

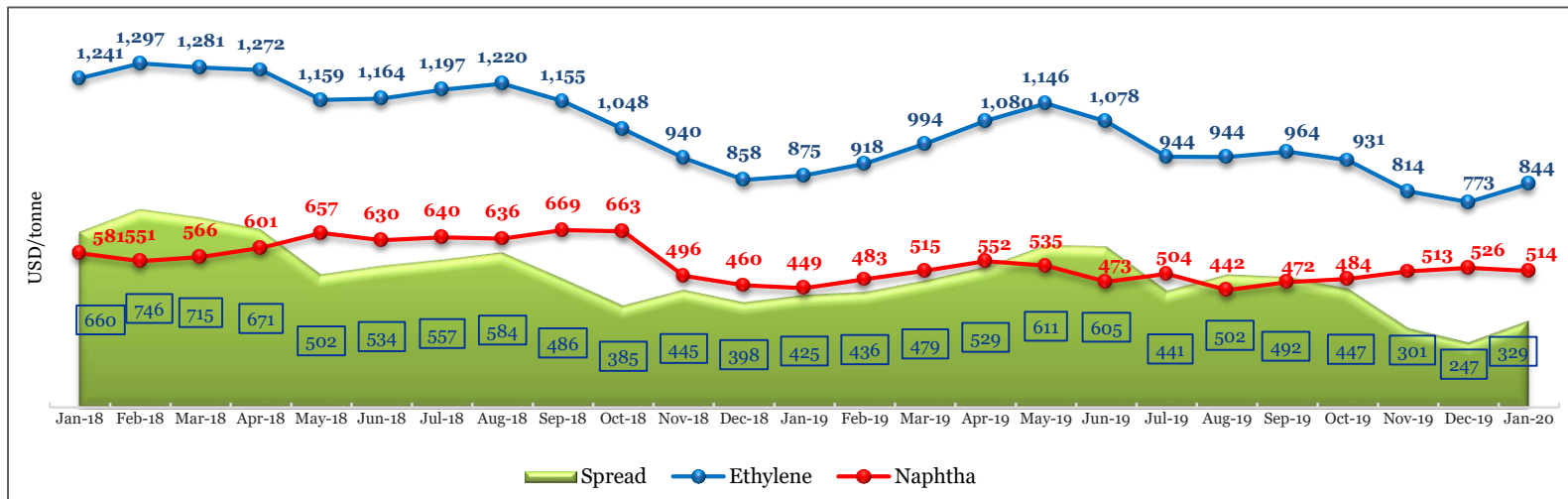
4Q19 Results Investor Presentation



Ethylene – Naphtha spread averaged US\$ 336/tonne in 4Q19

- Ethylene-naphtha spread decreased by 30% from US\$ 480/tonne in 3Q19 to US\$ 336/tonne in 4Q19.
- In the last quarter of 2019, naphtha prices continued upward trend following the lead of crude oil. Rising feedstock costs have dragged down naphtha-ethylene margins.
- Cheap ethane resources give U.S. producers a cost advantage compared to their peers in Europe and Asia, who normally take naphtha as feedstock.
- Profitability has been heavily impacted by the steepness of the cost curve rather than the oversupply.

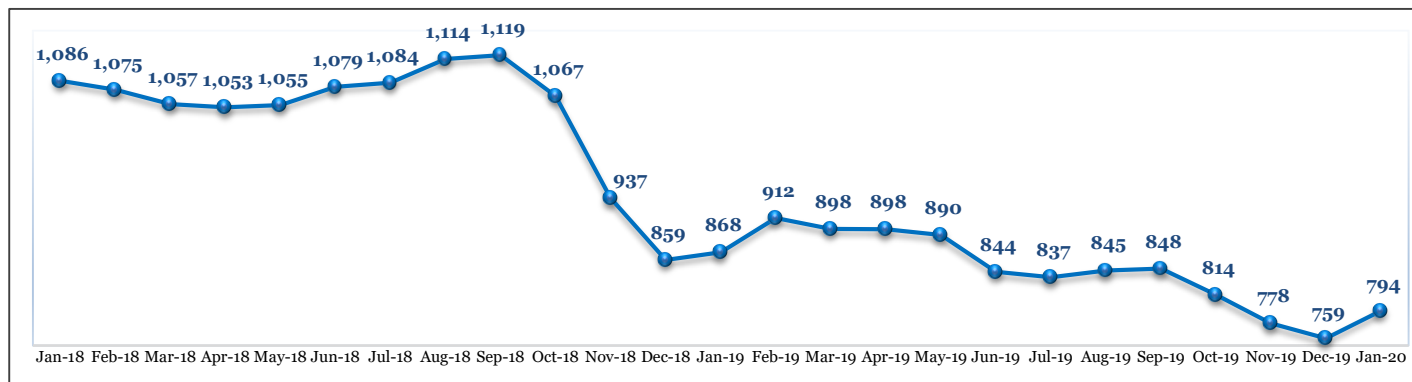
Monthly Naphtha - Ethylene Spread (CIF MED Spot Prices)



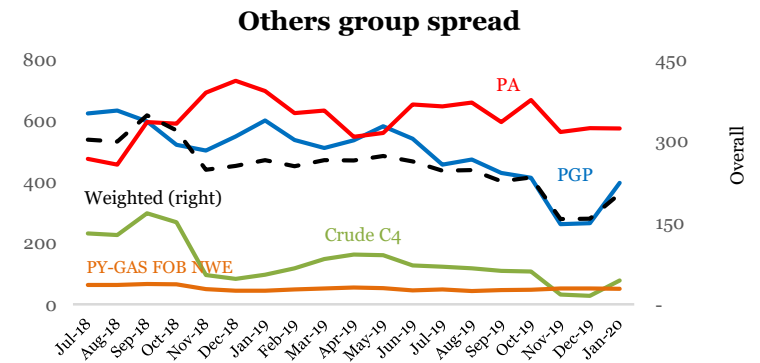
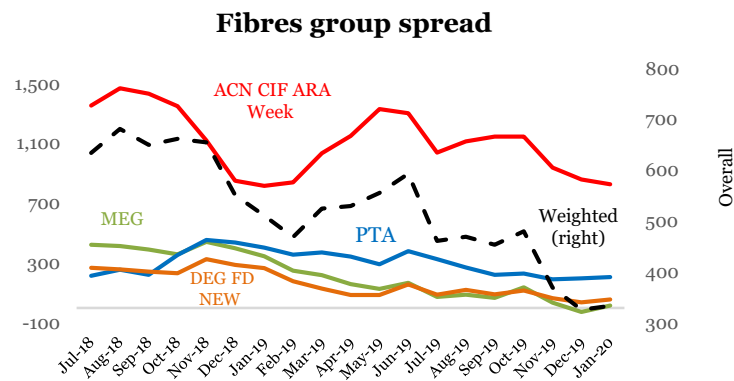
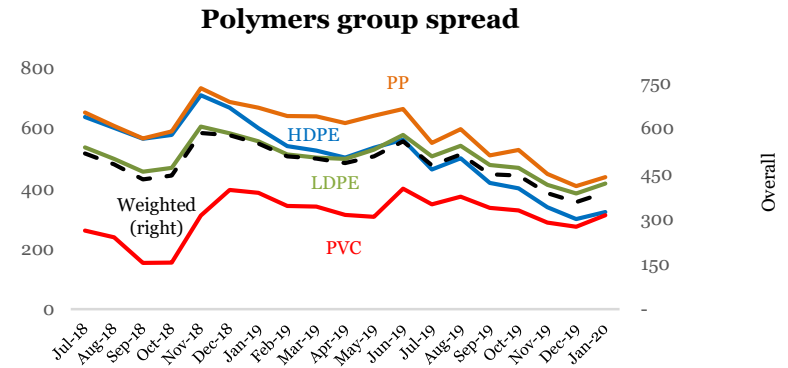
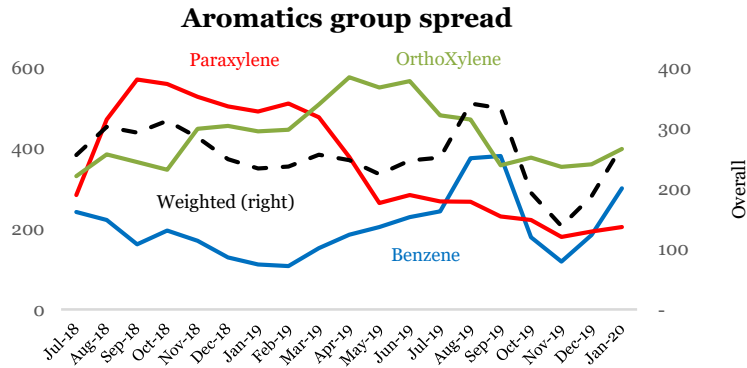
PLATTs Index averaged US\$ 785 per ton in 4Q19

- European olefins market ended a weak year with December prices stable at November's level while sluggish downstream demand persisted.
- Propylene market also experienced declining margins in 2019. Price spreads between propylene and feedstock were on a constant decline from the mid-year due to propylene capacity additions in Asia. In 2020, as more polypropylene units ramp up, margins are expected to recover from current levels.
- Benzene prices during 2019 failed to reach the average levels seen in 2018, and it was not until August that values reached levels seen in the previous year. Prices came under pressure mainly due to oversupply and fluctuated in accordance with crude prices. In November benzene prices recovered two-month drop, while paraxilene prices stayed firm on expected tight supply.
- New petrochemical capacity in China and Southeast Asia contributed to the collapse of global paraxilene prices.
- C4 prices increased in the fourth quarter due to the TPC Group's butadiene plant explosion.

Monthly Average Platt's Index



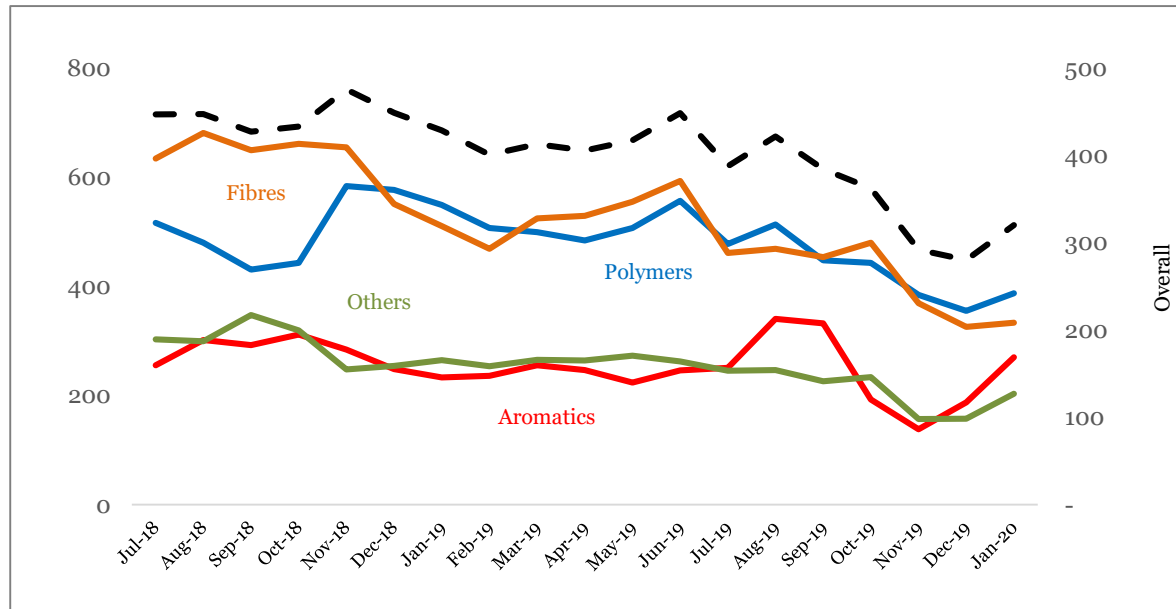
Product group spreads (Over naphtha CIF MED), USD/MT



Source: Platts, Company



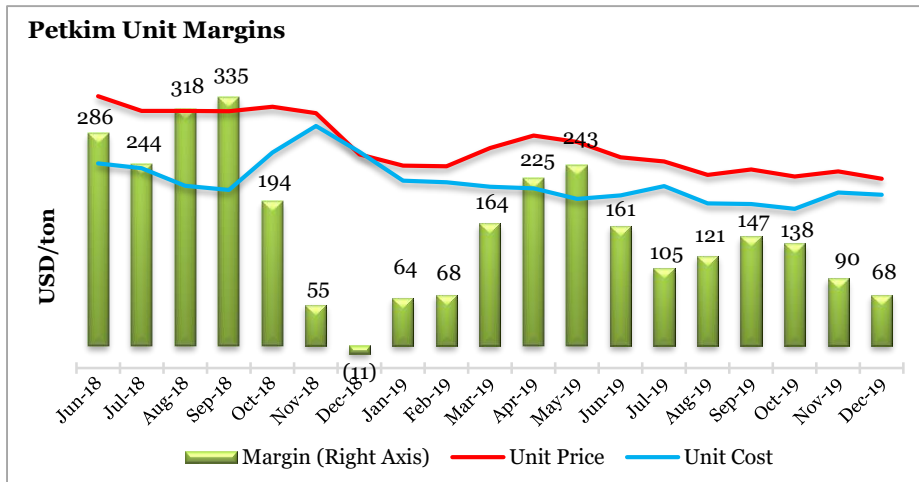
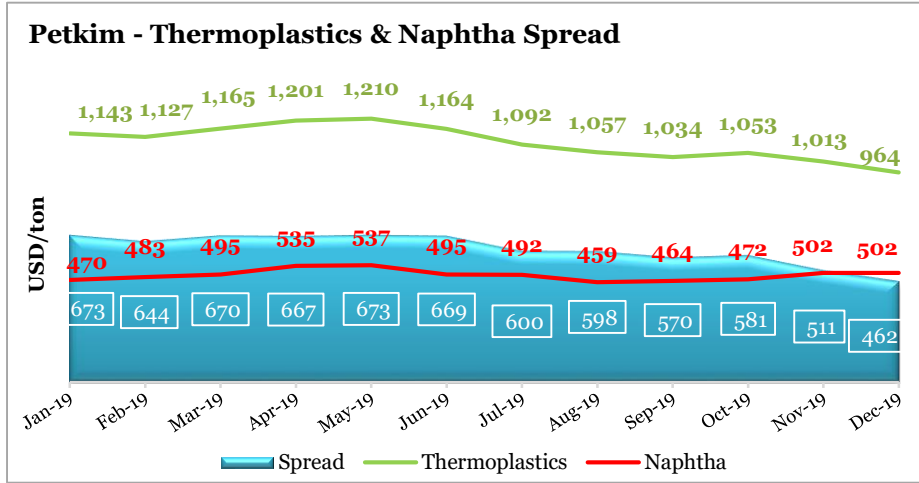
Product groups and overall weighted spread (over naphtha CIF MED), USD/MT



Source: Platts, Company



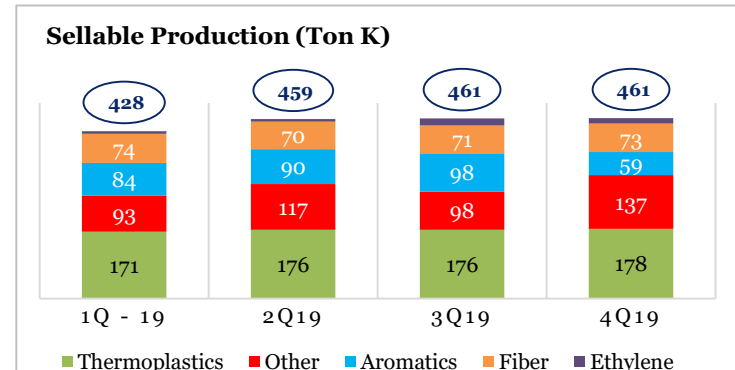
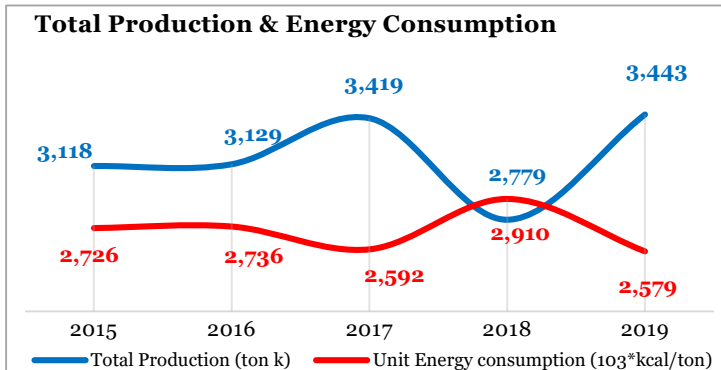
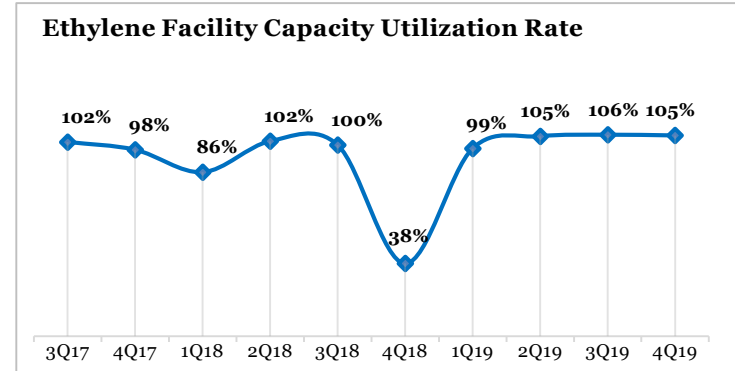
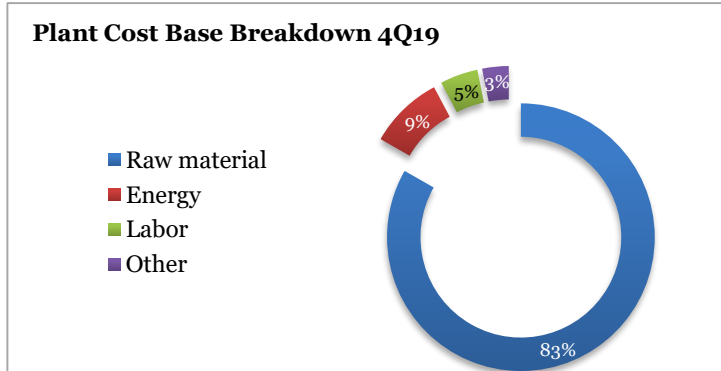
Feedstock vs. Product Prices



- 846kton feedstock has been supplied from STAR Refinery in 2019.
- Thanks to successful major maintenance in 4Q18 and STAR Refinery integration which increased stability and quality of feedstock, Petkim performed high efficiency production.
- In 2019, the highest Ethylene Unit capacity utilization rate was recorded with 104% capacity utilization rate
- Petkim has reached 1,862 Kton sales from production in 2019.
- Petkim was able to increase its market share due to its strong market position in Turkey, supported by proximity to customers, reliability as a supplier and support provided to mid-small producers.



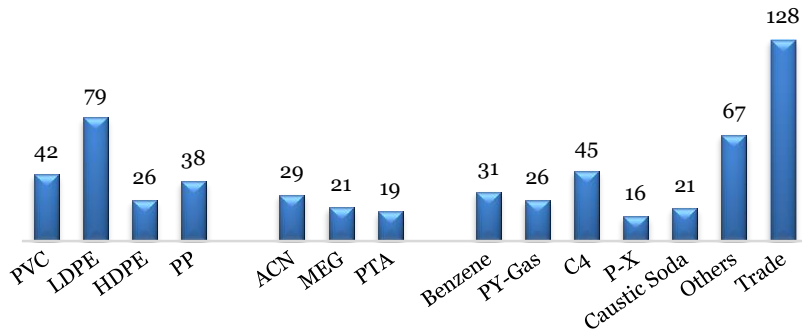
Costs and Operational Efficiency in 4Q19



In 4Q19 Petkim achieved TL 2,748mn sales via 587k ton volume

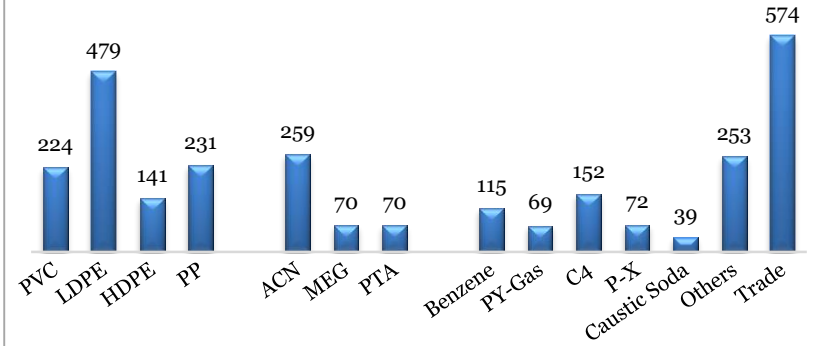
Sales Volume (ton k)

4Q19 Volume: 587k ton



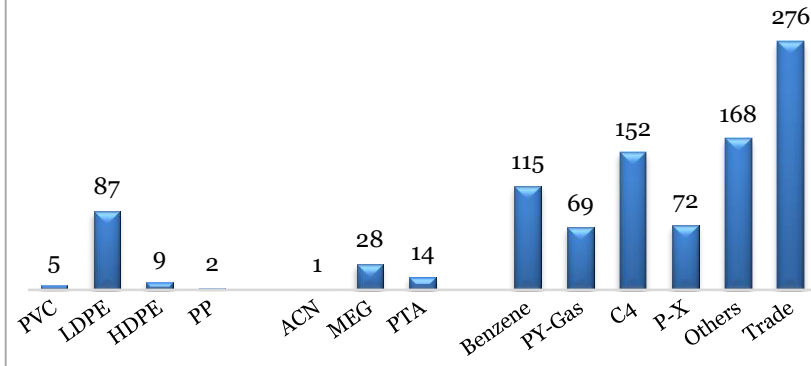
Revenue (TL mn)

4Q19 Revenue: TL2,748mn



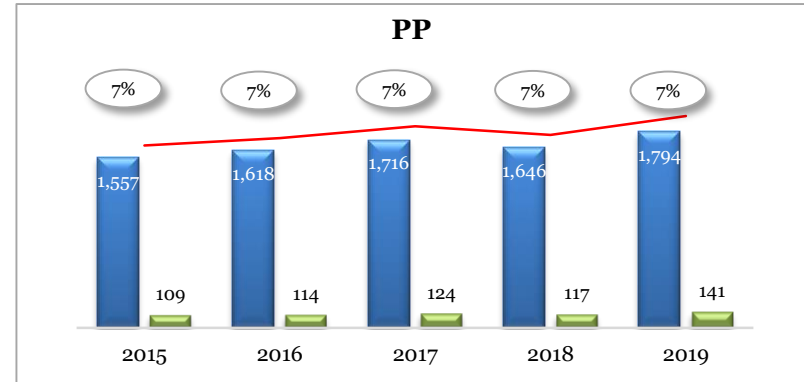
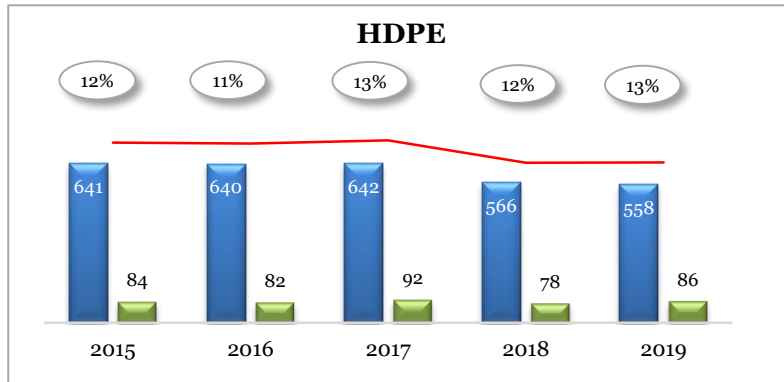
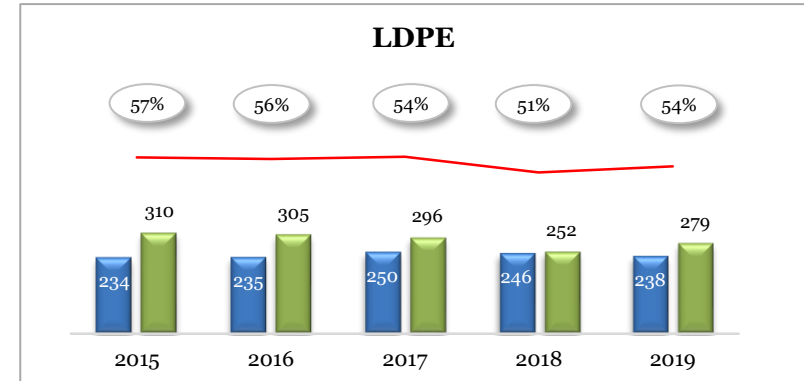
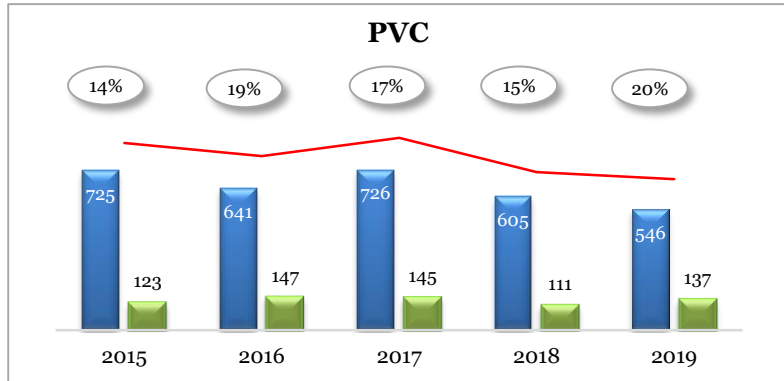
Export Revenue (TL mn)

4Q19 Export Revenue: TL999mn



Turkey thermoplastics consumption in 2019 increased by 4.4% in paralel with the 3.4% growth in Turkish plastic production.

Ton k



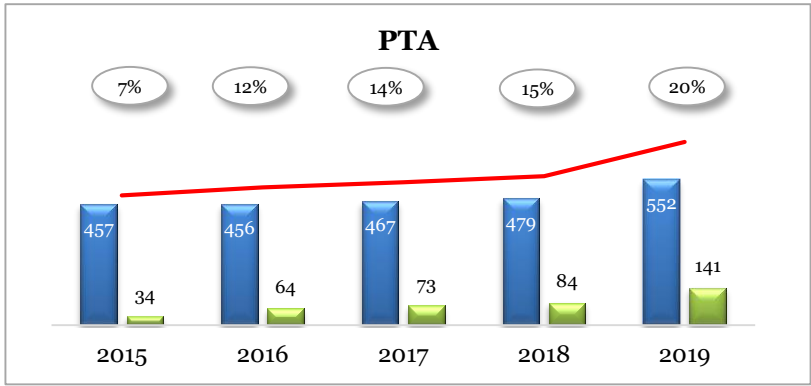
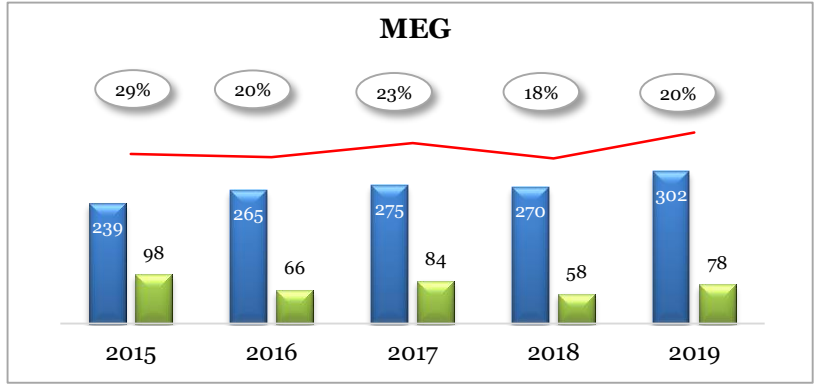
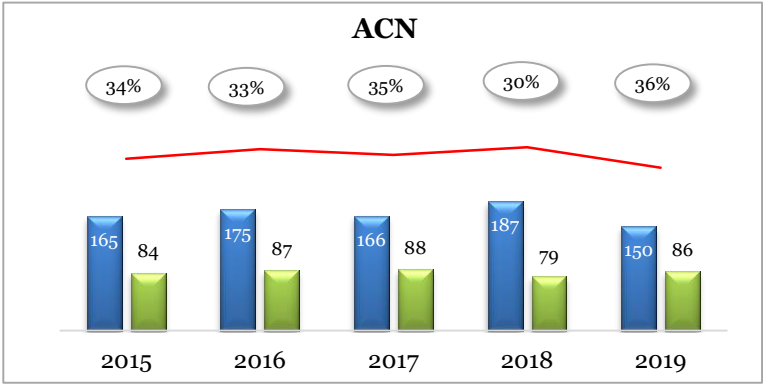
- Turkey's Import
- Petkim/Domestic Sale
- Domestic Consumption
- Domestic Market Share %

Source: TURKSTAT, Company



PTA domestic consumption increased by 23% in Turkey.

Ton k



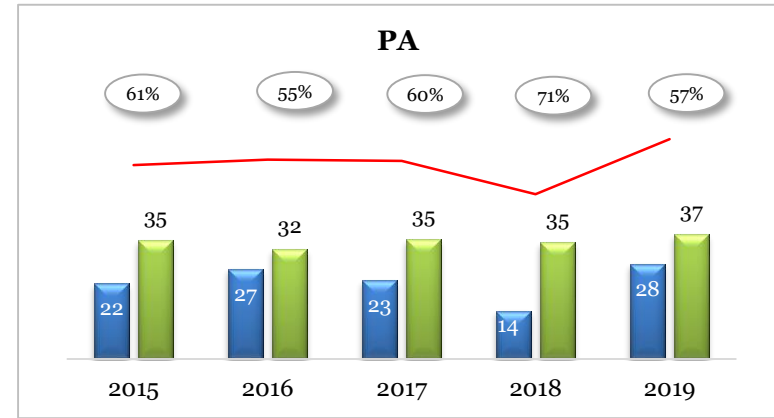
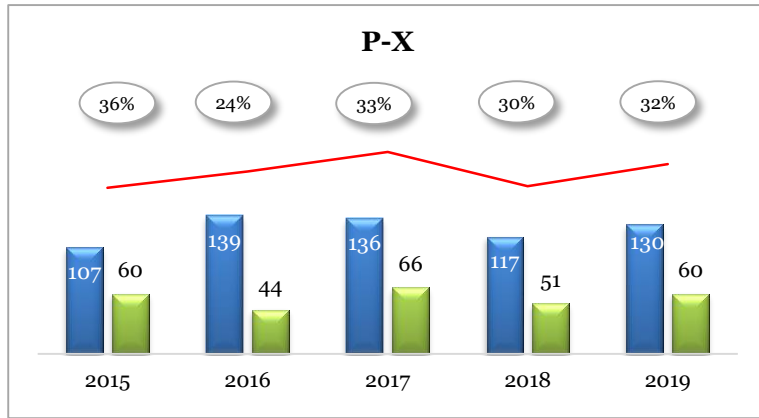
- Turkey's Import
- Petkim/Domestic Sale
- Domestic Consumption
- Domestic Market Share %

Source: TURKSTAT, Company



Turkish Market – Others, 2015-2019

Ton k



Source: TURKSTAT, Company



PETKIM 4Q19 Income Statement

TL mn	12M18	12M19
Sales	9,315	11,672
Cost of sales	(7,736)	(10,071)
Gross Profit	1,579	1,601
<i>Gross profit %</i>	17%	14%
Marketing and sales expenses	(78)	(96)
General admin. Expenses	(244)	(285)
R&D Expenses	(22)	(25)
Operating profit	1,235	1,195
Other income / (expenses)	(29)	49
Financial income	2,408	1,695
Financial expense	(2,611)	(2,080)
Profit before tax	1,004	859
Income tax	(126)	(51)
Deferred tax	(42)	(44)
Net Profit / (loss)	836	764
<i>Net profit %</i>	9%	7%
Other	30	58
Depreciation	258	336
EBITDA	1,523	1,589
<i>EBITDA %</i>	16%	14%



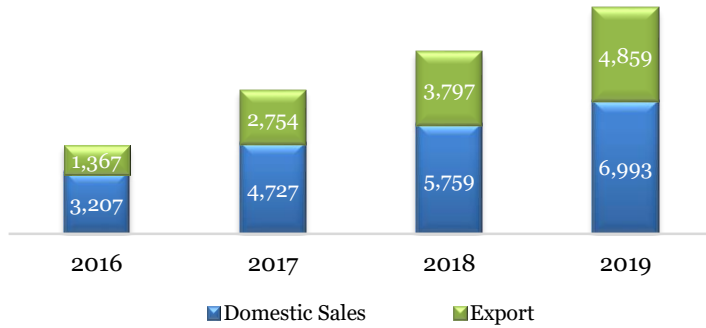
PETKIM 4Q19 Balance Sheet

TL mn	12M18	12M19
Cash and cash equivalents	3,009	4,037
Trade receivables	1,194	1,552
Inventory	1,130	929
Other receivables	5	13
Other current assets	2,656	3,015
<i>Current assets</i>	7,995	9,547
Non current assets	4,593	5,255
<i>Total Assets</i>	12,588	14,801
Short term borrowings	3,019	4,037
Trade payables	697	957
Other payables	146	134
<i>Current liabilities</i>	3,862	5,129
Long term borrowings	4,306	4,487
Other non-current liabilities	284	337
<i>Shareholders' equity</i>	4,135	4,849
<i>Total liabilities</i>	12,588	14,801
<i>Net debt position</i>	-4,316	-4,297
<i>Working Capital</i>	109	27
<i>Days sales outstanding</i>	47	49
<i>Days payable outstanding</i>	105	89
<i>Days sales of inventory</i>	53	34

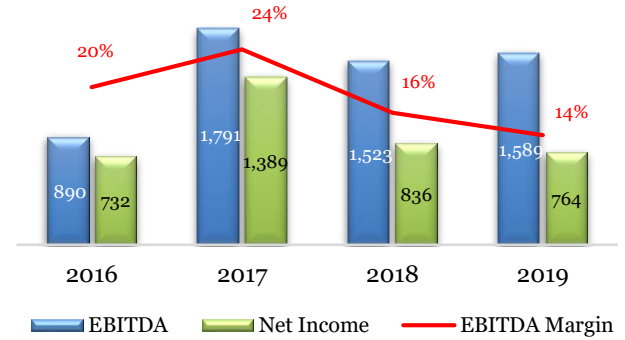


Financial Performance

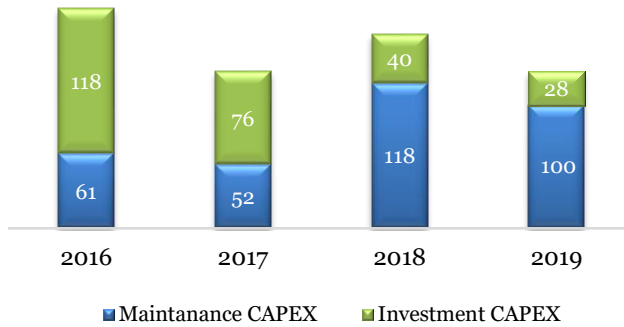
Revenue (mn TL)



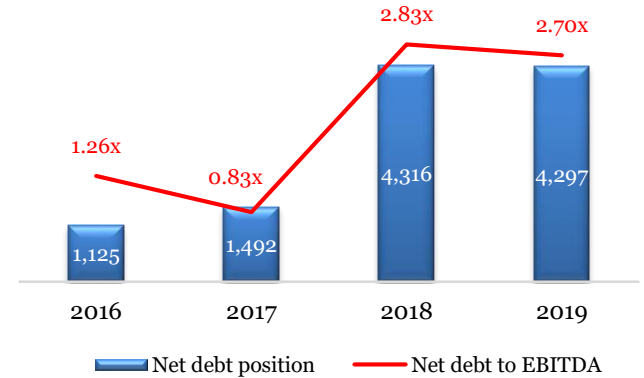
EBITDA and EBITDA Margin (mn TL)






CAPEX (mn US\$)



Net Debt Position (mn TL)

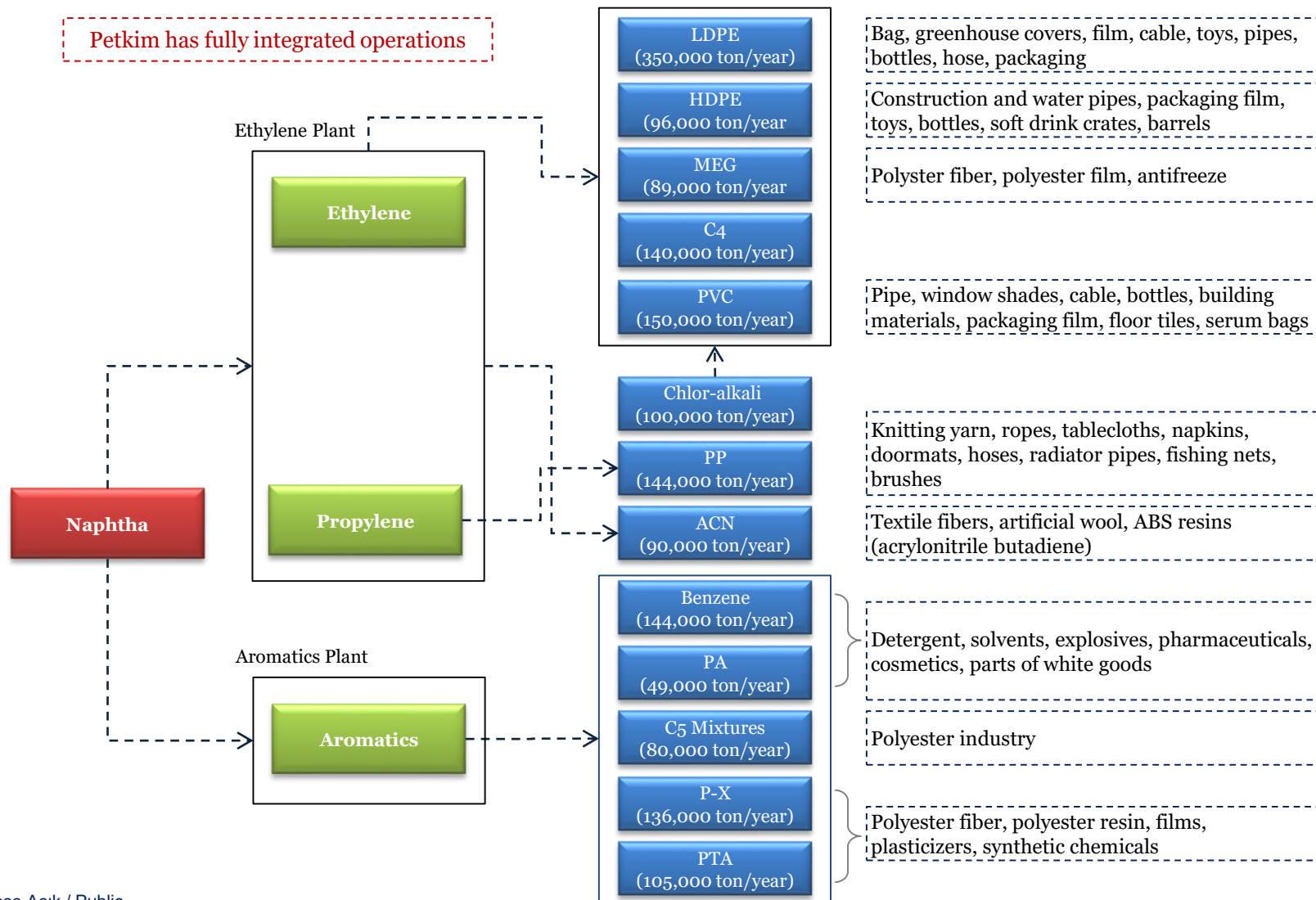


Diversified business profile through ancillary infrastructure and energy investments

		Description	Benefits to Petkim
STAR Refinery		<ul style="list-style-type: none"> • Turkey's first privately constructed Refinery • Target processing capacity of 10m tons p.a. • Owned 60% by SOCAR Turkey, and 40% by Azerbaijan Ministry of Economy and Industry • Total investment amounts to \$6.3bn. 	<ul style="list-style-type: none"> • Lower naphtha procurement costs • Replacement of some of the heavy naphtha feedstock with Reformate / Mixed-xylene. • Increased stability and quality of feedstock, supply security, and reduced inventory costs • Upside from sharing services such as maintenance, safety, security, waste disposal and tug boat services • STAR expected to become a stable dividend payer over the medium-term
Petlim		<ul style="list-style-type: none"> • Largest container sea port in Western Turkey with a 1.5m TEU container handling capacity • Total construction costs amount to c. \$400m • Petlim has signed a 28-year (+4) concession agreement with Port Operator • Owned 70% by Petkim and 30% by Goldman Sachs 	<ul style="list-style-type: none"> • Stable stream of income that is not correlated to Petkim's core business • Savings on shipments for expansion projects
Windfarm		<ul style="list-style-type: none"> • Wind farm located in the Aliaga Peninsula licensed to generate 25 MW of electricity <ul style="list-style-type: none"> ➢ Petkim has applied for a new license allowing generation at full capacity of 51 MW • The construction of 17 new turbines, each able to generate 3 MW of electricity, was completed in Sep-2017 • Total investment in the windfarm amounts to €55m 	<ul style="list-style-type: none"> • Contributes to revenue diversification <ul style="list-style-type: none"> ➢ Plan is to sell the electricity generated to Turkey's national grid, with a guaranteed tariff • The windfarm provides a 22% increase in Petkim's electricity generating capacity • Expected to reduce carbon emissions by 120kt per year

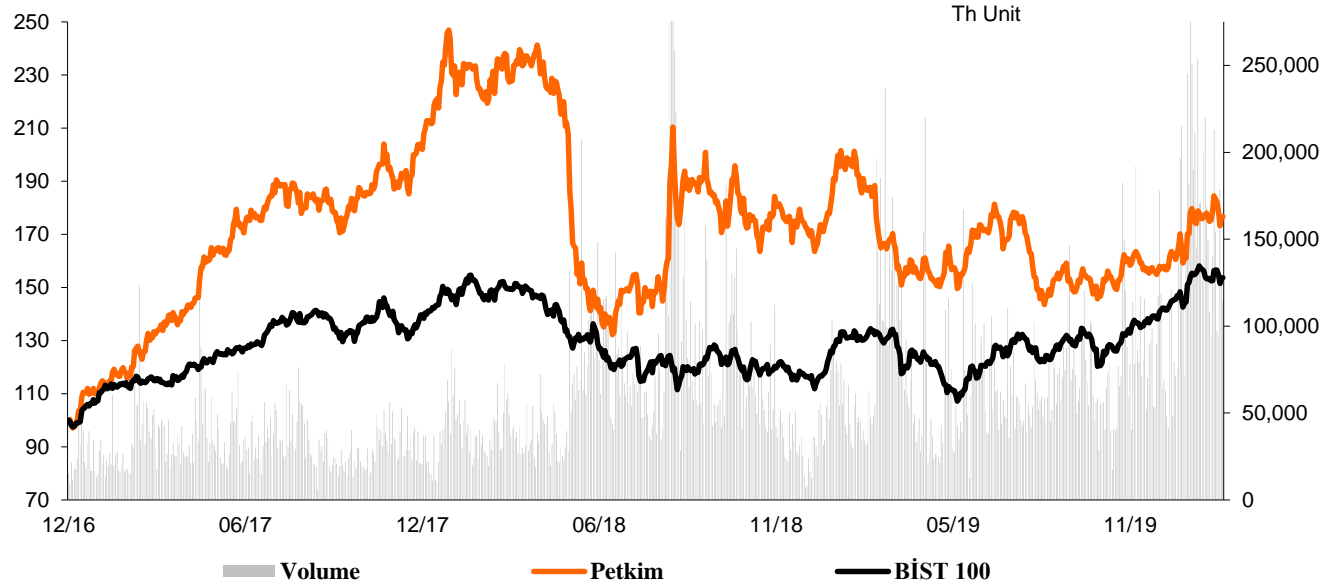


Appendix 1. Petrochemical Complex Flow Chart



Appendix 2. PETKIM Stock Performance

PETKIM STOCK PERFORMANCE



Closing Price as of 31 December 2019 (TRY/Share)	3,81TL
Market Cap (TRY mn)	TL 8,047
Free Float (%)	49.0%



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