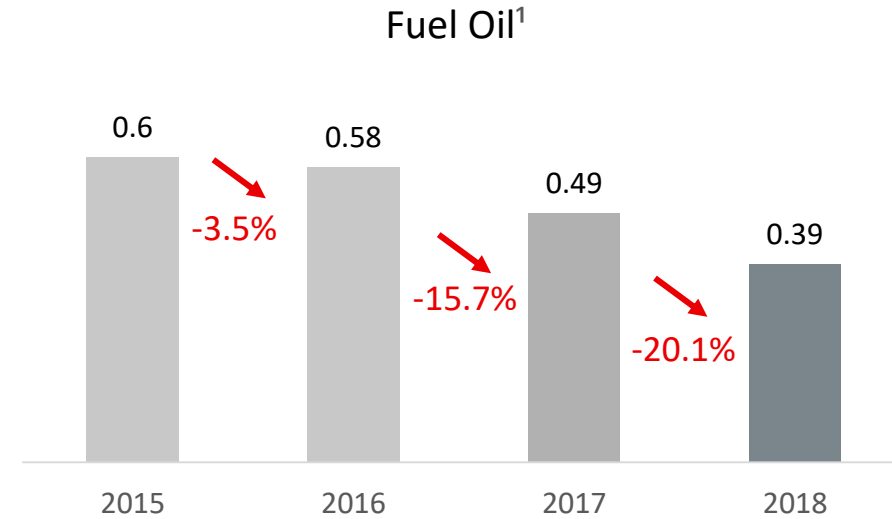
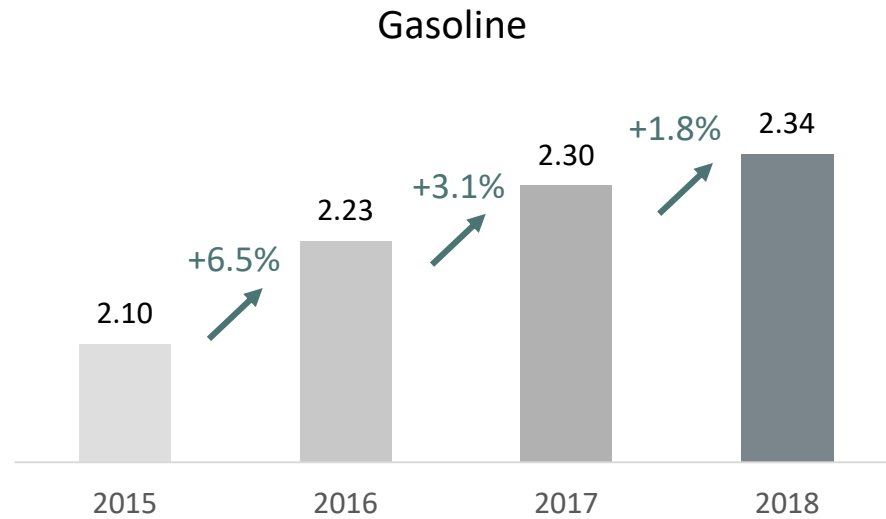
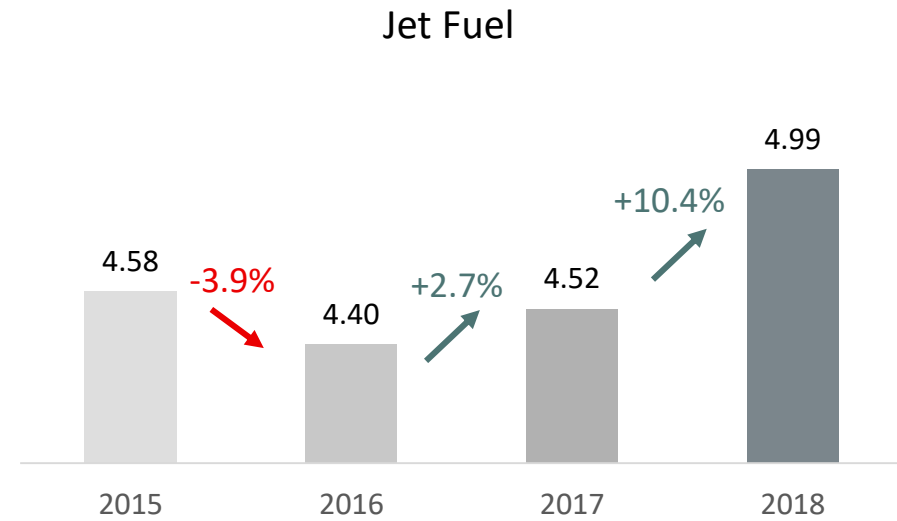
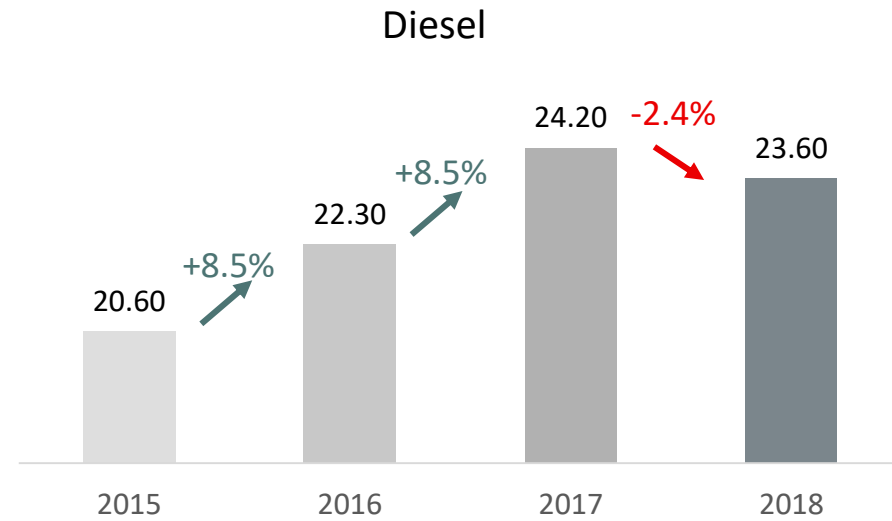
*Simple average of listed differentials



Turkish Market

Turkish Consumption 2015-2018

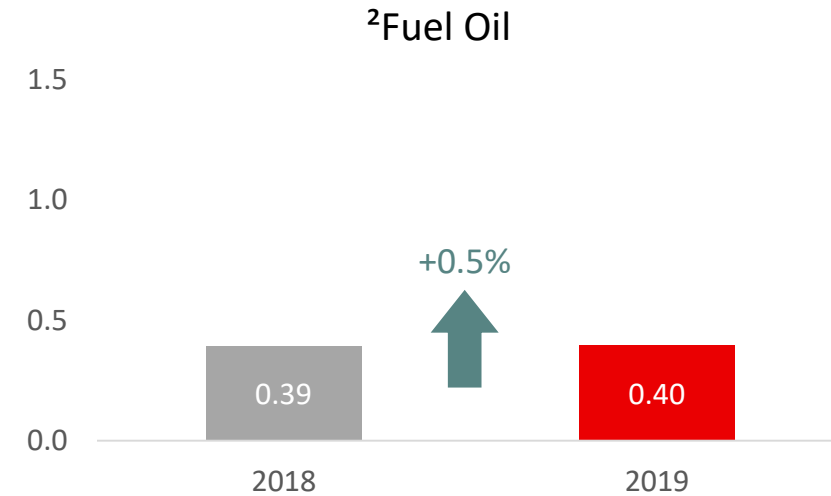
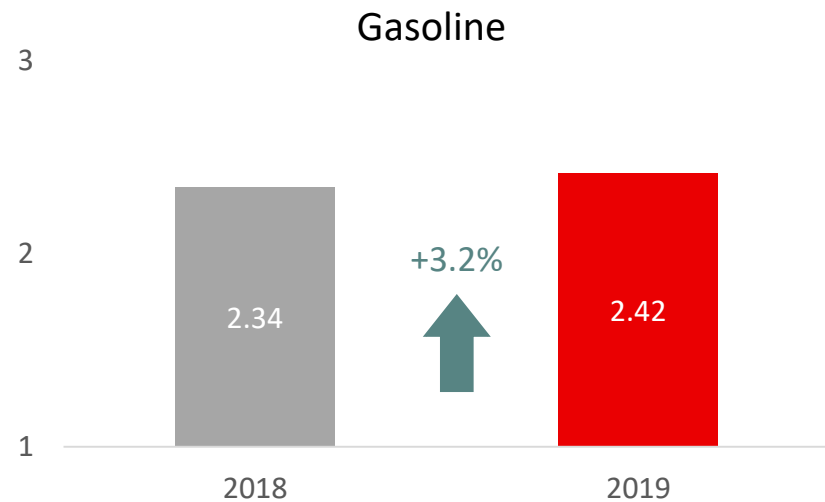
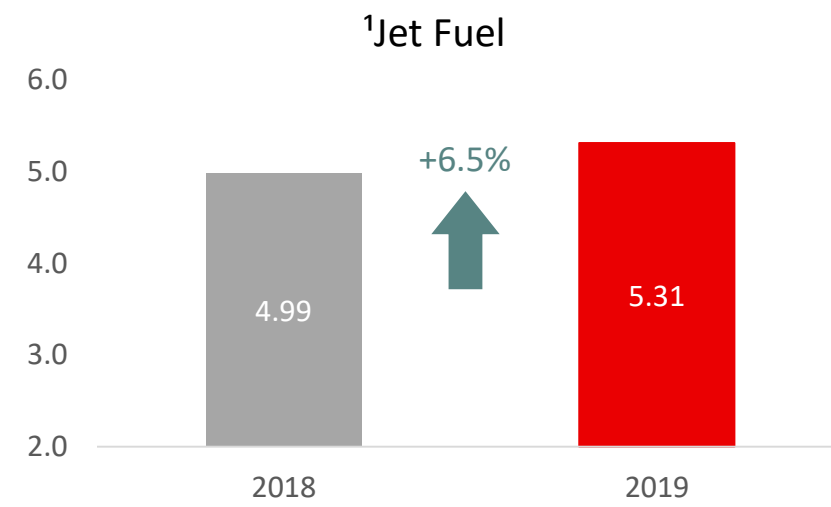
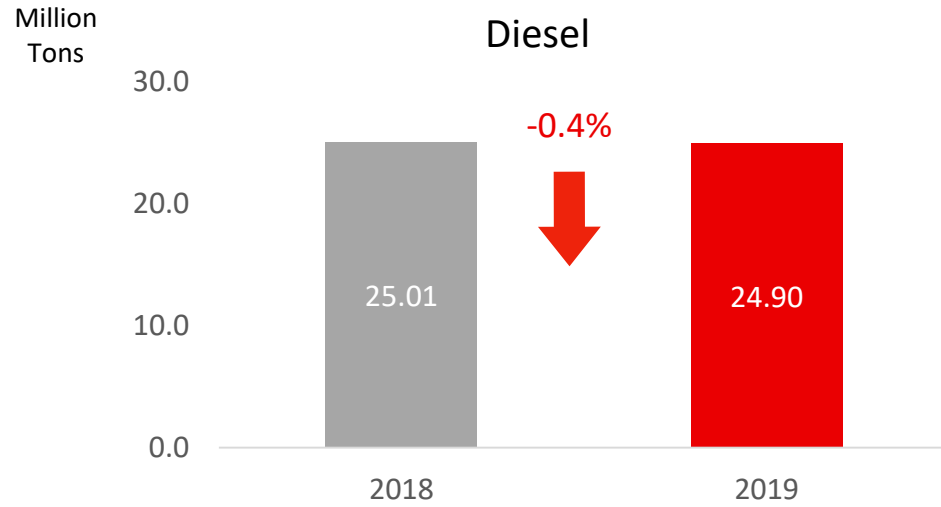
Million
Tons



Source: Tüpraş and EMRA ¹Bunker excluded

Turkish Market, 12M 2019

Diesel demand contraction in H1 has been mostly off set in H2. Aviation driven jet demand has been healthy.

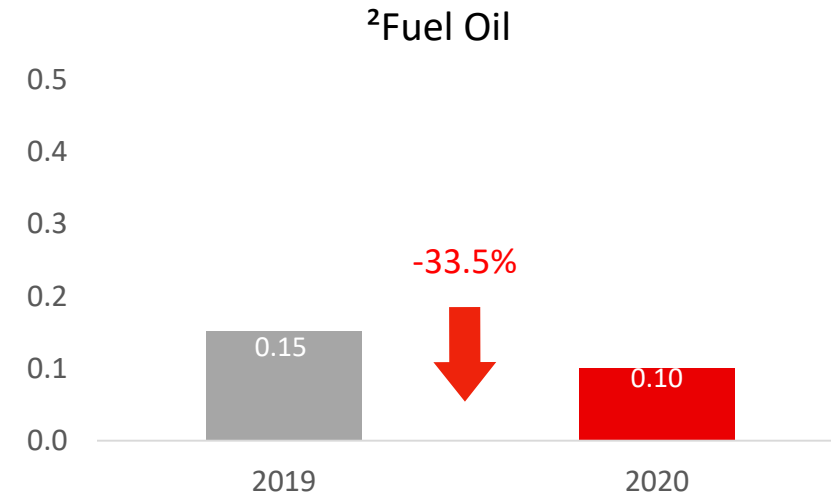
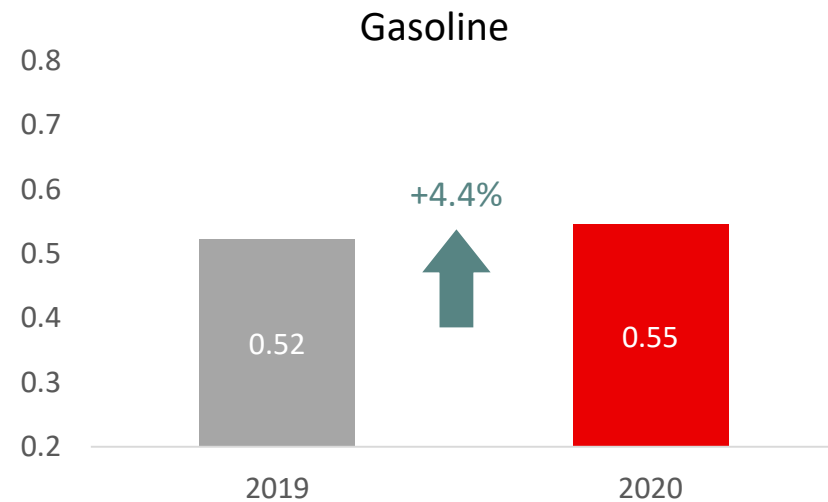
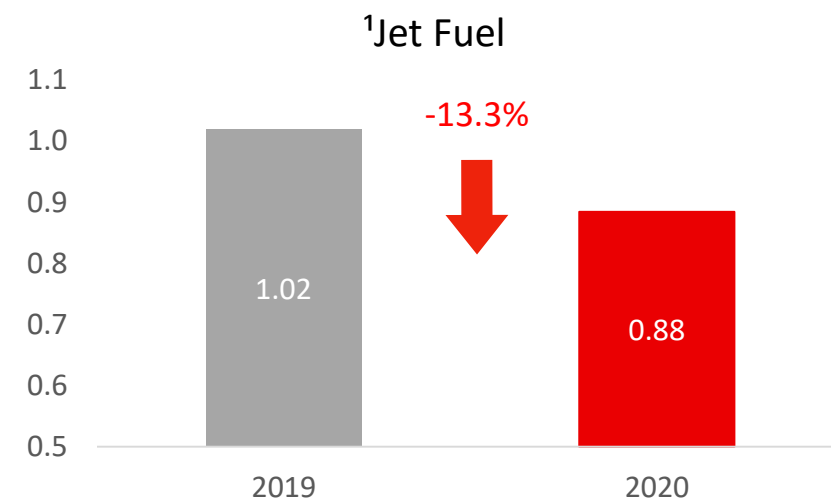
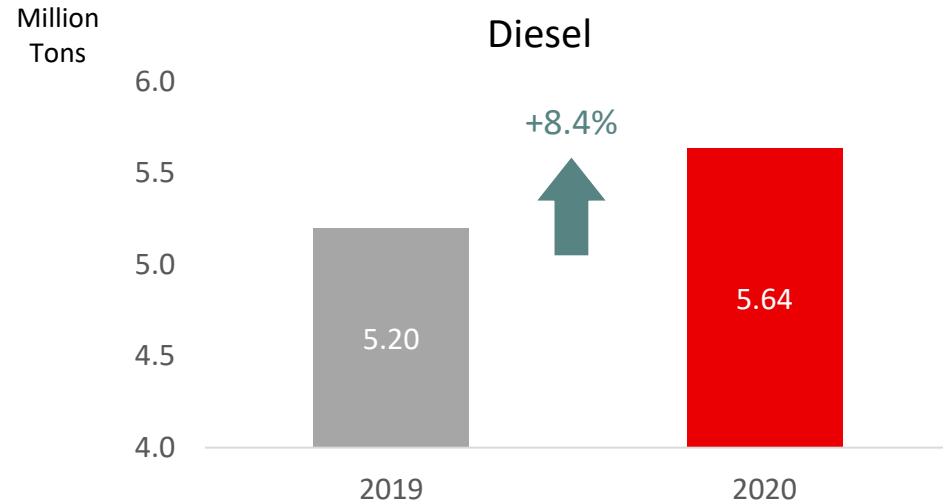


¹Transit flight consumption included

²Bunker excluded

Turkish Market, 3M 2020

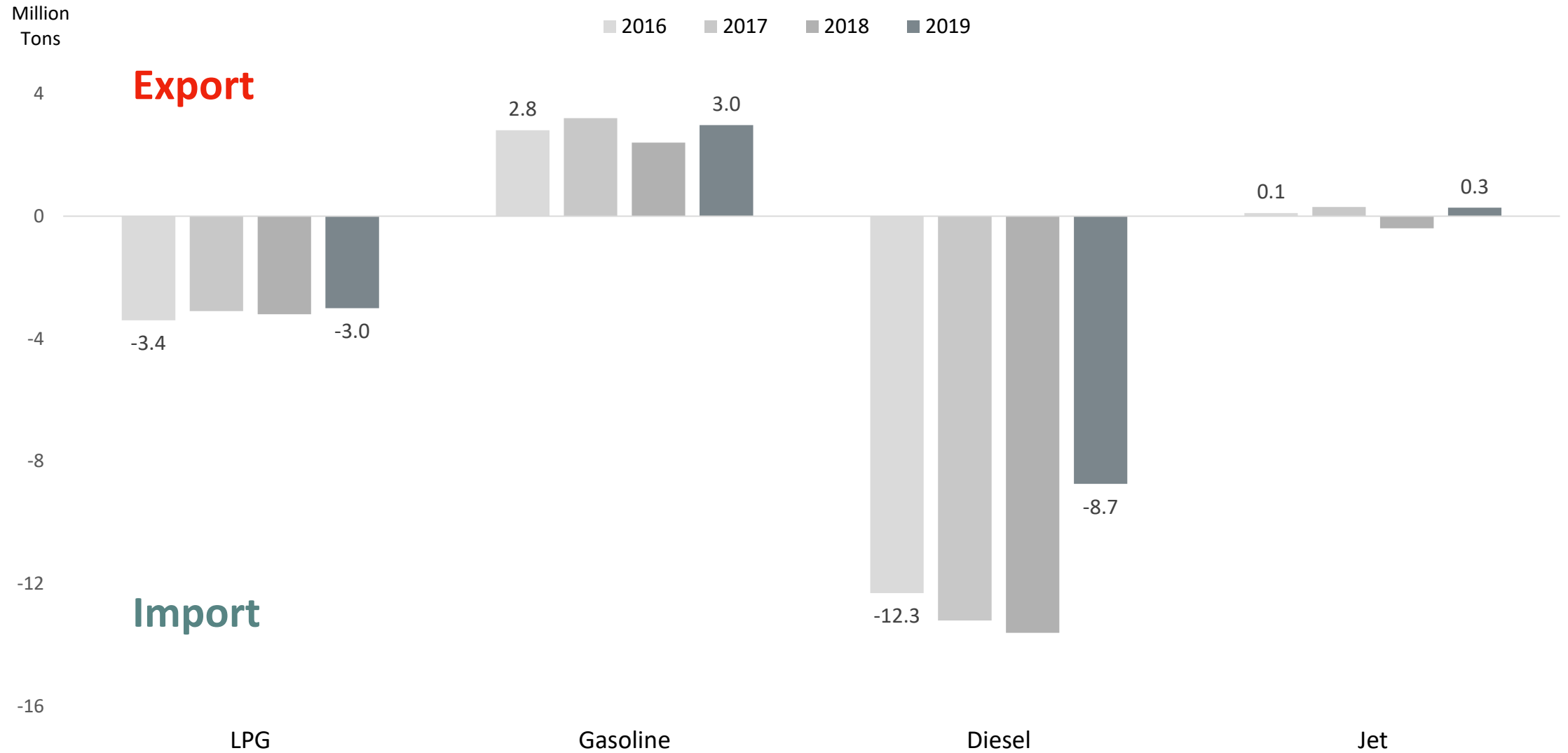
Diesel demand recovery since H2 2019 continued while jet demand started to show Covid-19 impact.



¹Transit flight consumption included

²Bunker excluded

Turkey's Net Import / Export Balance

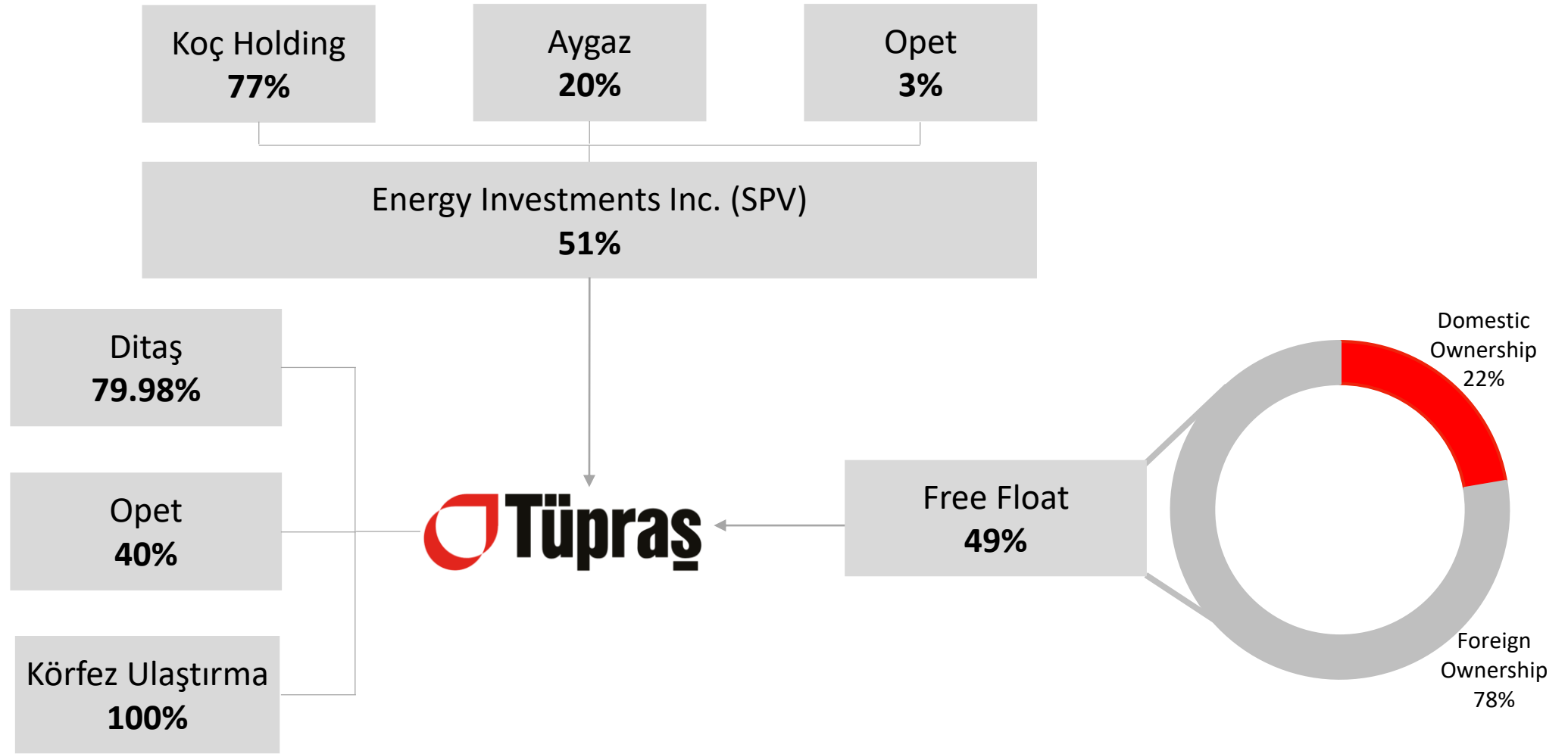




Company Overview

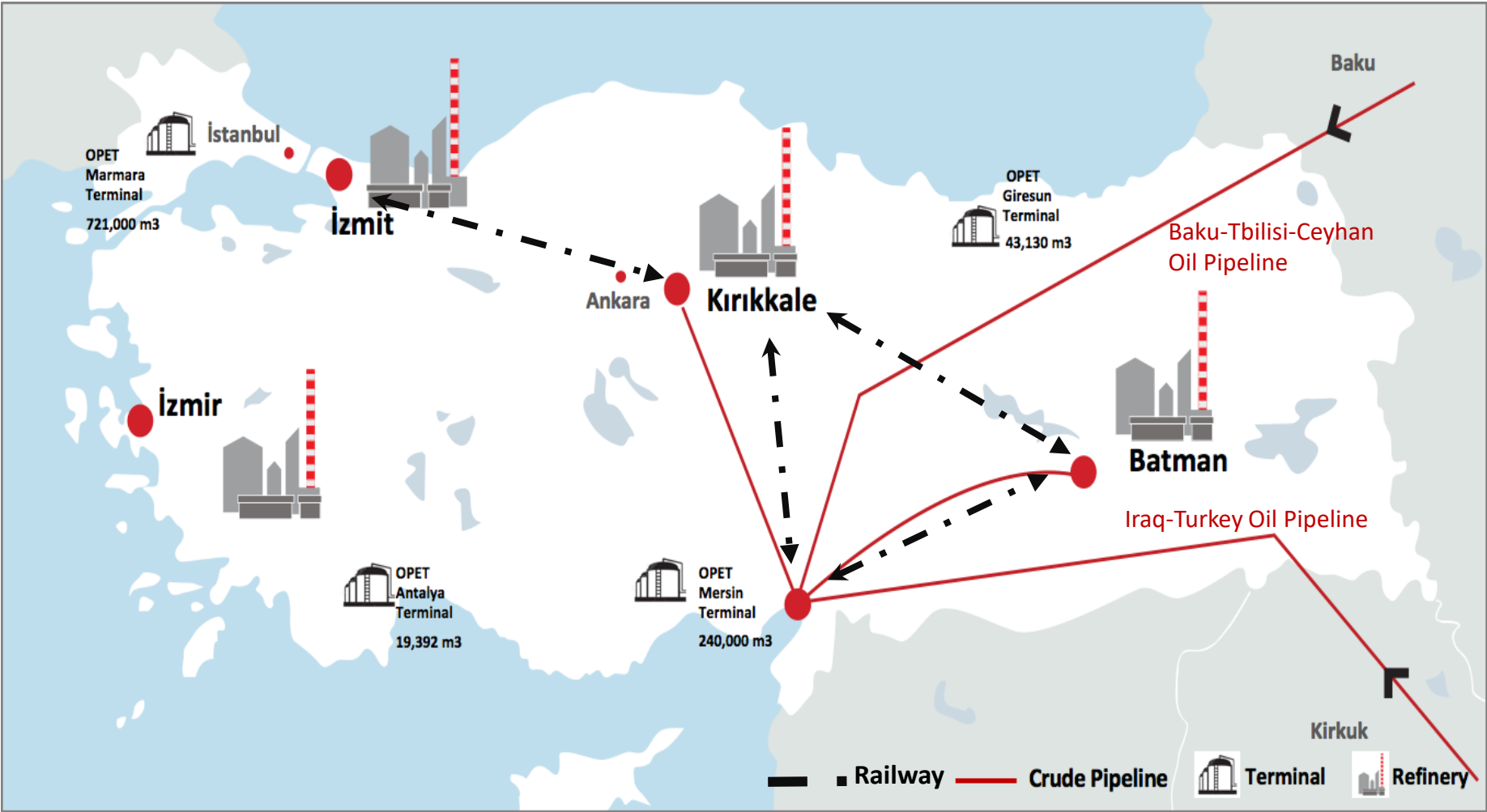
Tüpraş Shareholder Structure

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

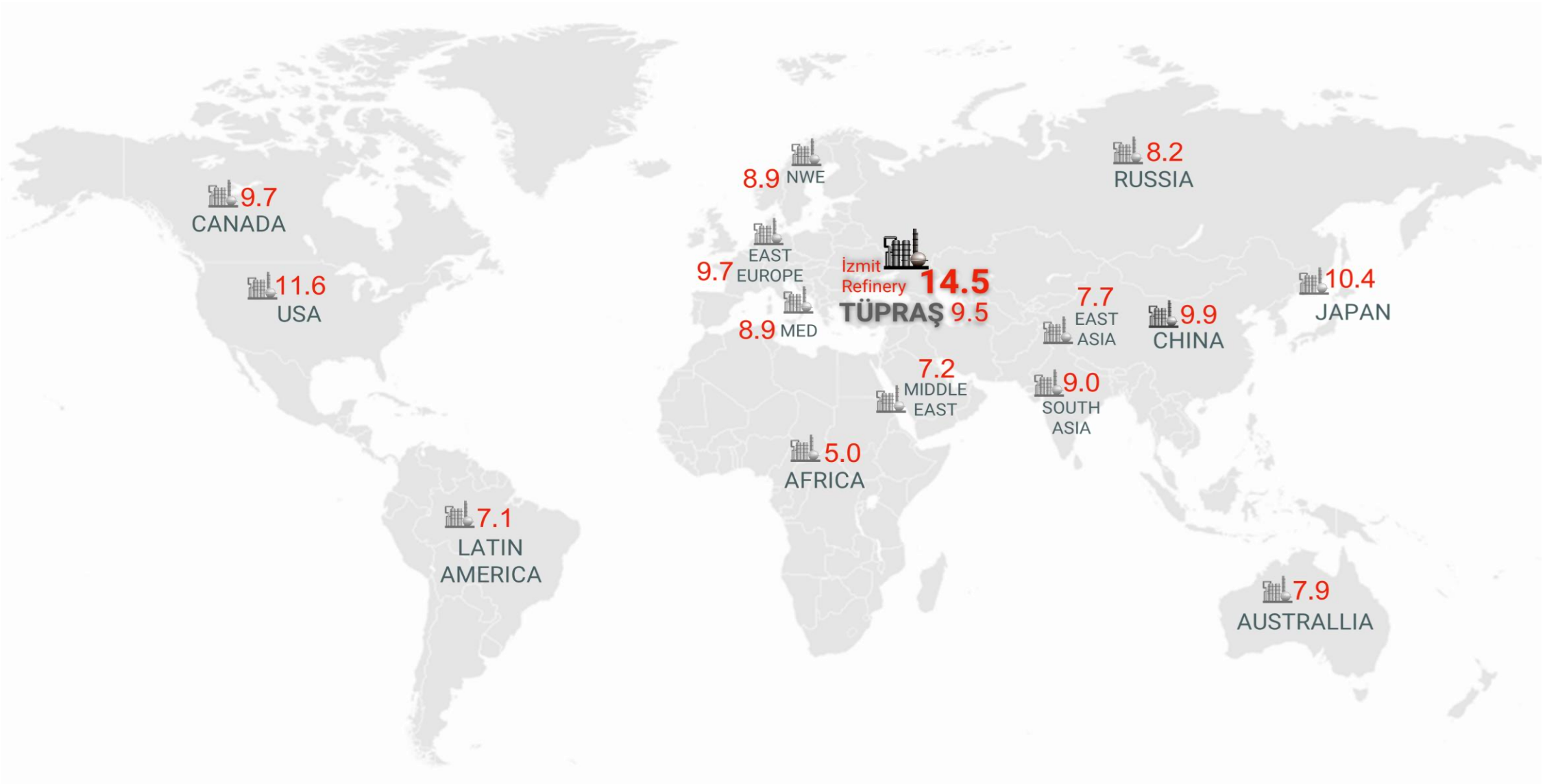
Izmit
<ul style="list-style-type: none">• 11.3 MT Capacity• NC: 14.5• Storage Capacity: 3.0 mn m³

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%



- 1,693 stations as of 31 Mar 2020
- As of February 2020 Market share: 20.1% in white products; 20.2% 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

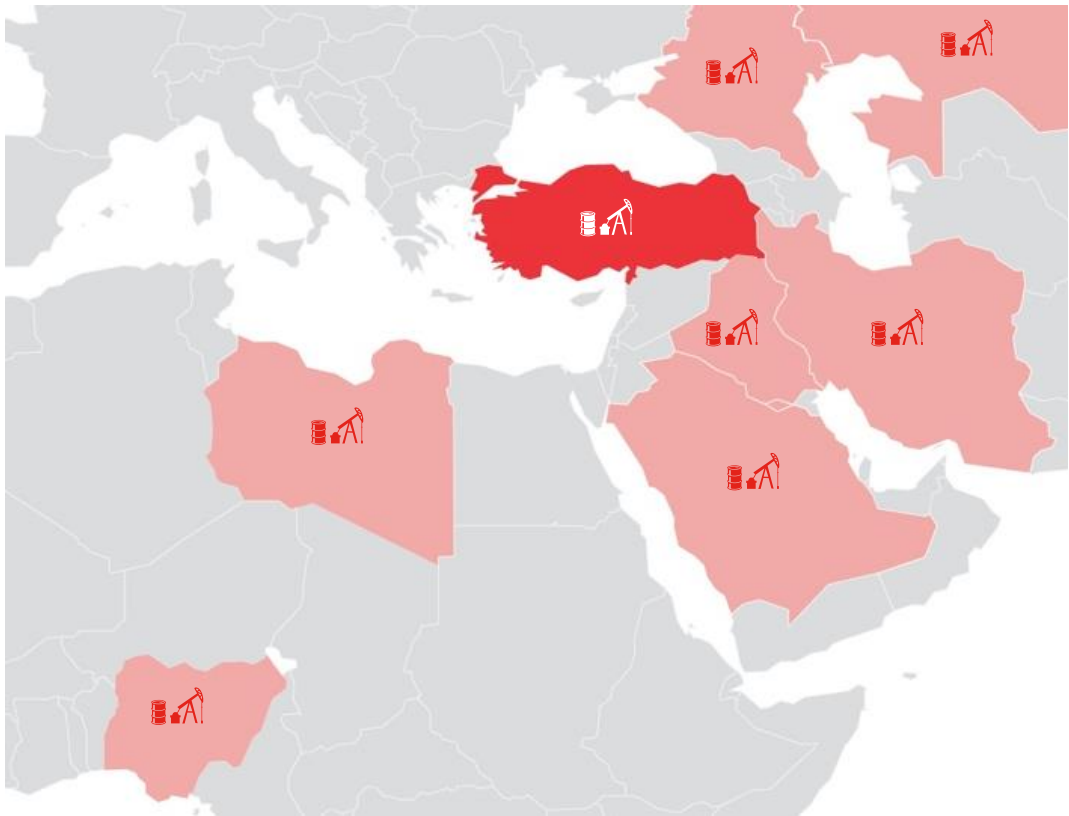


Operations

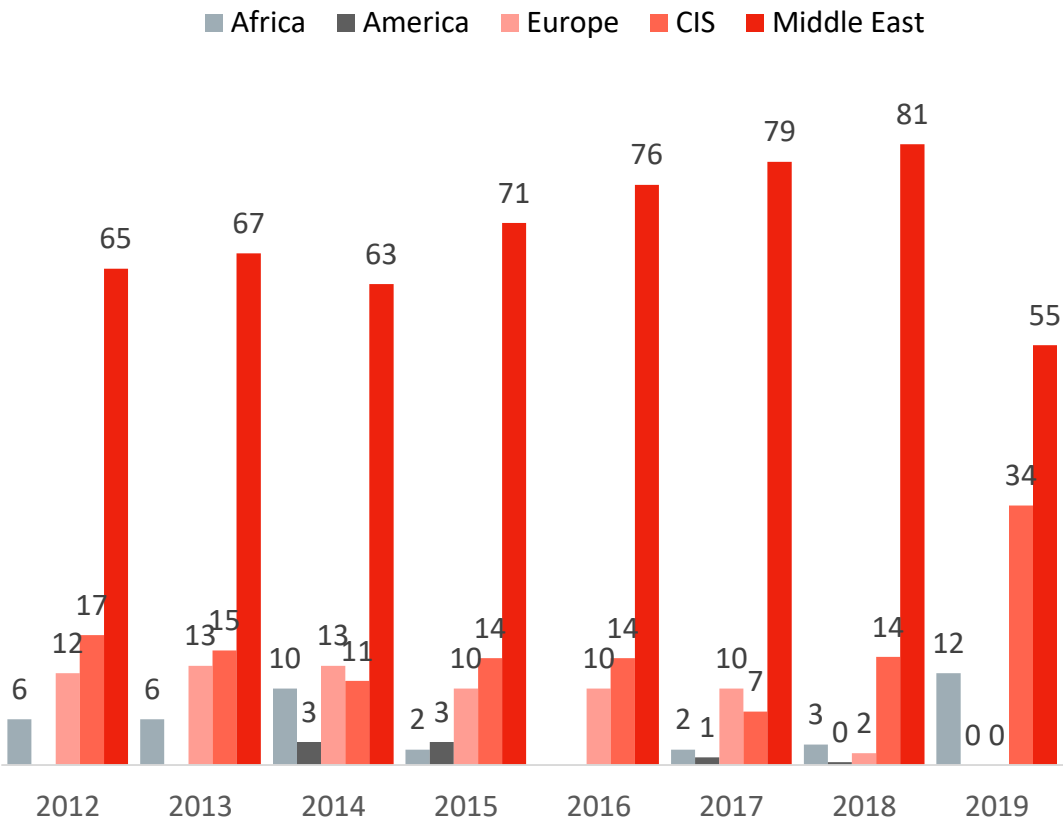
Crude Suppliers of Tüpraş

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

Main Crude Suppliers in 2019

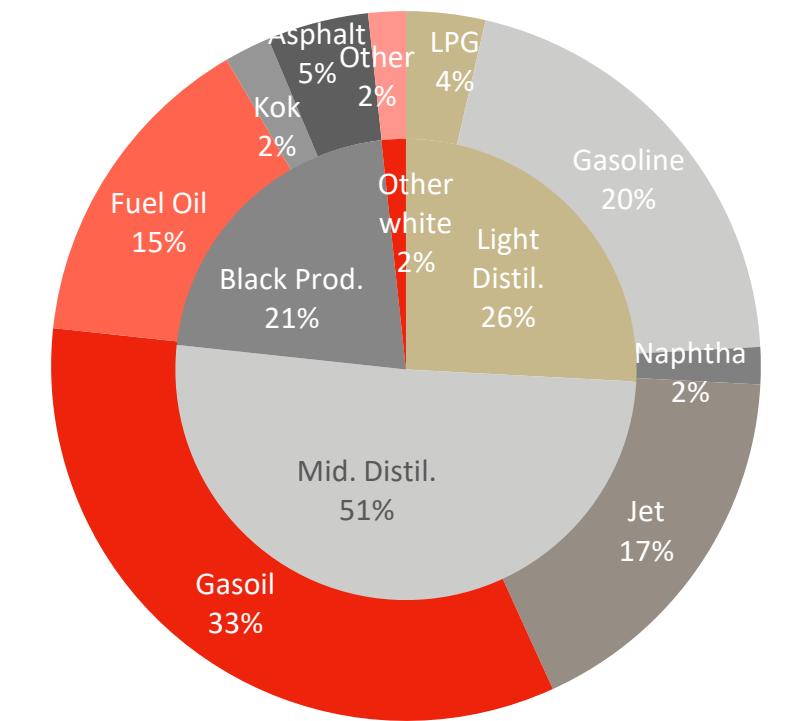


Crude Oil Imports by Region (%)



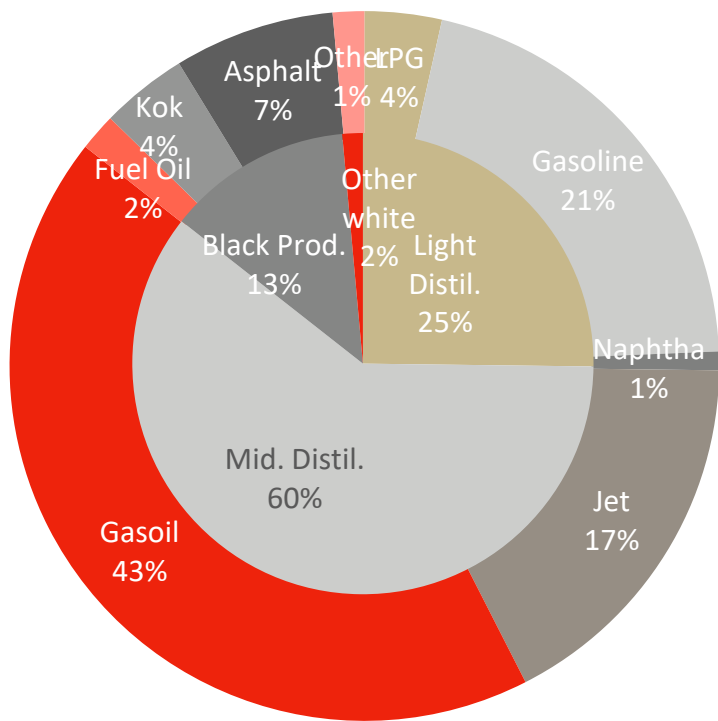
Q1 Product Yields

2019 Q1



White Product Yield (%)	77.4%
Production	6.7 mn tons
API	32.4

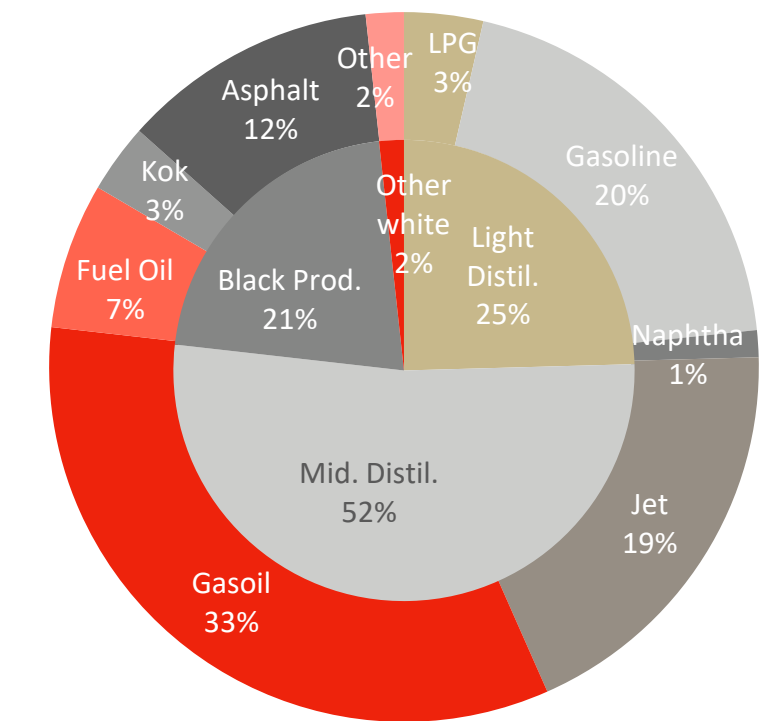
2020 Q1



White Product Yield (%)	85.7%
Production	6.0 mn tons
API	32.1

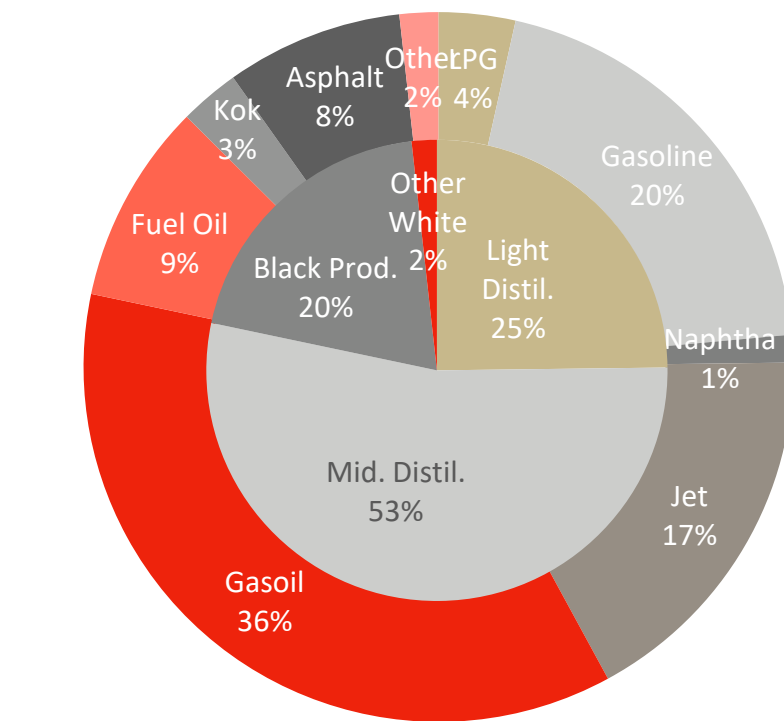
Annual Product Yields

2018



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

2019

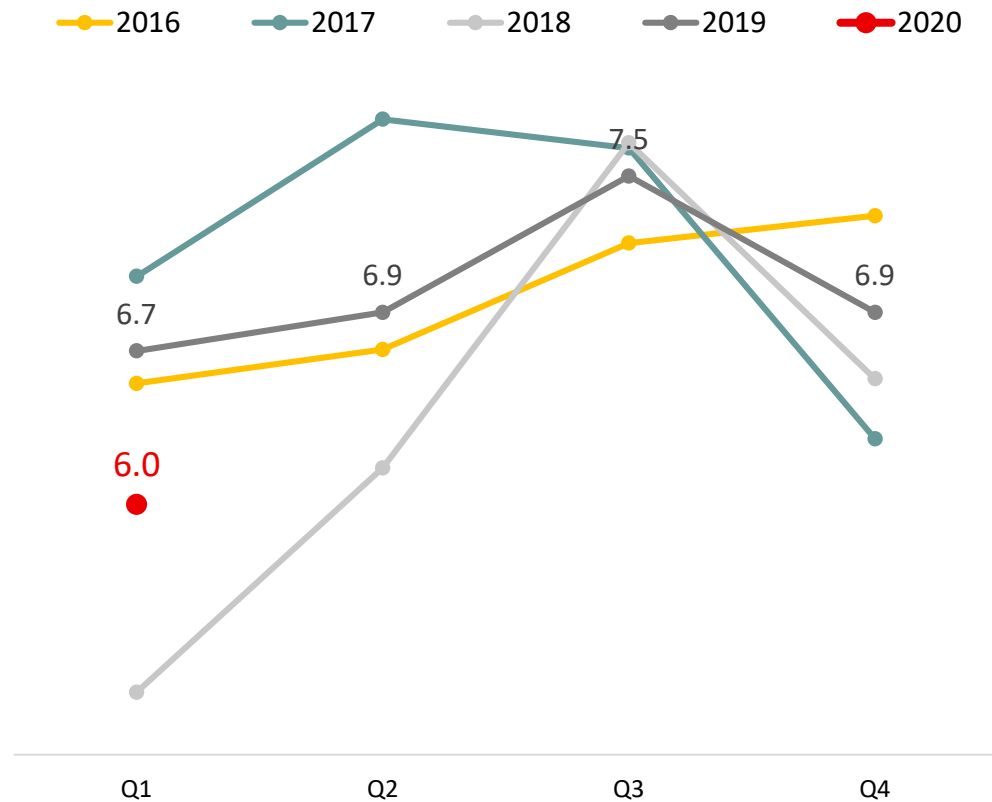


White Product Yield (%)	79.0%
Production	28.1 mn tons
API	32.0

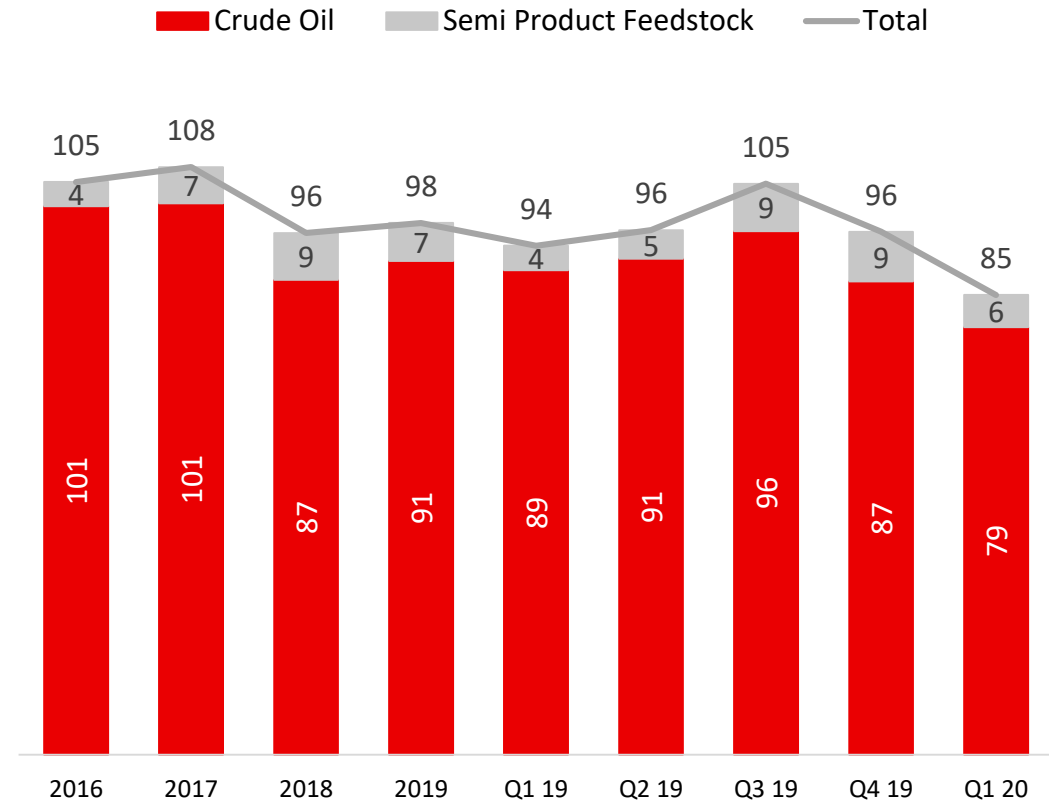
Capacity Utilization and Quarterly Production Volume

- We produced 6.0 mn tons in Q1 2020
- Capacity utilization for Q1 2020 was 85% with much higher white product yield at 86%.

Quarterly Production



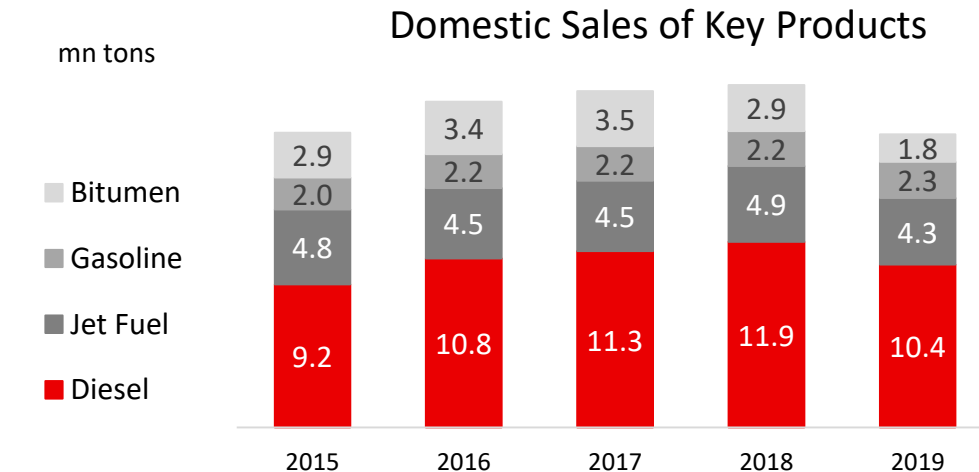
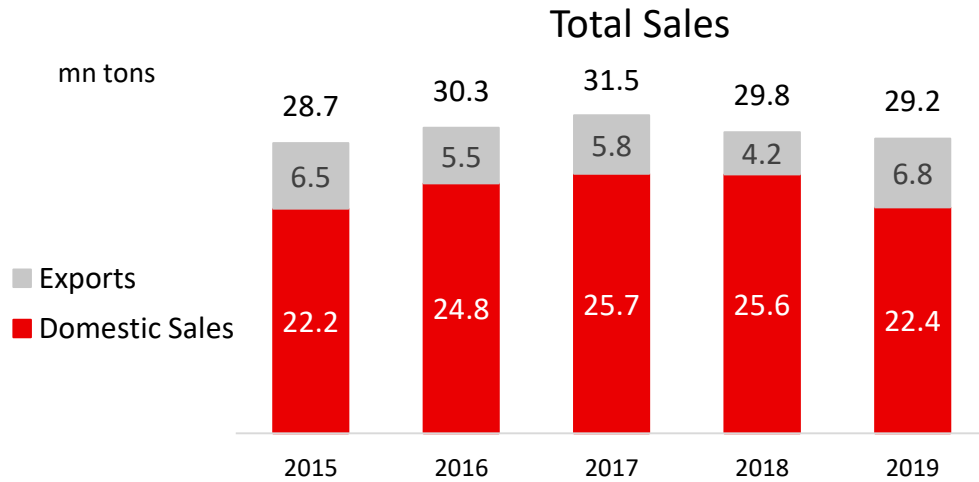
Capacity Utilization¹ (%)



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

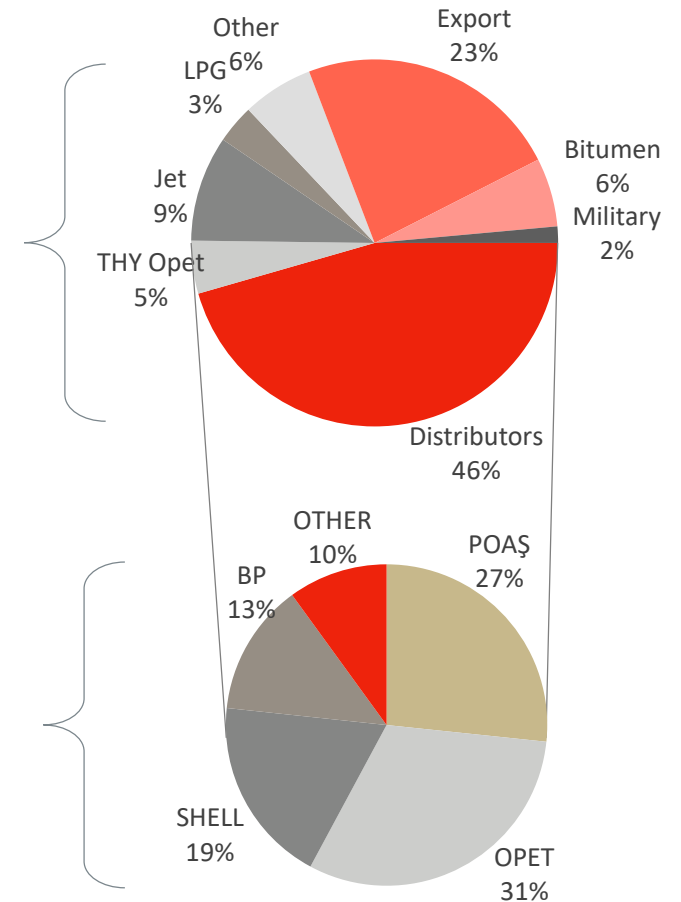
Sales

- 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

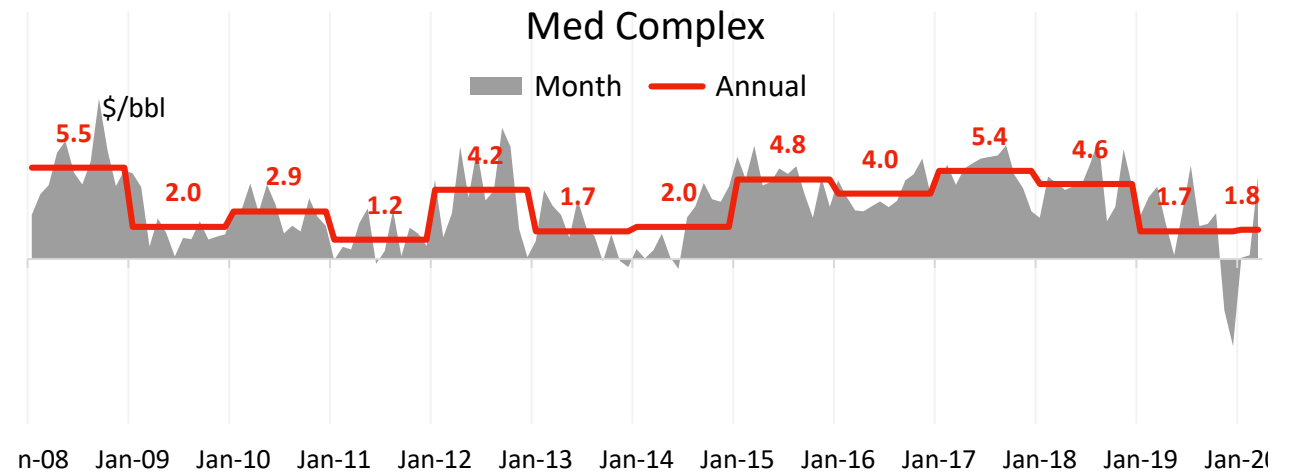
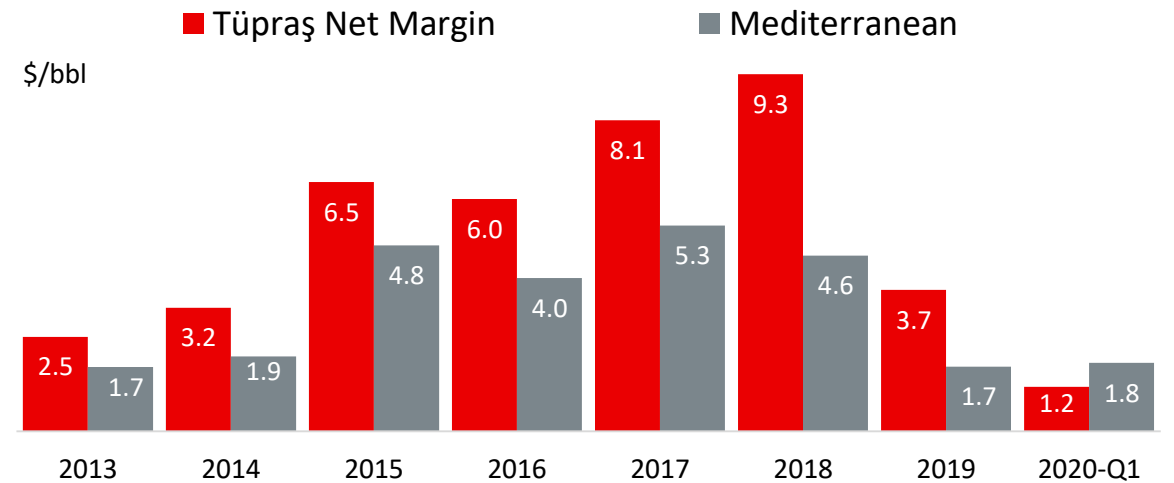


Financials

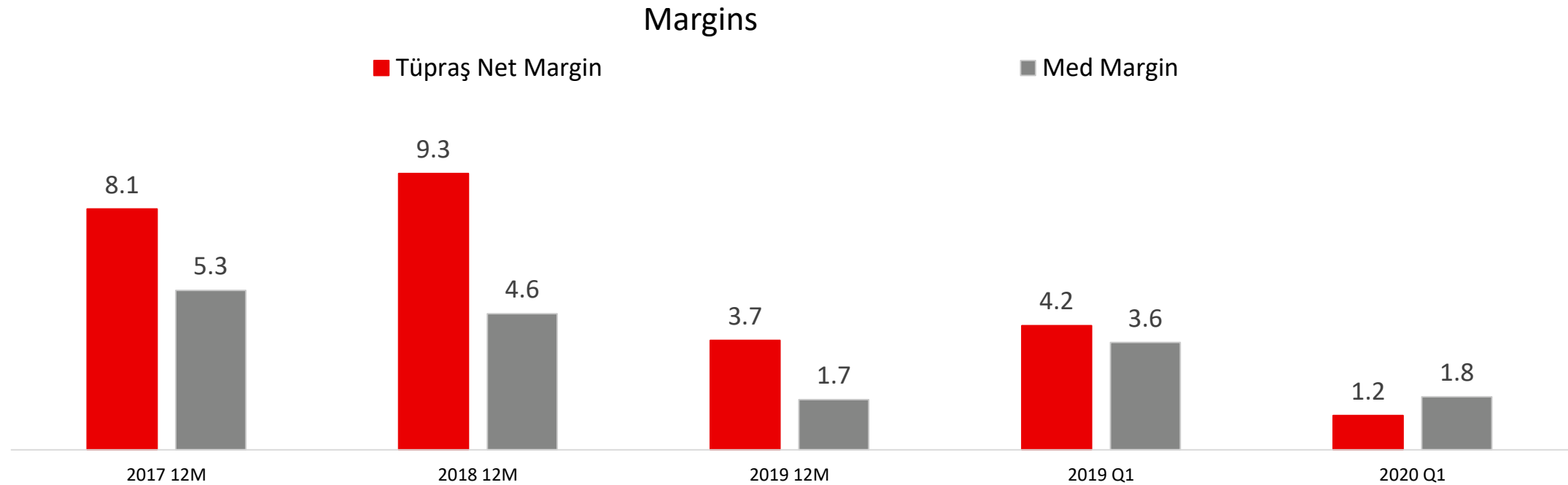
Refining Margin

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



(\$/bbl)	Gross Margin	Inventory Effect	Clean Gross Margin	Clean NET Margin	Net Margin	Med Margin
2019 Q1	9.9	0.8	9.0	3.2	4.2	3.6
2019 12M	9.2	0.1	9.1	3.6	3.7	1.7
2020 Q1	7.1	-2.7	9.8	3.9	1.2	1.8

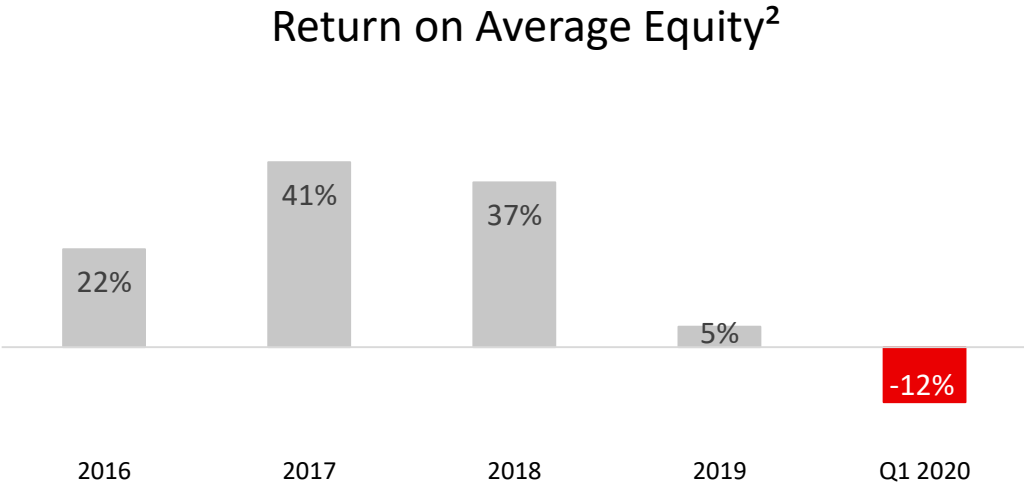
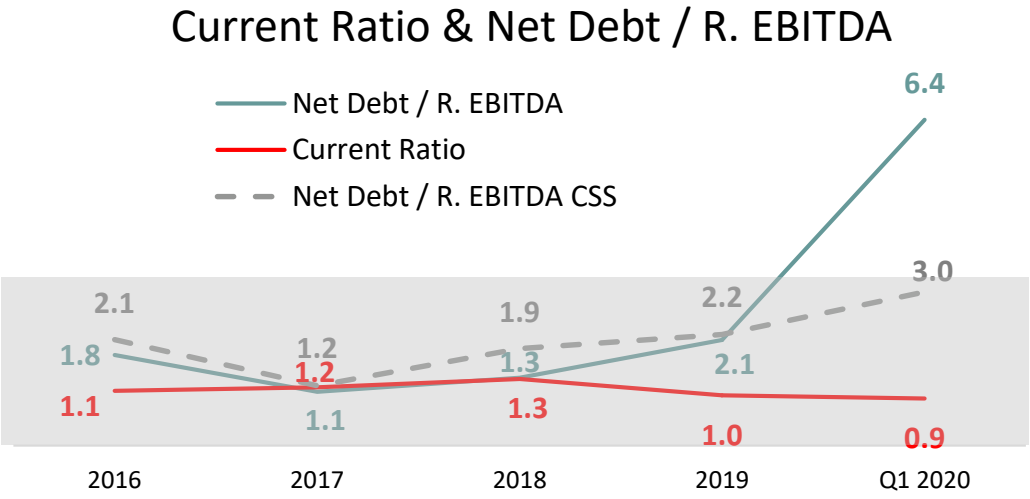
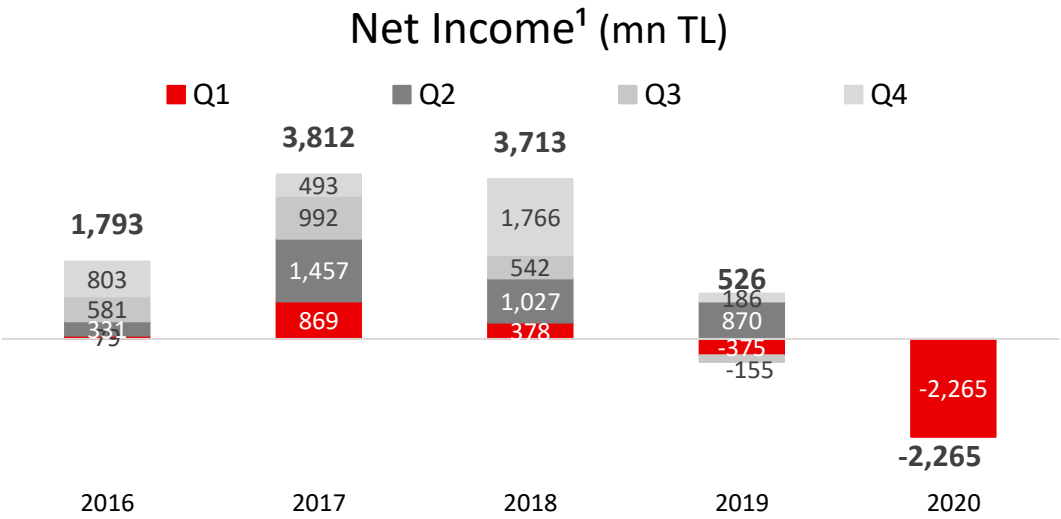
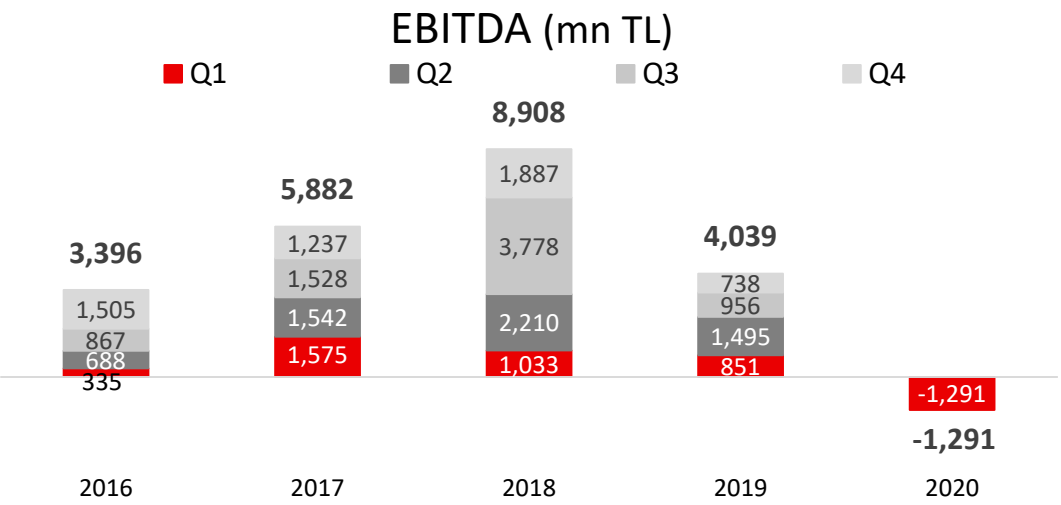
Income Statement

Tüpraş generated 725 MTL EBITDA CCS in Q1 2020.

Million TL	Q1 2020	Q1 2019	%
Net Sales	16,940	20,708	-18%
COGS	-17,849	-19,717	9%
Gross Profit	-909	991	-192%
Operating Expenses	-458	-373	-23%
Income/Loss from other operations	-349	-390	10%
Operating Profit	-1,716	228	-852%
Income/Loss from equity investment	-168	63	-368%
Operating Profit Before Fin. Income/Loss	-1,885	291	-747%
Financial Income /Expense	-913	-601	-52%
Profit Before Tax	-2,798	-310	-802%
Net Profit (excluding minority interest)	-2,265	-375	-504%
EBITDA *(mn.TL)	-1,291	851	-252%
Inventory Gain/Loss	-2,016	301	-770%
EBITDA* (mn. TL) CCS	725	550	32%

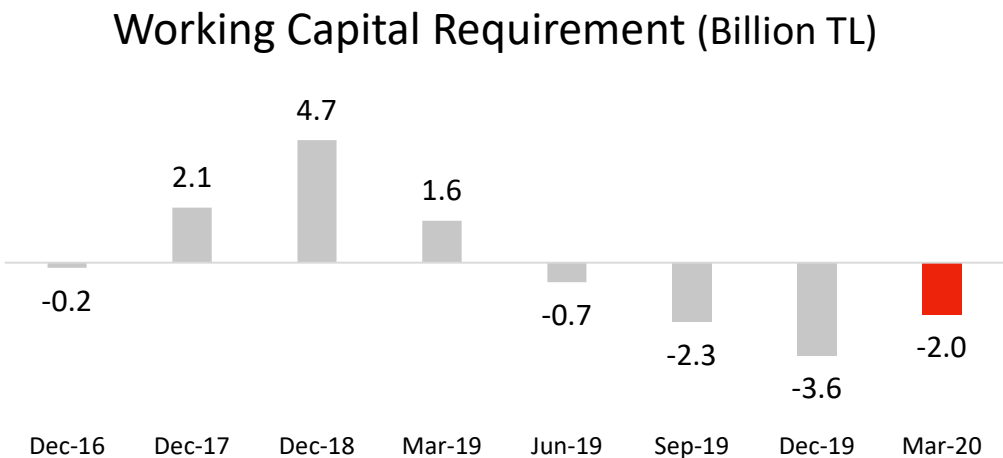
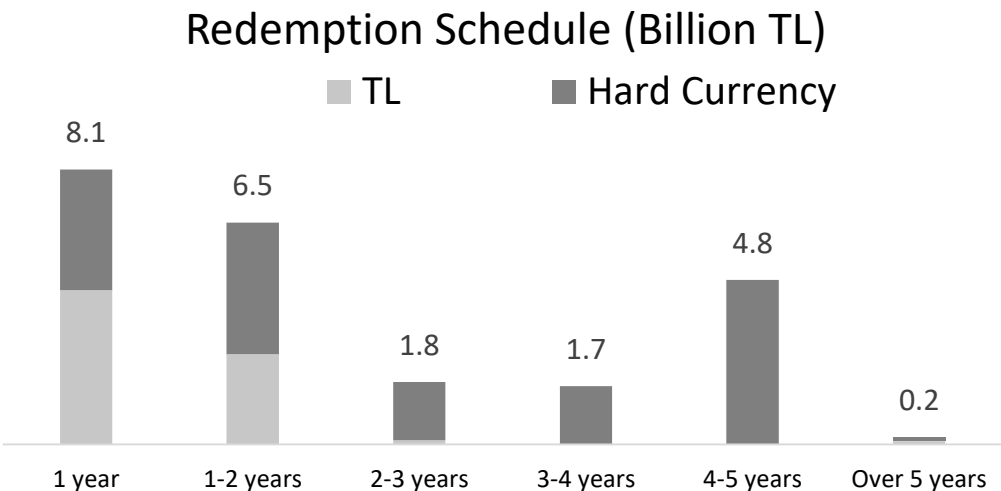
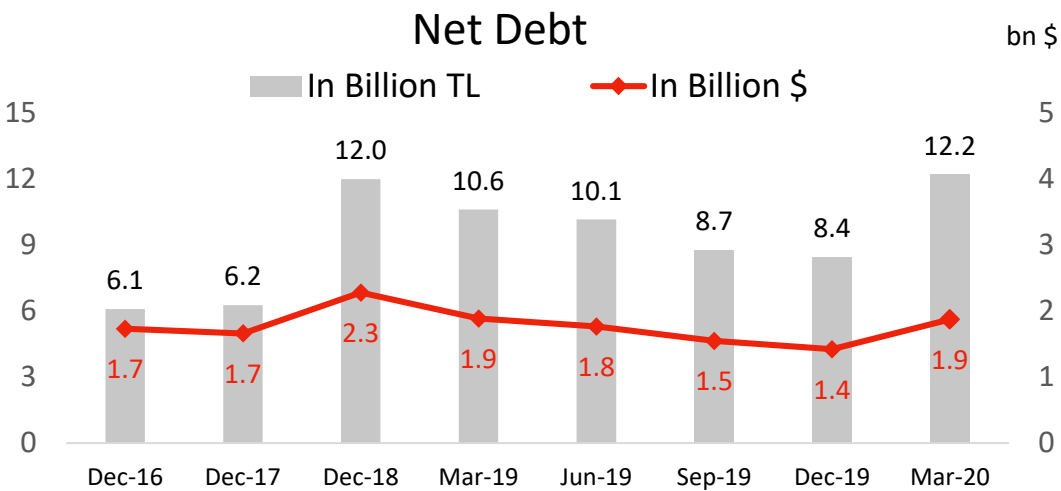
*On CMB reports. EBIT includes extra items such as FX impacts of trade receivables and payables. In our EBITDA calculation. FX related items are excluded from EBIT as customary in international practices.

Financial Highlights



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

Balance Sheet Analysis



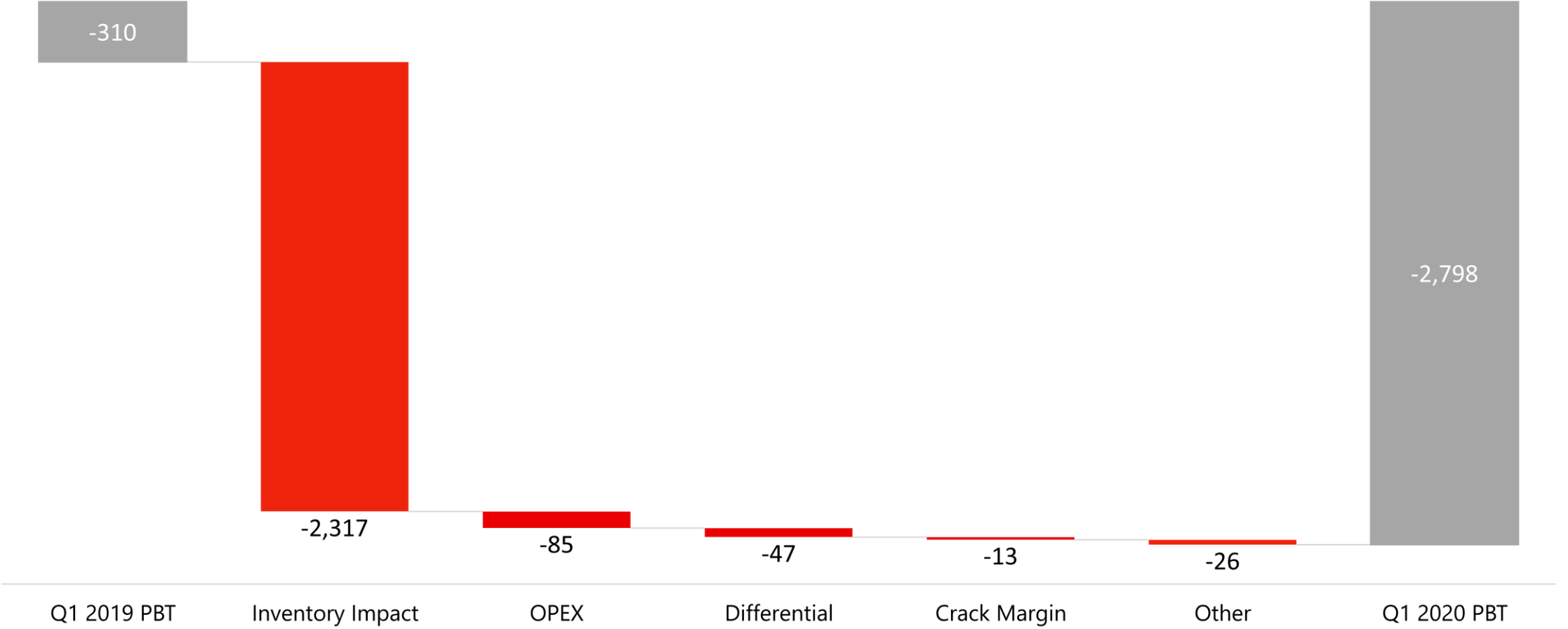
Proactive Financial Management

- Net debt increased due to lower working capital contribution and TL depreciation
- Dynamic liquidity management ensures optimal cash and receivables management

Q1 Profit Before Tax Bridge (2019-2020)

Decline in Profit Before Tax was driven by inventory loss due to sharp drop in Brent Price.

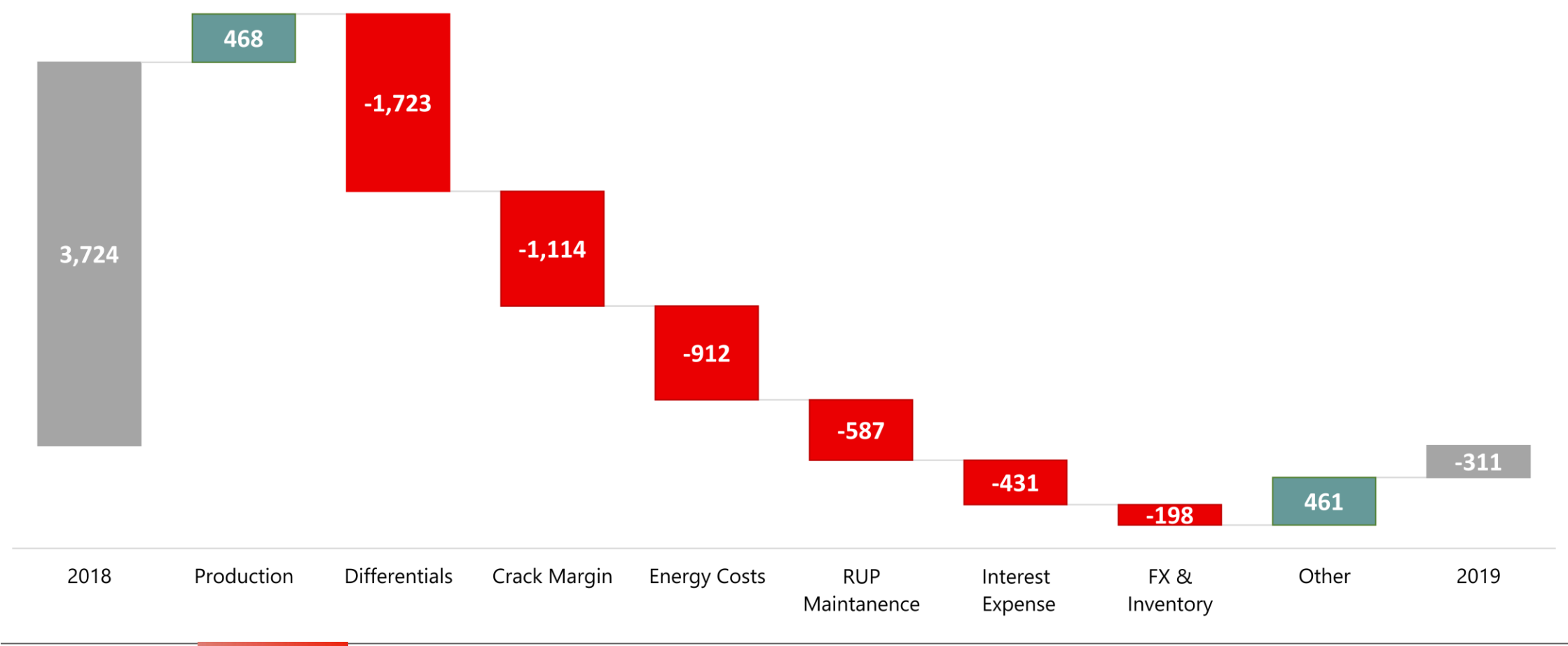
Million TL



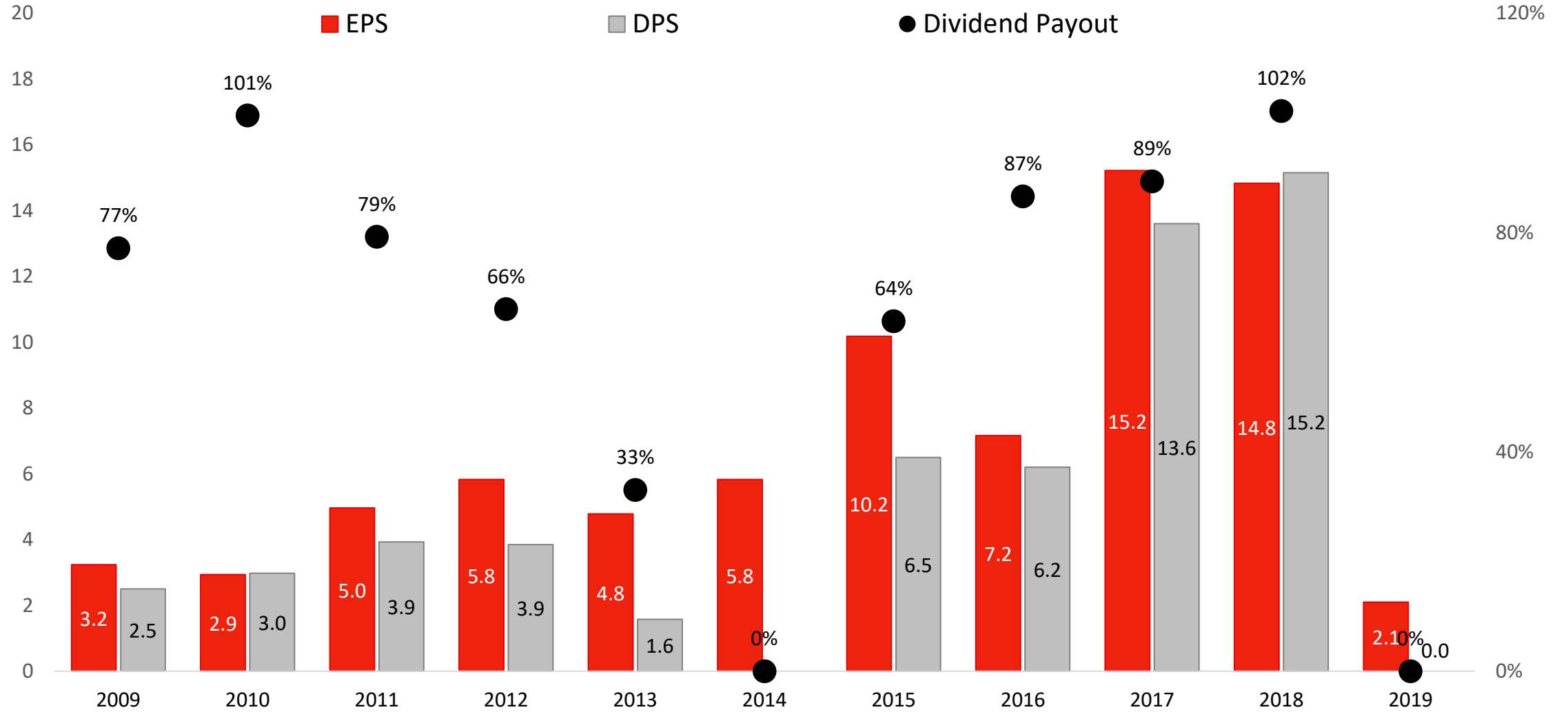
Annual Profit Before Tax Bridge (2018-2019)

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

Million TL

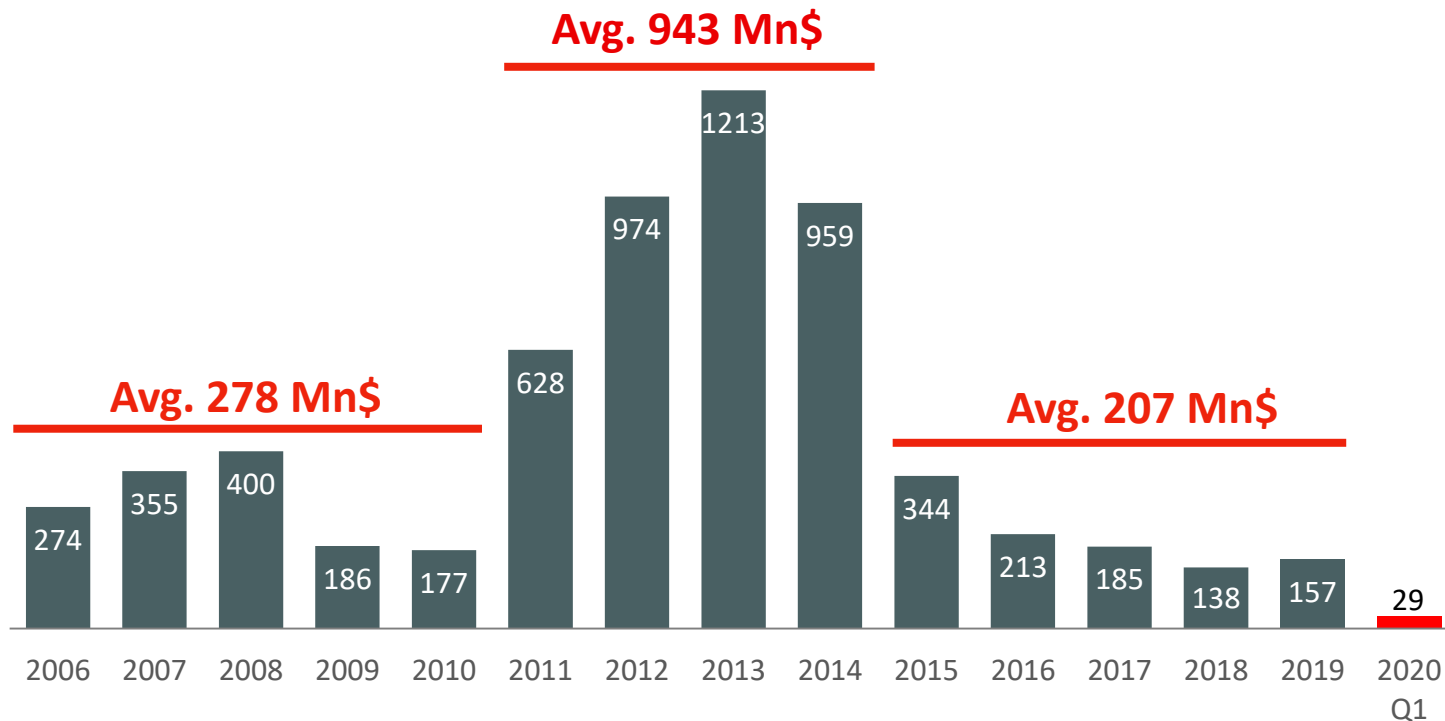


Dividend (TL)



Investments (Million \$)

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

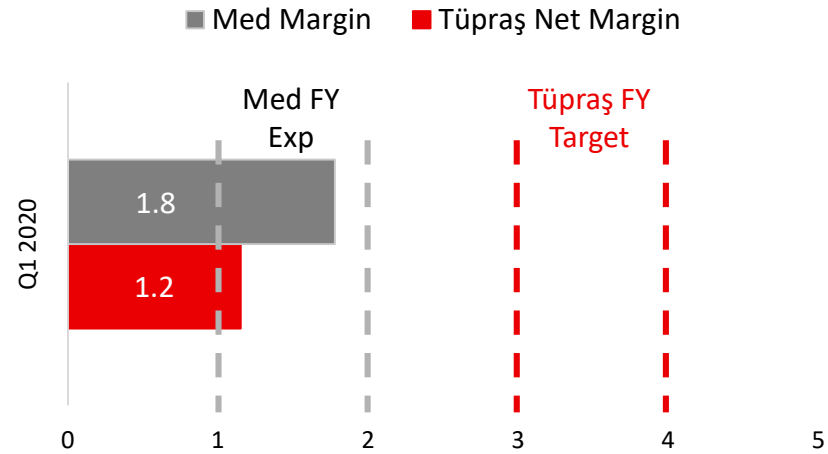


Ongoing Projects

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

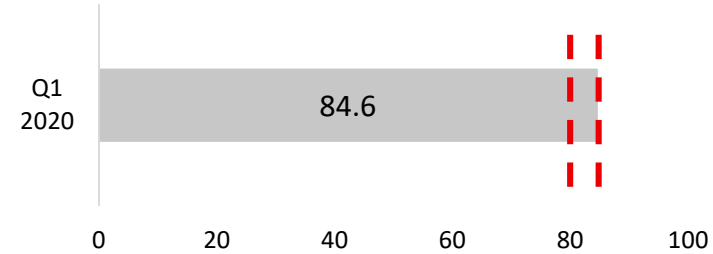
Q1 2020 Results

Refining Margins (\$/bbl)



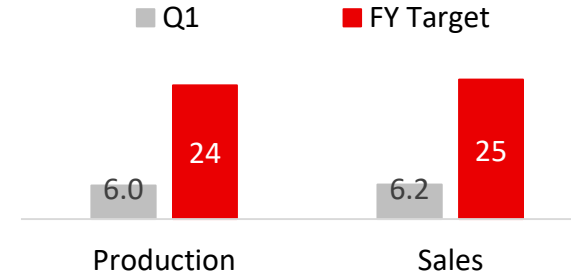
1.2 \$/bbl net refining margin in Q1 2020

Capacity Utilization (%)



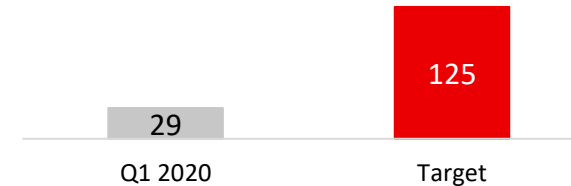
84.6 % total capacity utilization in Q1 2020

Operational



6.2 mn tons of sales and 6.0 m tons of production in Q1 2020

Refining Capex (mn \$)

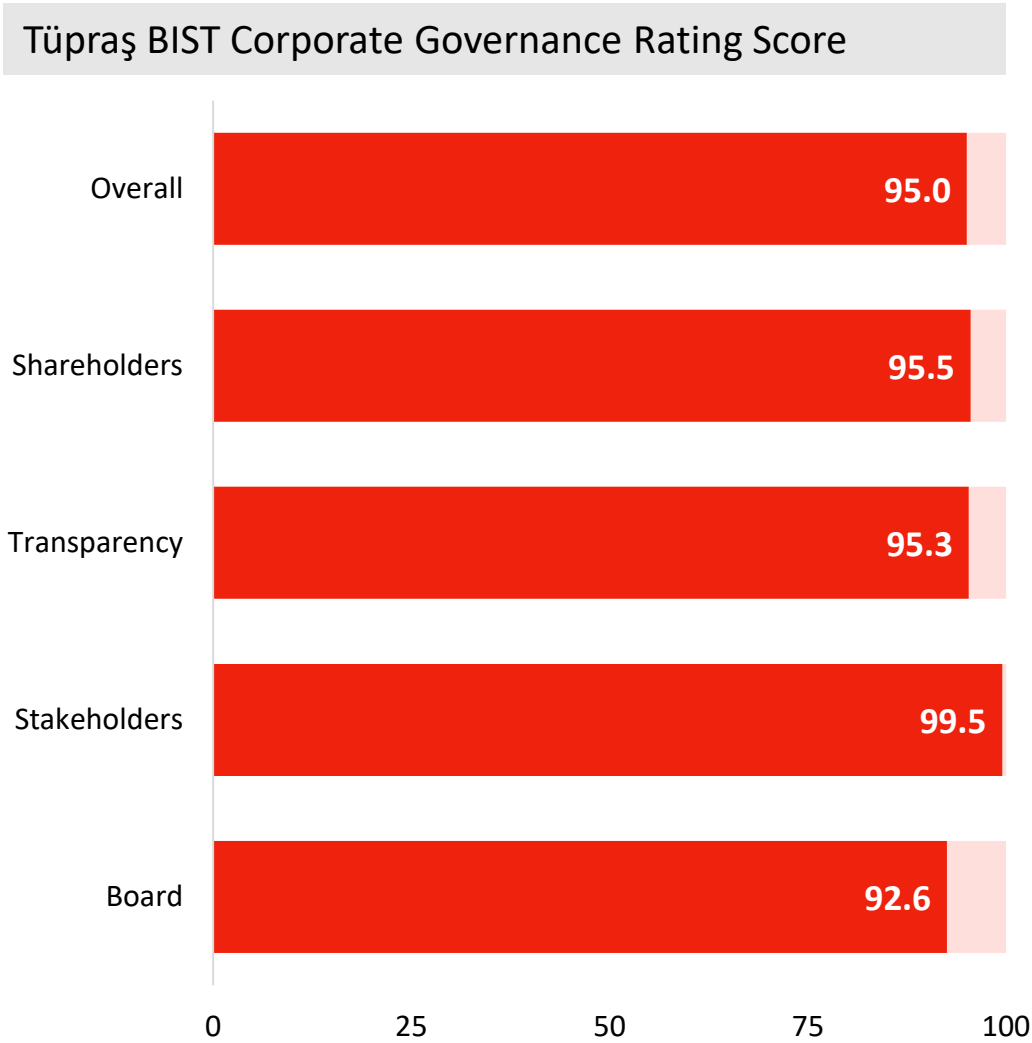


29 mn\$ refining CAPEX in Q1 2020

Tüpraş Balance Sheet (Million TL)

	31.03.2020	31.12.2019	Diff.	Diff. (%)
Current Assets	22,939	27,919	-4,980	-18
Cash & C. Equivalents	10,995	10,652	343	3
Trade Receivables	4,423	4,788	-365	-8
Derivatives	756	304	452	149
Inventories	5,300	9,469	-4,168	-44
Pre-paid expenses	97	237	-140	-59
Other Current Assets	1,368	2,470	-1,102	-45
Long Term Assets	28,018	27,593	425	2
Financial Assets & Subsidiaries	1,084	1,363	-279	-20
Fixed Assets	20,752	20,587	164	1
Derivatives	105	99	6	6
Pre-paid expenses	172	199	-27	-13
Deferred Tax	4,341	3,768	573	15
Other Long Term Assets	1,565	1,578	-13	-1
Total Assets	50,956	55,512	-4,555	-8
Short Term Liabilities	24,707	28,120	-3,413	-12
Financial Loans	8,076	5,178	2,899	56
Trade Payables	11,704	17,816	-6,112	-34
Derivatives	231	79	151	191
Provisions	178	117	61	52
Other ST Liabilities	4,517	4,930	-413	-8
Long Term Liabilities	15,458	14,255	1,203	8
Financial Loans	15,102	13,898	1,204	9
Payables & Provisions	315	316	-1	0
Derivatives	32	32	0	0
Other LT Liabilities	9	9	1	6
Total equity attributable to equity holders of the parent	10,615	12,963	-2,348	-18
Minority Interests	176	174	3	2
Total Liabilities & Equity	50,956	55,512	-4,555	-8

Leading Corporate Governance Score

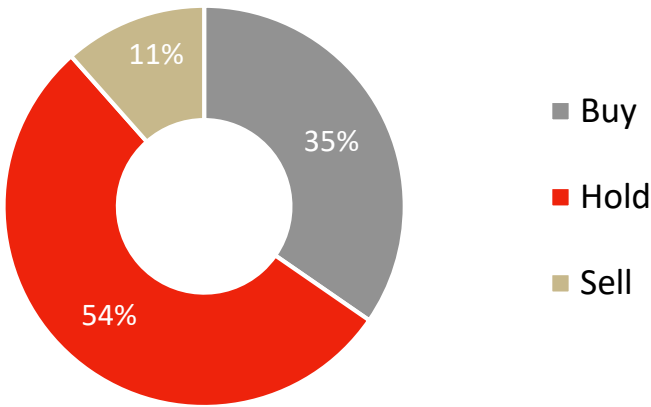


Source: SAHA Corporate Governance and Rating Services Inc. (October 2019)

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)

Analyst Recommendations



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.

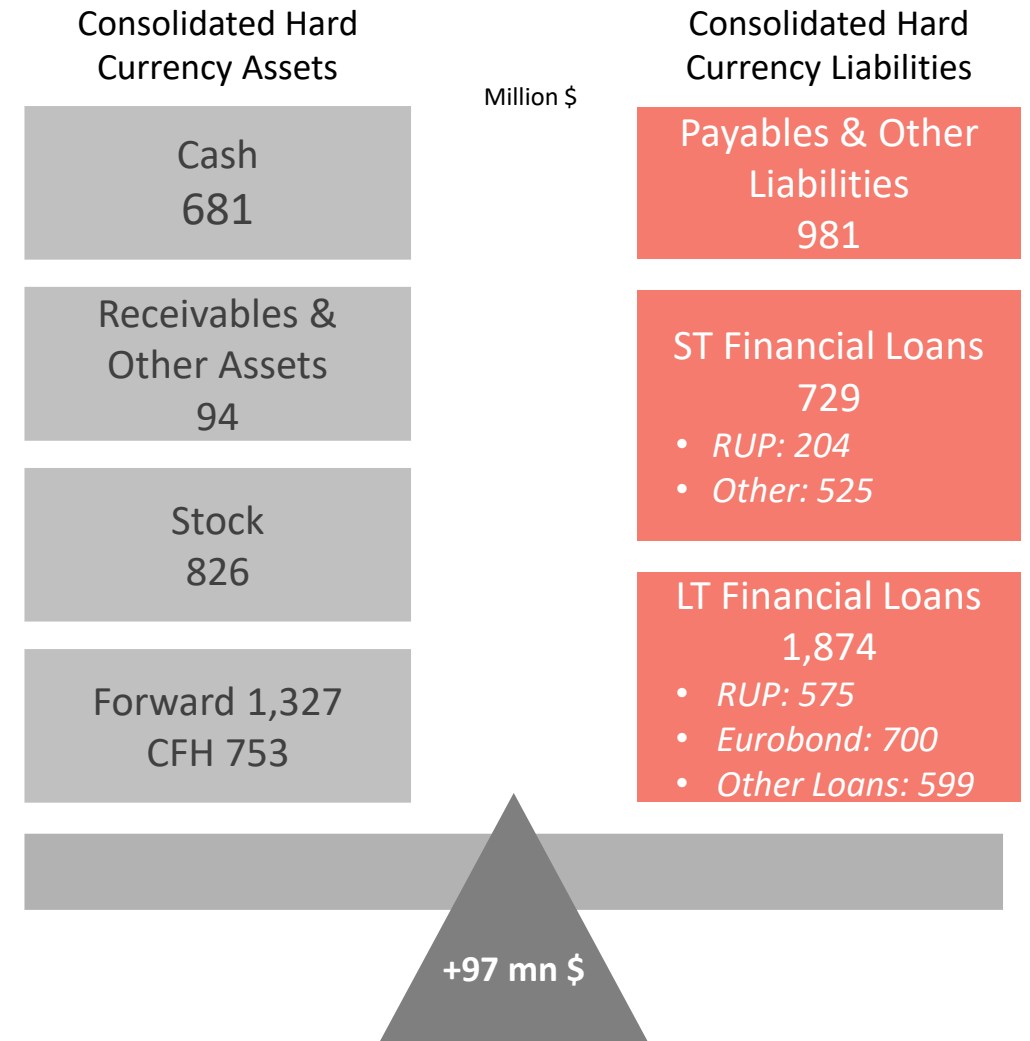
Crack Margin Hedging Policy:

- 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 (31 Mar 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-4000 FCC	Q4	6	
	U-9200 CCR	Q1	3	Completed
	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
- Heavy crude differentials to widen
- **~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

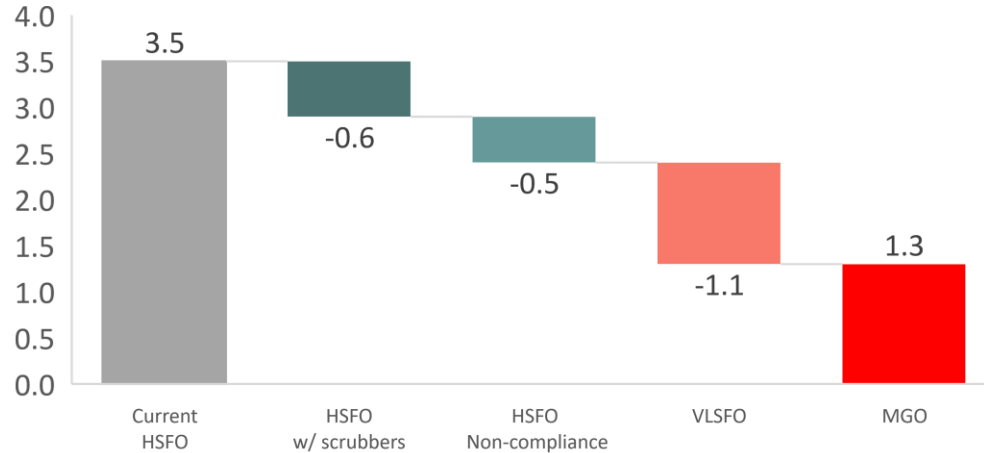


17 Refineries ~1.8mbd

IMO 2020: Changes in Bunker Specification and Its Effects

Current Outlook

HSFO replacement expectations

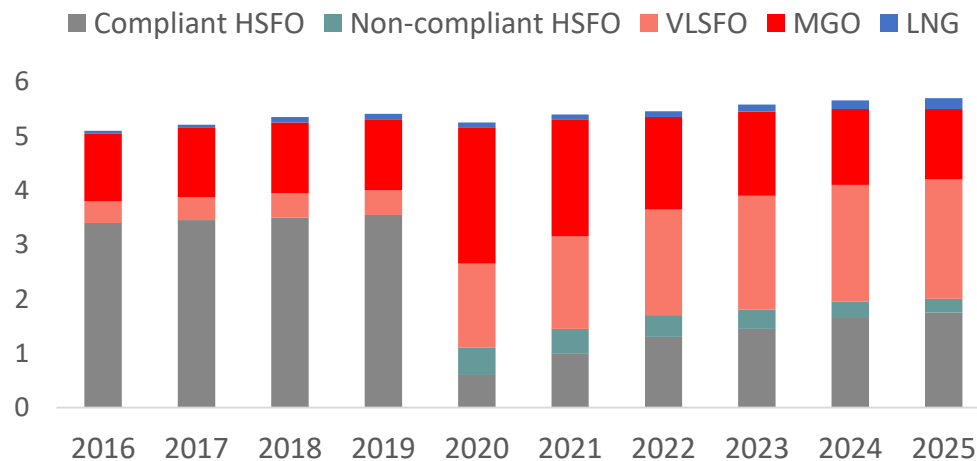


Current compliant fuels

- **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 28/02/20, ~3.4K 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)

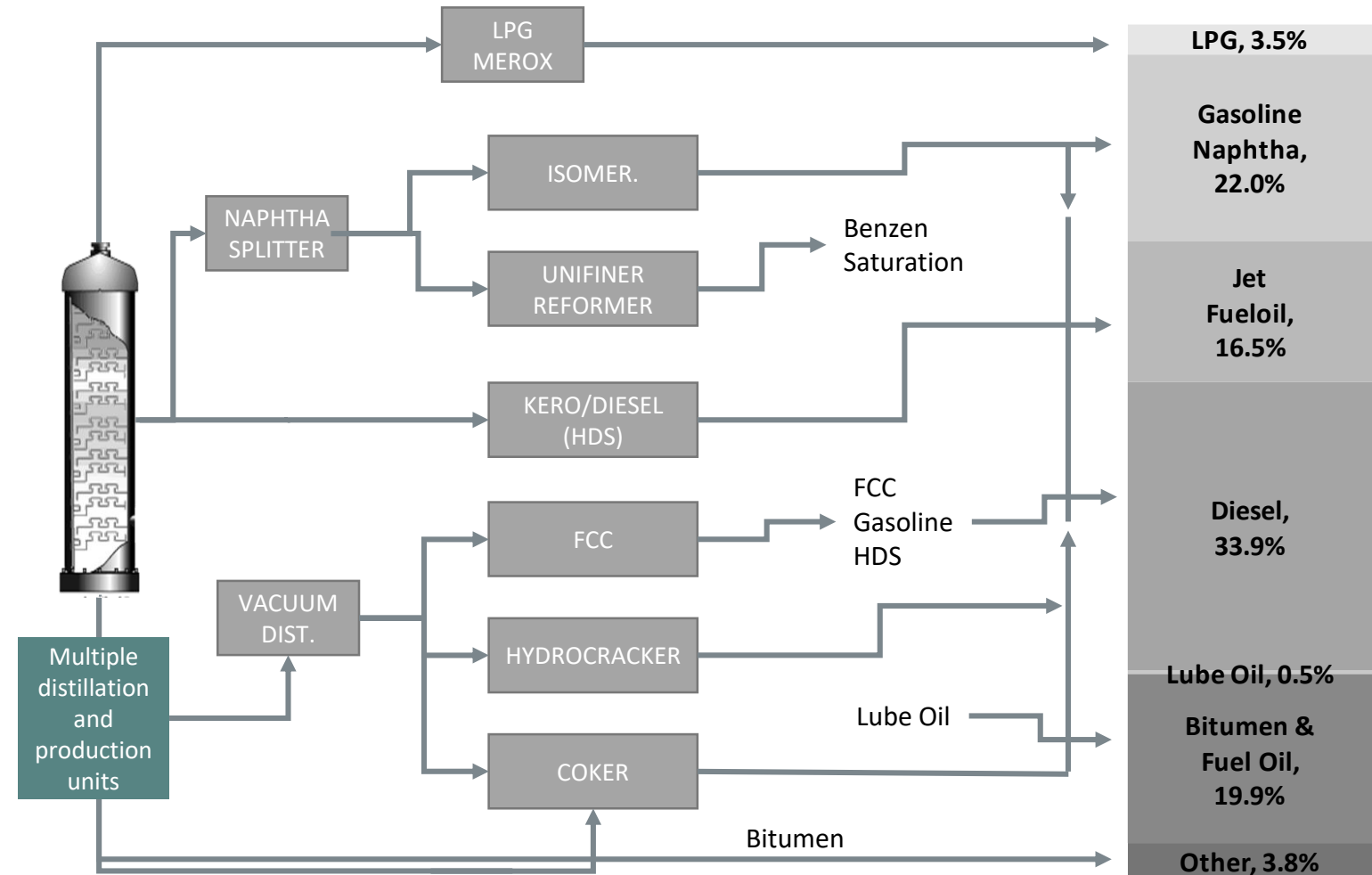
Source: Market Reports

Tüpraş Production Flow and Yield Breakdown

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

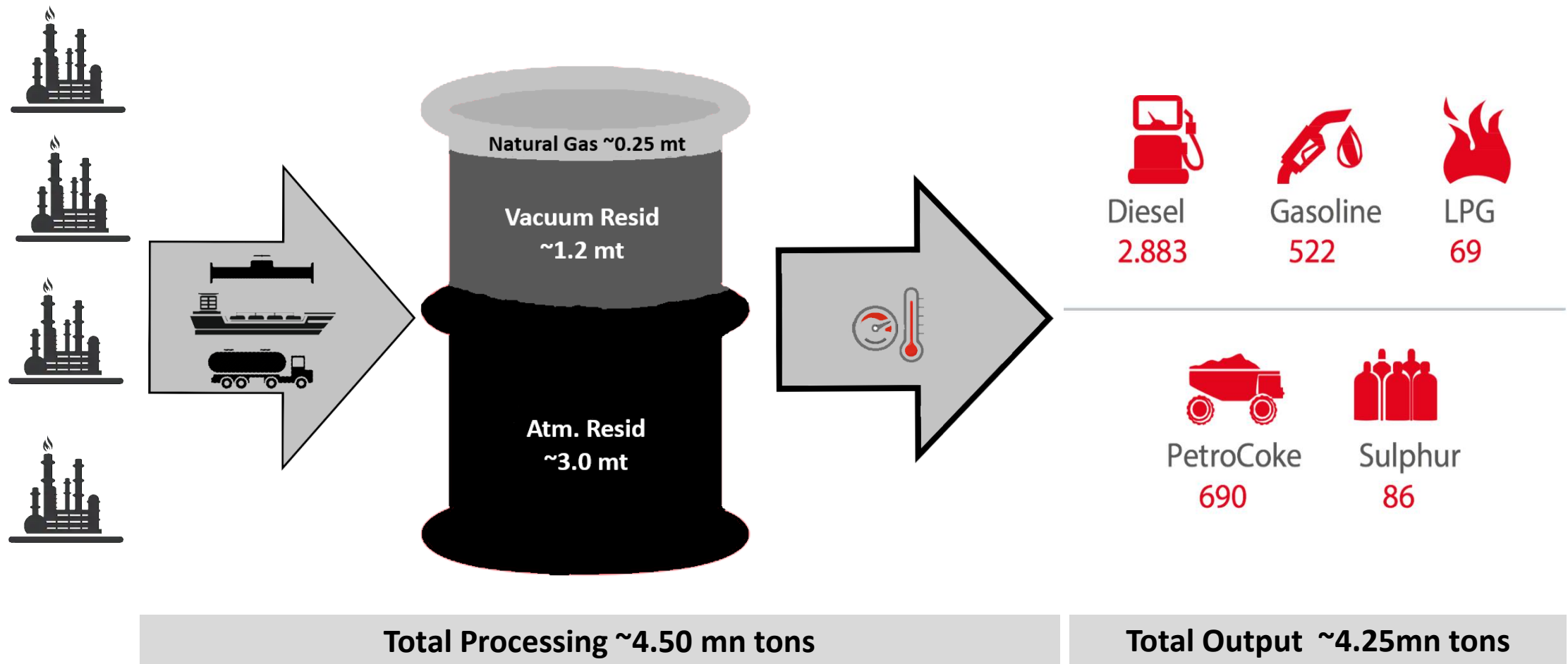
Key Units	# of Units	Capacity (m ³ /d)
CRUDE OIL	8	99,420
VACUUM DIST.	8	42,752
HYDROCRACKER	4	18,032
ISOMERATION	3	7,804
UNIFINER REFORMER	5	16,225
KERO/DIESEL (HDS)	9	37,265
FCC	2	4,650
COKER	1	9000
NAPHTA SPLITTER	8	
LPG MEROX	6	

Flow Diagram



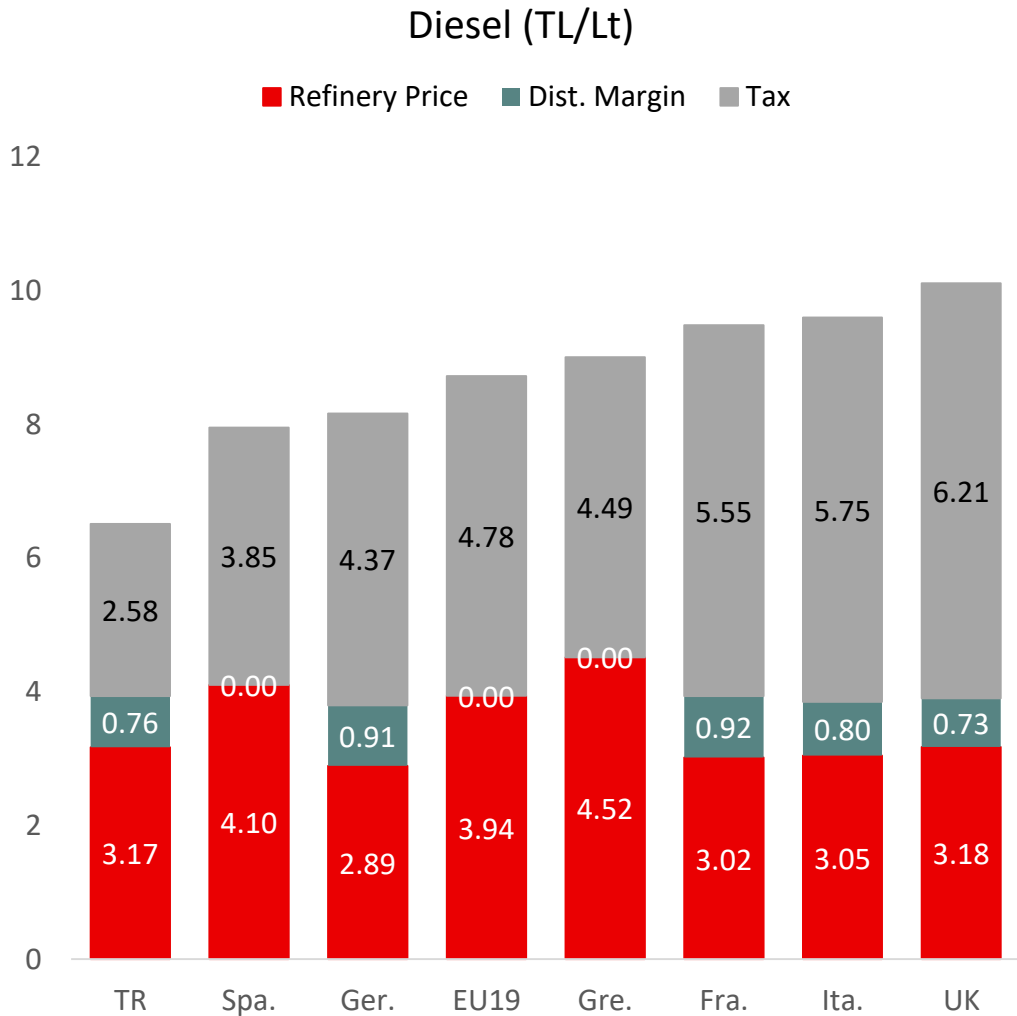
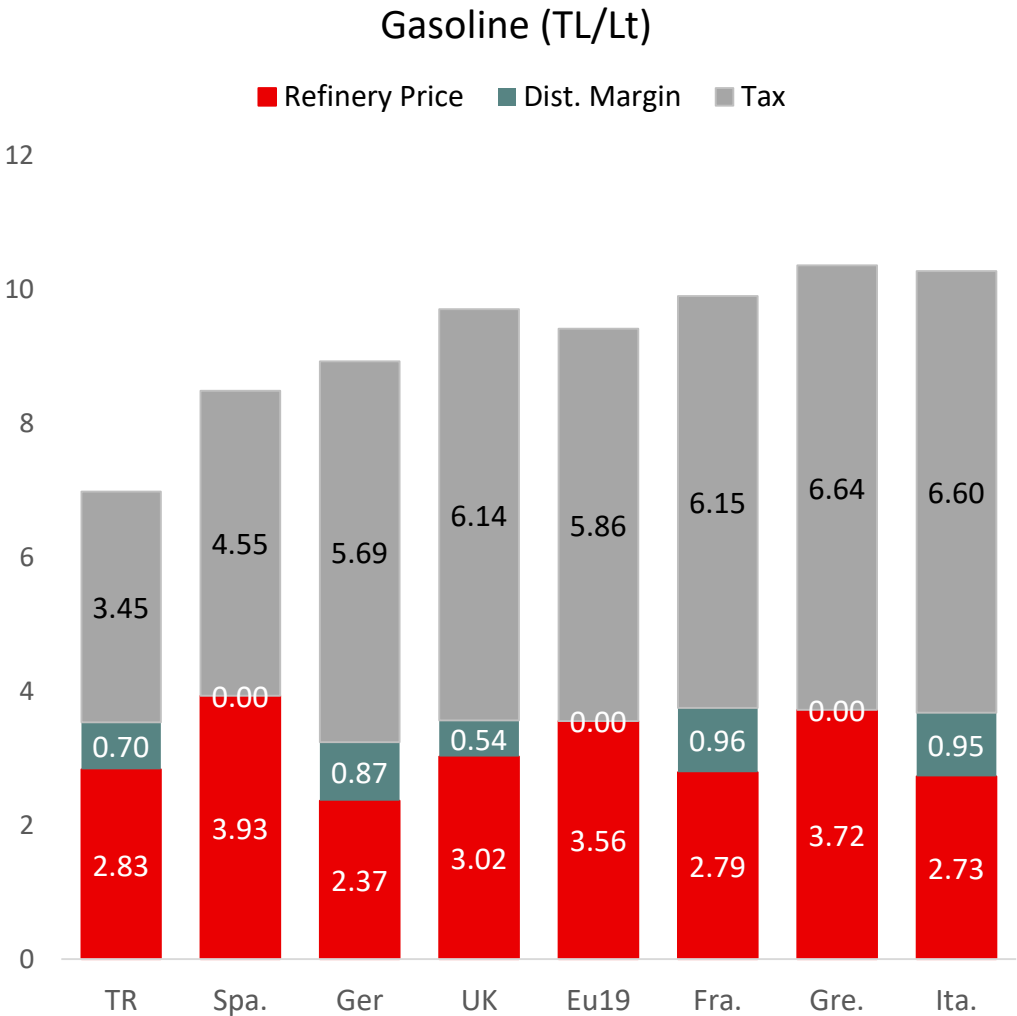
RUP Feedstock and Production

- 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.



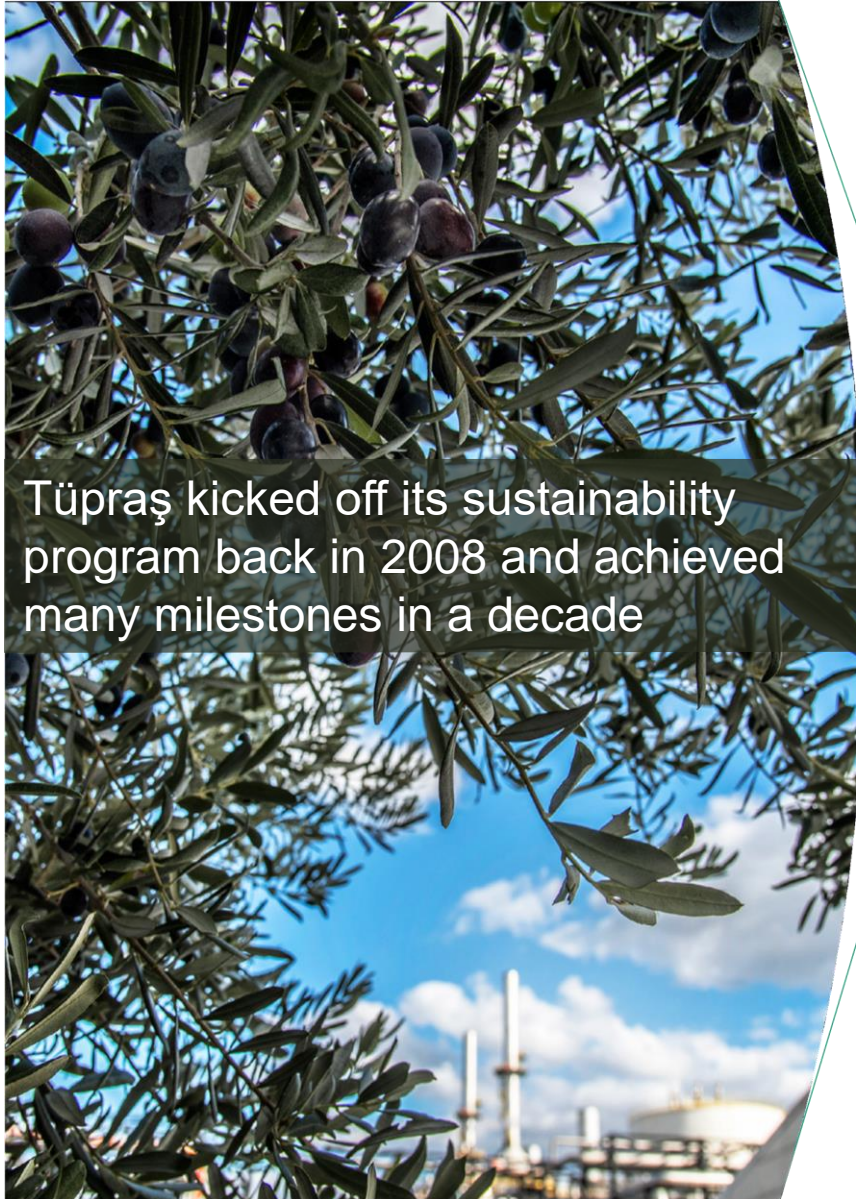
European Pump Price Comparison

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 - ESG - Over a Decade of Dedication



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

~480

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

31%

increase in solid waste recovery

36%

decrease in fresh water usage

20 points

drop in Energy Intensity

~205 MTL

donations and sponsorships

75%

increase in female employee numbers

~1mn

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

Tüpraş - ESG - 2018 Achievements

Environmental Responsibility



- Kırıkkale Refinery **won the first place**, İzmit Refinery the second and Batman Refinery the third in the Industrial Energy Efficiency Project Competition.
- İzmit Refinery **won the first prize** in the Sustainable Business Awards - Water Management Category.
- Achieved **69.5%** water recycle ratio
- Achieved **88.6%** solid waste recovery

Social Support



- Signed agreement to support **HeForShe** (Global cooperation with **UN Women** and **Fenerbahçe Sports Club**)
- 62% of ex-crude procurement activities were conducted through **local businesses**.

Governance Excellence



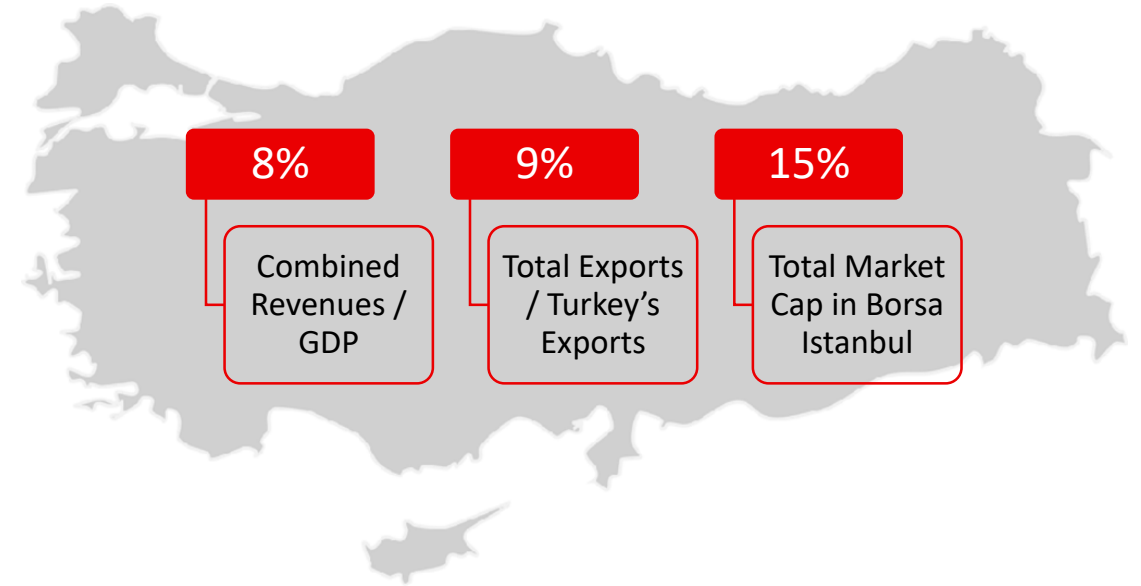
- **9.50** Corporate Governance Rating
- **13%** Female Representation at the Board,
- **17%** Female Representation in Upper and Mid-Level Management.

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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