



Energy To the future

 **Tüpraş**

 **Koc** | March 2025

Investor Presentation

Disclaimer

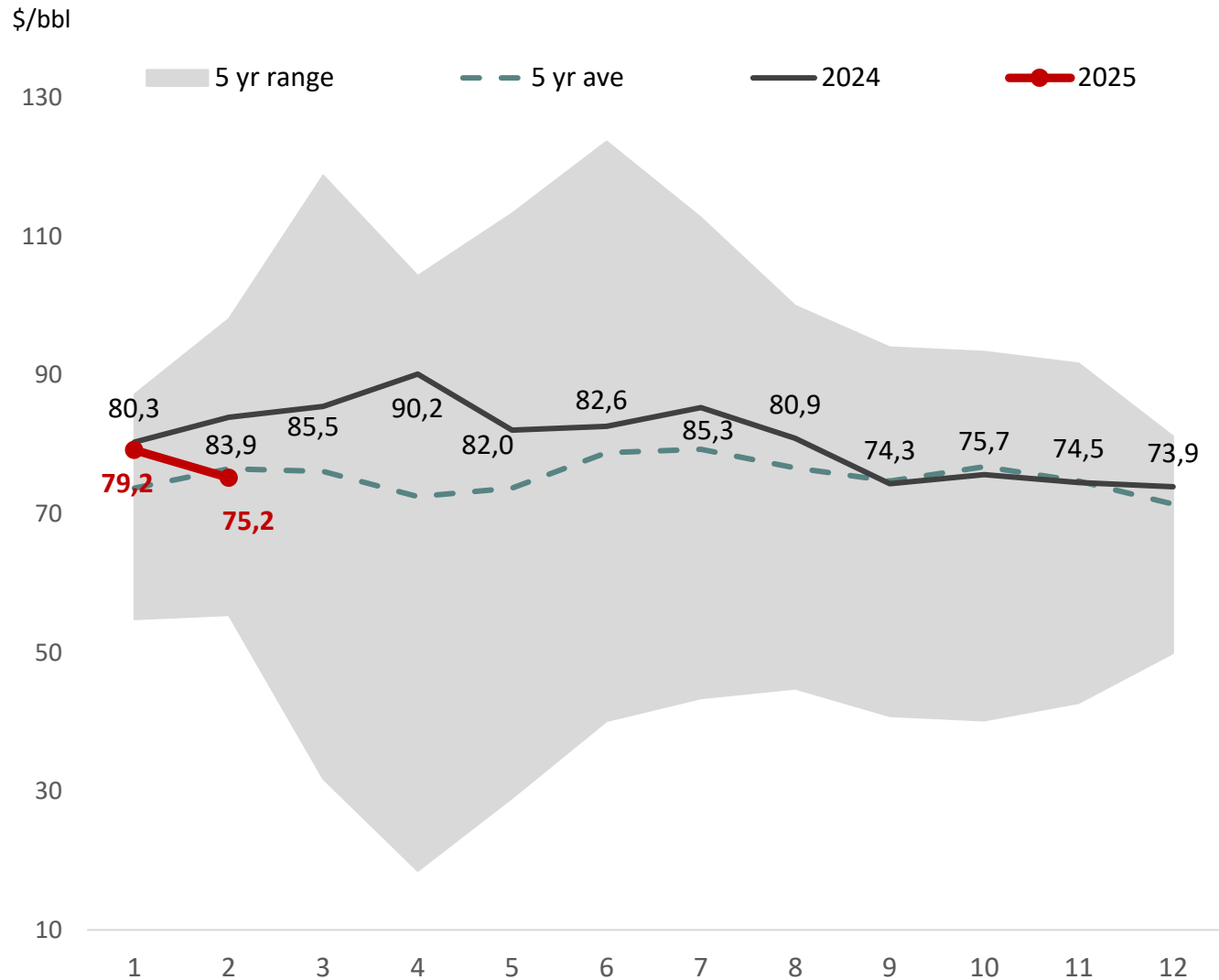
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Refining Market

Brent Crude Prices



- + Russian-Ukraine war
- + Impact of sanctions
- + Post-pandemic demand recovery
- + OPEC+ cut decisions
- + New trade dynamics

- Continued Non-OPEC supply
- Geopolitical tensions
- Concerns over economic slowdown

Year	Average Brent Prices (\$/bbl)
2020	41.7
2021	70.7
2022	101.2
2023	82.6
2024	80.8

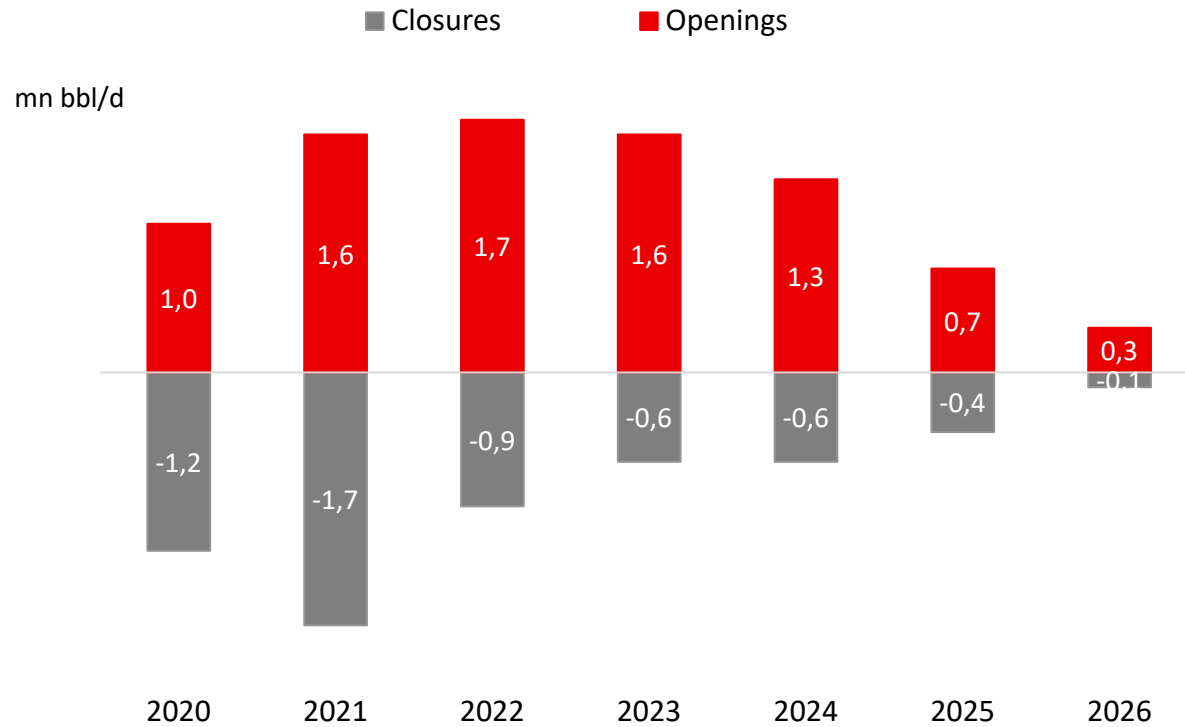
Data as of 28 February, 5 year range shows 2020-2024

Global Refinery Capacity Changes

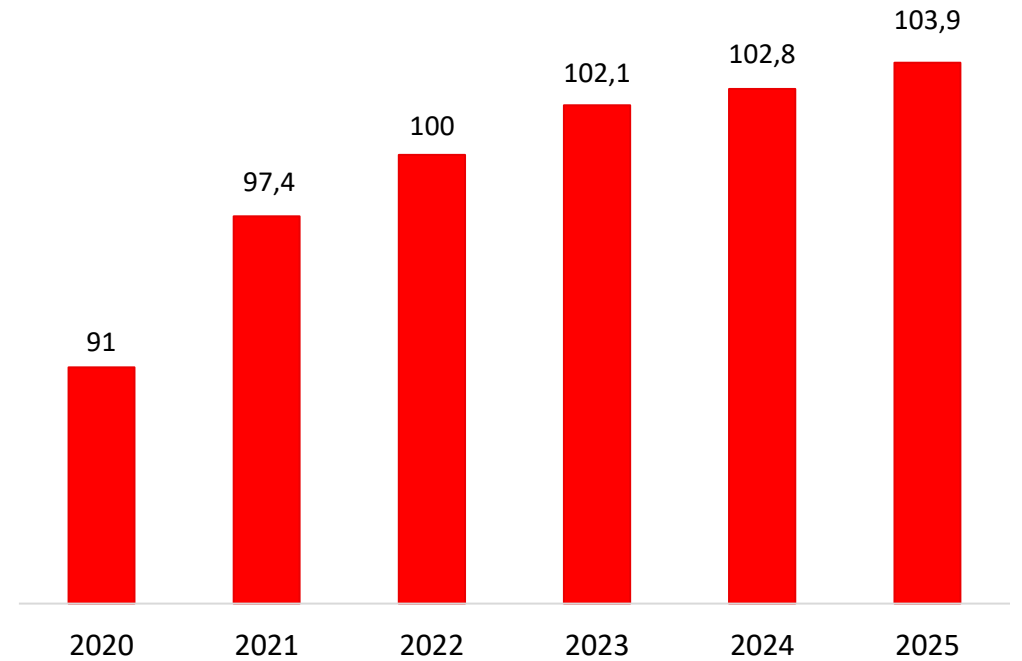
Expectations until 2026:

- The global oil demand reached to 102.8 mn bbl/d in 2024.
- Net refining capacity additions for the years 2025 and 2026 are expected to be around 0.5 mn bbl/d.

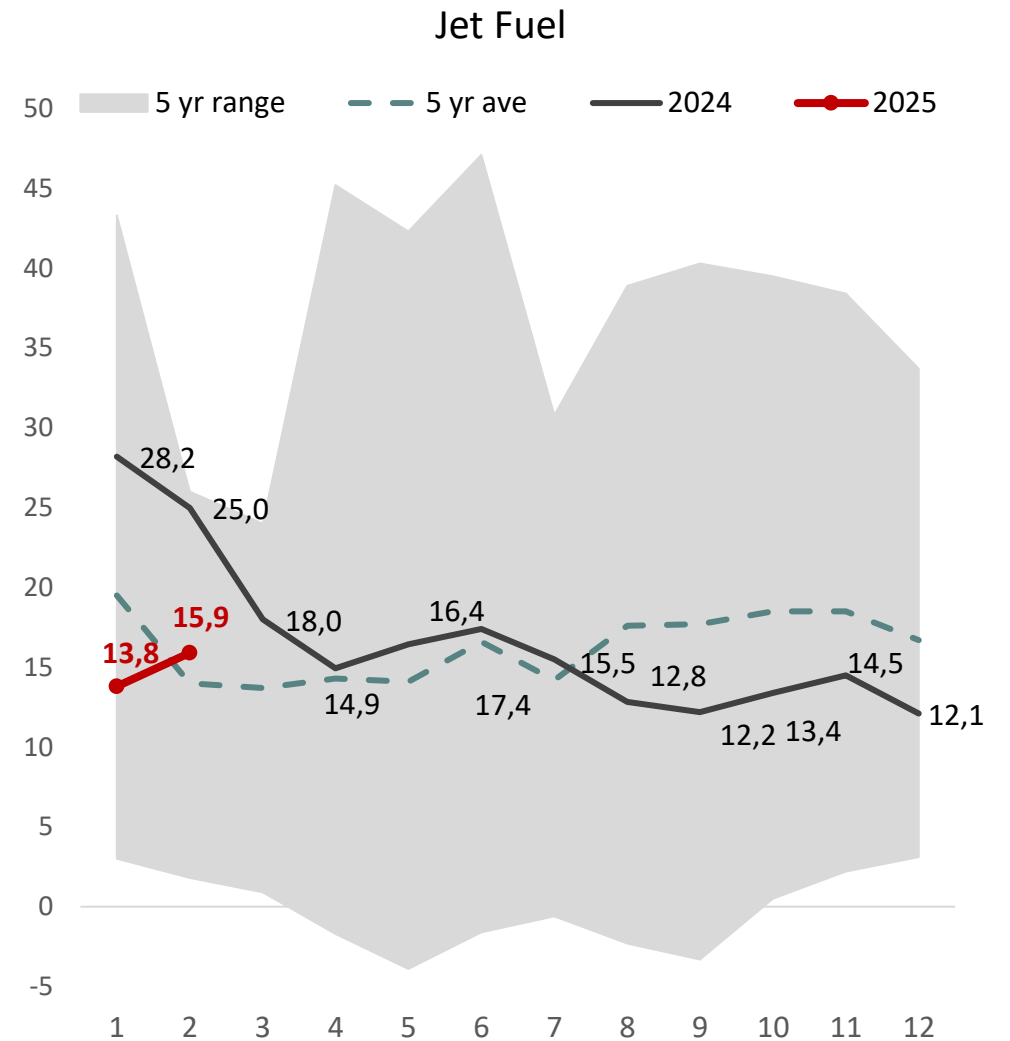
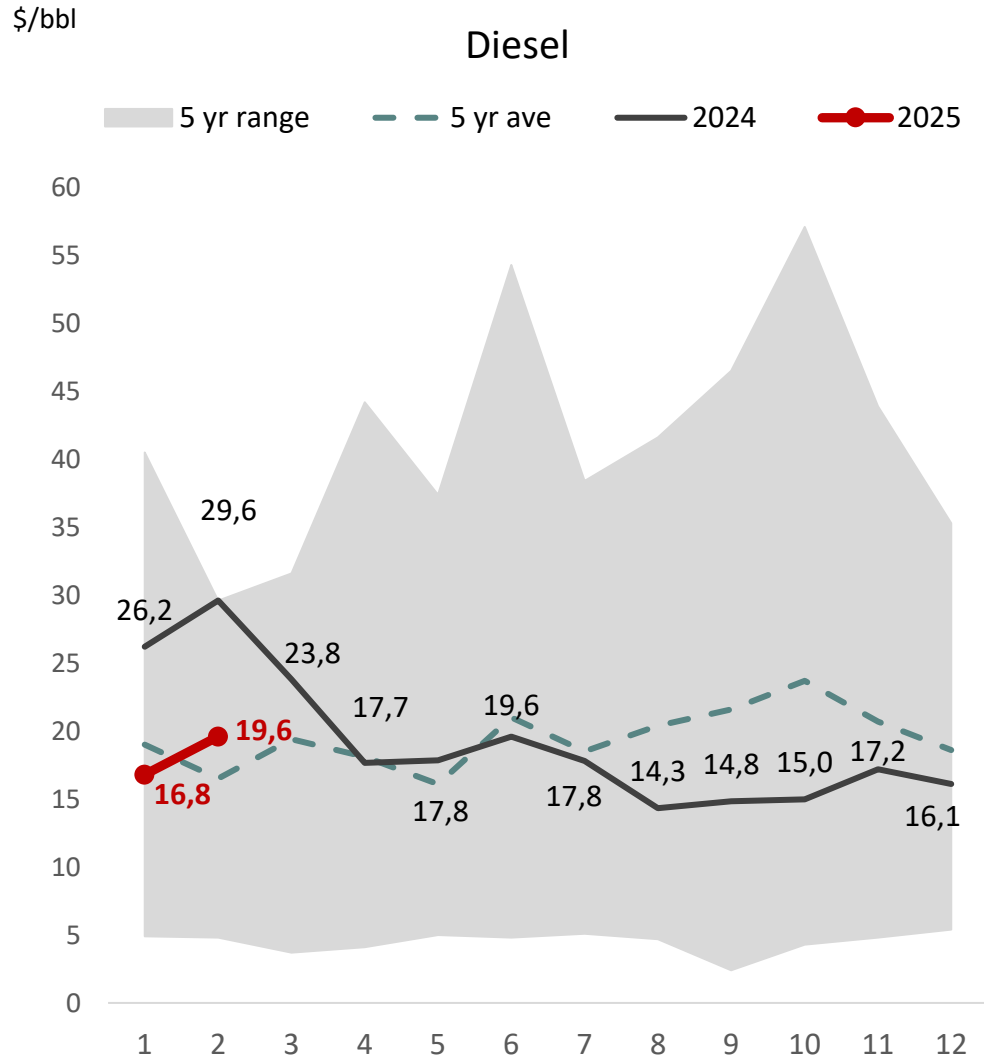
2020-2026 Net Refining Capacity Additions



Global Oil Demand (mn bbl/d)



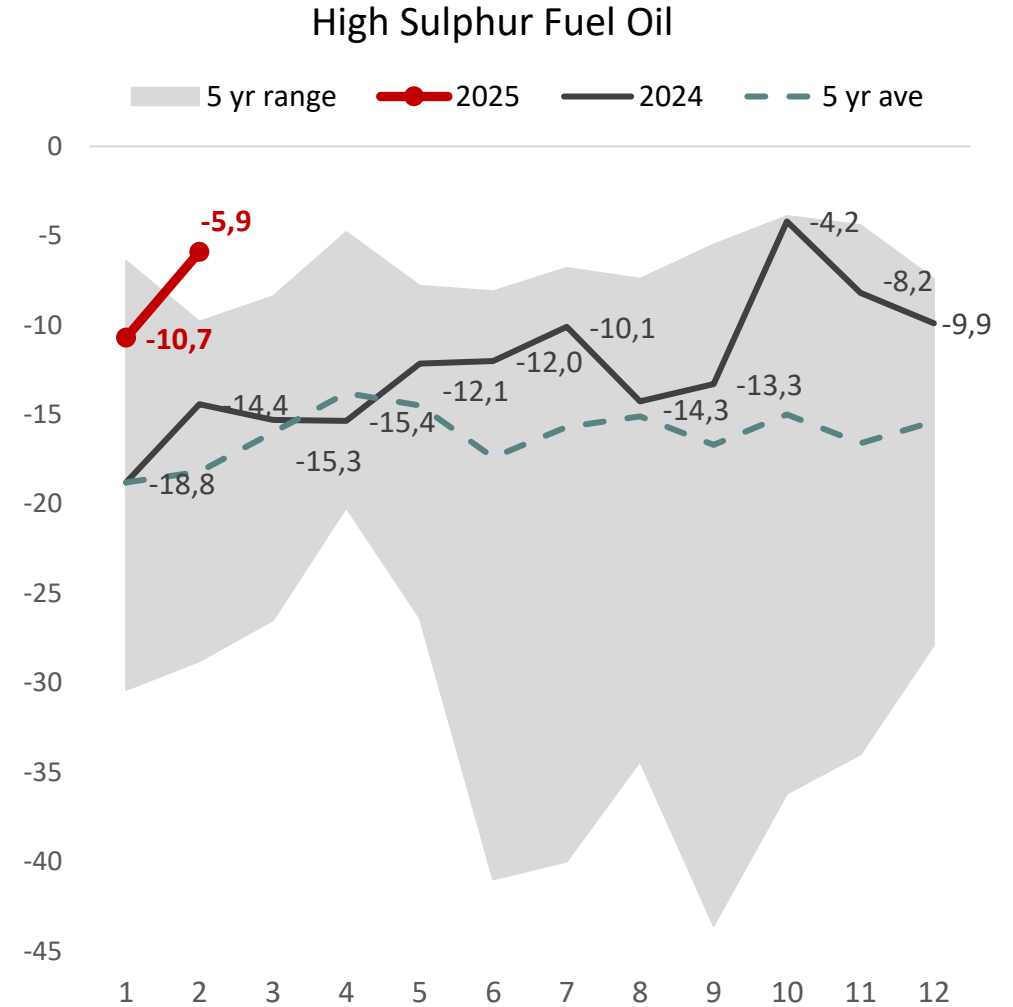
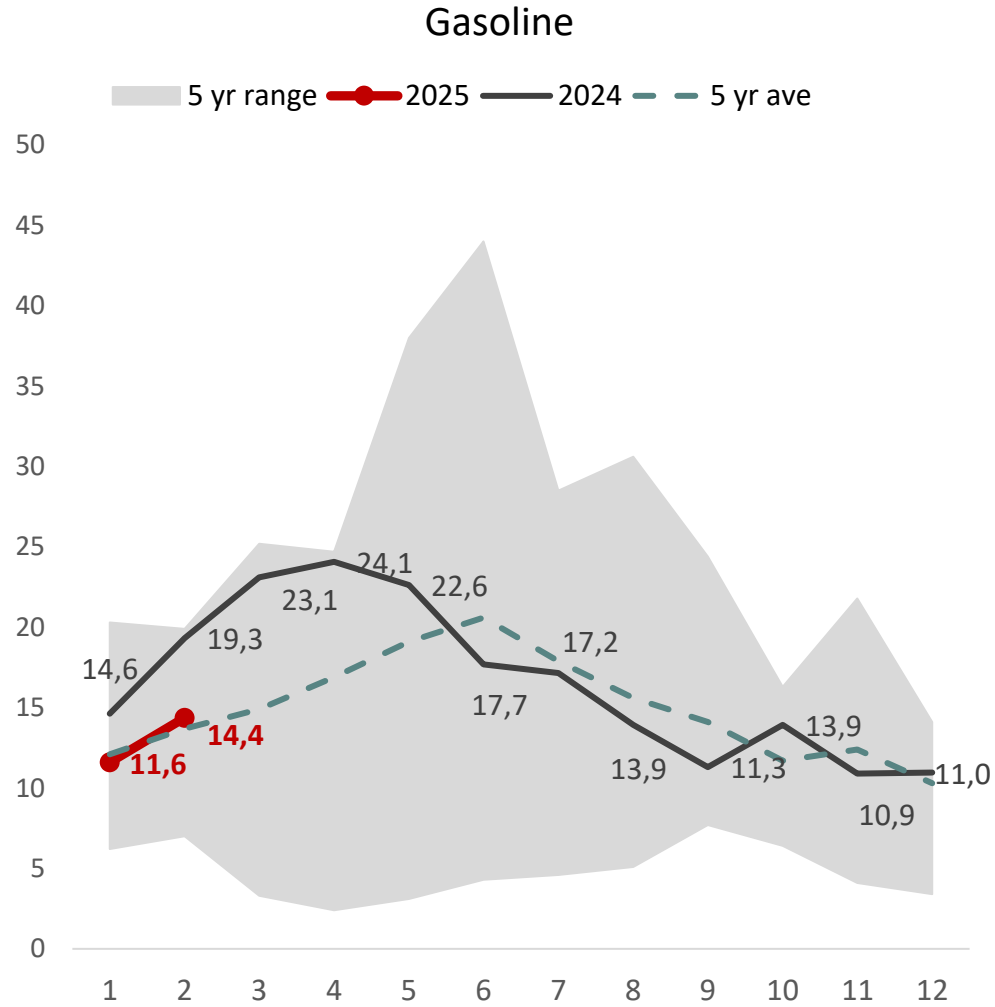
Middle Distillate Cracks



Data as of 28 February, 5 year range shows 2020-2024

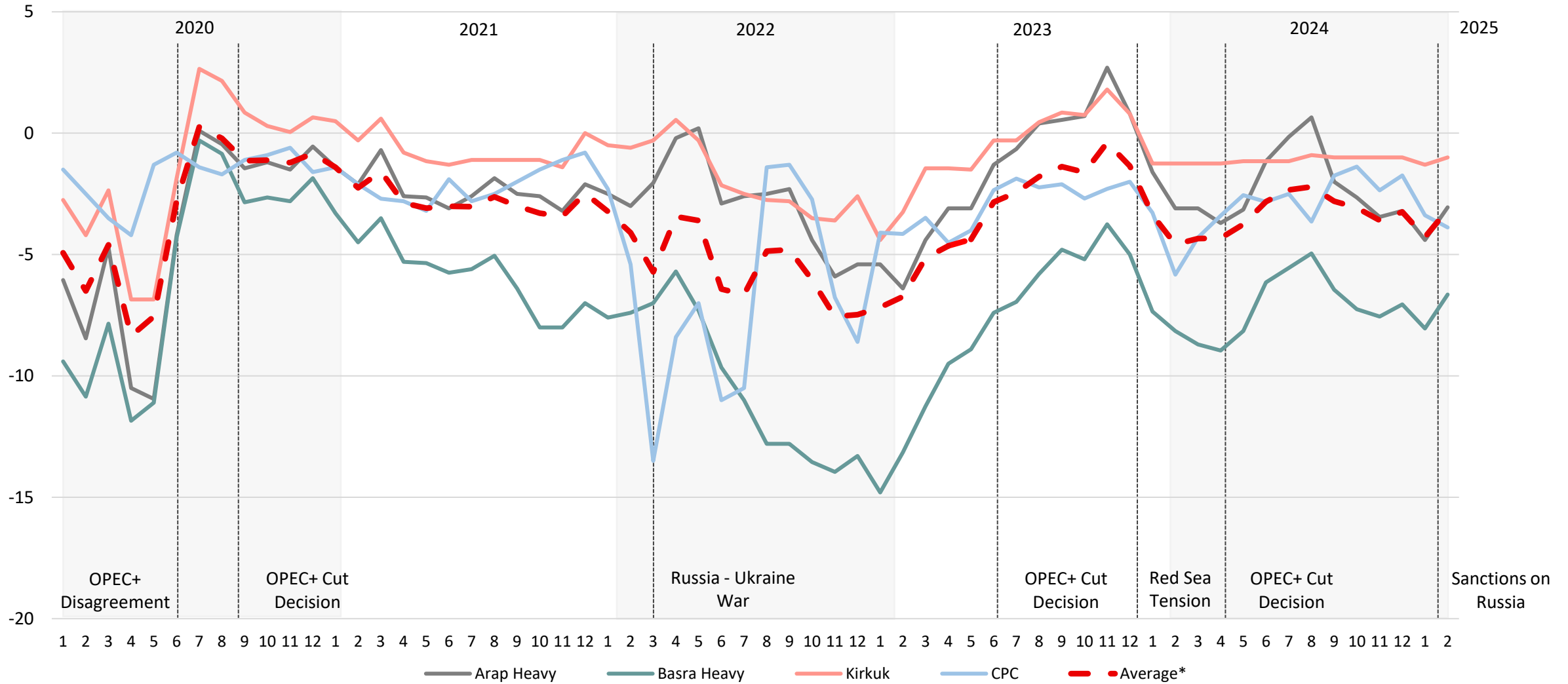
Gasoline and High Sulphur Fuel Oil Cracks

\$/bbl



Data as of 28 February, 5 year range shows 2020-2024

Heavy Crude Differentials to Brent (\$/bbl)



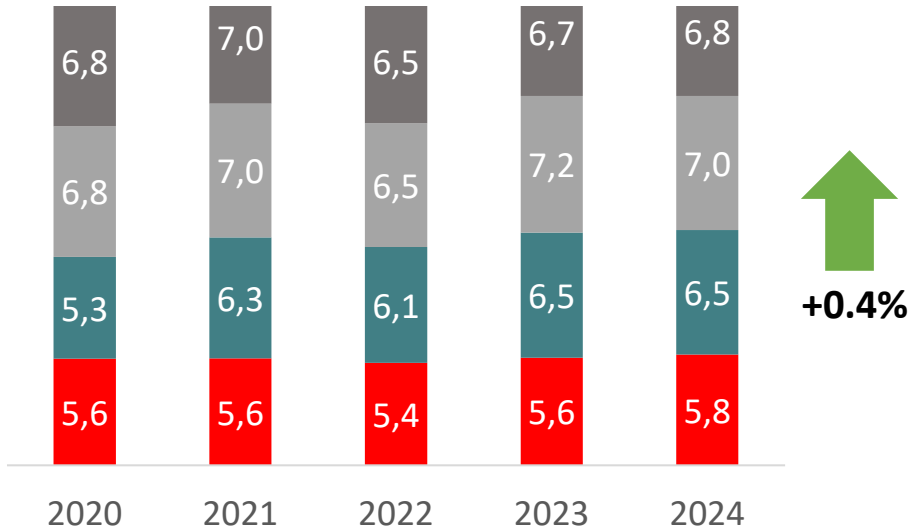
Data as of 28 February

*Simple average of listed differentials

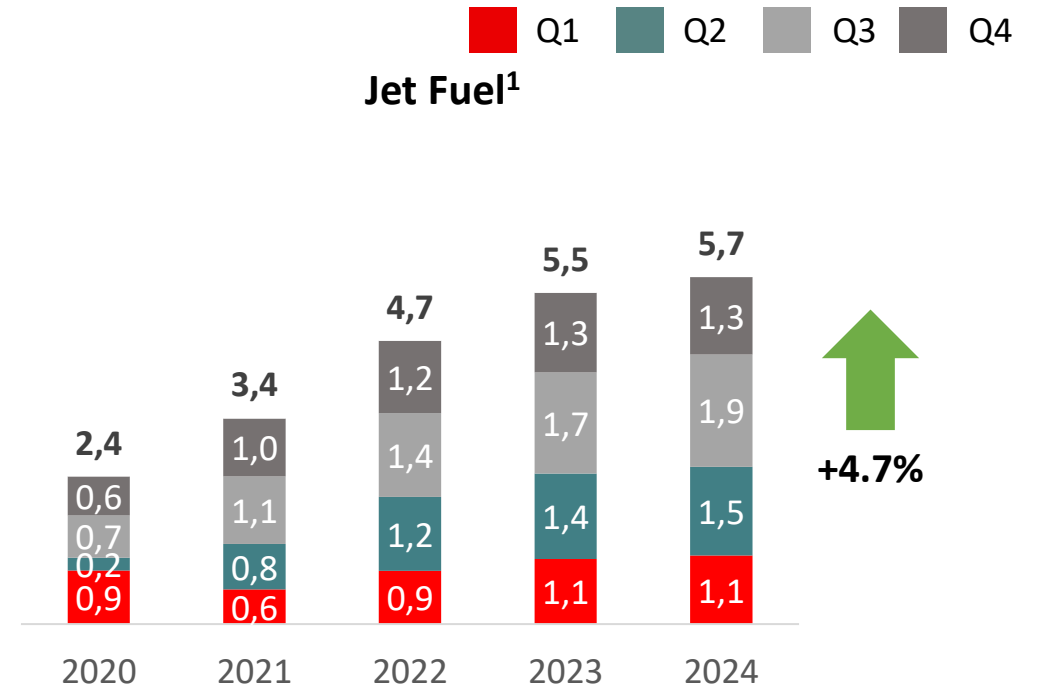
Turkish Market, FY 2024

Million Tons

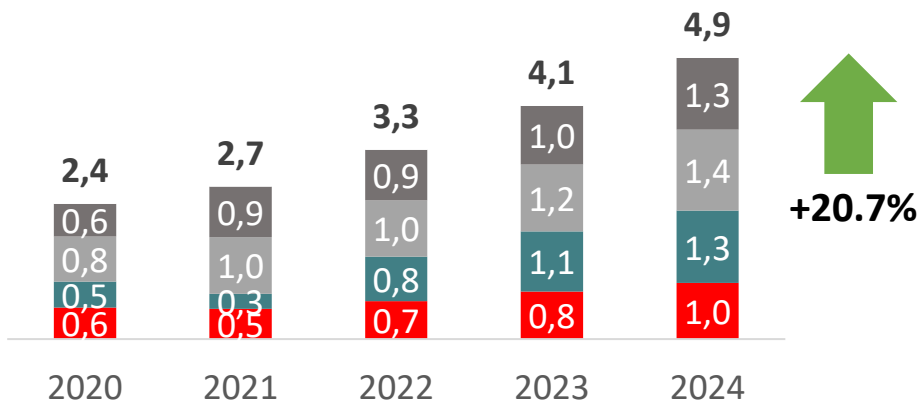
Diesel



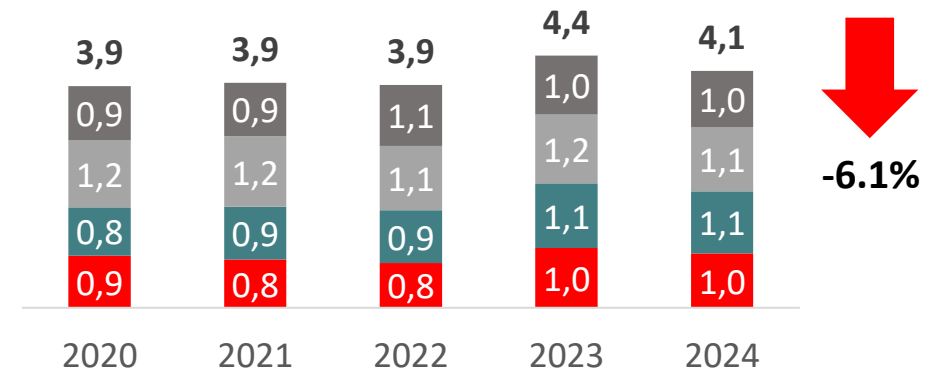
Jet Fuel¹



Gasoline

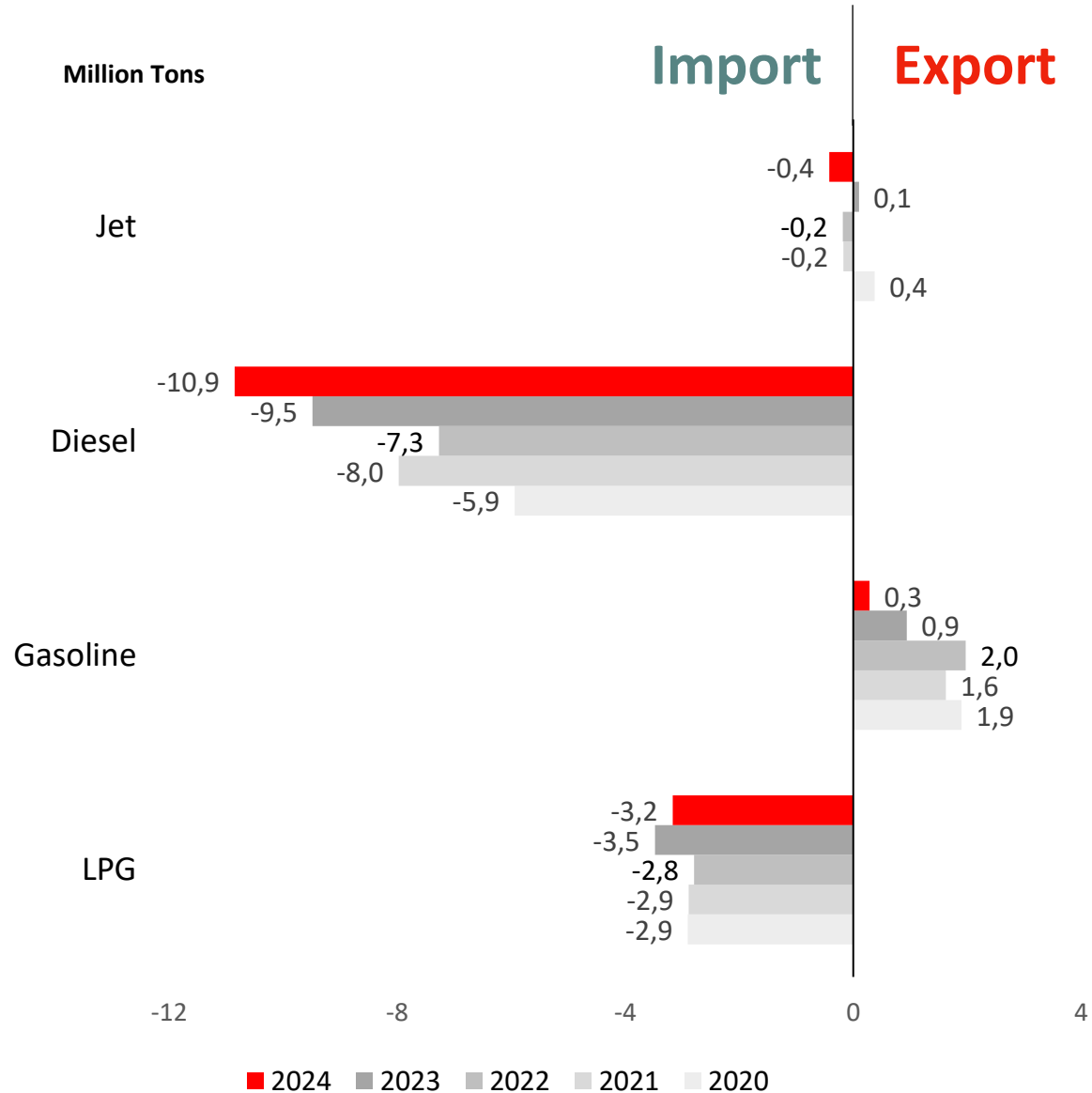


LPG



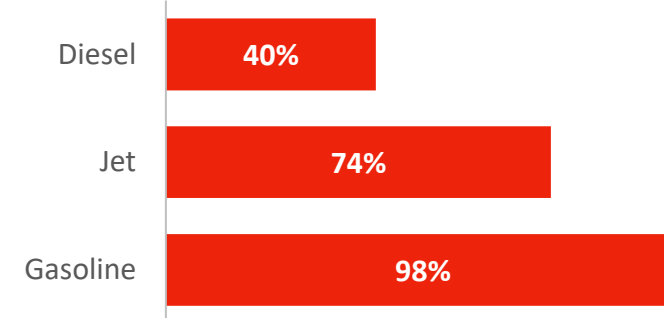
¹Transit flight consumption included

Turkey's Net Import / Export Balance

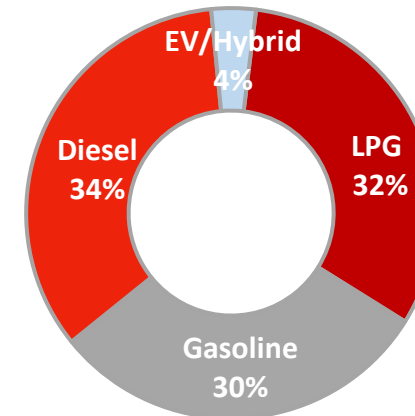


Market Share of Tüpraş

2024 12M



Fuel Choice of Passenger Cars 2024

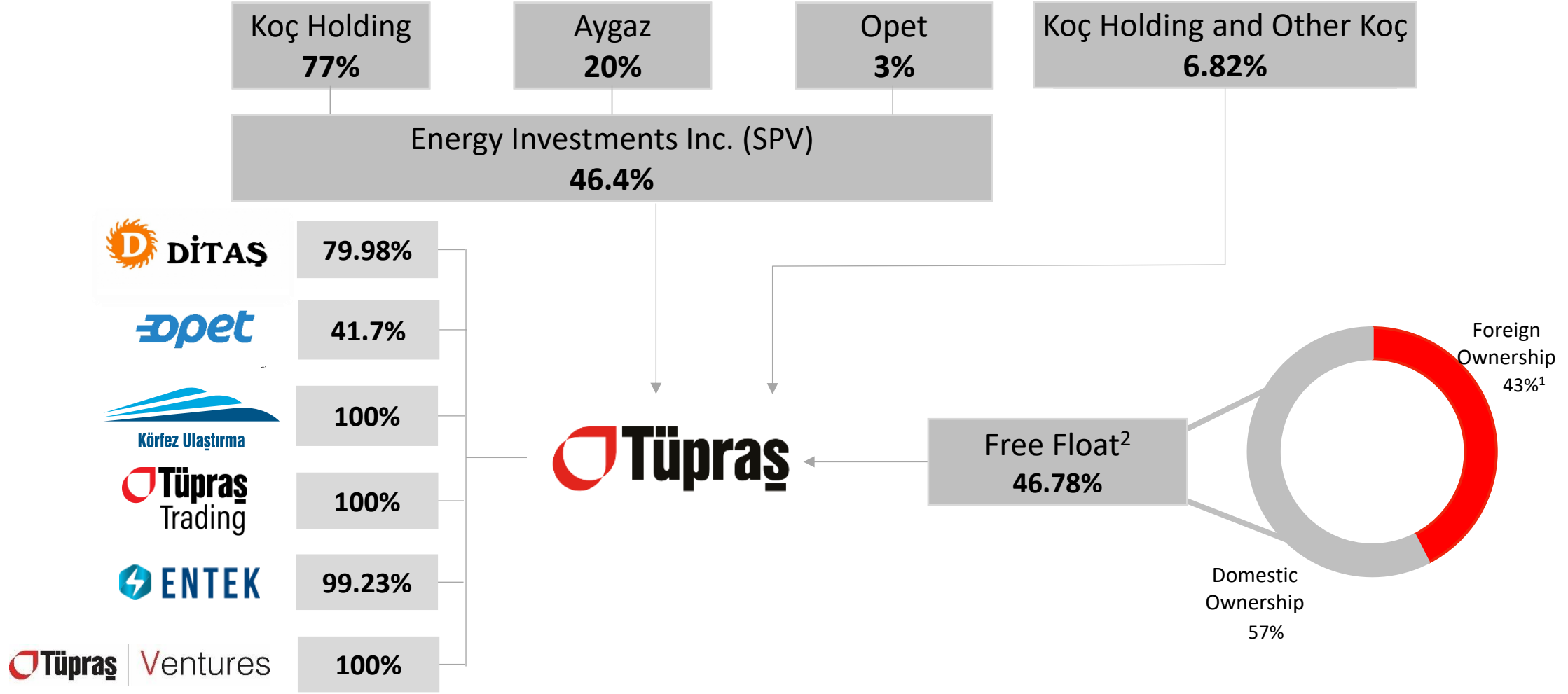




Company Overview

Tüpraş Shareholder Structure

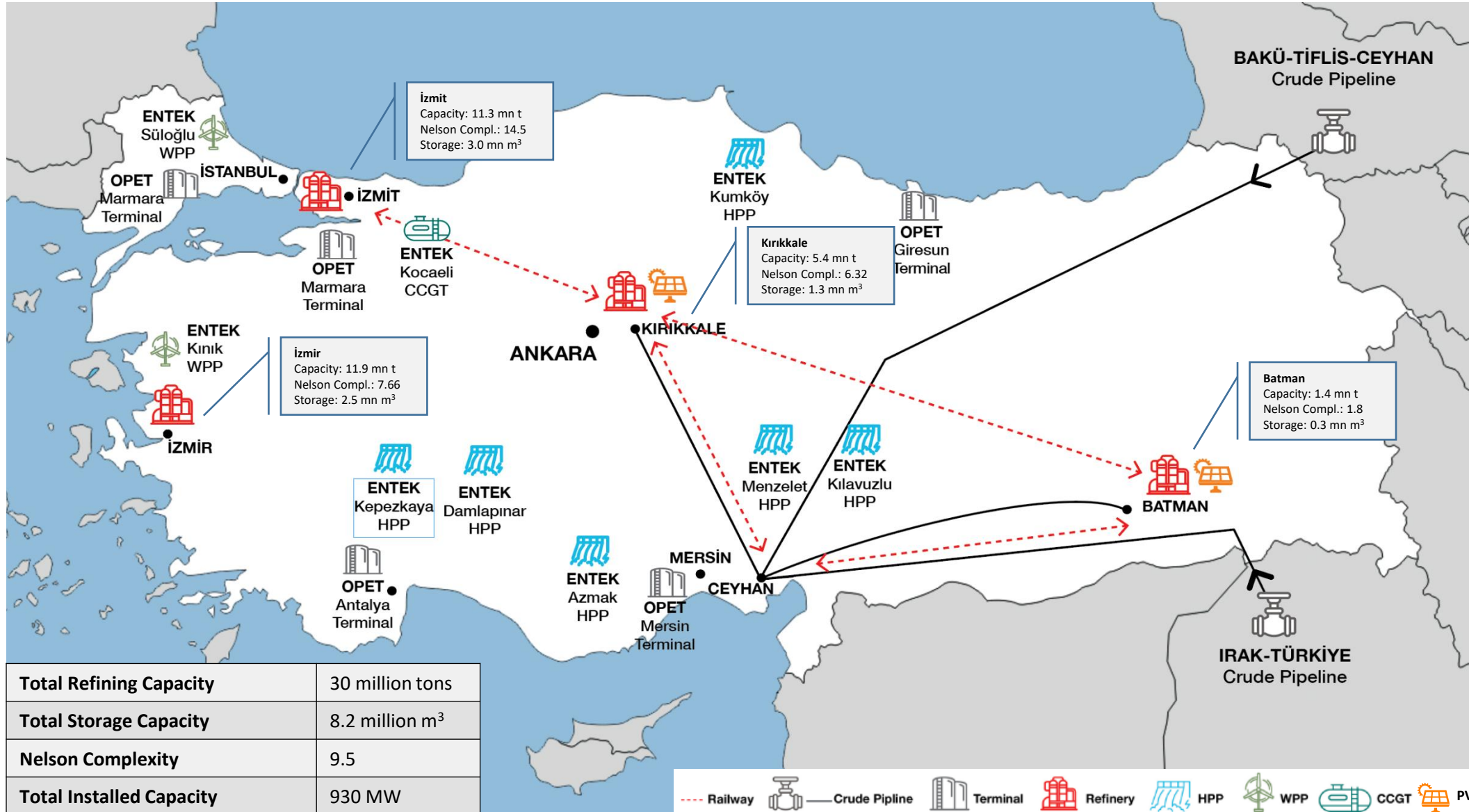
Tüpraş is Turkey's biggest industrial company and leading refiner.



¹ As of December 31, 2023

² Includes %1.11 shares of Liquid Petroleum Co.

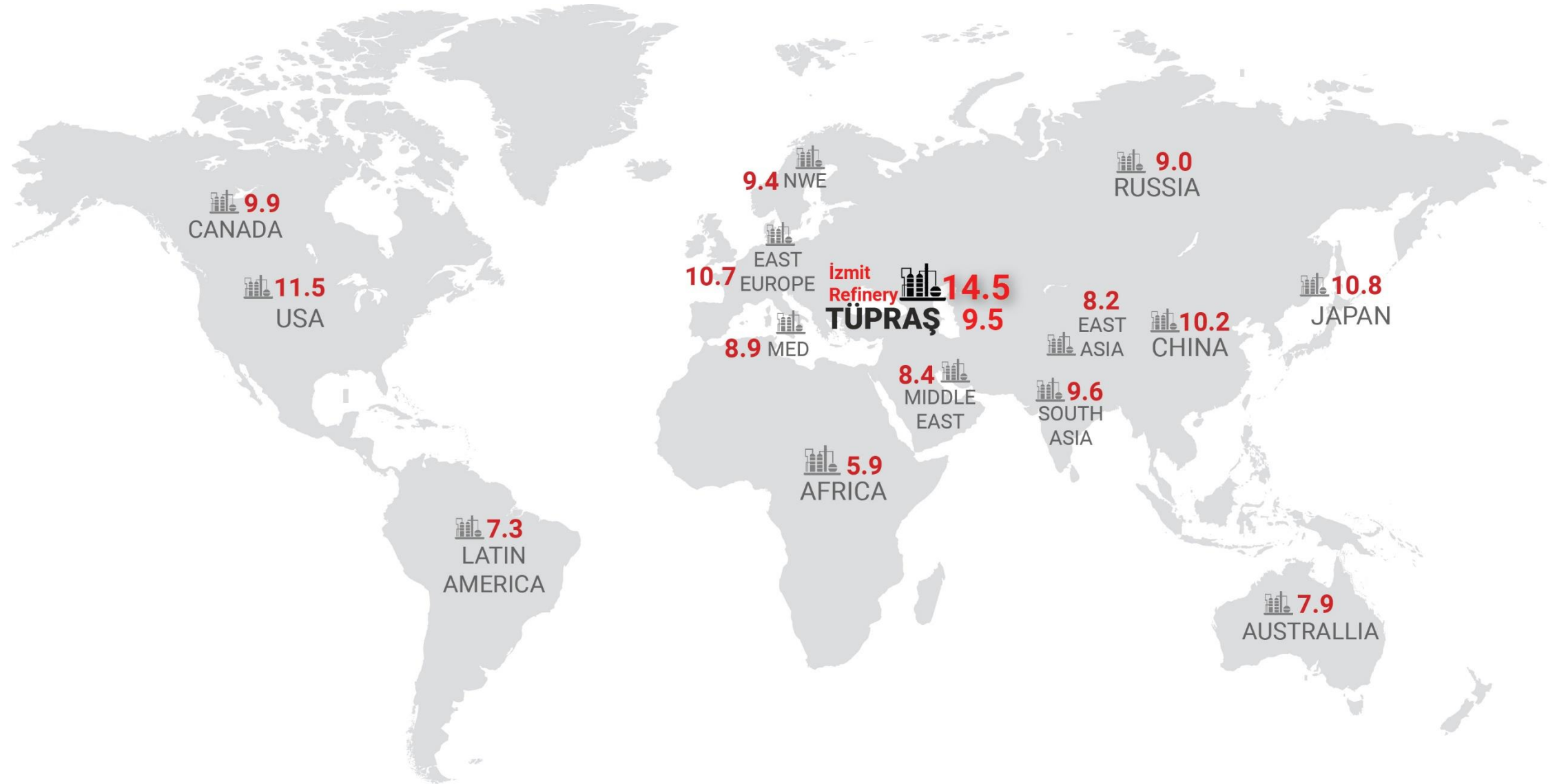
Tüpraş' Refining Assets & Distribution Network



Total Refining Capacity	30 million tons
Total Storage Capacity	8.2 million m³
Nelson Complexity	9.5
Total Installed Capacity	930 MW



Nelson Complexity of Refining Companies



Tüpraş Subsidiaries

OPET – Distribution (%41.7)



Market Share: **18.6%** White Products **32.0%** Black Products

1,883 Stations
5 Terminals
1.1 million m³ Storage capacity
199 EV Charging Unit (11% of stations)

Körfez Ulaştırma – Railway Transport (%100)



- ~5% share in Turkish rail freight market
- **2.2 mn ton** of product and semi-product carried in 2023
- Operates with **12 locomotives** (7 of them are hybrid) and **554 total of fuel oil and platform wagons**

Tüpraş Trading UK – Trading (%100)



- Over **4.5 million tons** of product trade
- Over **6.5 million tons** of spot crude oil connections
- **1.3 million tons** of third party trading

Entek Electricity– (%99.23)



- **1.5 GWs** sales from production

512 MW
 Entek's Installed Capacity
136 MW 2 WPP
112 MW 1 CCGT
264 MW 8 HPP

DITAŞ Marine Transport (%79.98)



- Transportation of **10.8 million tons** crude cargoes and **7.2 million tons** products cargoes.

661,787 DWT
 Carrying Capacity
470,067 DWT 4 Crude Oil Tanker
61,283 DWT 4 Bitumen Tanker
130,437 DWT 8 Product Tanker

Tüpraş Ventures (%100)

Tüpraş Ventures

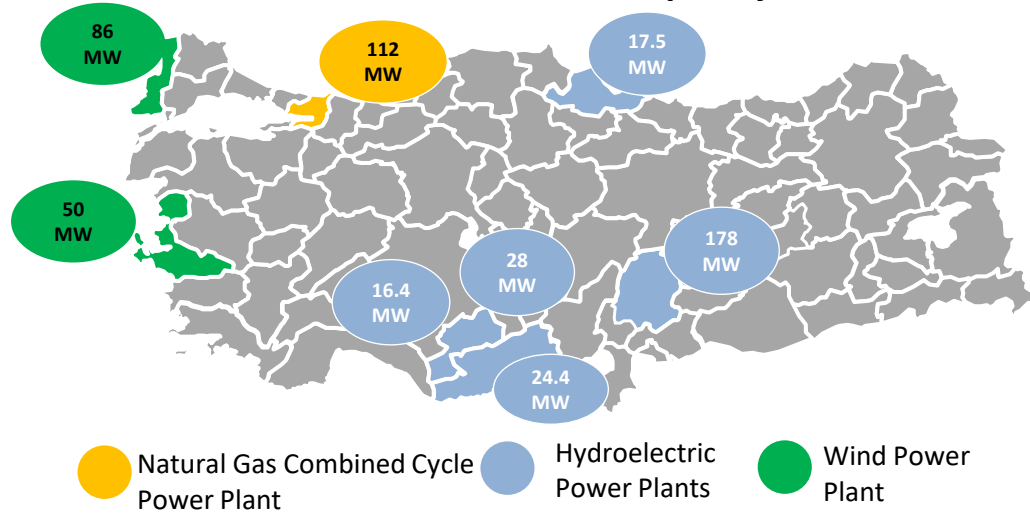
KOC GROUP COMPANIES' FIRST PRIVATE VENTURE CAPITAL INVESTMENT FUND

Energy Transformation Sustainability Operational Excellence

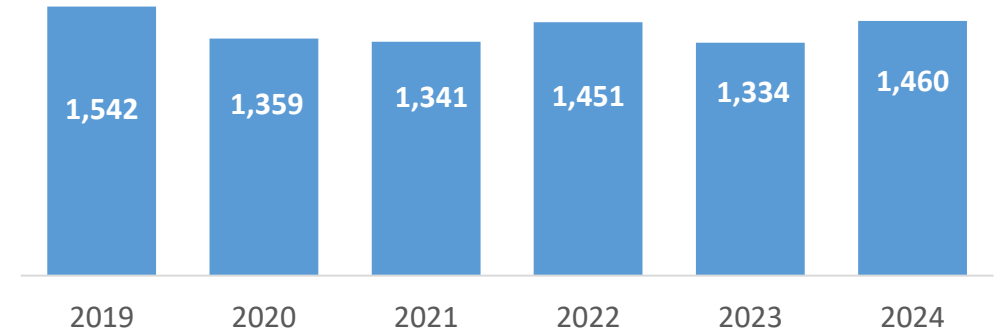
- Direct investment in 3 technological developments: **2 green hydrogen, 1 robotics.**
- Collaboration with 2 venture capital funds investing in new technology companies in USA and Europe.
- In 2023, 18 investments were undertaken.

Entek - Electricity (Tüpraş Share: 99.23%)

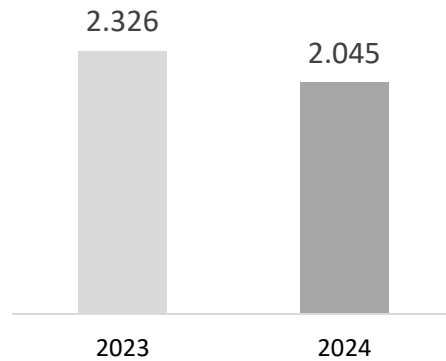
Entek's Installed Capacity



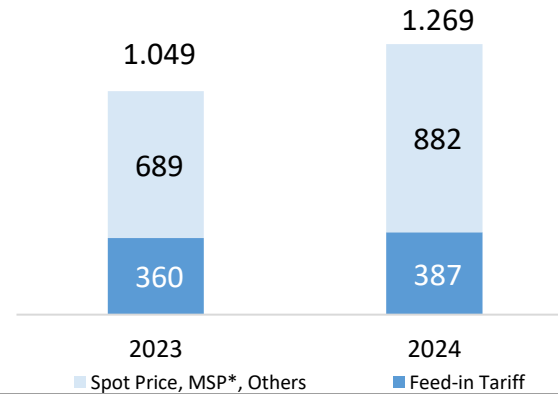
Production (000 MWh)



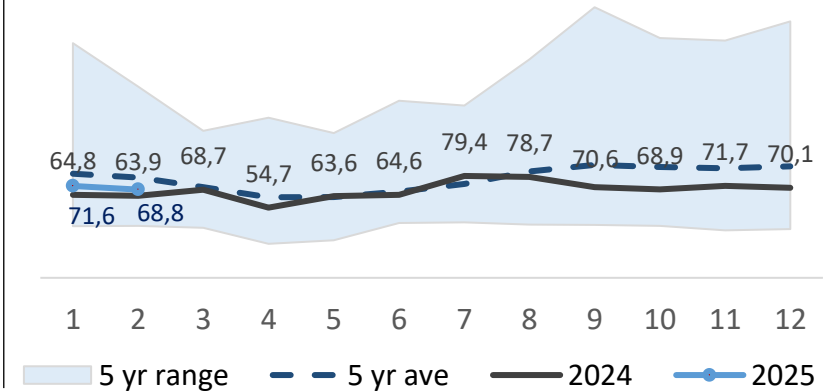
EBITDA (Mn TL)



Total ZCE Sales from Production (GWh)



Spot Price (\$/Mwh)

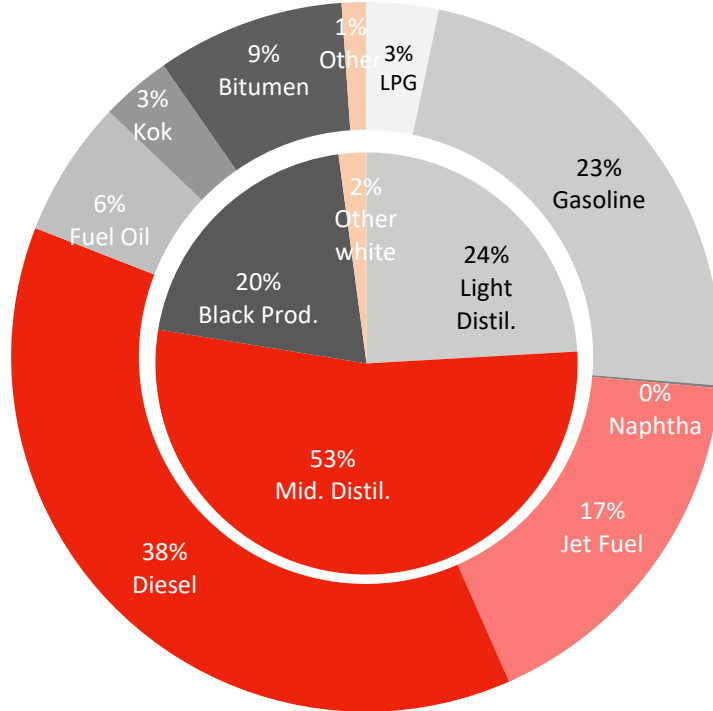




Operations

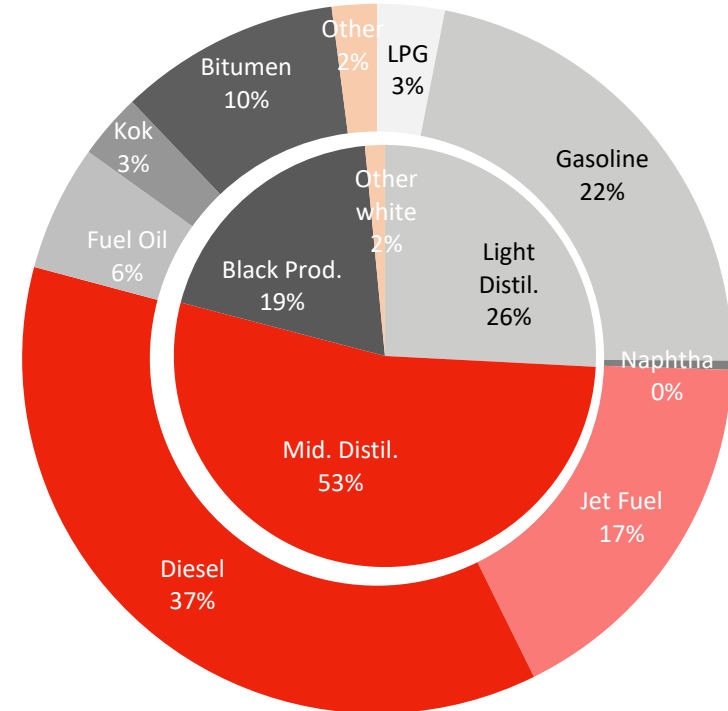
Q4 Product Yields

Q4 2023



White Product Yield (%)	80.8%
Production	7.0 mn tons
API	31.5

Q4 2024

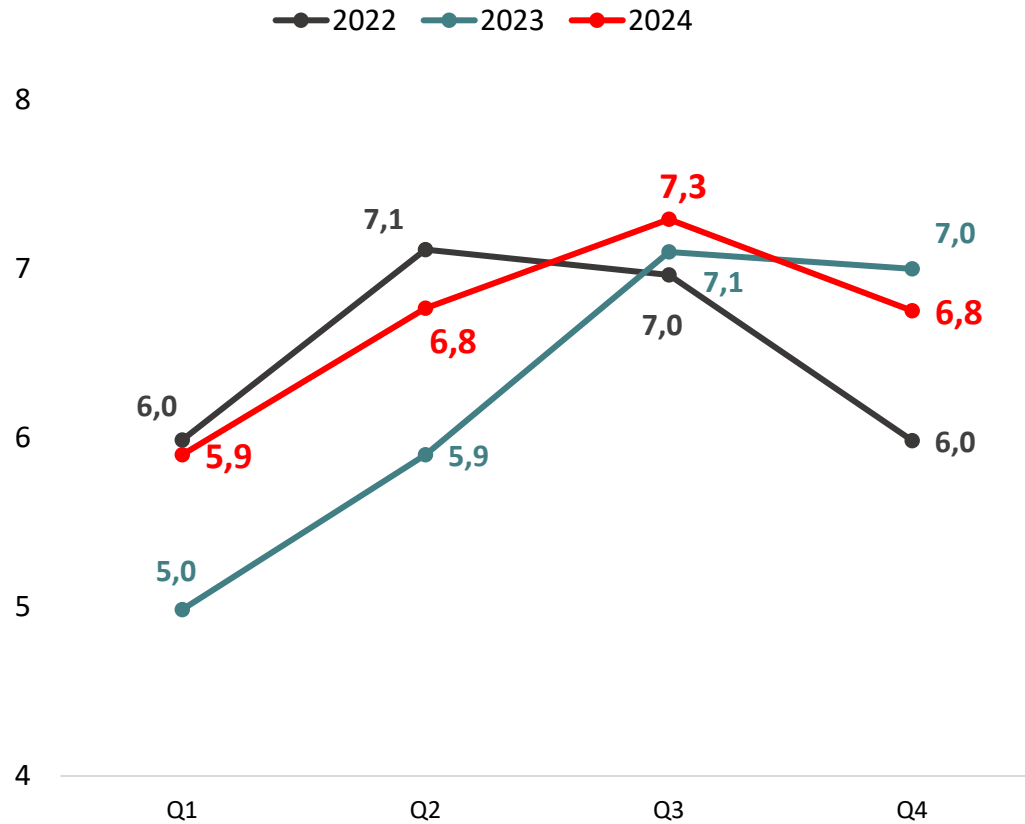


White Product Yield (%)	82.8%
Production	6.8 mn tons
API	31.2

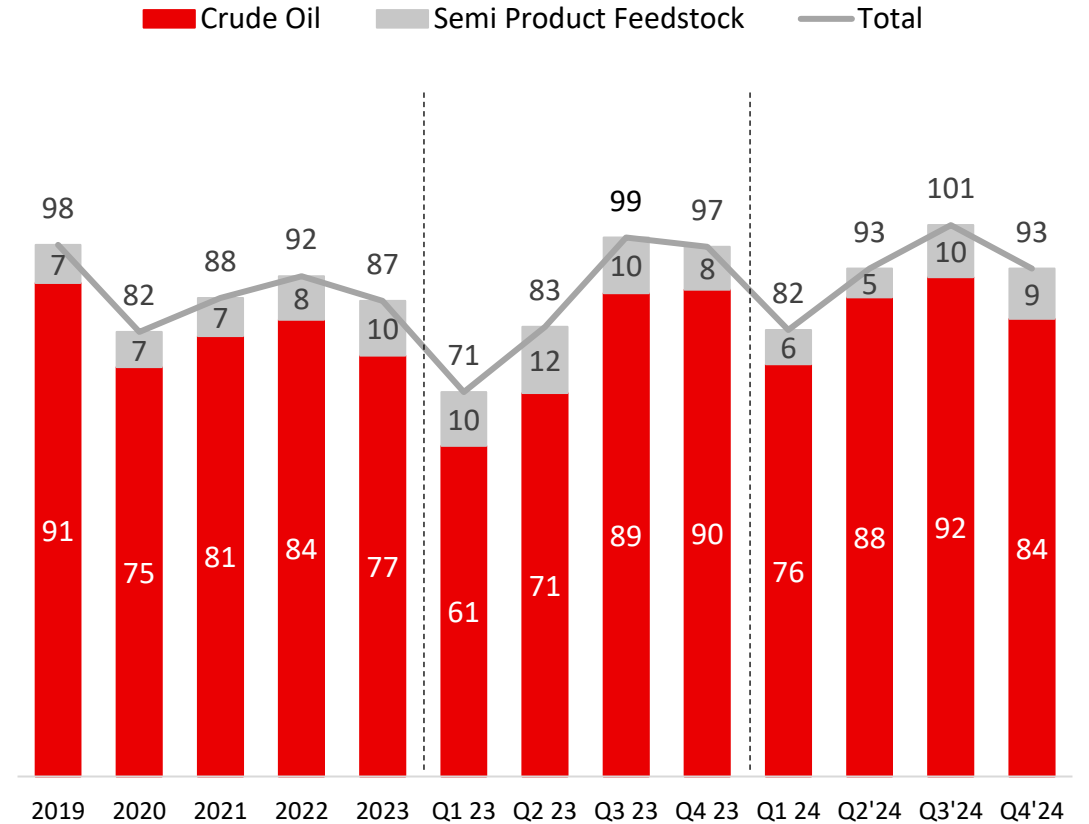
Capacity Utilization and Quarterly Production Volume

- Tüpraş produced 6.8 million tons in Q4 2024.
- Capacity utilization for Q4 2024 was 93.4%.

Quarterly Production (Million Tons)

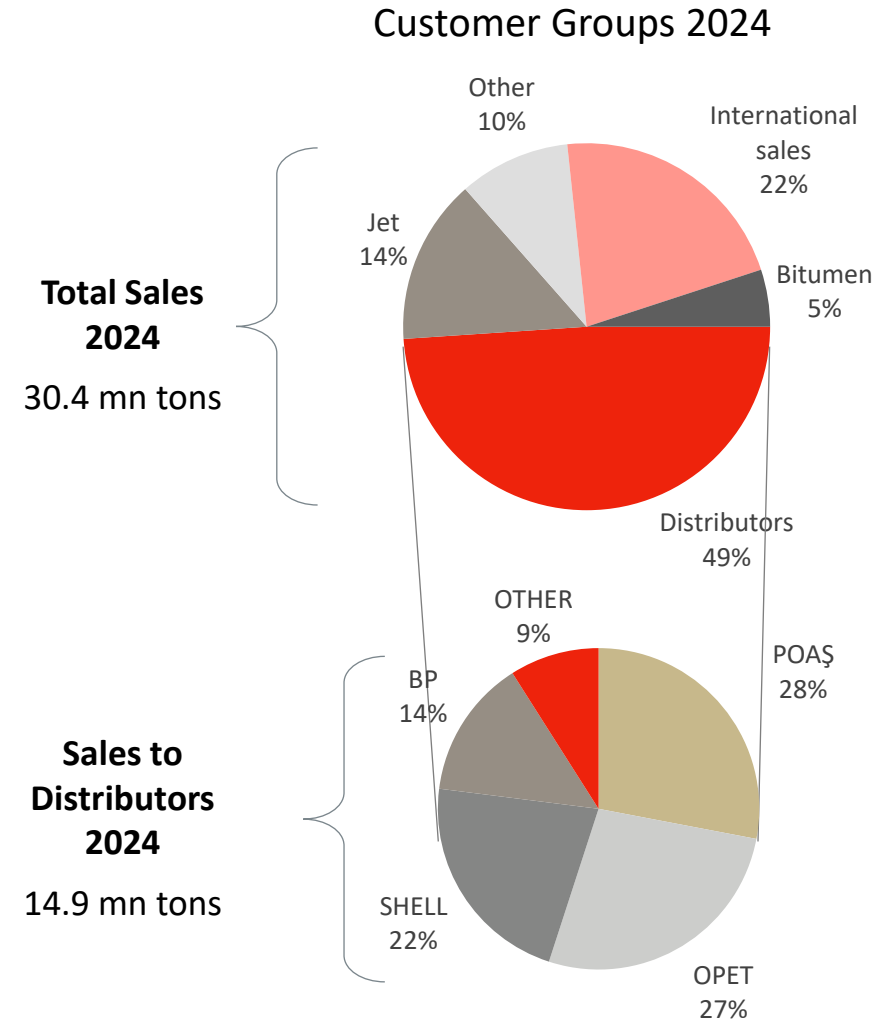
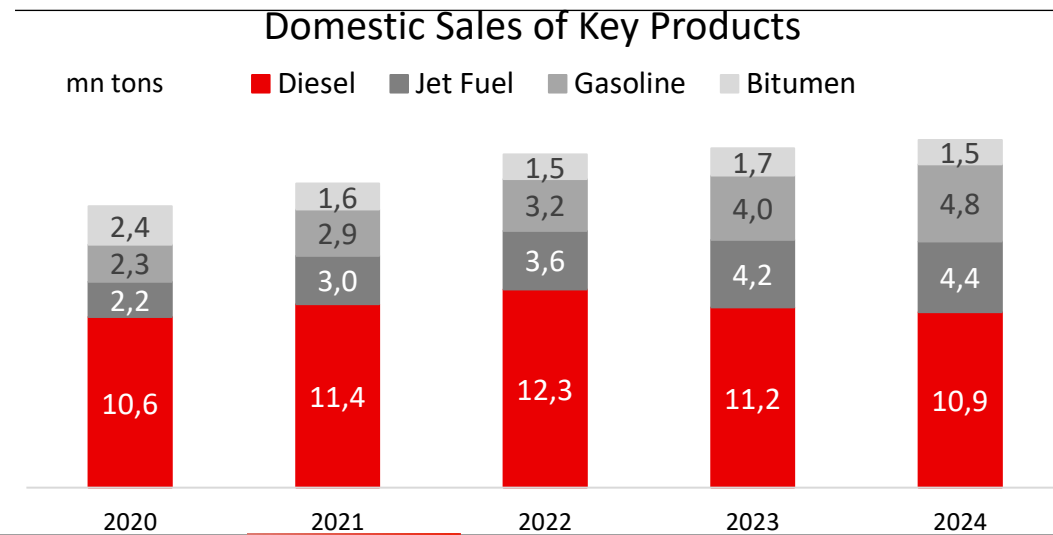
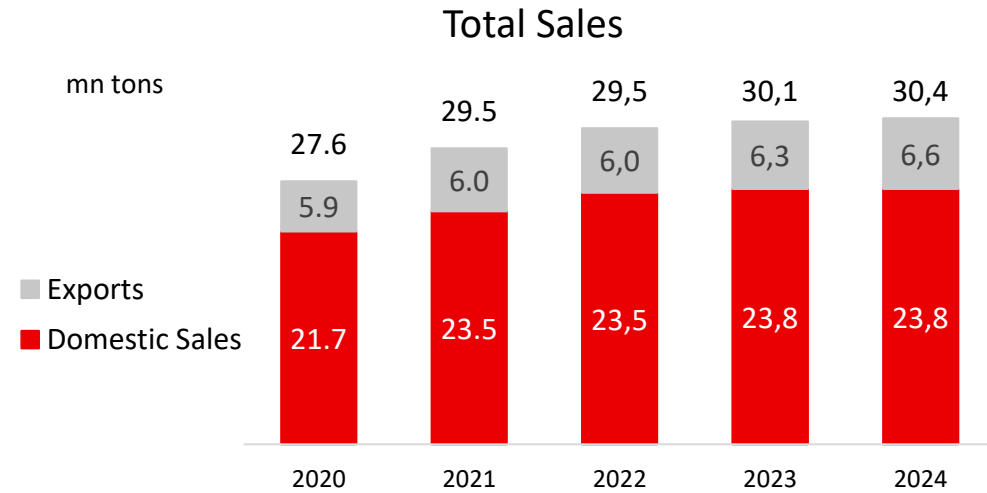


Capacity Utilization (%)



Sales

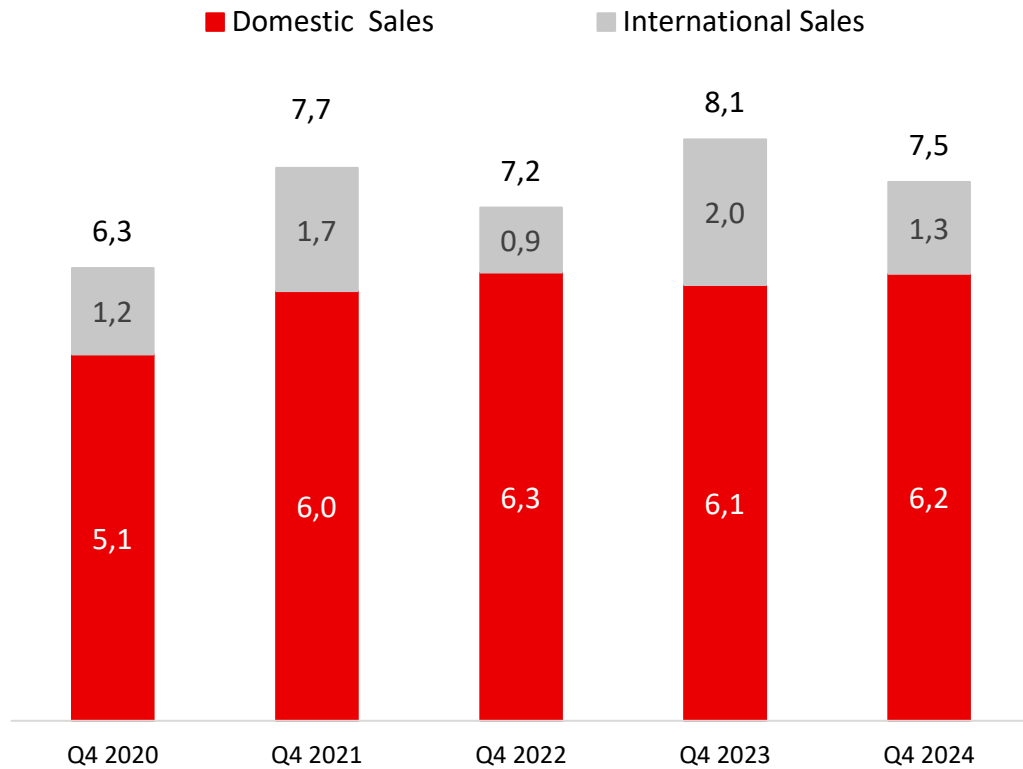
- Tüpraş generated 30.4 million tons of total sales in 2024.



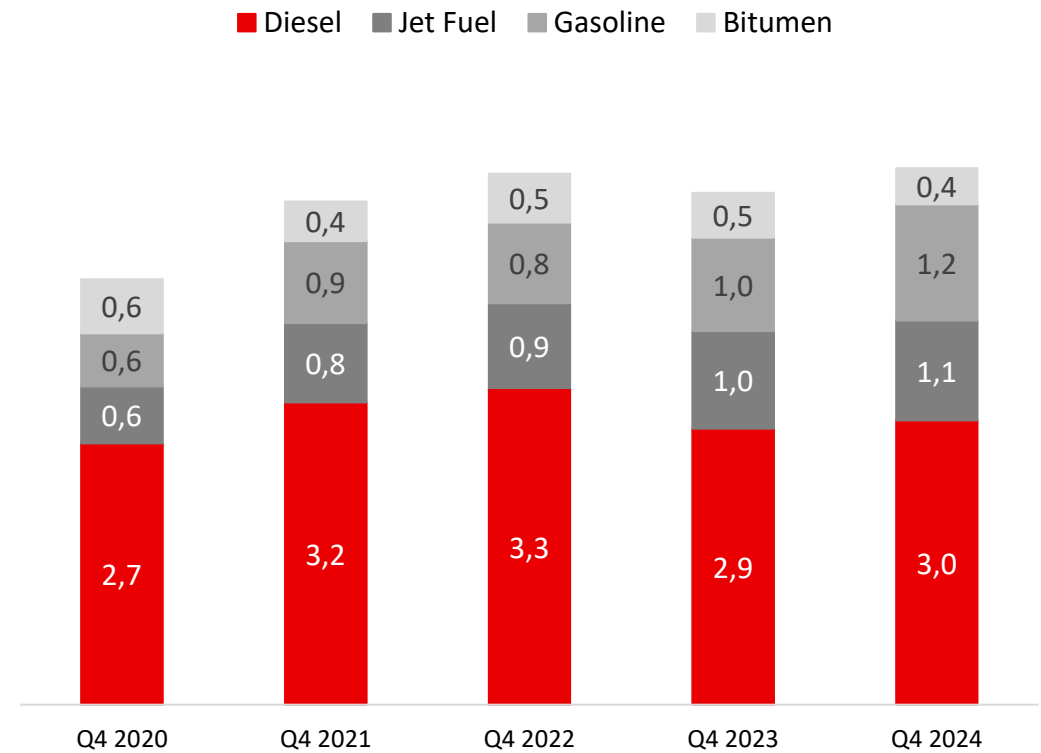
Product Sales in Q4 2024 (Million Tons)

- Tüpraş generated 7.5 million tons of sales in Q4 2024, bringing the annual to 30.4 million tons in 2024.
- Domestic sales grew by 3% y/y with gasoline sales, up by 24% y/y with the increased demand.

Total Product Sales



Domestic Sales of Selected Products





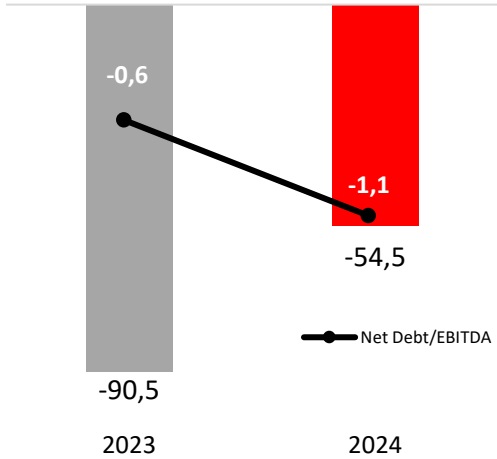
Financials

Income Statement (Million TL)

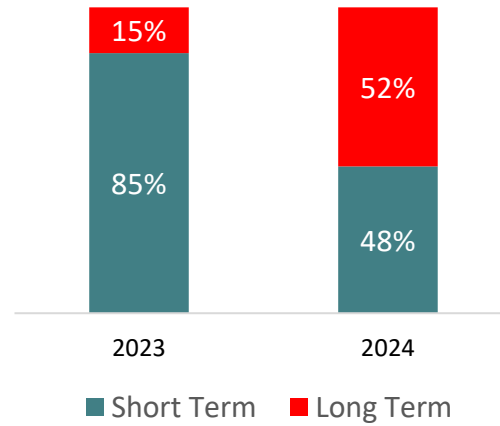
Million TL	Q4 2024	Q4 2023	%	12M 2024	12M 2023	%
Net Sales	173,475	266,622	-35%	810,386	991,203	-18%
COGS	-162,116	-228,046	-29%	-742,355	-832,772	-11%
Gross Profit	11,359	38,576	-71%	68,030	158,431	-57%
Operating Expenses	-5,274	-8,857	-40%	-26,942	-28,235	-5%
Income/Loss from other operations	76	-4,426	-102%	-5,378	-23,893	-77%
Operating Profit	6,162	25,293	-76%	35,710	106,303	-66%
Income/Loss from Equity pick ups	569	-1,022	-156%	1,426	1,637	-13%
Operating Profit Before Fin. Income/Loss	6,730	24,271	-72%	37,136	107,940	-66%
Financial Income/Expense	1,246	2,419	-49%	9,192	-7,499	-223%
Monetary Gain/Loss	-1,194	-3,912	-69%	-14,583	-16,961	-14%
Profit Before Tax	6,782	22,779	-70%	31,746	83,480	-62%
Net Profit (excluding minority interest)	3,891	52,484	-93%	18,315	77,354	-76%
EBITDA*	8,851	31,526	-72%	51,315	140,522	-63%
Inventory Gain/Loss	-1,367	6,250	-122%	5,075	21,374	-76%
EBITDA CCS*	10,218	25,276	-60%	46,240	119,148	-61%

Financial Highlights

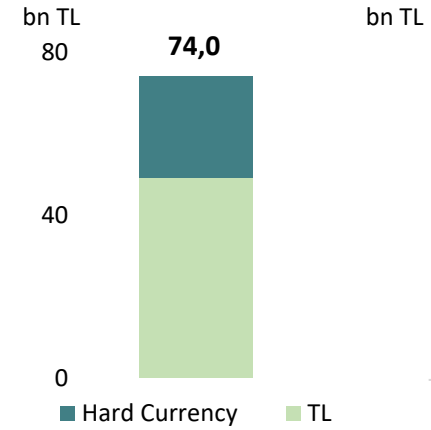
Net Debt & Net Debt / EBITDA



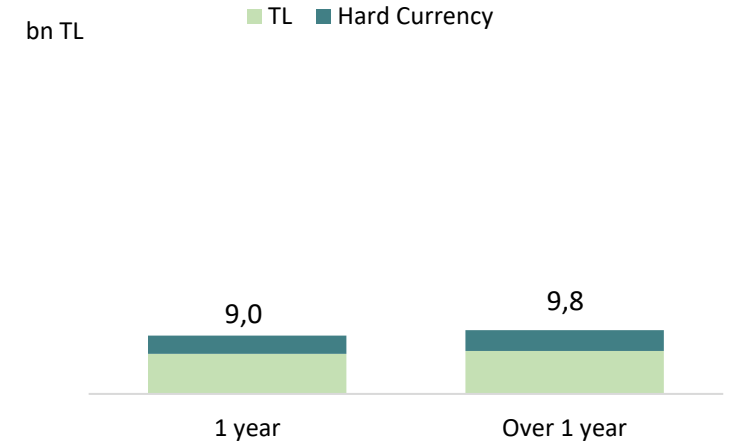
Loan Maturity Breakdown



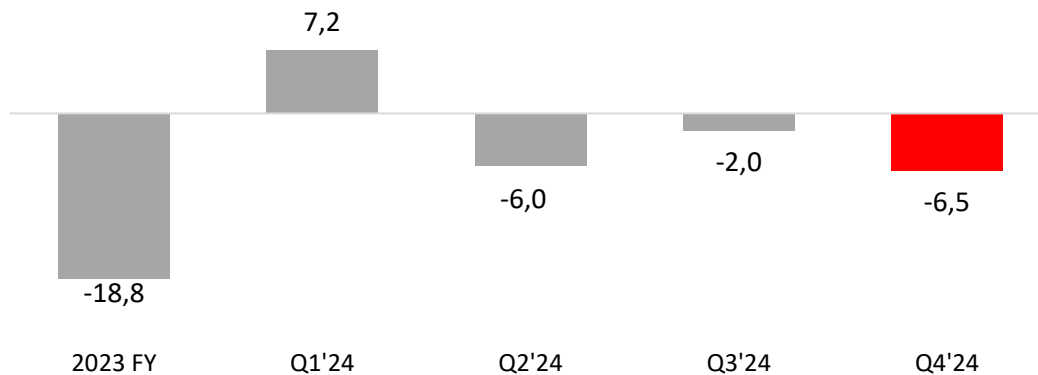
Cash Currency Breakdown



Redemption Schedule(**)



Working Capital (bn TL)



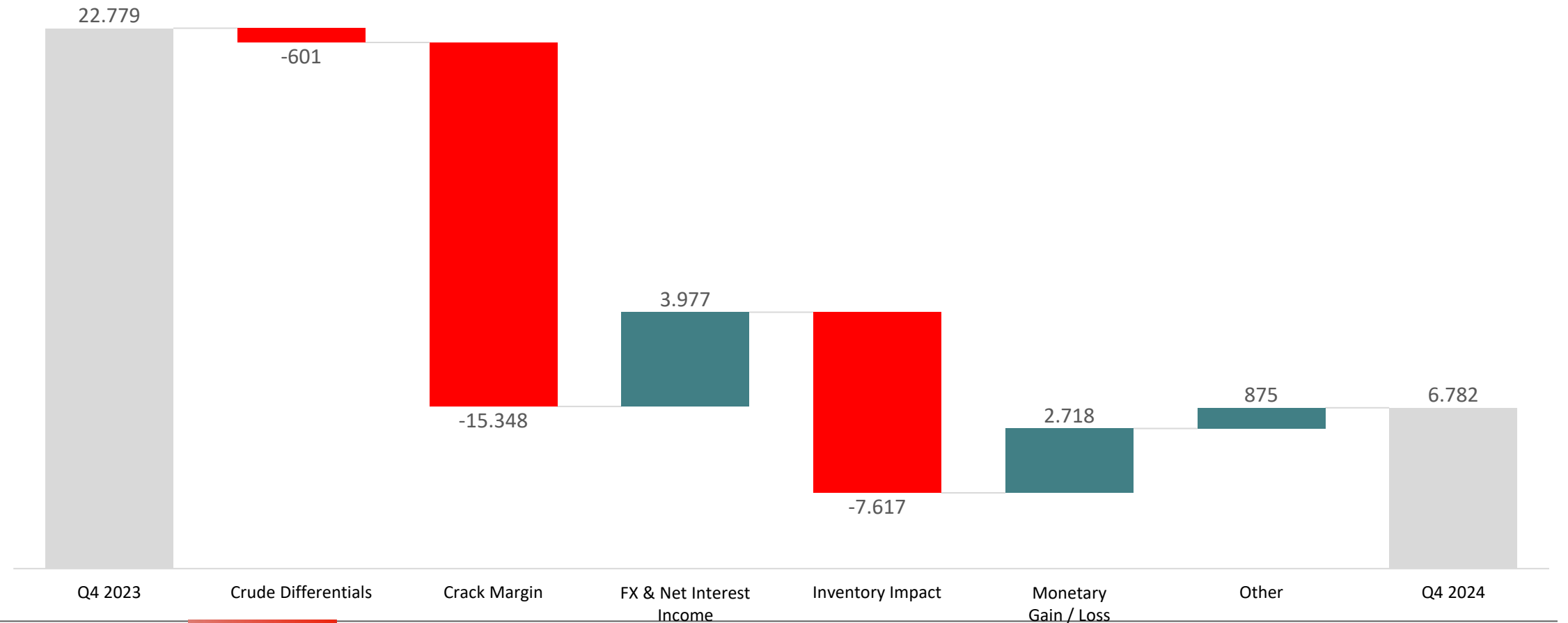
Financial Management

- Working capital buffer was maintained with efficient cash management.
- Net cash position continued with strong operating cashflow.

Profit Before Tax Bridge (Q4 2023– Q4 2024)

Lower energy expenses and strong net financial gains supported the PBT despite lower crack margins and narrow differentials.

Million TL



Net Refinery Margin^(*) expectation 5-6 \$/bbl

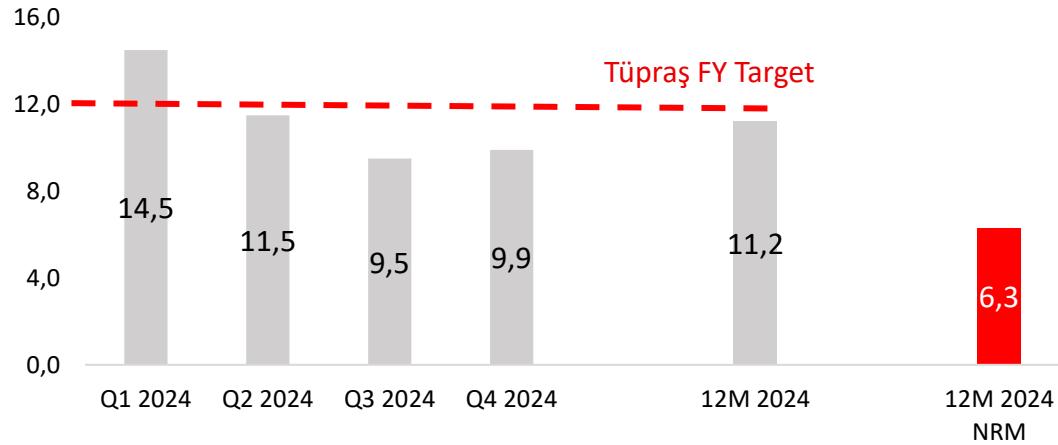
- ~26 mn tons annual production
- ~30 mn tons annual sales
- 90-95% average capacity utilization

Consolidated Capex ~600 million \$

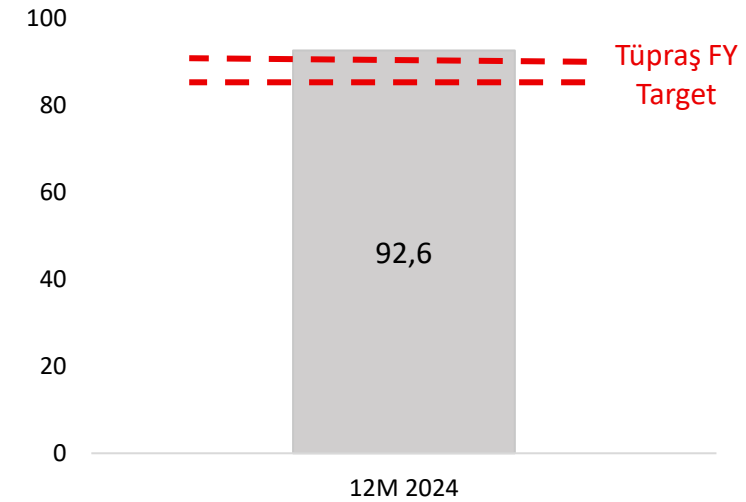
(*) Net Refining Margin is calculated with all factors subject to inflation accounting stripped out.

Q4 2024 Results

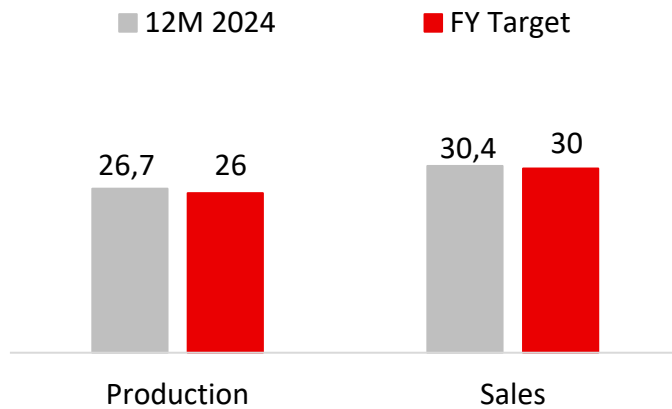
Tüpraş Crack Margin (\$/bbl)



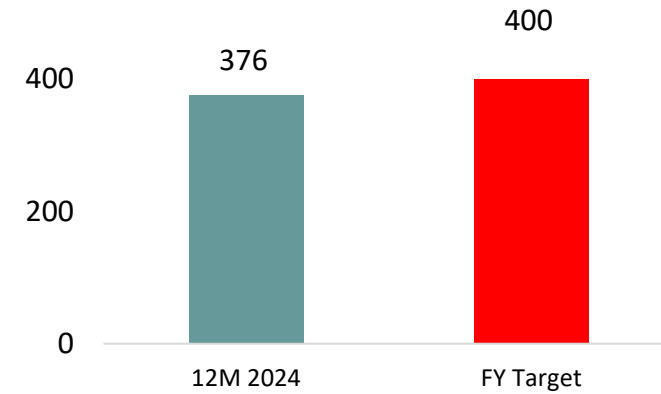
Capacity Utilization (%)



Operational (million tons)



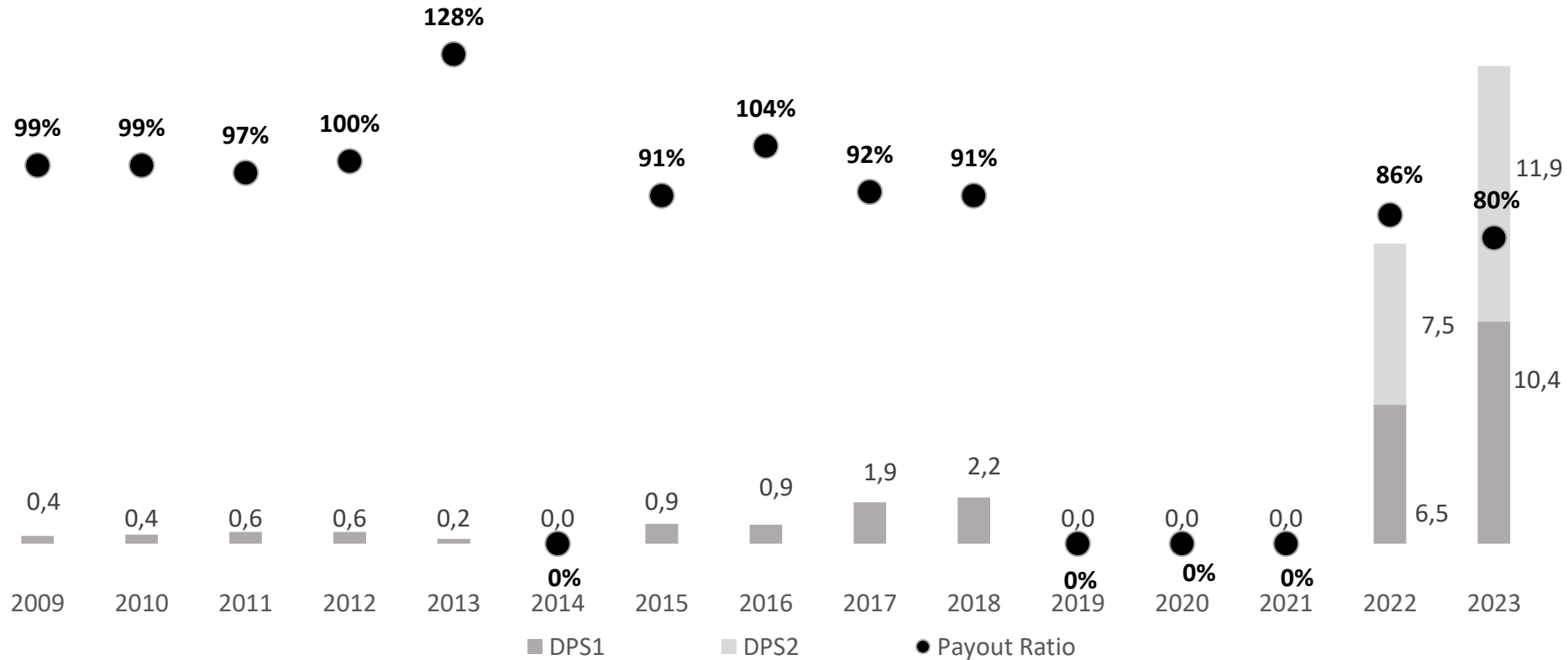
Total Capex (mn \$)



Tüpraş Balance Sheet (Million TL)

	31.12.2024	31.12.2023	Diff.	Diff. (%)
Current Assets	185,591	290,418	-104,826	-36
Cash & C. Equivalents	73,534	141,525	-67,991	-48
Trade Receivables	37,072	58,386	-21,314	-37
Derivatives	1,469	2,980	-1,511	-51
Inventories	60,278	64,197	-3,919	-6
Pre-paid expenses	1,770	1,845	-75	-4
Other Current Assets	11,468	21,484	-10,016	-47
Long Term Assets	268,536	239,156	29,381	12
Financial Assets & Subsidiaries	13,697	12,479	1,218	10
Tangible & Intangible Fixed Assets	233,149	200,379	32,770	16
Derivatives	47	53	-6	-11
Pre-paid expenses	3,999	2,620	1,379	53
Deferred Tax	889	9,336	-8,446	-90
Other Long-term Assets	16,755	14,288	2,467	17
Total Assets	454,128	529,573	-75,446	-14
Short Term Liabilities	148,768	224,179	-75,410	-34
Financial Loans	9,054	43,268	-34,214	-79
Trade Payables	103,880	141,428	-37,548	-27
Derivatives	2,838	769	2,069	269
Provisions	2,312	1,771	541	31
Other ST Liabilities	30,684	36,943	-6,259	-17
Long Term Liabilities	19,111	12,391	6,721	54
Financial Loans	9,935	7,736	2,199	28
Payables & Provisions	1,665	2,995	-1,330	-44
Derivatives	448	677	-230	-34
Other LT Liabilities	7,064	983	6,082	619
Total equity attributable to equity holders of the parent	282,215	289,860	-7,645	-3
Minority Interests	4,032	3,144	889	28
Total Liabilities & Equity	454,128	529,573	-75,446	-14

Dividend (TL)



Strategic Transition Dividend Plan

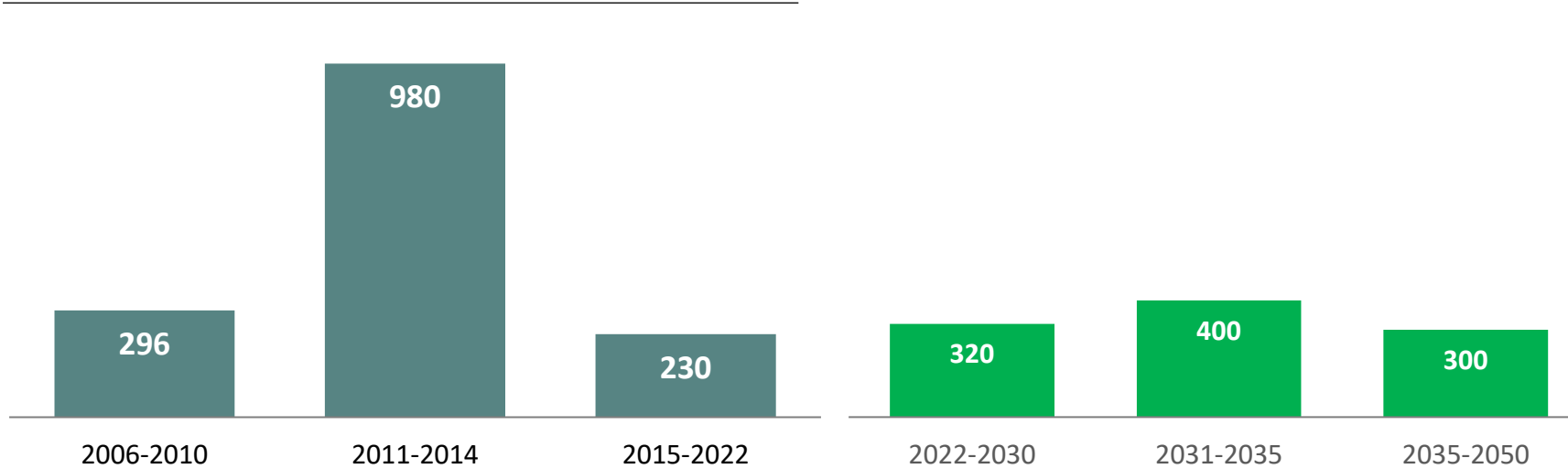
Our new business model enables us to pay ~80% average dividends and we will remain as a high dividend payer

*2009-2023 dividend payout ratio, which is calculated according to distributable net income based on statutory accounts

Investments (Million \$)


Avg. 460 Mn\$

Avg. 350 Mn\$

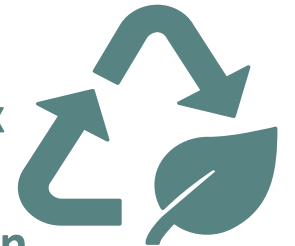


CURRENT PROJECTS

- FCC Modernization in İzmir
- New Sulphur Recovery Unit in Kırıkkale
- Solar Power Plant in Kırıkkale
- Firefighting System Modernization in Kırıkkale
- Wind Power Plant in İzmir

7+ 
After privatization
Billion \$ investment

~50%
of total capex
ESG related
investments in
2022



Financial Policy

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

Leverage & Liquidity

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.
- Cap for deposits subject to banks shareholders' equity

Interest Rate & Fx

- The fixed/floating profile of financial debt.
- Management of FX risk with derivative instruments
- Zero FX exposure target on daily basis.

Commodity Hedging Policy

Inventory Hedging Policy:

- Operational hedge: Optimum stock policy & forward pricing mechanism.
- Financial hedge: Cargo based hedging to match the pricing period of purchases with sales.

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

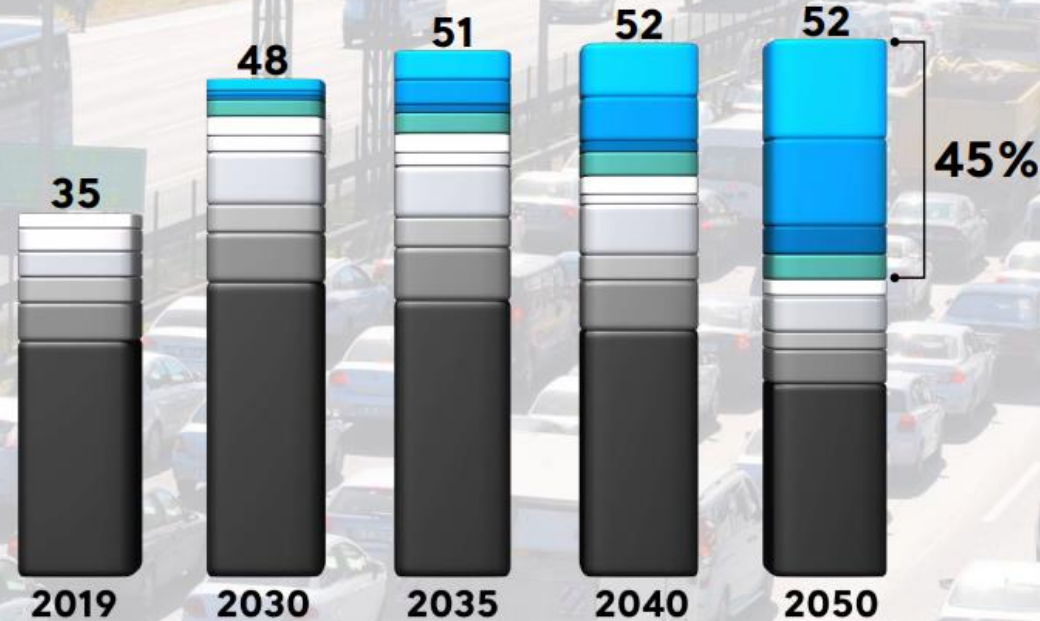


Strategy

Turkey's Transportation Energy Demand

Turkey's Transportation Energy Demand

in million tonnes of oil equivalent (mtoe)



OUR PROJECTIONS



Turkey's fossil fuel consumption to peak in 2030



Diesel to be partially replaced by **H₂**, for commercial vehicles existing domestic refining capacity will still be well positioned



In passenger cars, **EVs** to lead new sales starting early 2030s and become the dominant powertrain before 2040

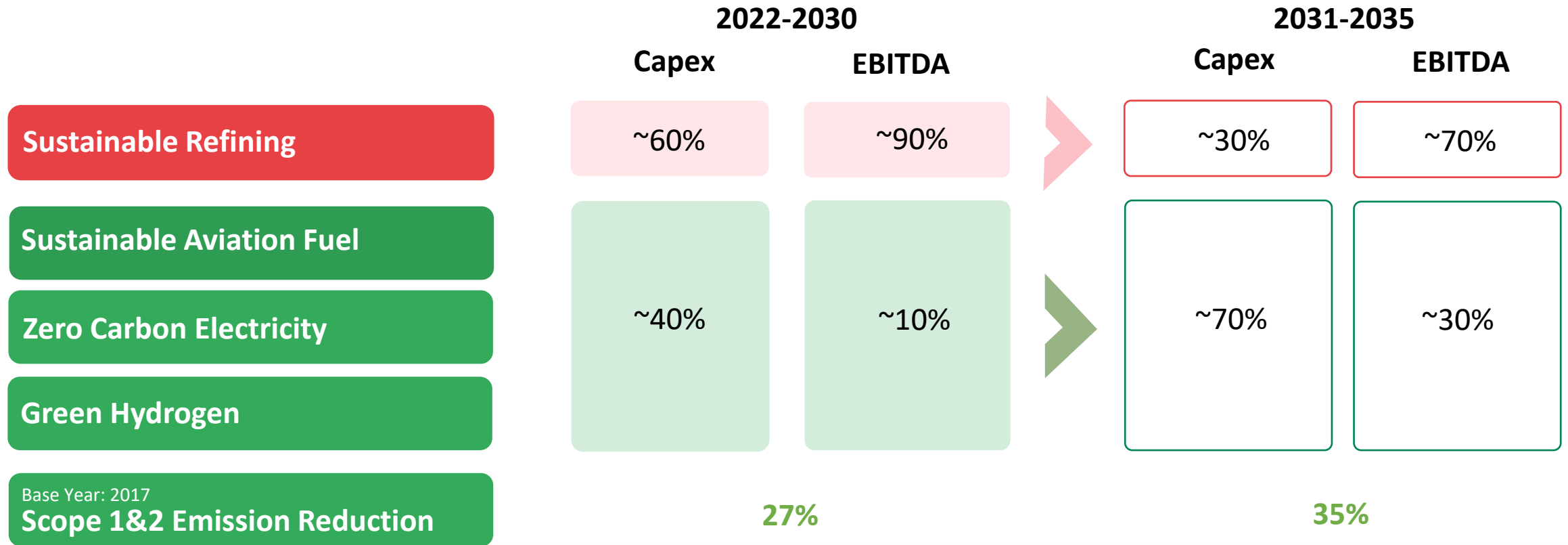


H₂ to enter a rapid growth phase from 2030



Sustainable Aviation Fuel to cover ~10% of aviation fuel by 2030

Strategic Transition Plan



Sustainable & Profitable Tüpraş

2035

Average EBITDA
> \$1 Billion / Year

Average Capex
~ \$350 Million /Year

ROACE
> 25%

Net Debt/
EBITDA
<2.0x

Average Pay-Out Ratio
~ 80%

Strategic Transition Plan – Investment Areas



SUSTAINABLE REFINING

Energy Efficiency and Decarbonization Projects

- Remain as a **Major EBITDA Contributor**
- **Improve energy efficiency** to drive up profitability
- **Diversify product portfolio** through lighter chemicals
- Within **2022-2035**;
 - **~2.3 bn USD capex, ~13 bn USD Cumulative EBITDA**



ZERO CARBON ELECTRICITY

Integrating Zero Carbon Electricity to produce Green H₂

- Ensure affordable **green H₂ production, capturing electrification demand**
- **Primarily supply zero carbon electricity for H₂ production, remaining portion to be sold**
- Within **2022-2035**;
 - **~1.3 bn USD capex , ~400 MUSD Cumulative EBITDA**



BIOFUELS

Becoming the Lead SAF Supplier in Turkey

- Capture changing market for **liquid fuels**, ensure **long term profitability in aviation sector**.
- **Conversion of existing unit** in İzmir to produce **Sustainable Aviation Fuel (SAF)**
- Within **2022-2035**;
 - **~600 MUSD capex, ~1.1 bn USD Cumulative EBITDA**



GREEN HYDROGEN

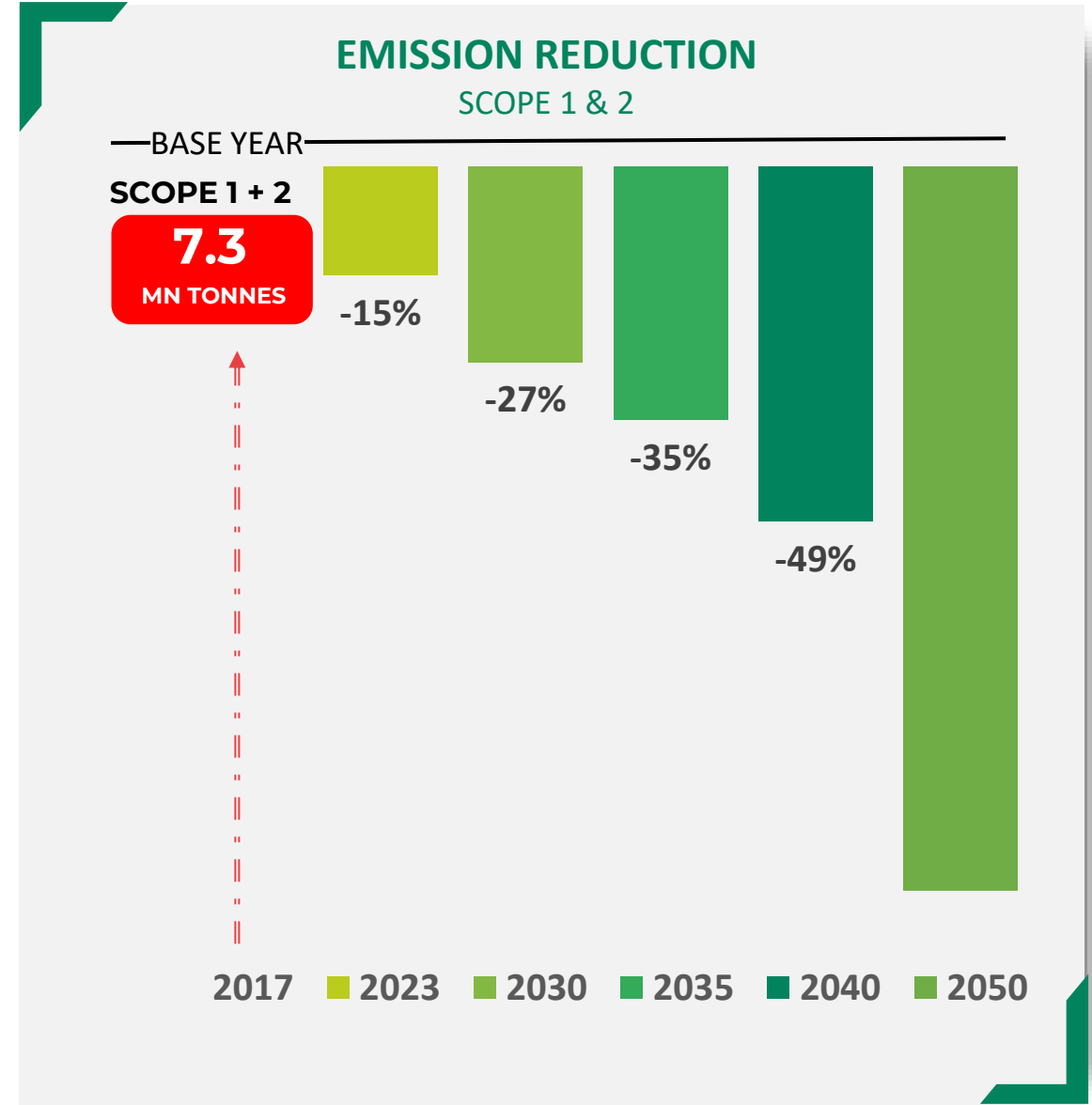
Reducing Refining Emissions

- Capture changing market for **land transportation, reduce refining emissions**.
- **Reduce Scope 1-2 emissions** of refineries. Followed by **H₂ sales**, starting from 2030.
- Within **2022-2035**;
 - **~690 MUSD capex, ~640 MUSD Cumulative EBITDA**

Strategic Transition Plan – Emission Reduction



We will invest in energy efficiency & decarbonization Projects, green hydrogen & zero carbon electricity usage in refining to reduce scope 1 & 2 emissions



Strategic Transition Plan - Financials

We are
sustainable
and
profitable.

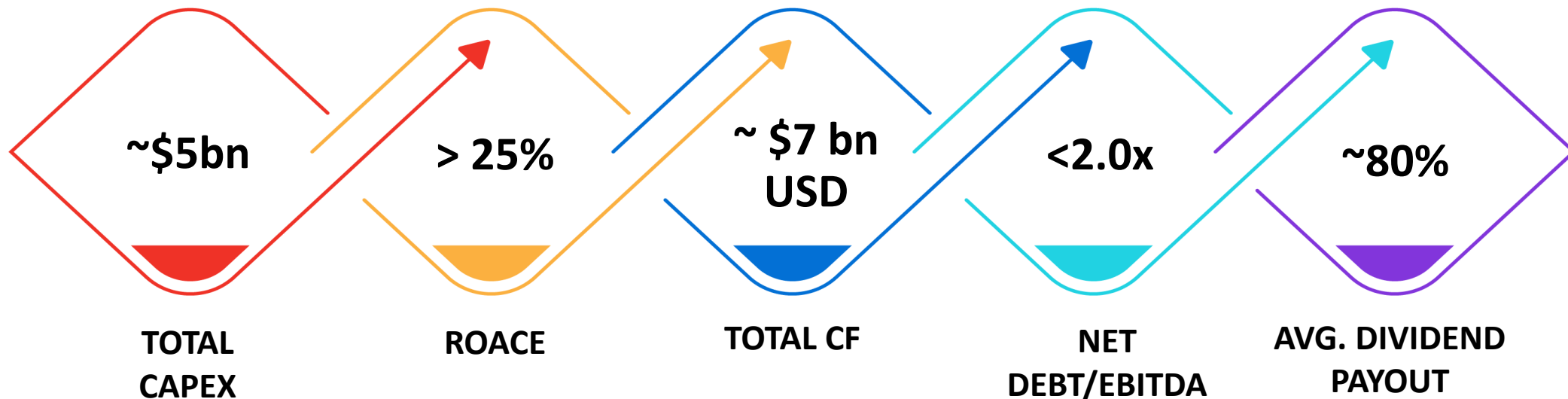
Will **eliminate our scope 1 & 2 emissions by 2050** while executing our plan and achieving these results.

\$350mn average CAPEX until 2035, totalling **\$5 bn.**

ROACE will remain above 25% creating **~\$7bn total CF** until 2035

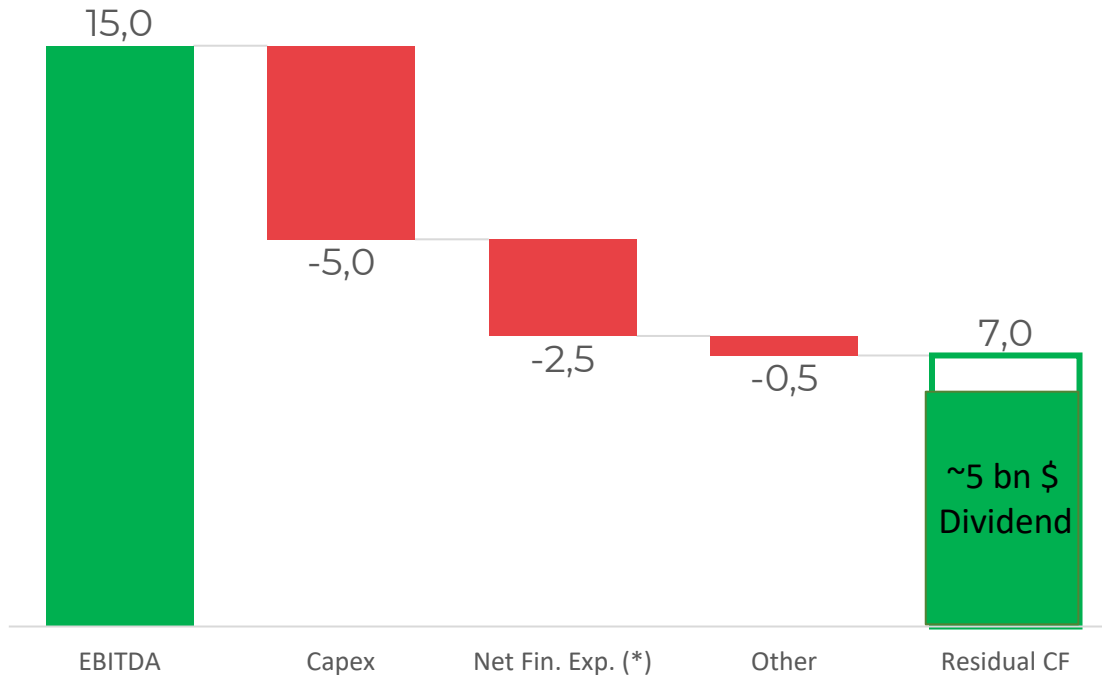
With ample CF, **Net Debt / EBITDA** will be below **<2.0x**

Will remain a **high dividend payer**, average **~80% dividend pay-out**



Strategic Transition Plan - Financials

Cumulative Cash Flow Bridge (2022-35, \$ bn)



Sound Financial Plan

- Superior EBITDA generation and disciplined capex plan leads to very low external funding requirement.
- Strong FCF generation ensures strong dividend potential
- 80% dividend payout on average according to our new business model
- Net Debt / EBITDA will remain below 2x

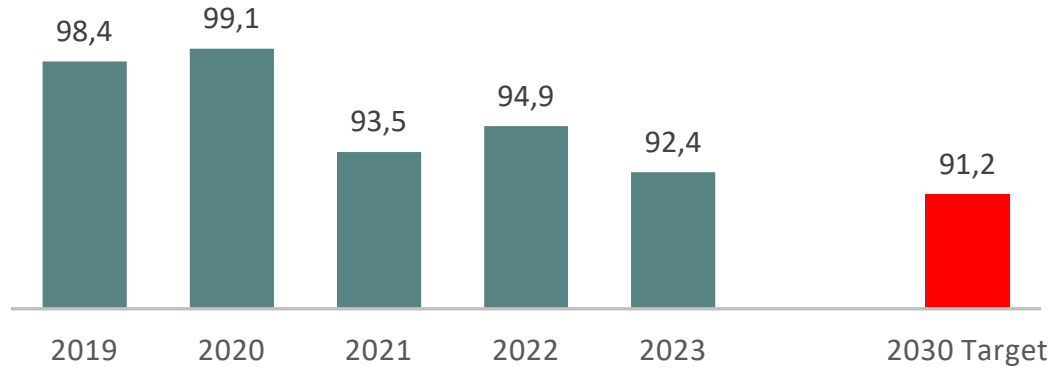
(*) Consists of net additional funding and related financial expenses



ESG

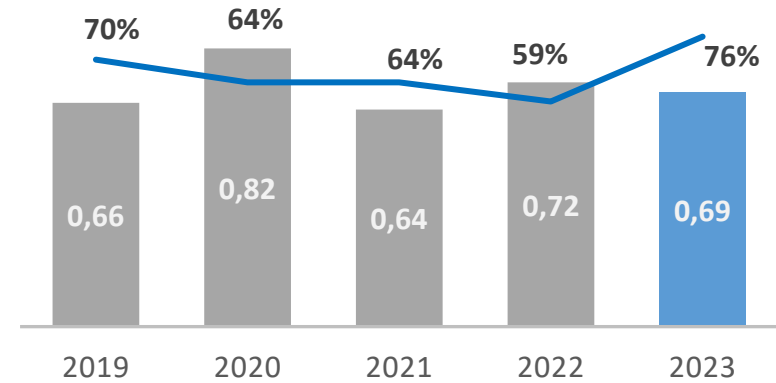
Tüpraş's Environmental Highlights

Energy Intensity Achievements

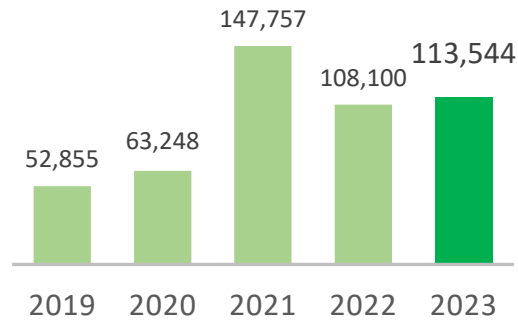


Water Consumption per processed crude oil (m3/ton)

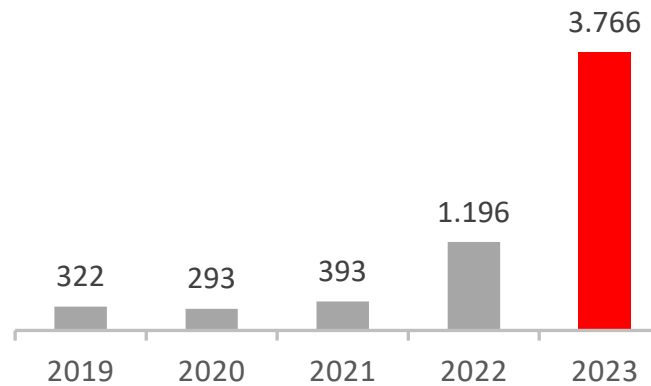
Ratio of recovered water to total water consumption (%)



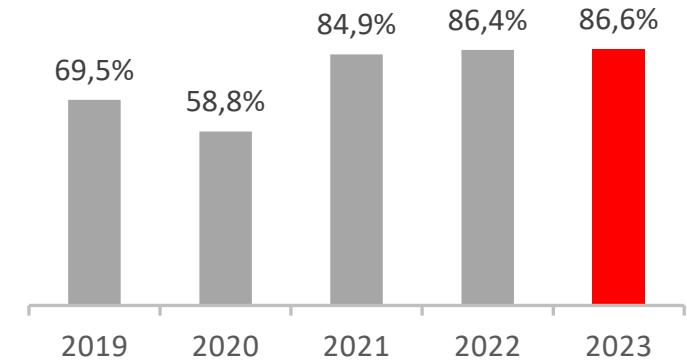
Levelized Greenhouse Gas Emissions Reductions through Energy Efficiency Projects (tons CO2e)



Environmental Investment and Operational Expenditures (MTL)



Waste recycling rate



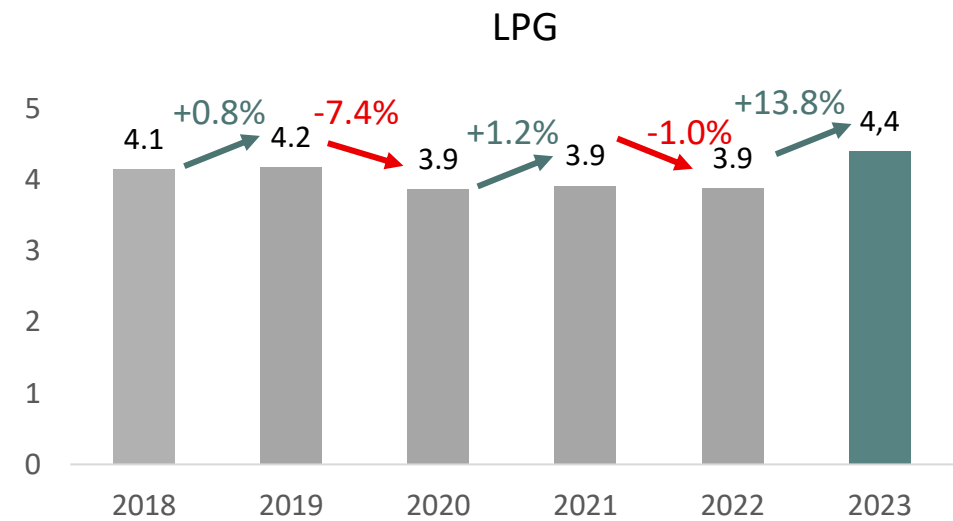
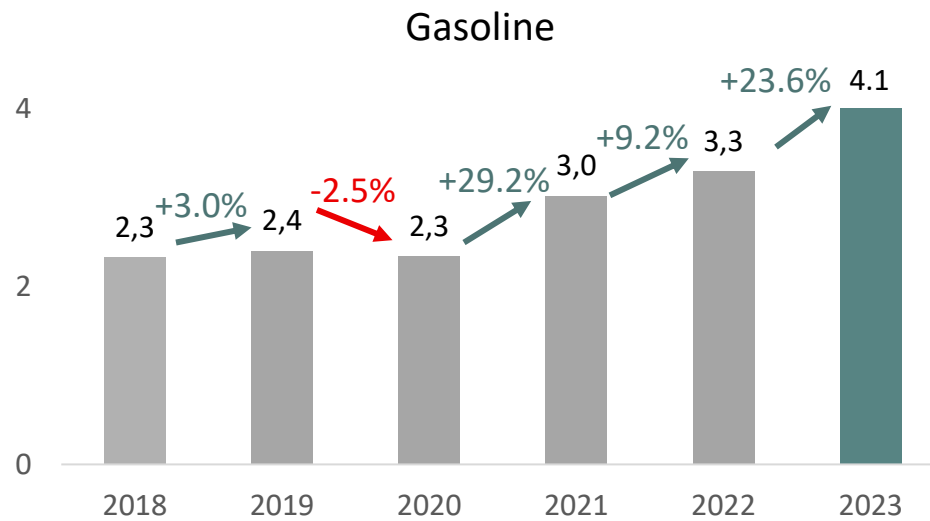
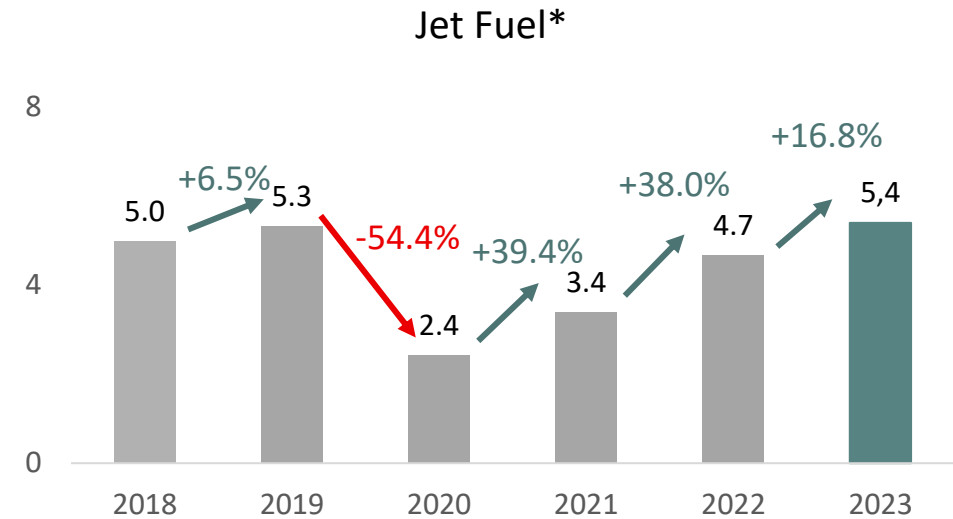
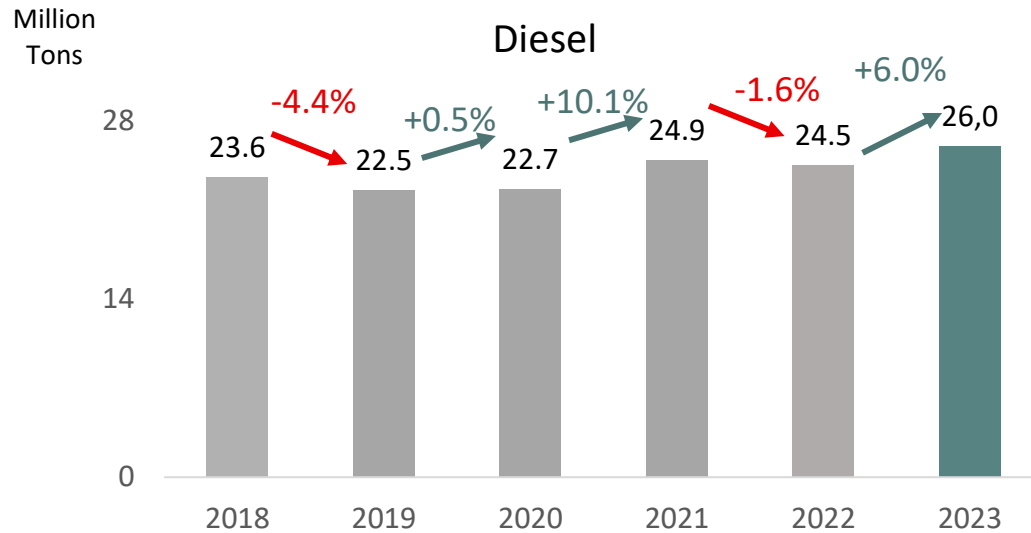


Appendix

2025 Refinery Maintenance Schedule

Refinery	Unit	Starting Quarter	Duration (weeks)	Purpose	Planned
izmit	Vacuum & Desulphurizer	Q1	5	Periodic Maintenance	Planned
izmir	FCC	Q1&Q2&Q3	28	Revamp	Ongoing
Batman	Crude Oil & Vacuum	Q1	10	Seasonal	Ongoing
	Crude Oil & Vacuum	Q4	10	Seasonal	Planned

Turkish Market Fuel Consumption 2018-2023



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
- Star reached to 13 mn tons of capacity

Turkish Market Structure (mn tons, 2023)

Turkey Demand	Tüpraş	STAR	Total	Turkish Market Demand*	Balance
LPG	0.9	0.2	1.1	4.4	-3.3
Petchem F.	0.2	1.7	1.9		
Gasoline	5.1		5.1	4.1	1.0
Jet Fuel	4.6	1.3	5.9	5.4	2.1
Diesel	8.9	6.9	15.7	26.0	-9.3
Fuel Oil	1.3		1.3	0.3	1.0
Bitumen	2.6		2.6		
Pet coke	0.8	0.9	1.7		
Total	~30	~13	~43		

* Source: EMRA

Competition - Regional Competition

- Tüpraş competes with 69 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 ~7.7 mbd

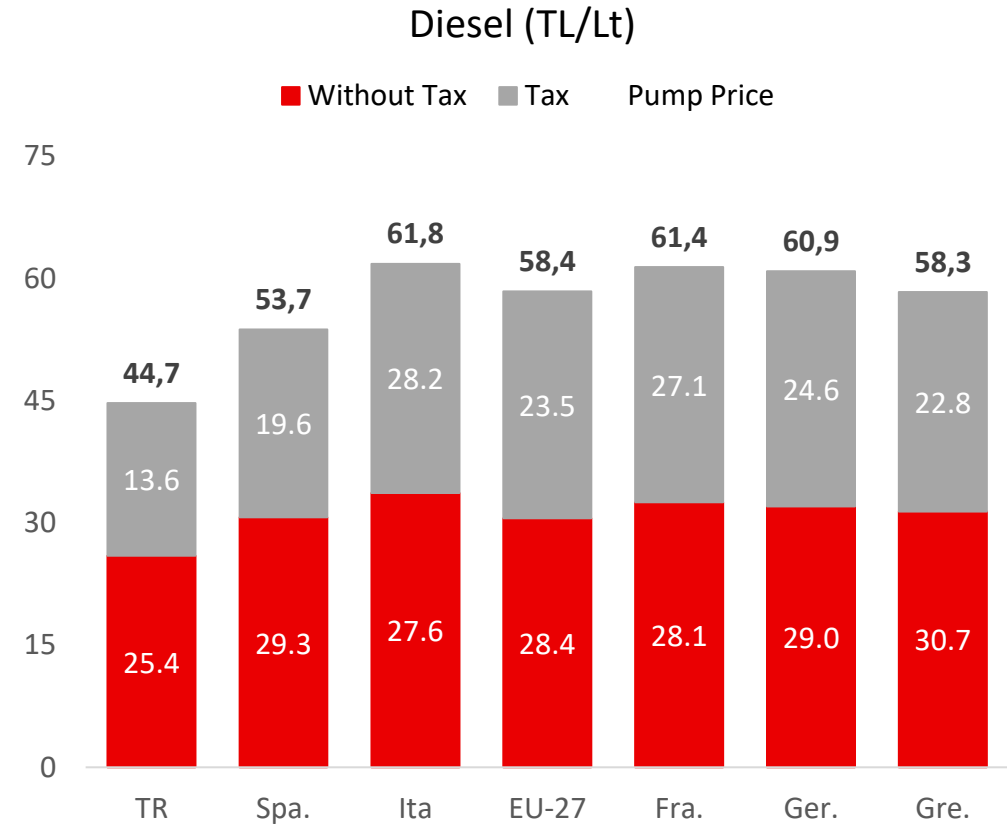
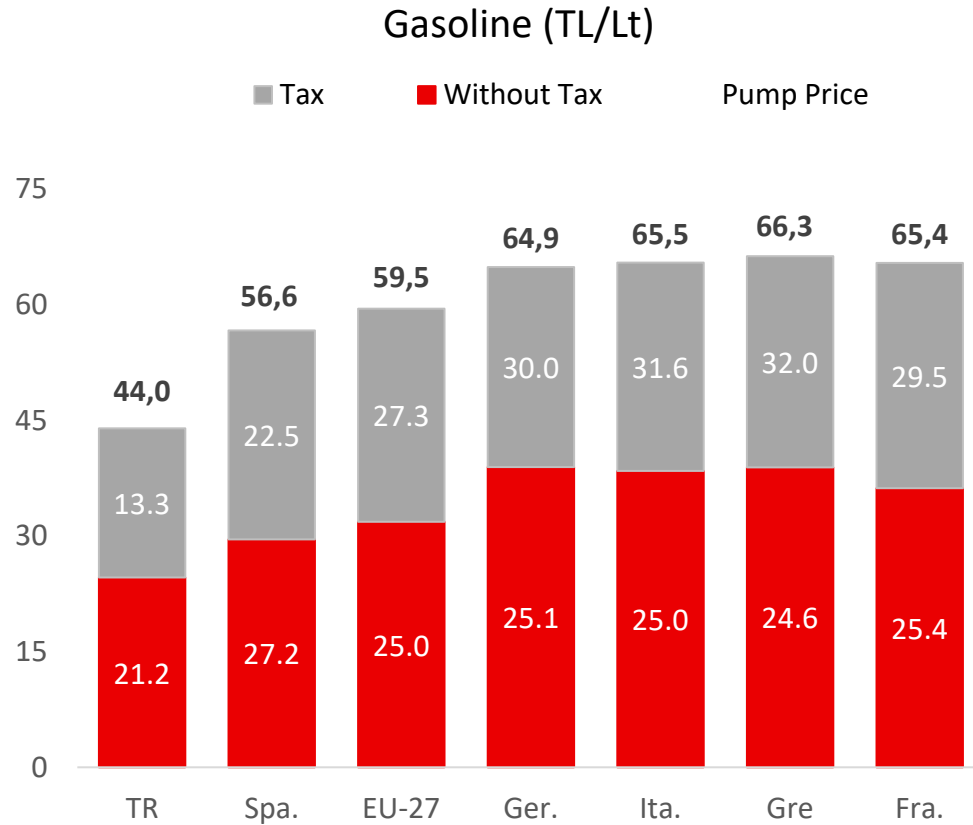
Black Sea



15 Refineries ~1.5 mbd

European Pump Price Comparison

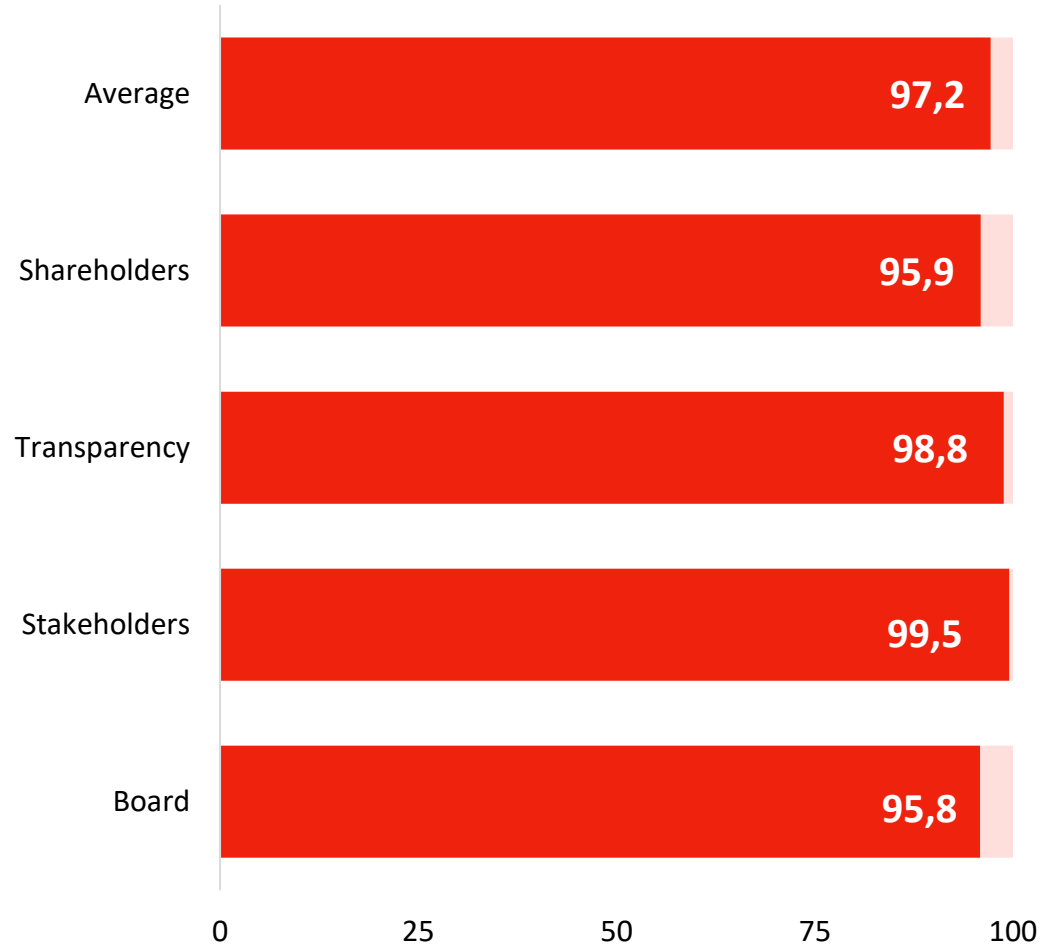
Turkish fuel prices are highly competitive with other European countries.



Prices of Europe and Turkey, as of December 31, 2024

Tüpraş - Ratings

Tüpraş BIST Corporate Governance Rating Score

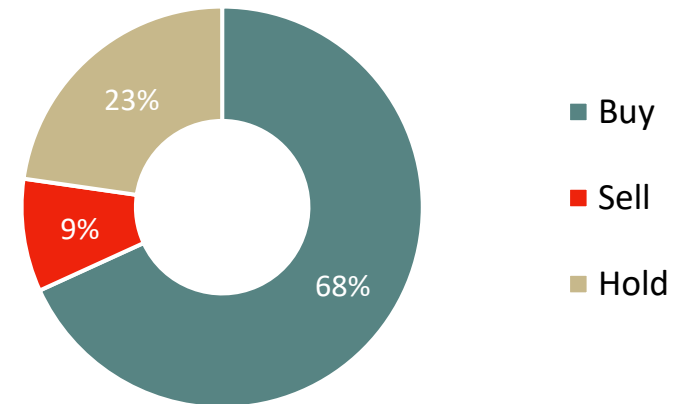


Source: SAHA Corporate Governance and Rating Services Inc. (October 2024)

Credit Rating Scores

Foreign Currency Long Term	FitchRatings	MOODY'S	S&P Global Ratings
Tüpraş	BB- (Stable)	Ba3 (Positive)	
Turkey	BB- (Stable)	B1 (Positive)	BB- (Stable)
Koç Holding		Ba3 (Positive)	BB+(Stable)

Analyst Recommendations

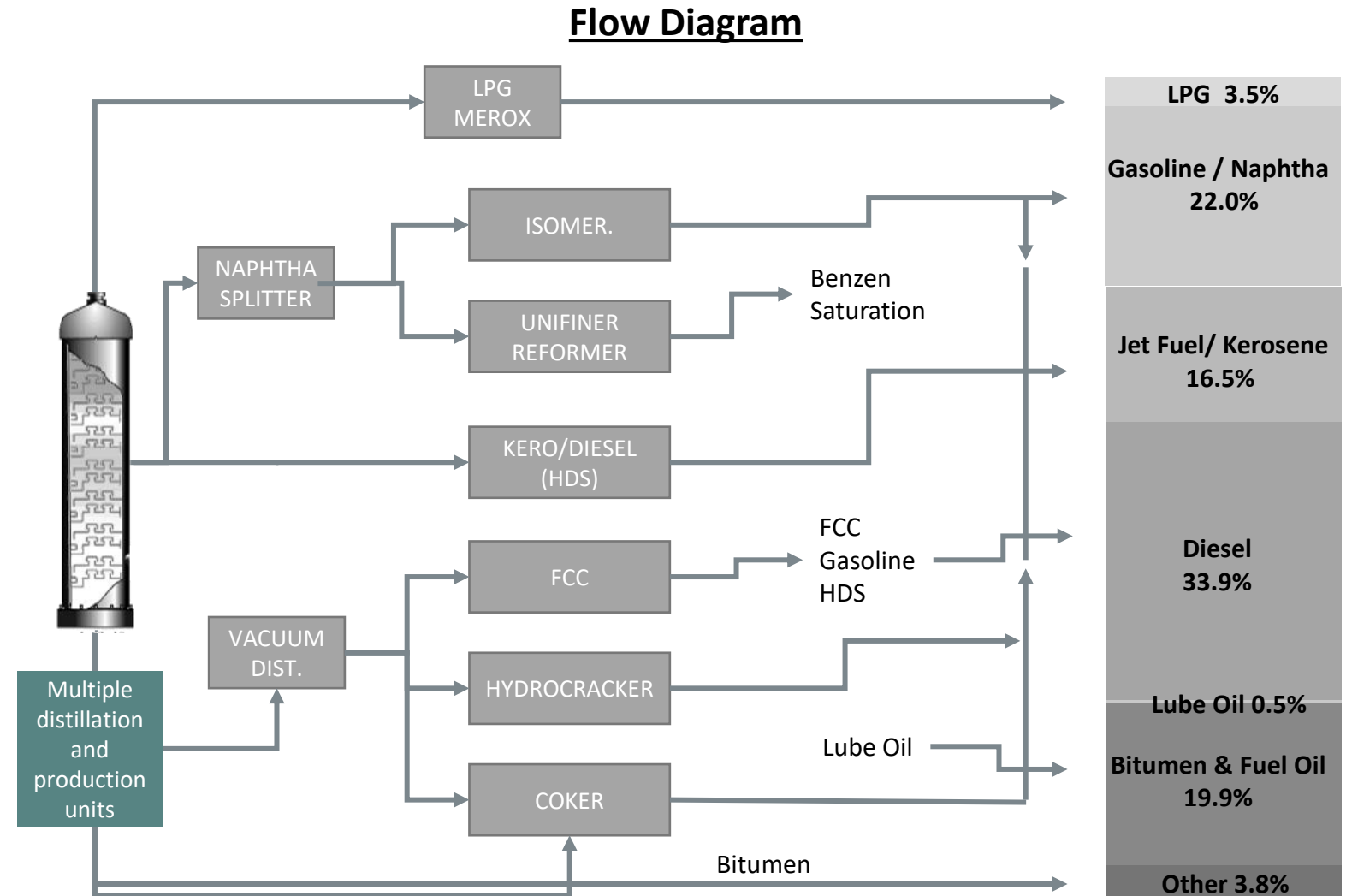


Source: Bloomberg*
*data as of Dec'24

Tüpraş Production Flow and Yield Breakdown

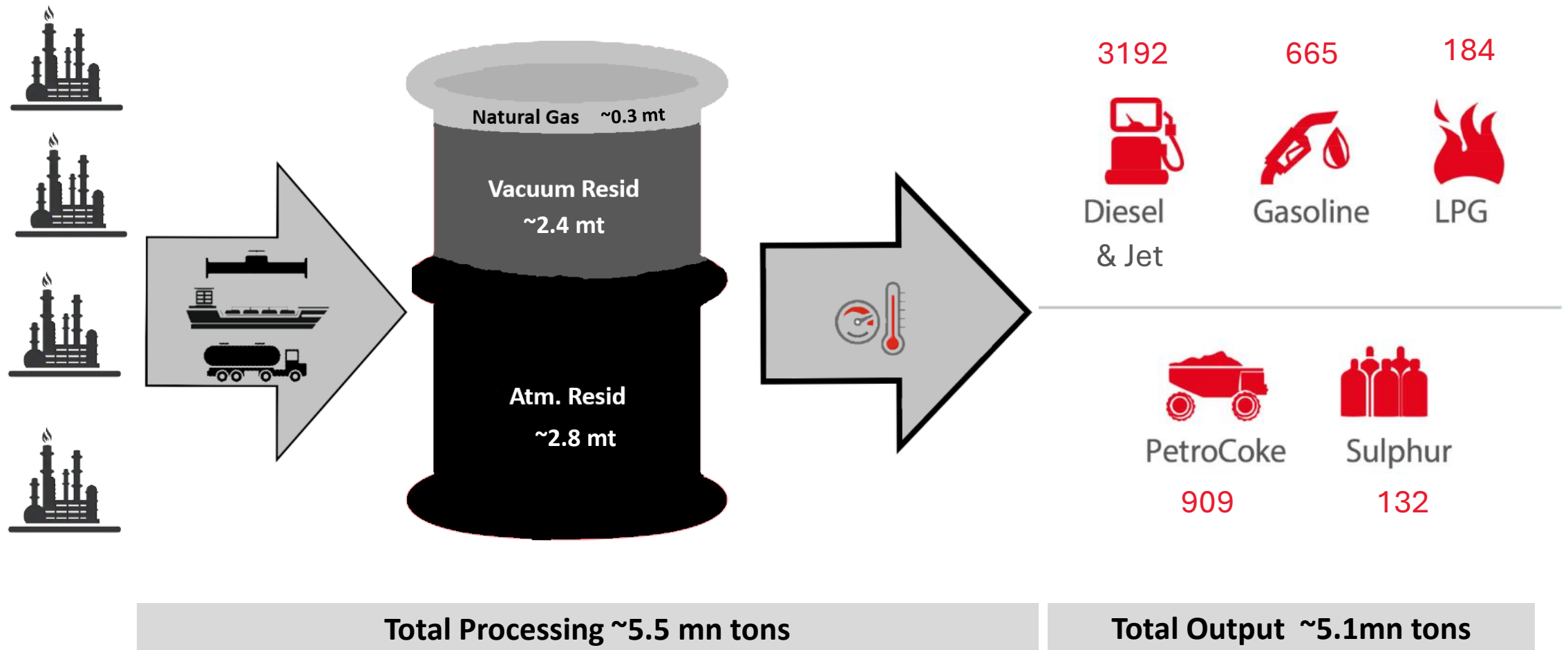
- Tüpraş has 30 million tons of production capacity
- Tüpraş operates 4 refineries with an integrated system optimization program

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	



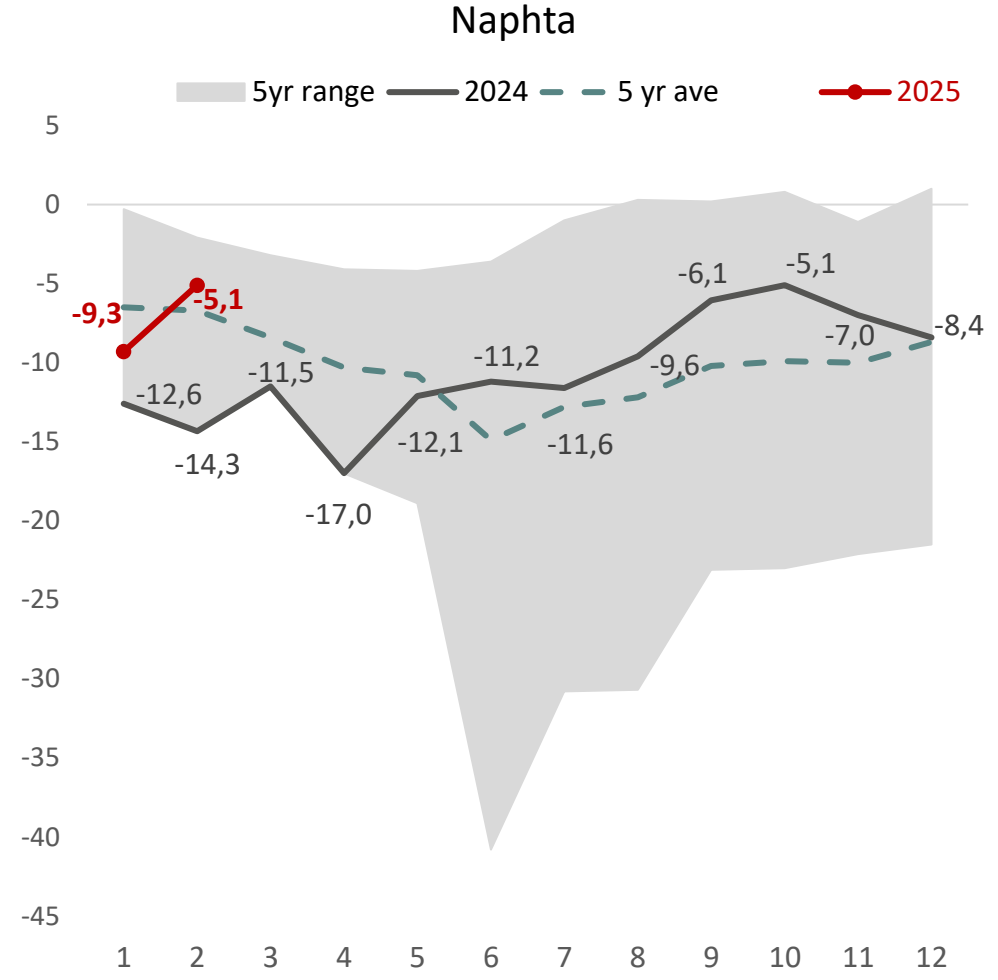
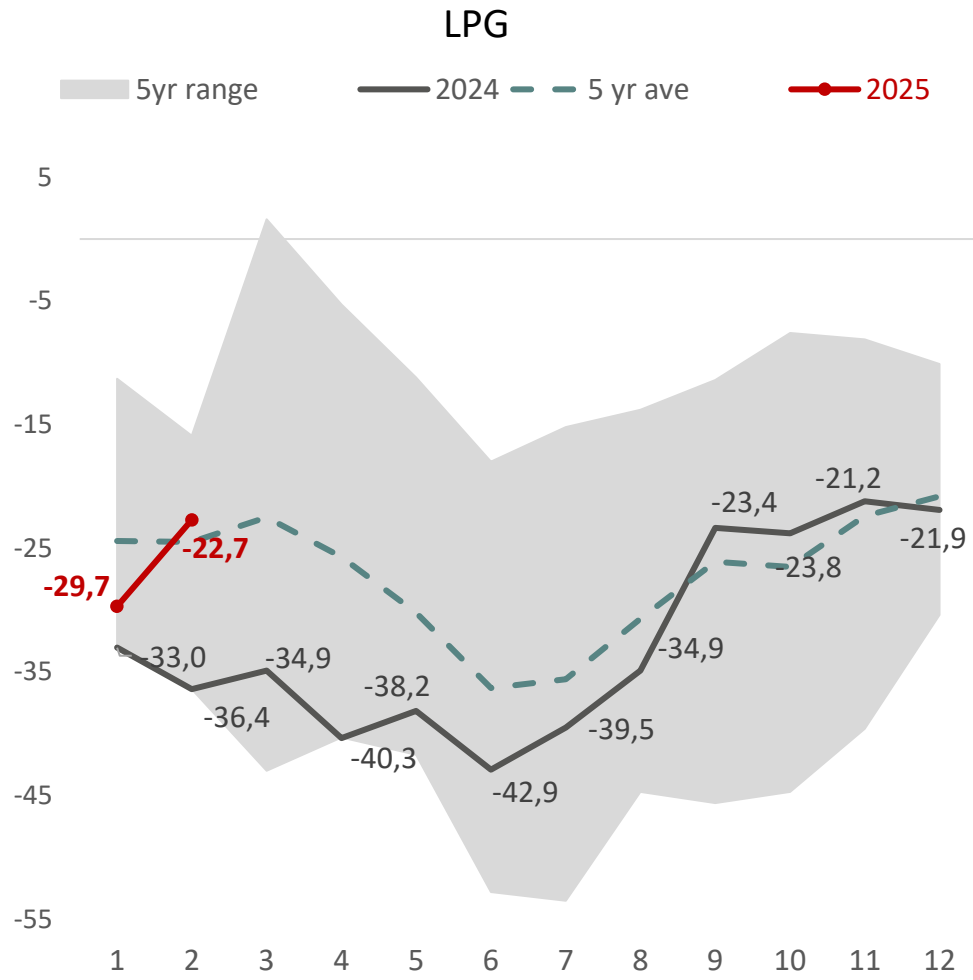
RUP Feedstock and Production

- Residuum Upgrade Plant (RUP) was completed in 2015 and it is the main conversion unit of Tüpraş.
- The second scheduled maintenance is completed in 1H 2024.



LPG and Naphta Cracks

\$/bbl



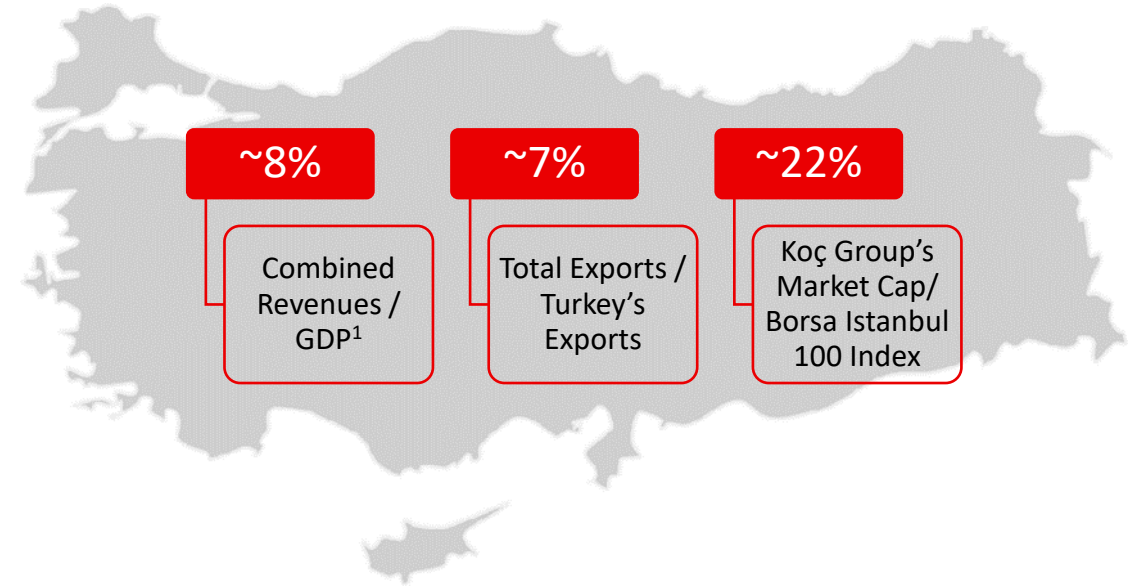
Data as of 28 February, 5 year range shows 2020-2024

Turkey's Leading Investment Holding Company

- Koç Holding is Turkey's largest industrial and services group
- The only Turkish company in Fortune Global 500².

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 YE23

(1) 2023 Report (based on consolidated revenues)

(2) 2023 report (based on consolidated revenues)

 **Tüpraş**

 **Koç**



Investor
Presentation

Latest Webcast



2023 Integrated
Annual Report

Strategic
Transition Plan



tim@tupras.com.tr
