

November  
2022



# Investor Presentation



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# Turcas: A Sustainable Investment Platform

## At a Glance

### Turcas

- Oil & Energy focused Investment Company
- Extensive industrial know-how in Turkish Energy Business
- Active in Fuel Distribution-Lubricants and Power Generation
- Carved-in Business Partnership culture
- Targeting to Further Diversify its portfolio

### Corporate Profile

- 54% owned by Aksoy Girişimcilik Enerji ve Turizm A.Ş. (previous title Aksoy Holding) and traded on Borsa Istanbul since 1992
- A history full of strong partnerships with global major players
- Rated by Kobirate for Corporate Governance (Latest Rating: 9.58 out of 10)
-  #2 among energy companies listed in BIST Corporate Governance Index

### Existing Operations

#### Joint Venture with



Holding 30% shares of  
**Shell & Turcas JV**  
Since 2006

#### Joint Venture with



Holding 30% shares of  
**RWE & Turcas JV**  
Since 2009

#### Joint Venture with

Shell & Turcas Petrol



Holding 13.1%<sup>(1)</sup> shares of  
**ATAŞ Oil Terminal**  
Since 1970

### Market Position

- **Shell & Turcas:** Market leader in under canopy sales, #1 in Throughput ratio (sales per station);
- **RWE & Turcas:** One of the most sizeable (800 MW) and efficient (57%) CCPPs in the Turkish Power market;
- **ATAŞ:** 3rd largest Oil Terminal in Turkey with a total capacity of 577K m3;

### Key Investment Highlights

- Turcas is the **only listed Company in Turkey that provides exposure to local operations of global energy giants like Shell and RWE**
- Strong cash inflows from Shell & Turcas and RWE & Turcas thanks to excellent performance
- **Portfolio Hedge via exposure in different fields of energy** (fuel distribution and conventional power generation)



(1) ATAŞ' direct ownership is as follows: 68% BP; 27% Shell & Turcas; and 5% Turcas. Since Turcas owns 30% of Shell & Turcas, total of Turcas' direct and indirect ownership at ATAŞ becomes 13.1%

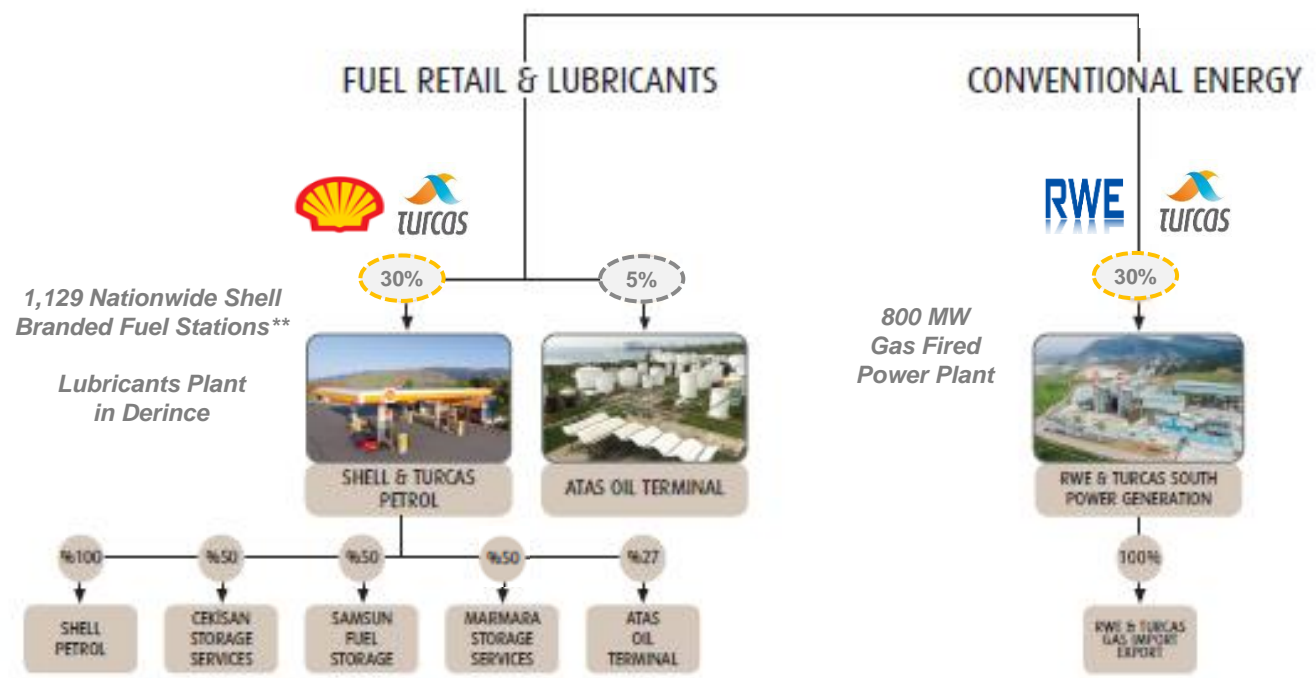


# Turcas: A Sustainable Investment Platform

## Group Structure



Bloomberg Ticker: TRCAS.TI  
 Reuters Ticker: TRCAS.IS  
 Free Float: 28% \*\*



\* ATAS appears twice on the Group Structure due to both direct and indirect shareholdings which in total make Turcas ownership at ATAS 13.1%.  
 \*\* As end of September 2022



Equity Pick Up Consolidation under IFRS

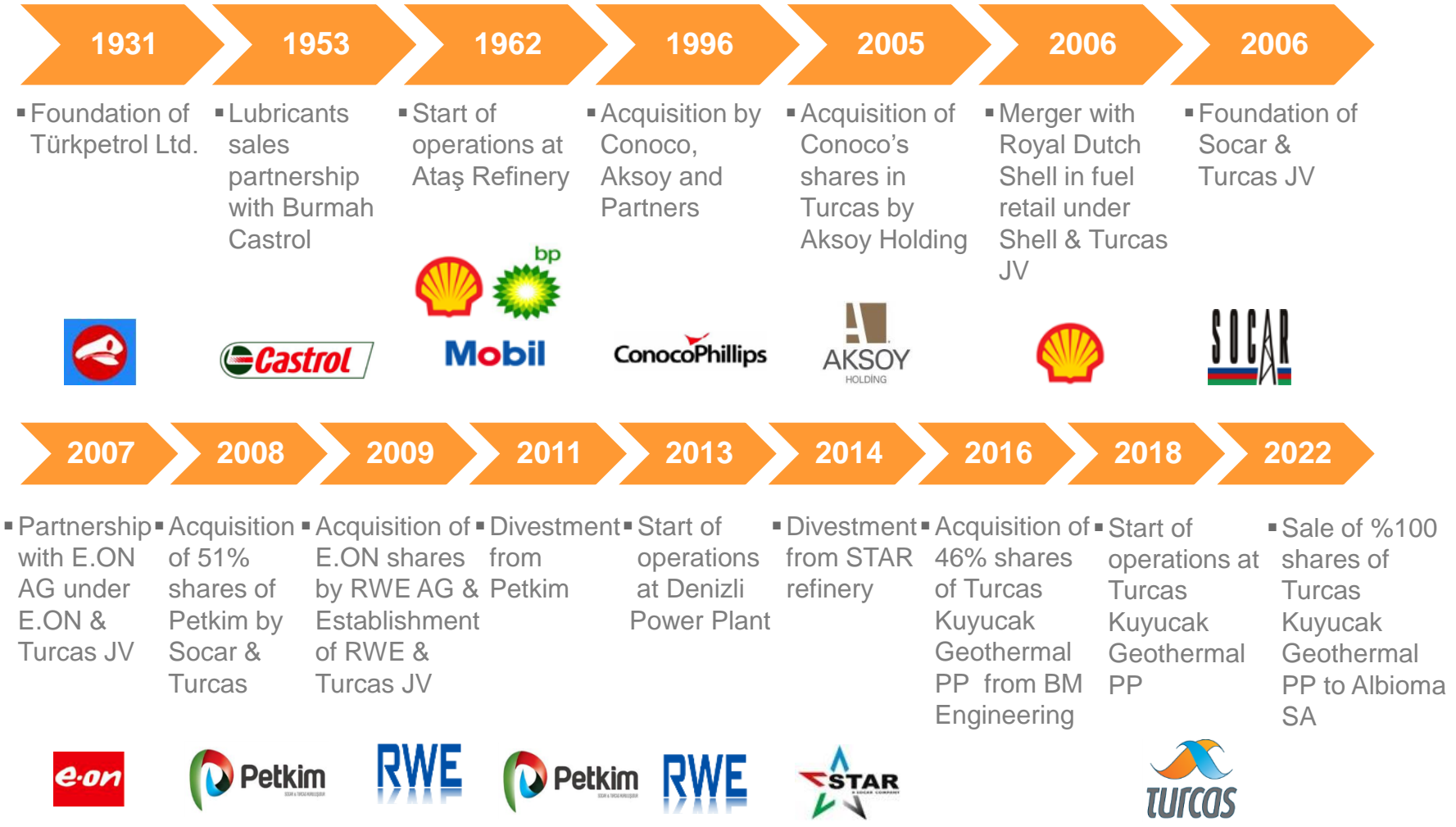


Classified under Financial Assets in IFRS



# Turcas: A Sustainable Investment Platform

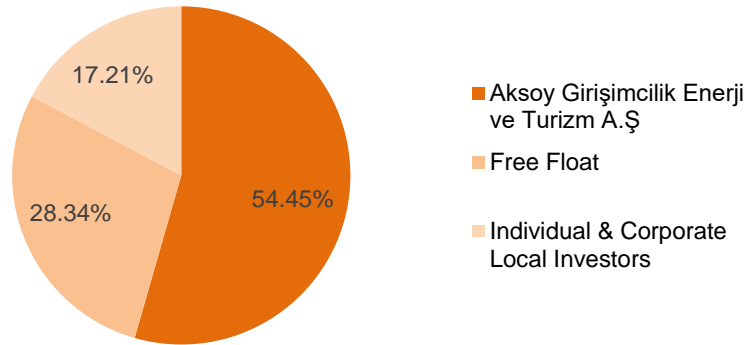
## Corporate Milestones



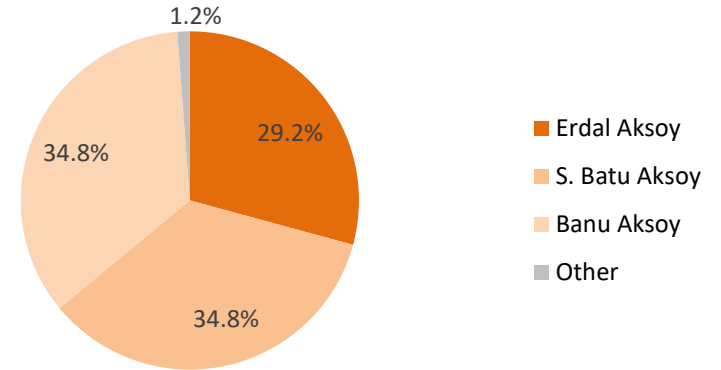
# Turcas: A Sustainable Investment Platform

## Shareholding Structure & Stock Information

### Shareholding Structure of Turcas Petrol (as of 30/09/2022)



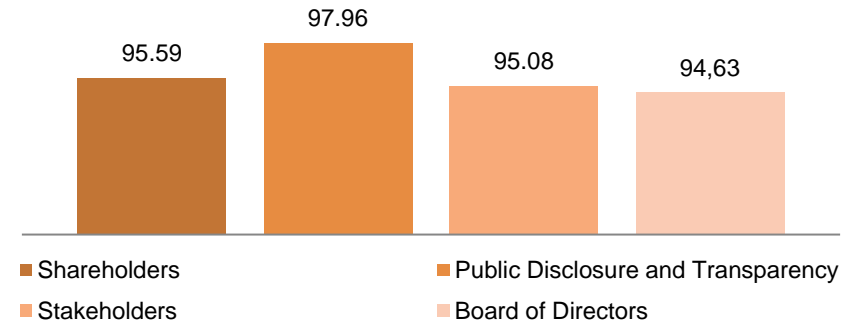
### Shareholding Structure of Aksoy Girişimcilik (as of 30/09/2022)



Stock Information	
BIST Ticker	TRCAS
Bloomberg Ticker	TRCAS TI
Reuters Ticker	TRCAS IS
IPO Date	04 June 1992
Listed Exchanges	Borsa İstanbul (BIST)
Listed Indices	BIST CORPORATE GOVERNANCE, BIST HOLDING AND INVESTMENT, BIST İSTANBUL, BIST STAR
Share Price (04/11/2022)	21.46 TL
Market Cap. (04/11/2022)	5,485 MM TL

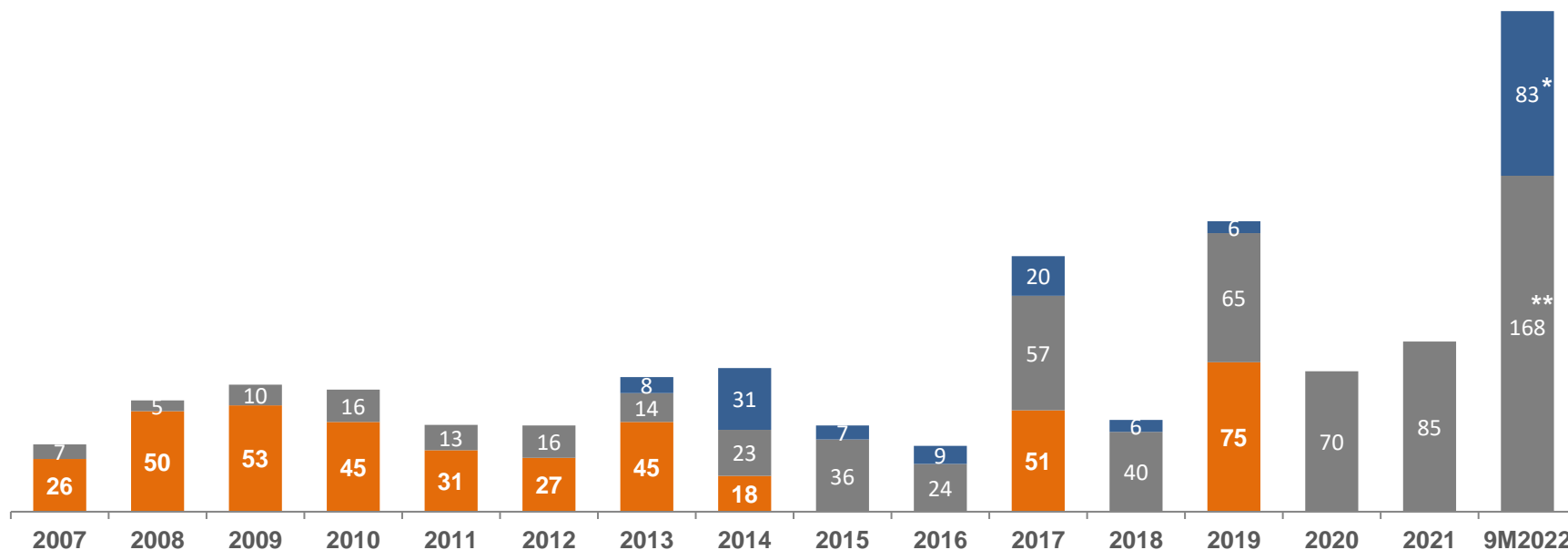
### Turcas Corporate Governance Rating – 9.58/10

Rating Scores by Section (out of 100)



# Cash Inflows From Subsidiaries (Shell Turcas & RWE Turcas)

MM TL



■ Cash inflows to Turcas from RWE & Turcas JV

■ Management Fees & Preferred Dividends & SHL Principal + Interest Received from Shell & Turcas

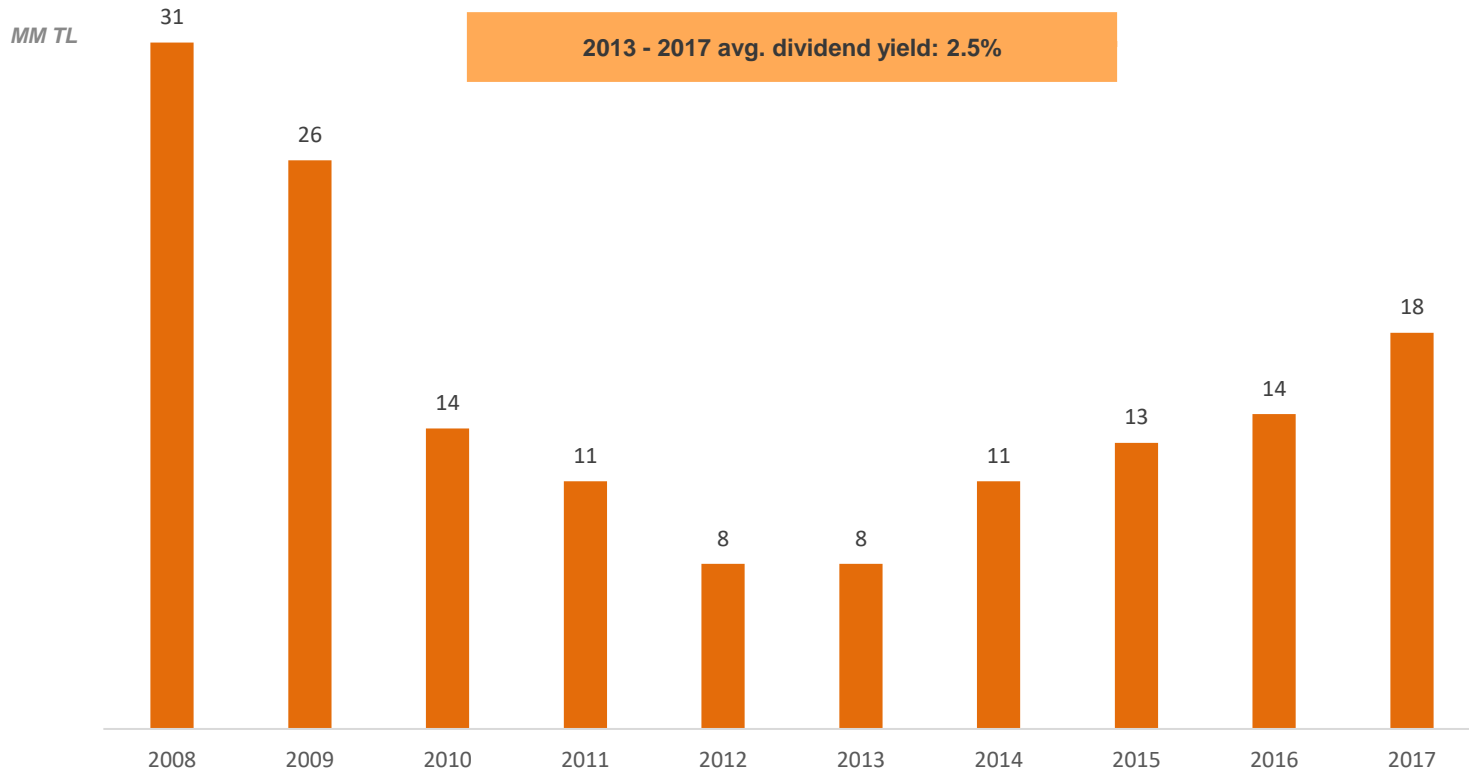
■ Ordinary Dividends Received from Shell & Turcas

\* RWE&Turcas has completed the capital reduction process, amounting to 275 MM TL in May 2022 and Turcas share of 82.5 MM TL has been collected in May 2022.

\*\* Comprises of 82 MM TL of Shareholder Loan Principal + Interest Repayment and 8 MM USD (TL equivalent: 138.6 MM TL) Preferred Dividends netted off from 3.56 MM USD (TL equivalent: 52.3 MM TL) cash out due to BPA Formula.



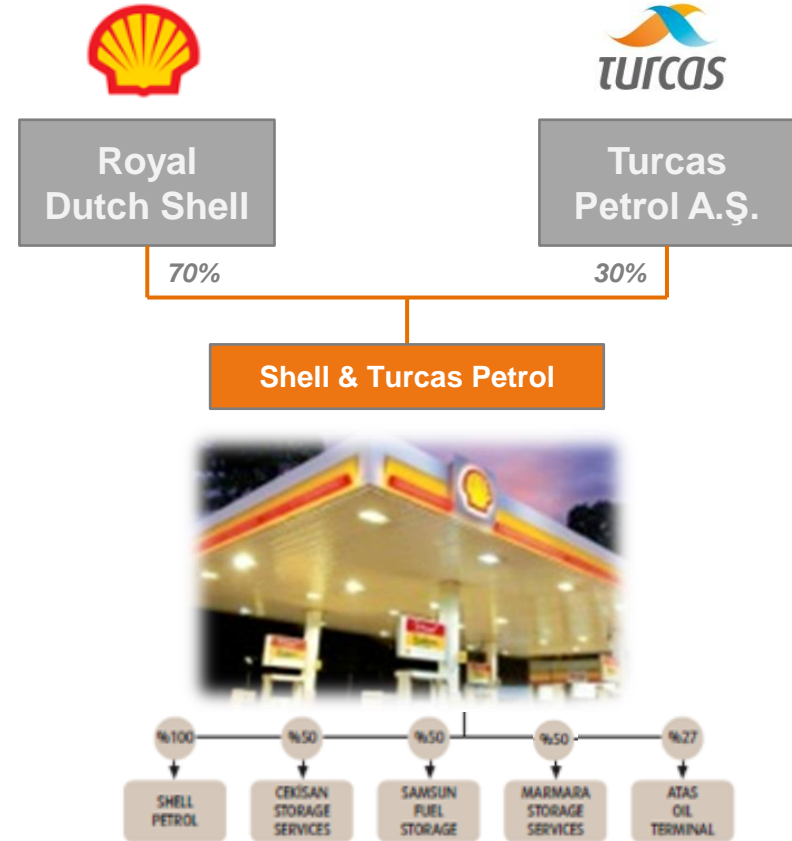
# Turcas: Dividend Payments





# Fuel Distribution: Shell & Turcas JV

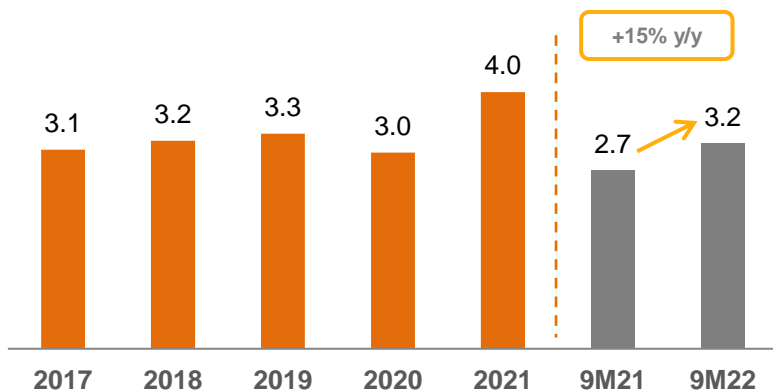
- In 2005, Royal Dutch Shell ('Shell') and Turcas Petrol A.Ş. have merged their fuel retail operations in Turkey under the name of Shell & Turcas Petrol A.Ş. ('STAŞ'). Newly established company, STAŞ, started its operations in July 2006
- Shell holds 70% of the shares while Turcas Petrol holds remaining 30% in the JV
- After the successful merger in 2006, 650 Türkipetrol branded fuel stations owned by Turcas and 650 Shell branded fuel stations of Shell Turkey, along with both companies' logistics centers, storage and filling facilities and a lubricant oil production plant in Derince – İzmit and marketing activities were merged under STAŞ and all stations started to operate under Shell brand
- Today, STAŞ operates through 1,129 nationwide Shell branded fuel stations as of the end of September 2022.
- STAŞ is the market leader in Gasoline and On-Site White Oil sales as well as throughput ratio (white product sales / station), one of the most important profitability KPIs in the business



# Fuel Distribution: Overall Market Growth

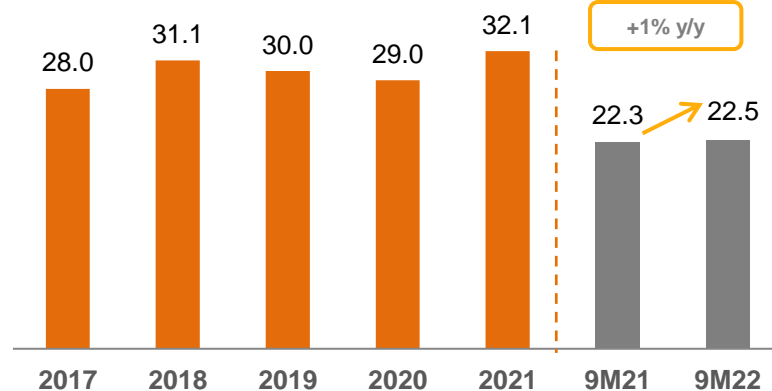
## Gasoline Sales (Sector)

MM m<sup>3</sup>



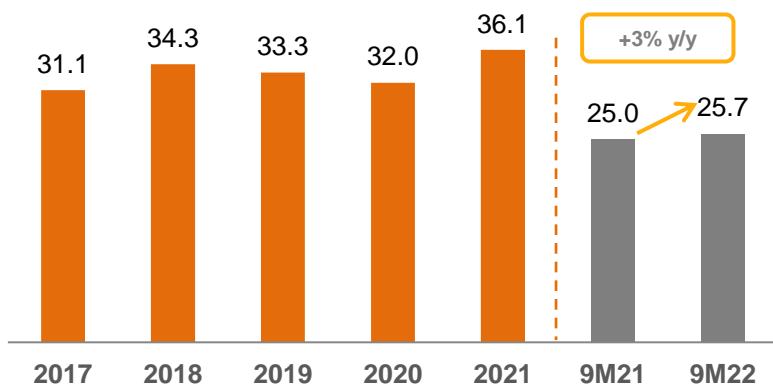
## Diesel Sales (Sector)

MM m<sup>3</sup>



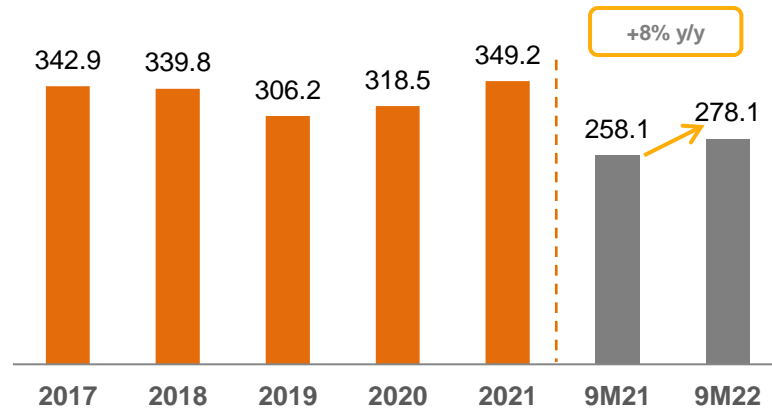
## White Product Sales (Sector)

MM m<sup>3</sup>



## Lubricants Sales (Sector)

K tons



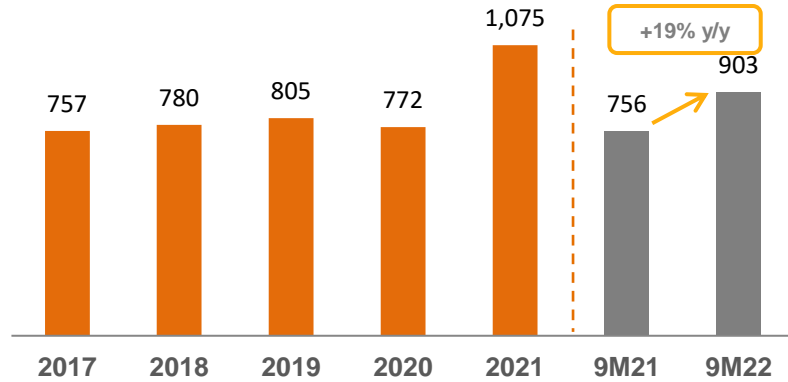
Source: PETDER



# Fuel Distribution: Shell & Turcas JV Volume Growth

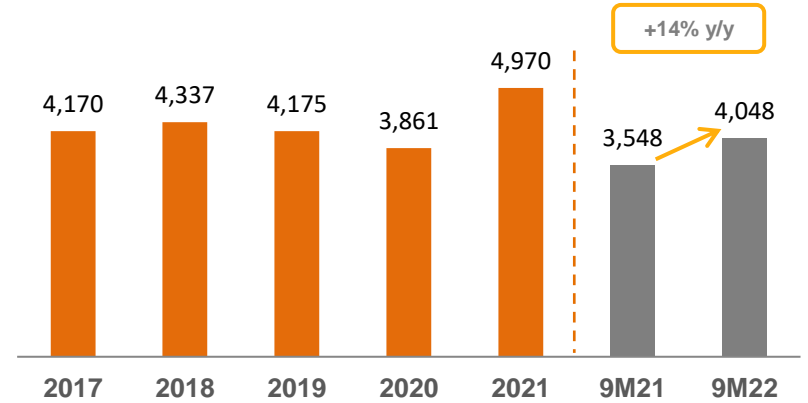
## Gasoline Sales (STAŞ)

ths m<sup>3</sup>



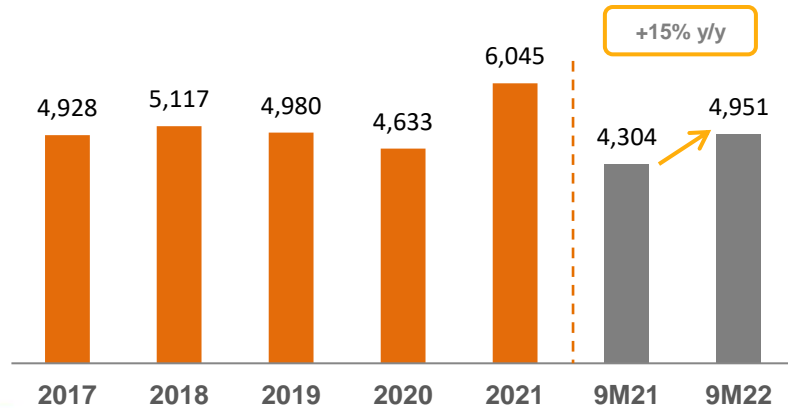
## Diesel Sales (STAŞ)

ths m<sup>3</sup>



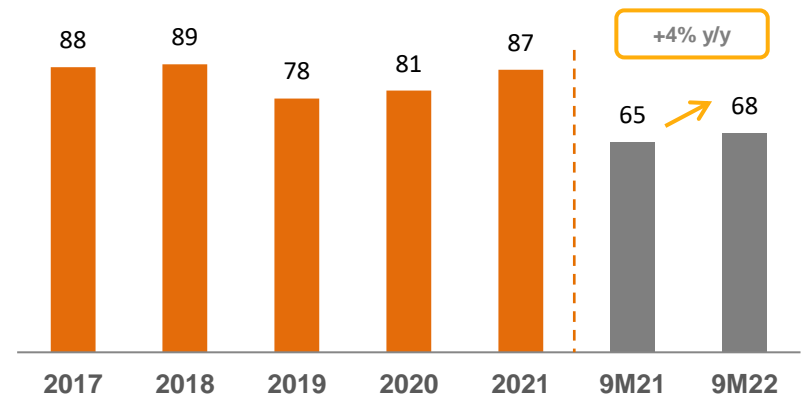
## White Product Sales (STAŞ)

ths m<sup>3</sup>



## Lubricants Sales (STAŞ)

K tons

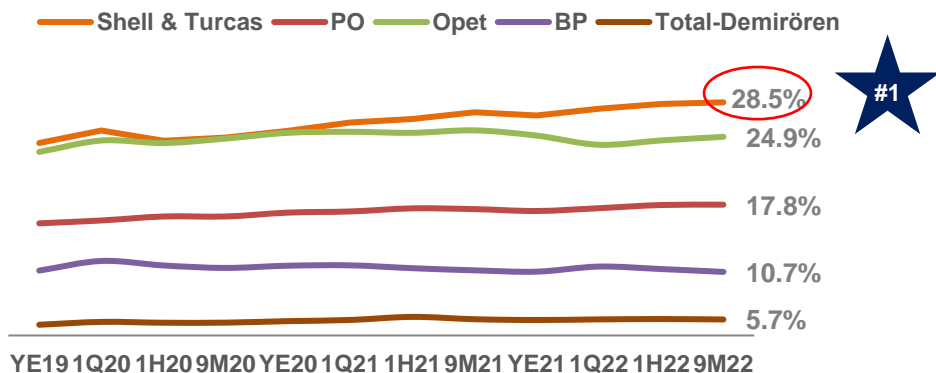


Source: PETDER

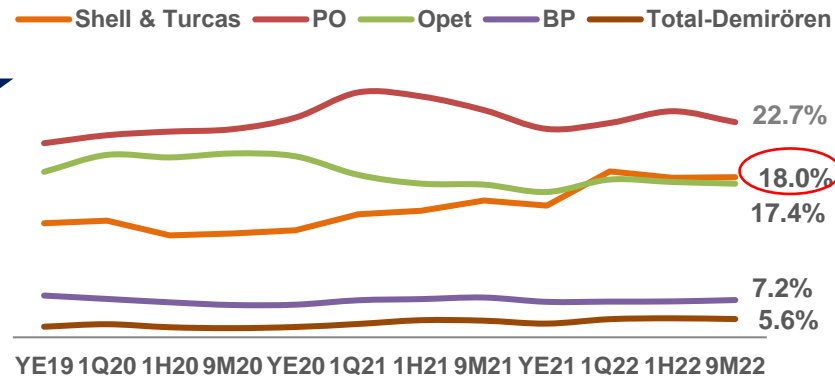


# Fuel Distribution: Shell & Turcas JV Market Share

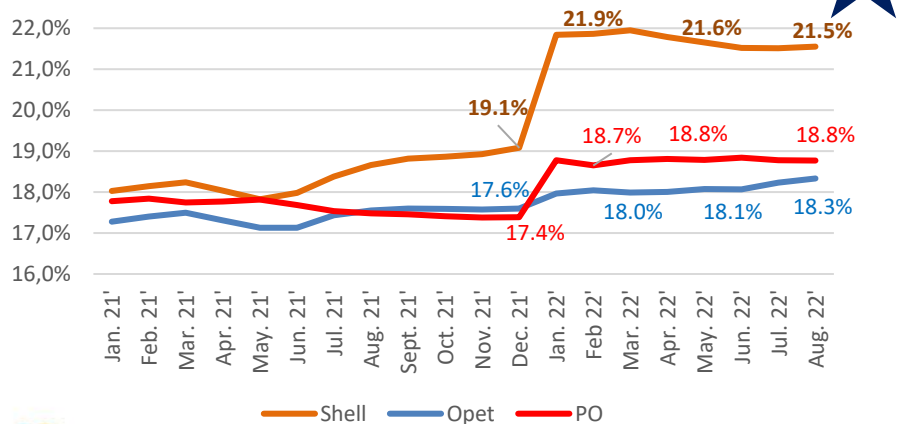
## Gasoline Market Shares



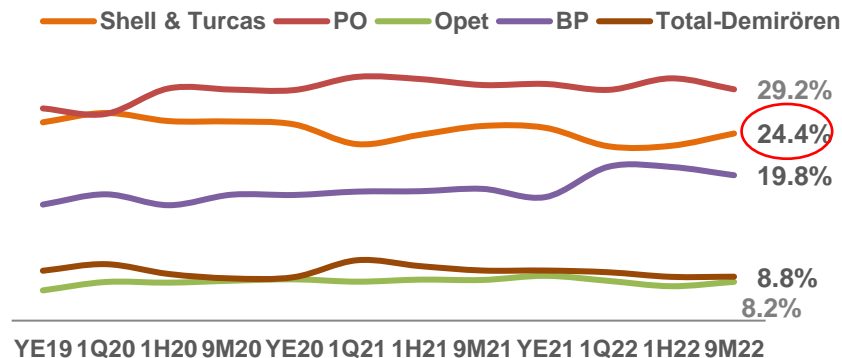
## Diesel Market Shares



## Onsite White Oil Market Shares (2021-2022 Aug.)



## Lubricants Market Share



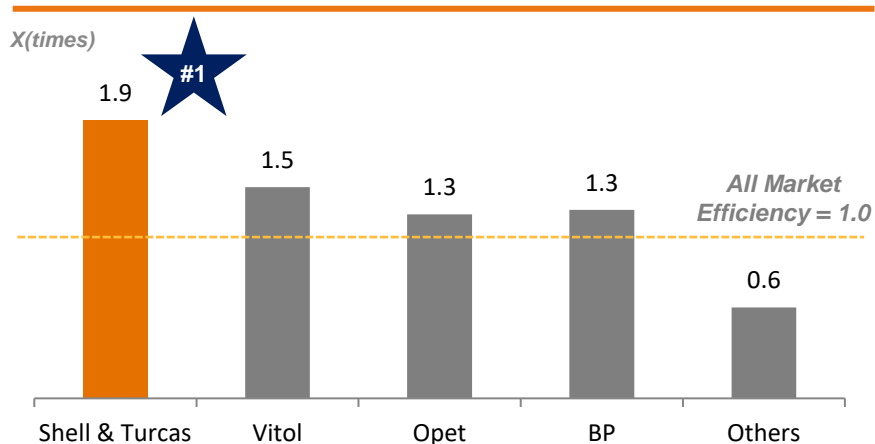
Source: PETDER cumulative data used for gasoline, diesel and lubricants market shares. EMRA cumulative data used for onsite market shares



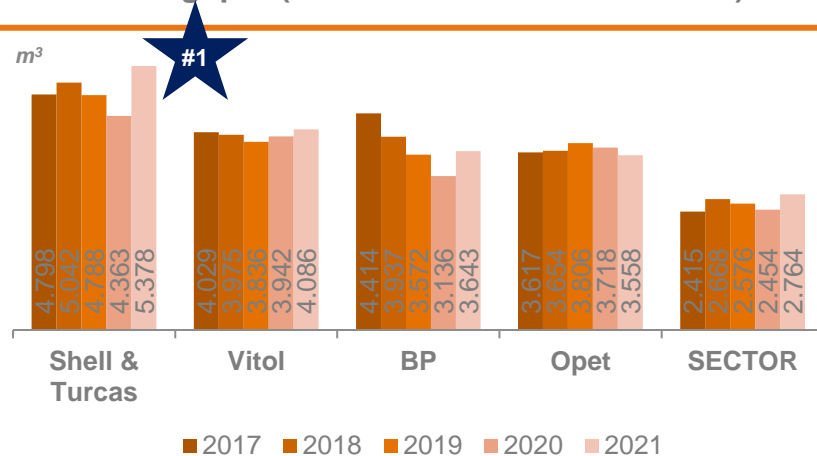
# Fuel Distribution: Shell & Turcas JV Efficiency Metrics

(as of 2021 YE)

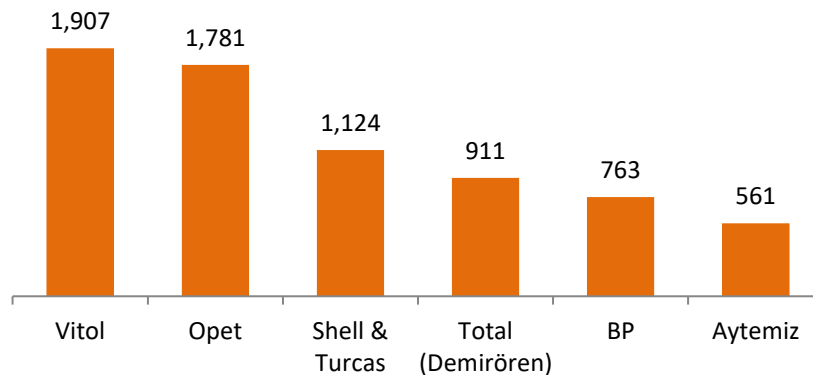
### Market Efficiency Index (as of YE21)



### Throughput (White Product Sales / Station)



### # of Stations (as of YE21)



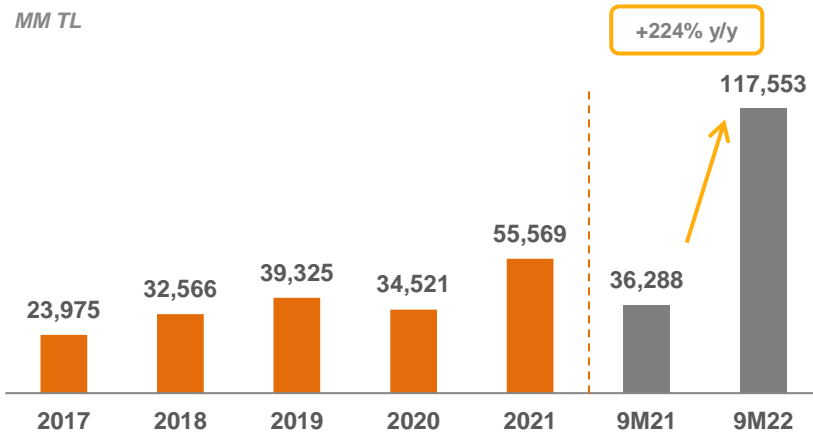
Source: EMRA and PETDER. Efficiency Index is calculated as throughput / sectoral throughput



# Fuel Distribution: Shell & Turcas JV

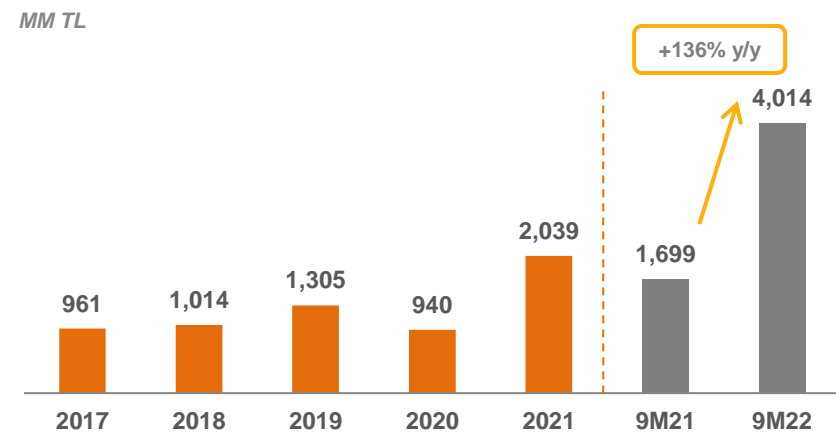
## Net Sales

MM TL



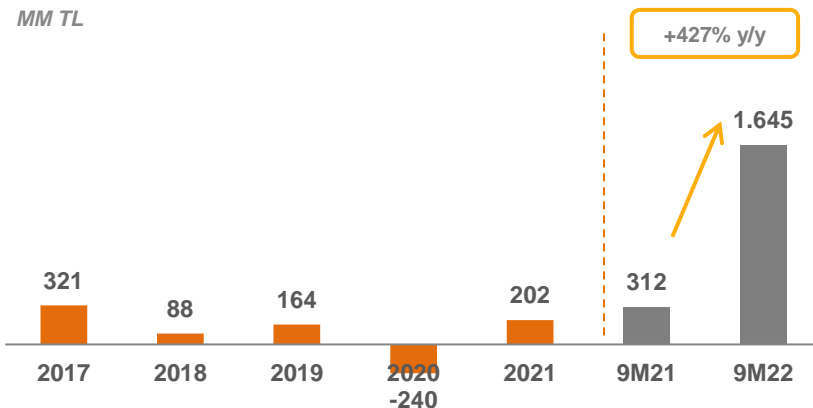
## EBITDA

MM TL



## Net Income / Loss

MM TL



## Shell & Turcas 3Q22 & 9M22 Highlights

- Total sales volume is up by 14% compared to the first 9 months of the previous year and also up by 18% in 3Q22 compared to 2Q22.
- Significant stock losses (ca. -660 Million TL in 3Q22) due to decrease in oil / product prices and increase in financing expenses have resulted in negative EBITDA and Net Loss for 3Q22.
- 9M22 Net Profit of 1,645 MM TL includes stock gains of ca. 1.4 Billion TL



Source: STAŞ IFRS consolidated financials.



# Power Generation (Natural Gas PP): RWE & Turcas JV

- In 2009, Turcas and Germany's RWE established a joint venture company under the name RWE & Turcas Güney ('RTG') to establish a 800 MW CCPP in Turkey
- RWE holds 70% and Turcas holds the remaining 30% in the JV
- CCPP is fully operational since June 2013 and designed according to the latest technology with 58% efficiency (one of the highest in Turkey)

## Financial Indebtedness Regarding Turcas' 30% stake in RTG:

- Turcas' outstanding project finance loan balance for Denizli Power Plant is EUR 22.8 MM as end of October 2022. (Tenor is 2025 June)
- There is no financial indebtedness on RTG Balance Sheet as of 30.09.2022.

Denizli CCPP with an installed capacity of c.a.800 MW



**RWE**

RWE Turkey Holding

70%

**turcas**

Turcas Petrol A.Ş.

30%

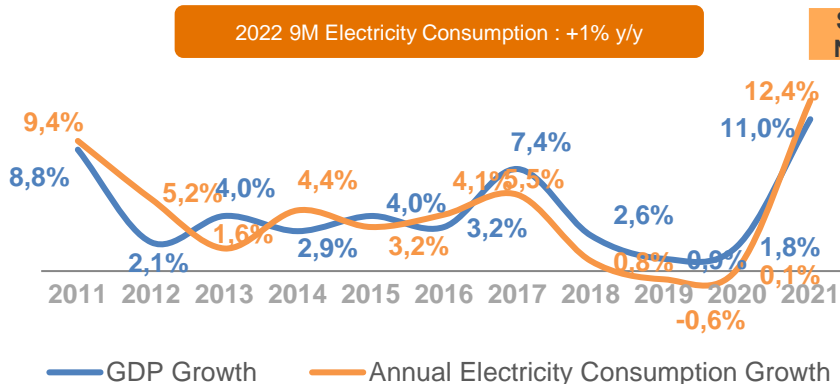
Denizli 800 MW CCPP under Special Purpose Vehicle ("RTG" or "SPV")

Financing Banks

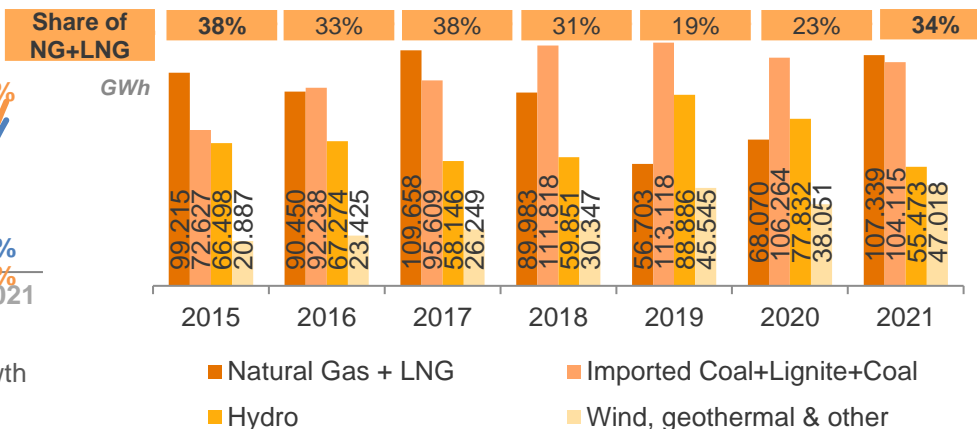
**Bayern LB**  
**TSKB**

# Power Generation (Natural Gas PP): Overall Market Info

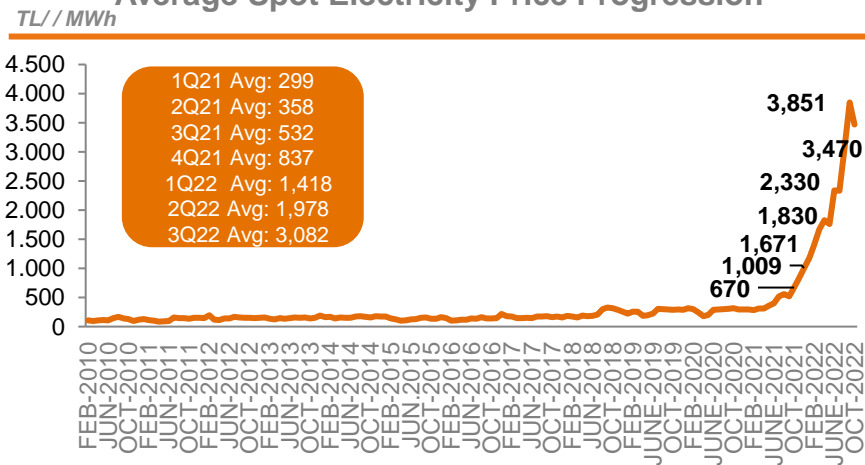
## GDP vs Electricity Consumption Growth



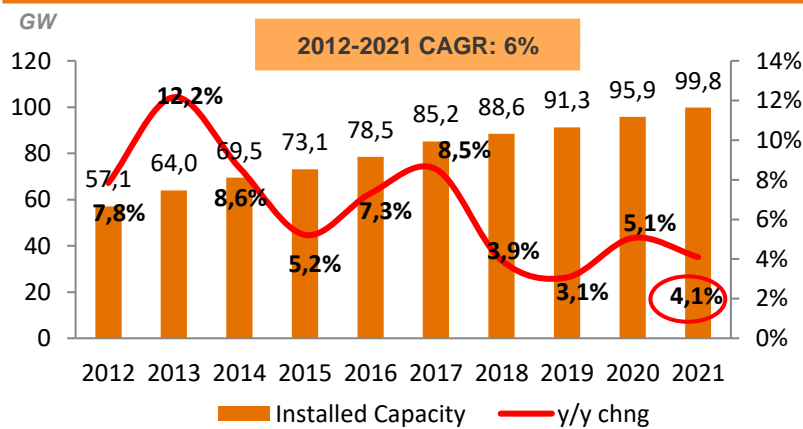
## Turkish Power Generation (by source)



## Average Spot Electricity Price Progression



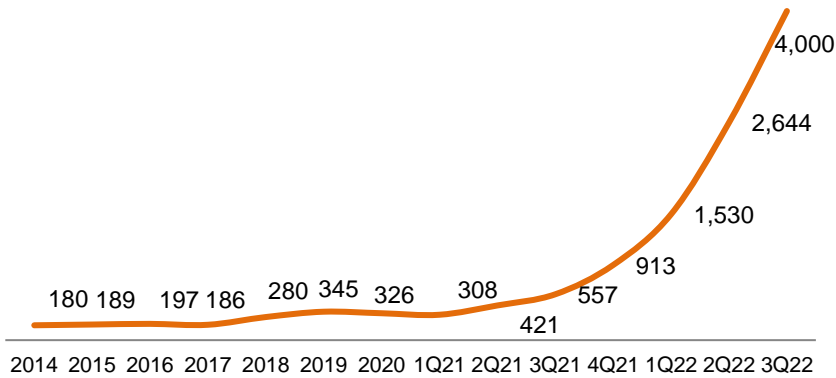
## Turkey's Installed Capacity (since 2012)



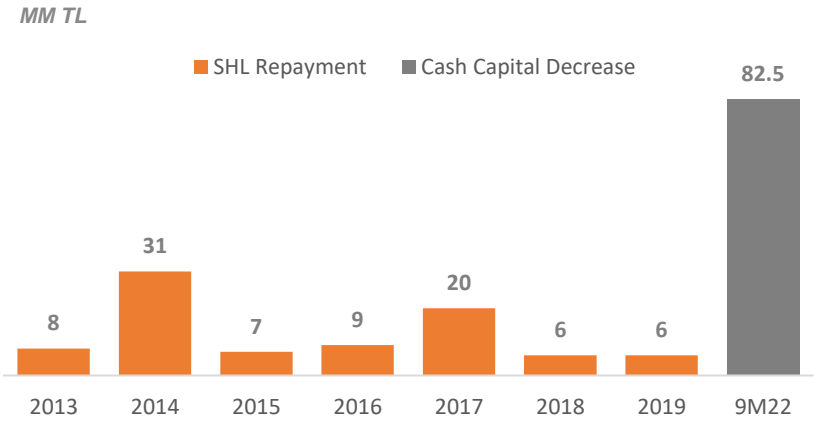


# Power Generation (Natural Gas PP): RWE & Turcas JV

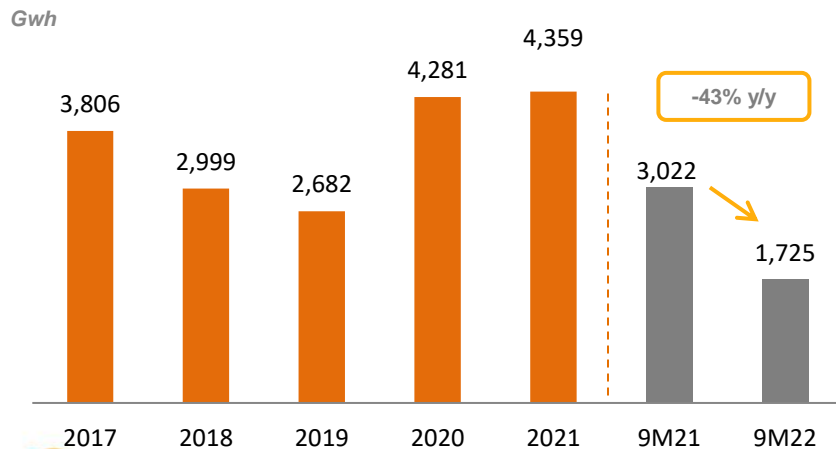
## RTG Average Electricity Sales Price (TL/MWh)



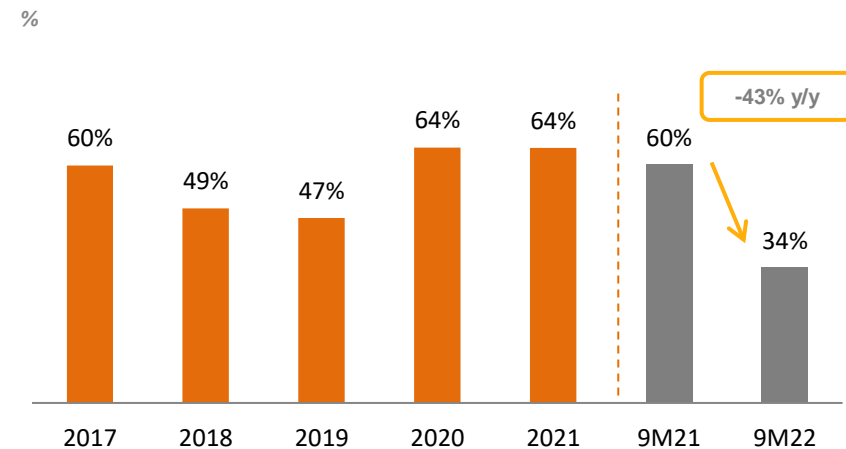
## Cash inflows to Turcas from RWE & Turcas JV (MM TL)



## Electricity Sales



## Capacity Utilization Rate

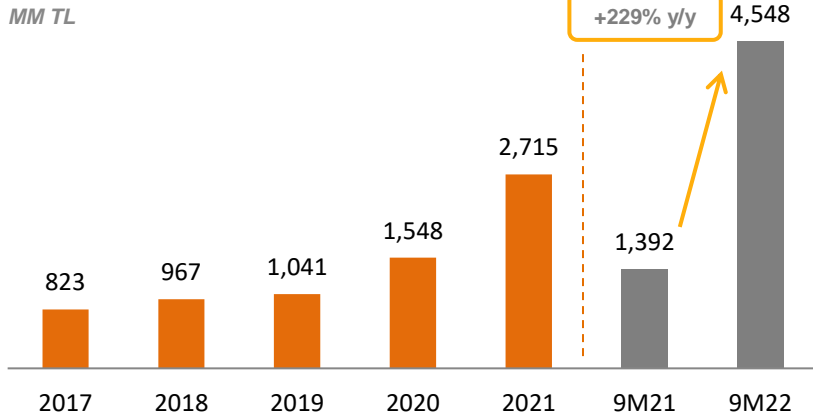


Source: RWE & Turcas IFRS consolidated financials.

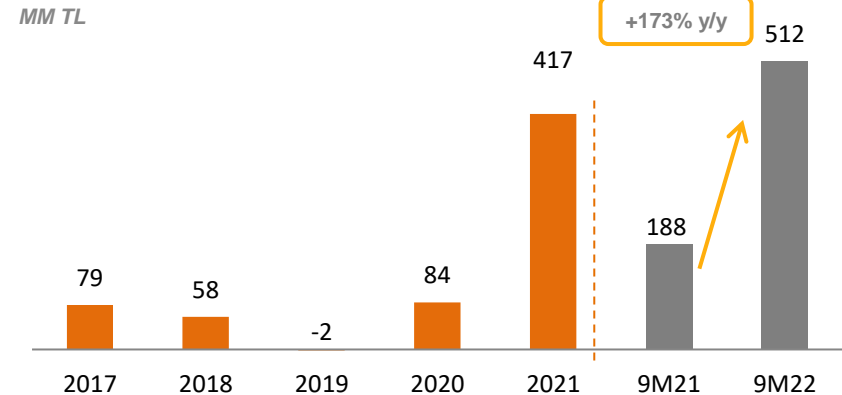


# Power Generation (Natural Gas PP): RWE & Turcas JV

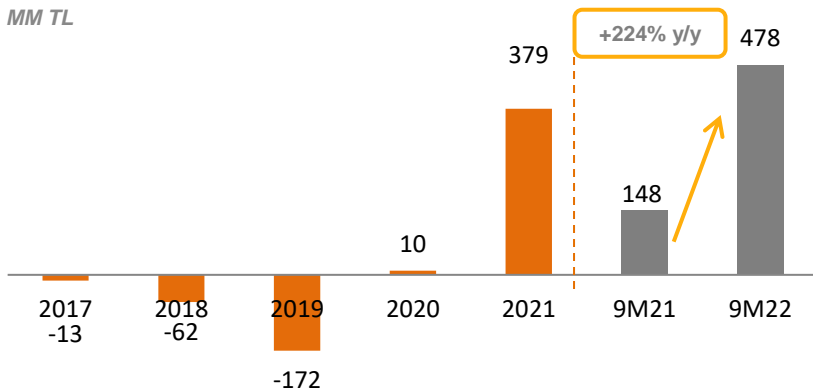
## Net Sales



## EBITDA



## Net Income / Loss



## RWE & Turcas 3Q22 & 9M22 Highlights

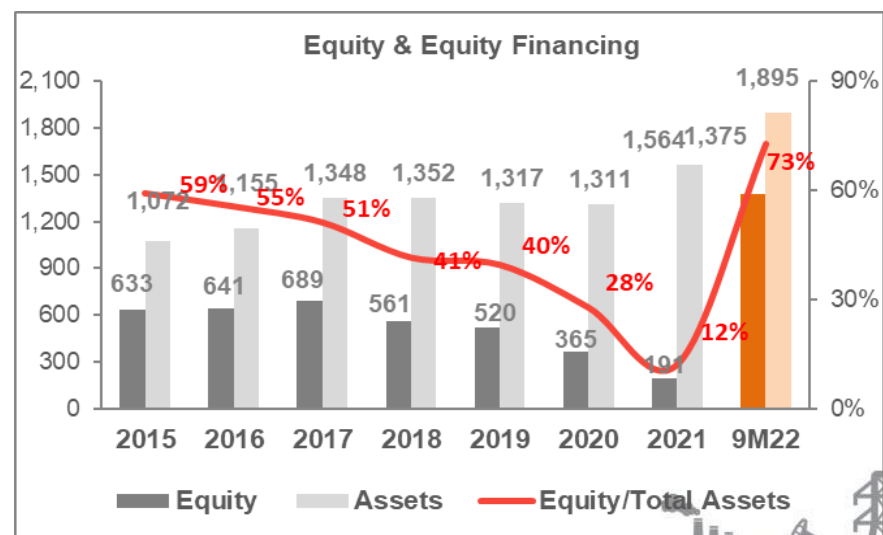
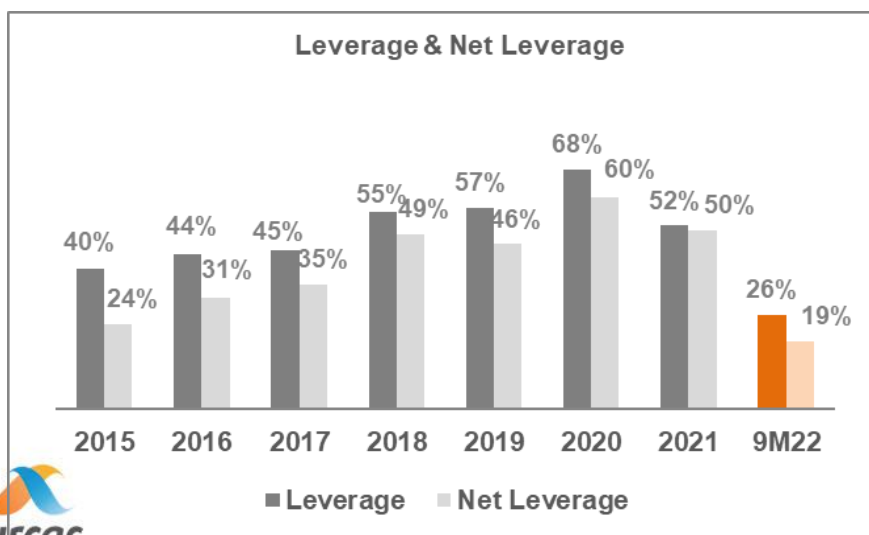
- Although power generation has declined by 43% (compared to 9M21) due to gas curtailments & market conditions, net sales has increased by 229% supported by increased electricity prices.
- Generated a record 9 months EBITDA of 512 MM TL (vs. 355 MM TL in 1H22) thanks to outstanding operational performance and well-improved margins.
- Generated a record Net Profit of 478 MM TL in 9M22 (vs. 347 MM TL in 1H22) by the help of record-high EBITDA and the Company's debt free position.

# Turcas Consolidated IFRS Summary BS & PL

## IFRS Consolidated Financial Statements & Financing Ratios

Balance Sheet , million TL	2021	9M2022	Ytd	Income Statement, million TL	9M2021	9M2022	Y/Y
Cash & Cash Equivalents	21	149	619%	Revenues (Electricity Sales)	57	0	n.m.
Receivables From Rel.Parties <sup>(from STAS, ST)</sup>	74	0	n.m.	Gross Profit	36	0	n.m.
Associates (STAS & RTG)	861	1,409	64%	Operating Expenses	-22	-35	61%
Fixed Assets Classified For Sale (TKG)	384	0	n.m.	Other Operational Income (Net)	1	-47	n.m.
Fixed Assets	21	23	10%	<b>Operating Profit</b>	<b>15</b>	<b>-82</b>	<b>-648%</b>
Financial Assets (FMV of Usufruct Certificates, VCF investment)	180	282	56%	<b>Income from Investments</b>	<b>-5</b>	<b>479</b>	<b>10,654%</b>
<b>Total Assets</b>	<b>1,564</b>	<b>1,895</b>	<b>21%</b>	<b>Income from Subsidiaries</b>	<b>138</b>	<b>637</b>	<b>362%</b>
Liabilities Belonging to Assets Classified For Sale (TKG)	559	0	n.m.	Shell & Turcas	94	493	428%
S - T Financial Liabilities (PF Loans for RTG)	221	140	-37%	RWE & Turcas	44	143	224%
L - T Financial Liabilities (PF Loans for RTG)	586	371	-37%	<b>Earnings Before Financing &amp; Tax</b>	<b>148</b>	<b>1,034</b>	<b>597%</b>
Equity	191	1,375	620%	Net Financial Losses	-87	-26	-70%
<b>Total Liabilities &amp; Equity</b>	<b>1,564</b>	<b>1,895</b>	<b>21%</b>	Net FX Losses	-73	-31	-58%
<b>Net Debt</b>	<b>787</b>	<b>363</b>	<b>-54%</b>	<b>Net Income Before Tax</b>	<b>61</b>	<b>1,007</b>	<b>1,555%</b>
				Deferred Tax Income/Loss	7	-2	-135%
				Profit From Suspended Operations (TKJ)	0	57	n.m.
				<b>Net Income/Loss</b>	<b>67</b>	<b>1,062</b>	<b>1,476%</b>

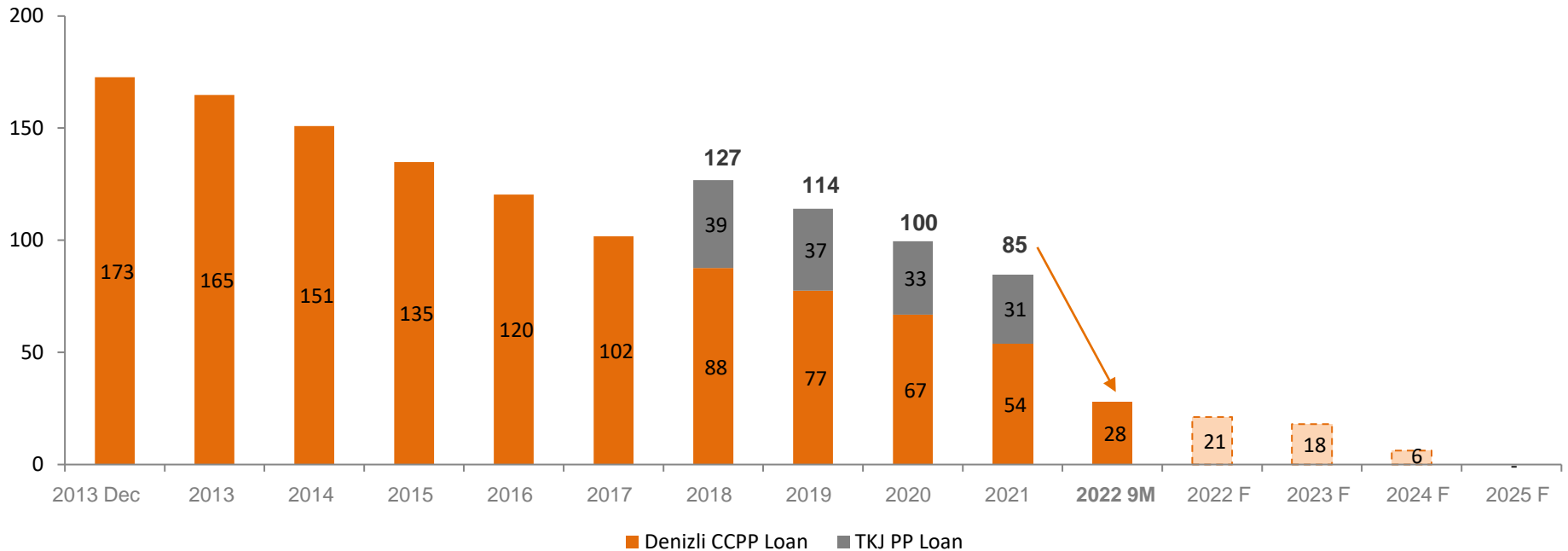
Note: ST Receivables from Related Parties are SHL receivables from STAS



# Financial Deleveraging Well On Track

MM EUR

Denizli CCPP +TKJ PP Project Finance Loans Principal Outstanding Balance



A Share Purchase Agreement has been signed between Turcas Petrol A.S. and Albioma SA, regarding the sale of 100% shares of TKJ on December 21, 2021. Share transfer hence Closing has been completed on February 14, 2022. Therefore, TKJ Project Finance Loan amounting to 31 MM EUR as at YE2021 is no longer existent within Turcas Balance Sheet.

Total Share Sales Proceeds amounting to 24.3 MM USD has been collected by Turcas. With these funds, Turcas made early repayments of 19 MM EUR to Denizli CCGT Lenders, decreasing the actual principal balance to 28 MM EUR as of end of 9M22.

Additionally, Turcas has made an early repayment amounting to 77% of its December 2022 scheduled principal amount (5.3 MM EUR), decreasing the actual principal balance to 22.8 MM EUR as of the date of this presentation.

The loan balance is projected to close the year at 21 MM EUR.

# 2022 Guidance vs Realizations as of end of October 2022

	Guidance (as of 14 March 2022)	Updated guidance (as of 9 August 2022)	Difference	Realizations (as of 31 October 2022)	Unit
<b>Cash Flow From Subsidiaries</b>					
Shareholder Loan Interest + Principal Repayments to be received from Shell & Turcas (Principal amounting to 72.6 MM TL has been collected in September 2022)	82.3	82.3	0.0	82.2 ✓	MM TL
Shell & Turcas - Preferred Dividend <u>net off BPA</u>	8.0	4.4	-3.6	4.4 ✓	MM USD
Cash Inflow from RWE & Turcas's Cash Capital Decrease (Turcas Share)	82.5	82.5	0.0	82.5 ✓	MM TL
<b>Sale of Turcas Kuyucak Gheothermal (TKG) &amp; Denizli CCGT Loan Early Repayments</b>					
Share Sale Proceeds of TKG	24.4	24.4	0.0	24.4 ✓	MM USD
Voluntary Early Repayment of Denizli CCGT Loans	20	19	-1	19 ✓	MM EUR
<b>Indebtedness - Year End</b>					
Year End Gross Debt Forecast (All EUR denominated)	20	21	-1	22.8	MM EUR



# Thank you!

## Contact Information

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