

4Q24 RESULTS INVESTOR PRESENTATION

MAR 2025





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As of the end of 2024, Petkim, Türkiye's first and only integrated petrochemical company, achieved a total export value of \$449 million, both directly and indirectly, becoming the export champion of the Aegean Region



4Q24

FINANCIAL HIGHLIGHTS

Sales ▼
¥16.6 BN (9%) QoQ

EBITDA ▼
¥0.7 BN (4%) Margin
21% QoQ

Net Income ▼
(¥6.7) BN -2,05 TL/Share
109% QoQ

Cash ▲
¥8.2 BN 0,7x Current Ratio
142% QoQ

Net Debt ▼
¥35.5 BN (1%) QoQ



4Q24 Highlights



01

The weakest quarter in recent years was experienced in terms of product margins
The average gross unit margin of Petkim was **USD25/ton**

02

The Turkish lira's overvaluation in real terms and high inflationary pressures continued to suppress our P&L items
The negative pressure is being mitigated with OPEX and COGS optimizations

03

After the successful completion of the planned TA at STAR Refinery in October, Petkim continued to benefit from the synergy
USD4mn net income derived in the fourth quarter

04

Petlim has amended the operating agreement
USD134mn impairment loss was recorded in the year-end financial statements

05

The master plan has been officially announced
The establishment of new process units and the modernization of the existing aromatics complex, phthalic anhydride, low-density polyethylene units, and utilities are intended



INDUSTRY ENVIRONMENT

Global Petrochemical Market
Petrochemical Market in Türkiye





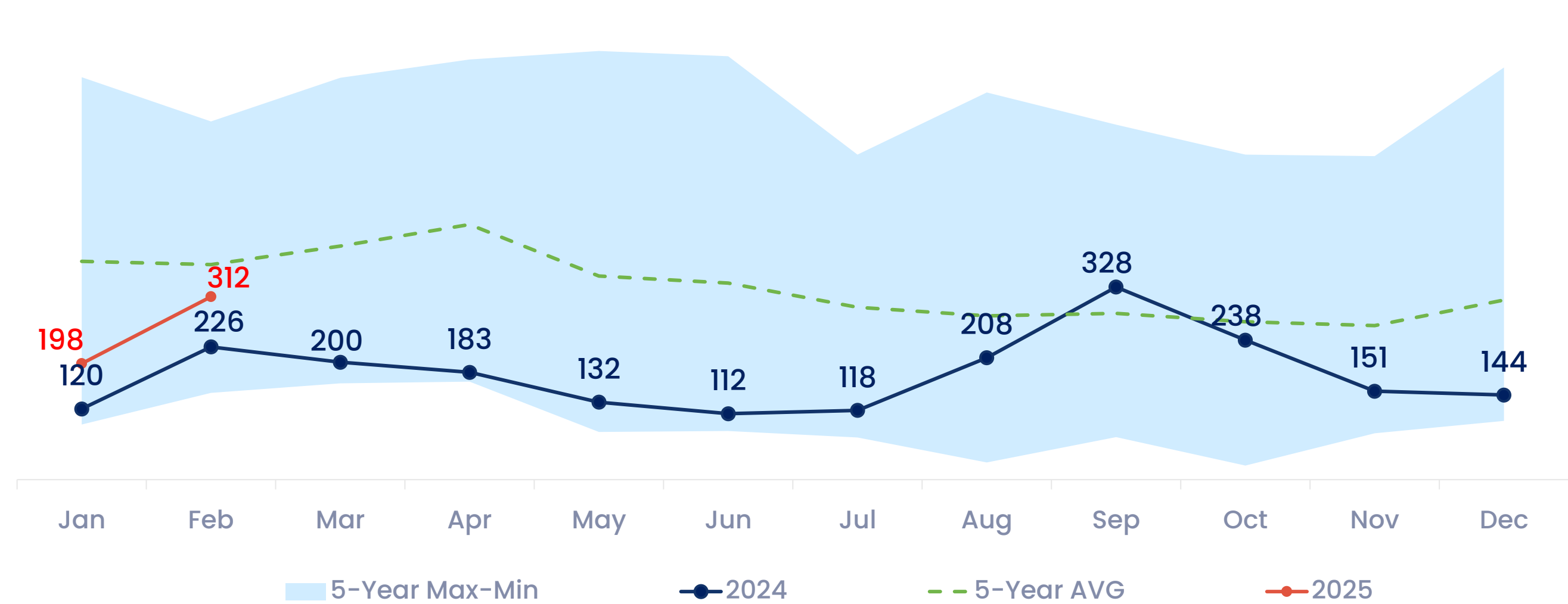
Industry Environment

+ Ethylene-naphtha spread decreased by about %19 from USD217/ton in 3Q24 to USD175/ton in 4Q24

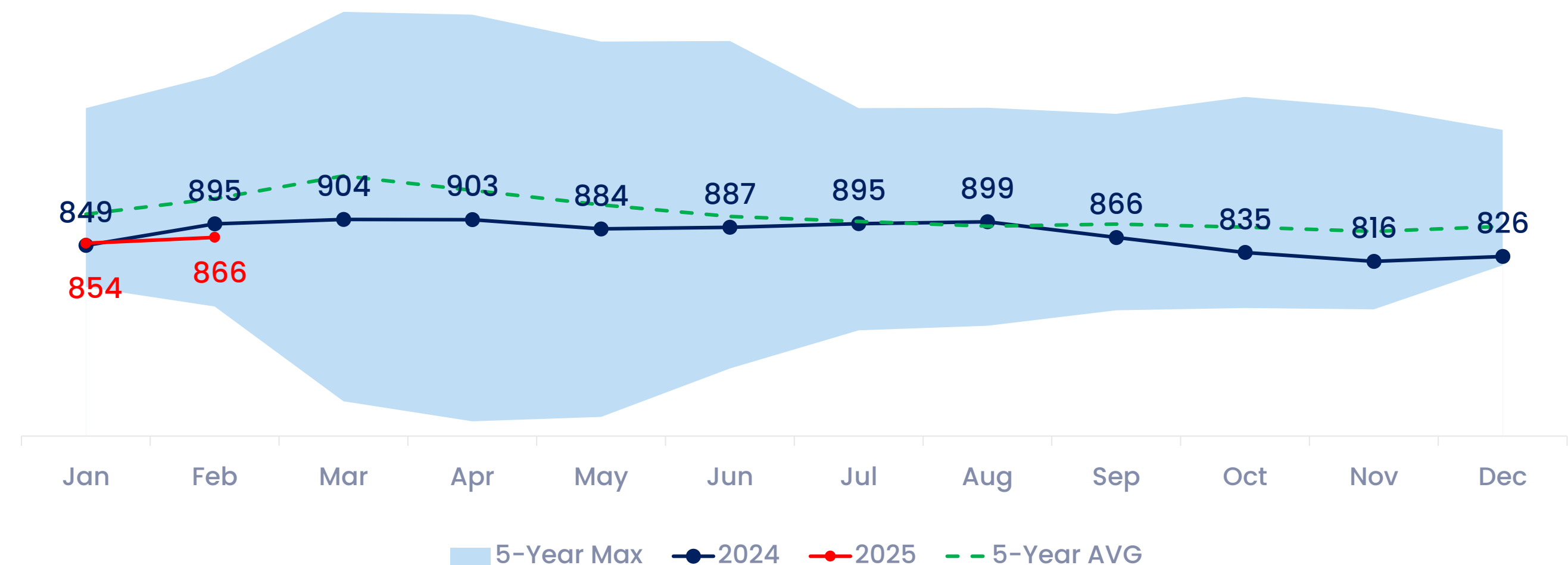
+ While the ethylene-naphtha spread narrowed, the Platts index also fell below its five-year average

+ There was a decrease of 7% in the 4Q24 PLATTS index compared to the previous quarter

Monthly naphtha - ethylene spread
(CIF MED spot prices) USD/ton



Monthly average Platts index*
USD/ton



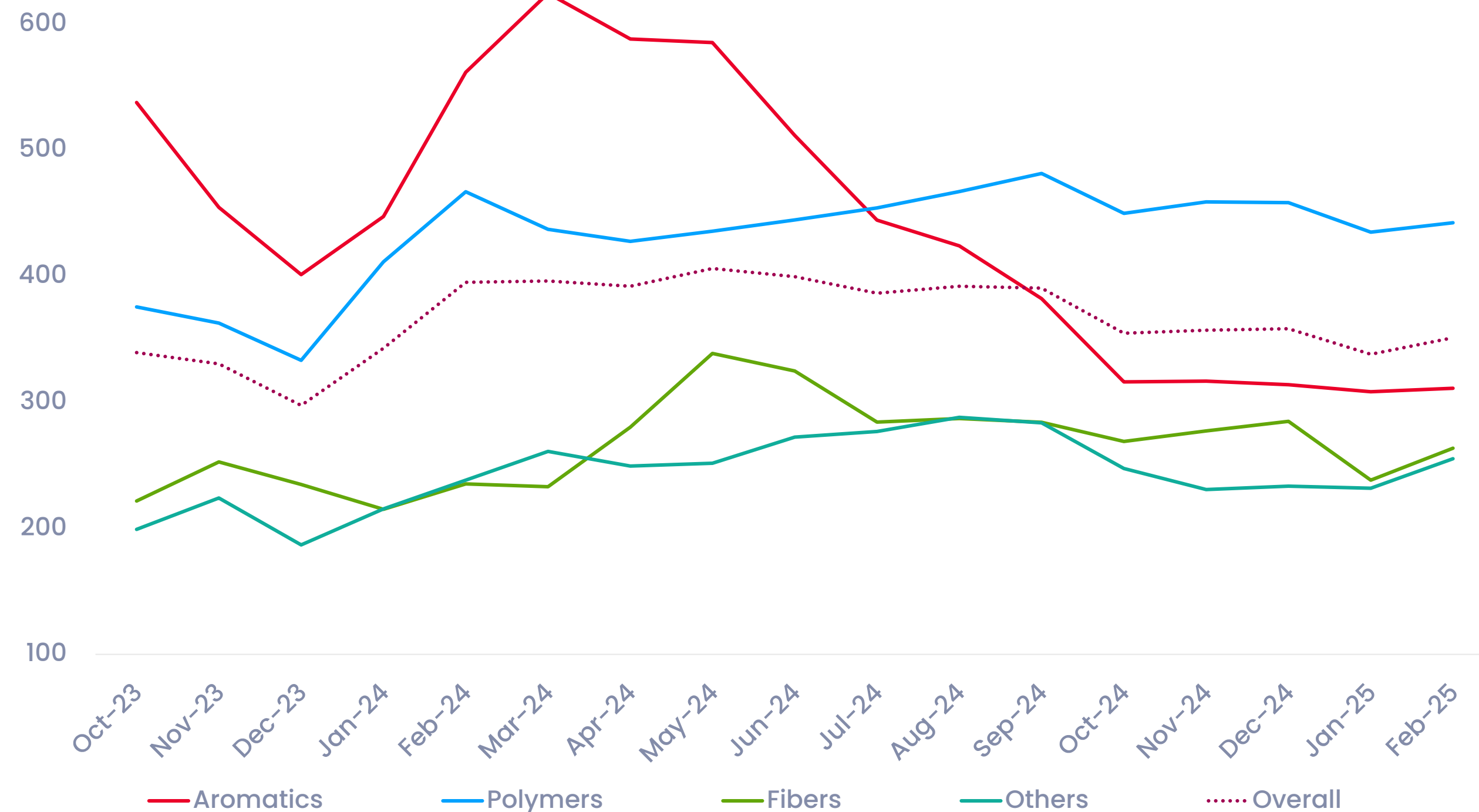
(*) compilation of ethylene, propylene, benzene, toluene, PX, LDPE and PP.



Industry Environment



Product groups spread
(over naphtha CIF MED) USD/MT



Key trends in the industry

- + Demand weakness and oversupply persists
- + Competitiveness of import cargoes
- + Year-end stock management

Margins of integrated producers fell towards lower end of historic range and approached cash cost breakeven

- + PE prices fell to lowest of the year as widening availability of import cargoes tested competitiveness of domestic supply
- + Value based transfer pricing of VCM into PVC retains a thin steady margin at the PVC unit. Profitability of integrated producers stagnated near historic lows first tested 18 months ago
- + Margins for integrated aromatics complexes heavily and reflected weakness in petrochemical markets as reformer margins fell to three years low

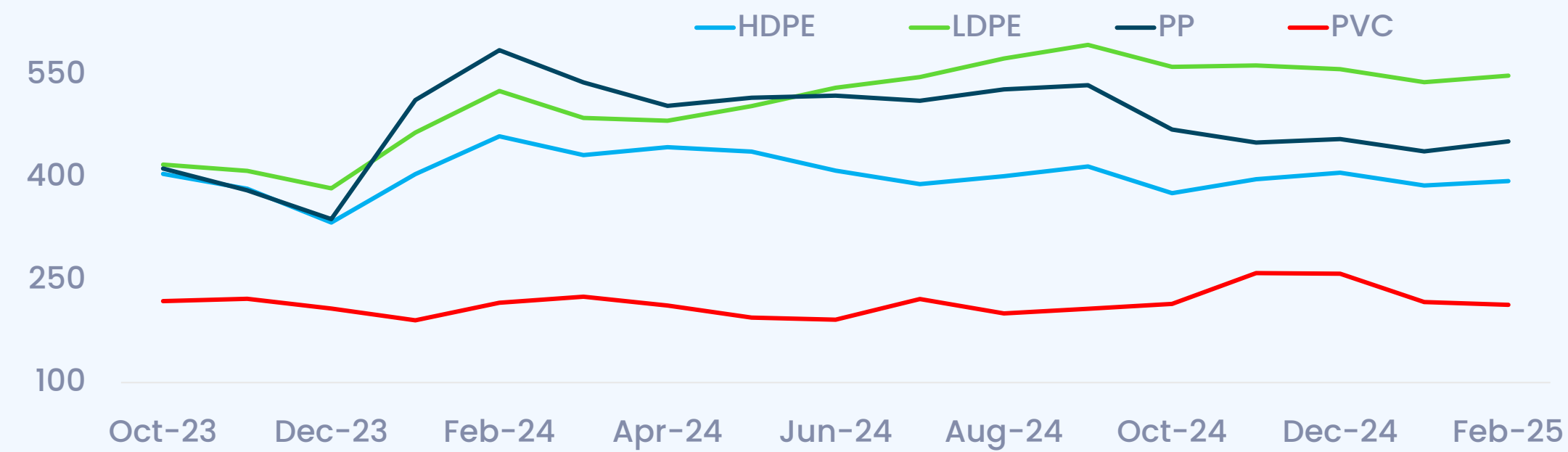


Industry Environment

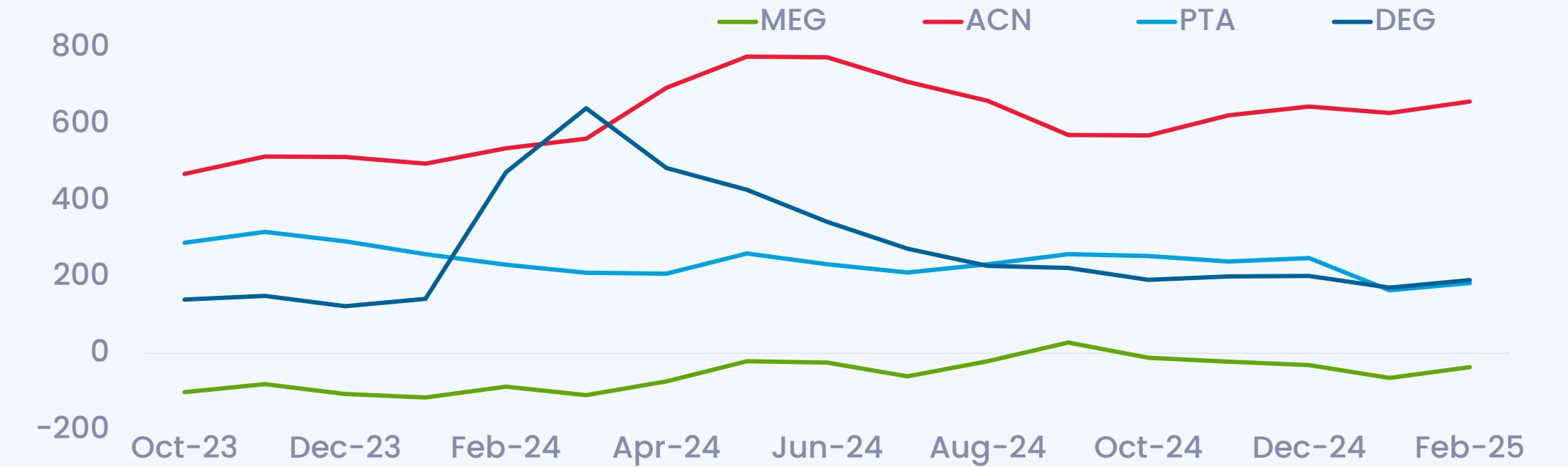


Product groups spread
(over naphtha CIF MED), USD/MT

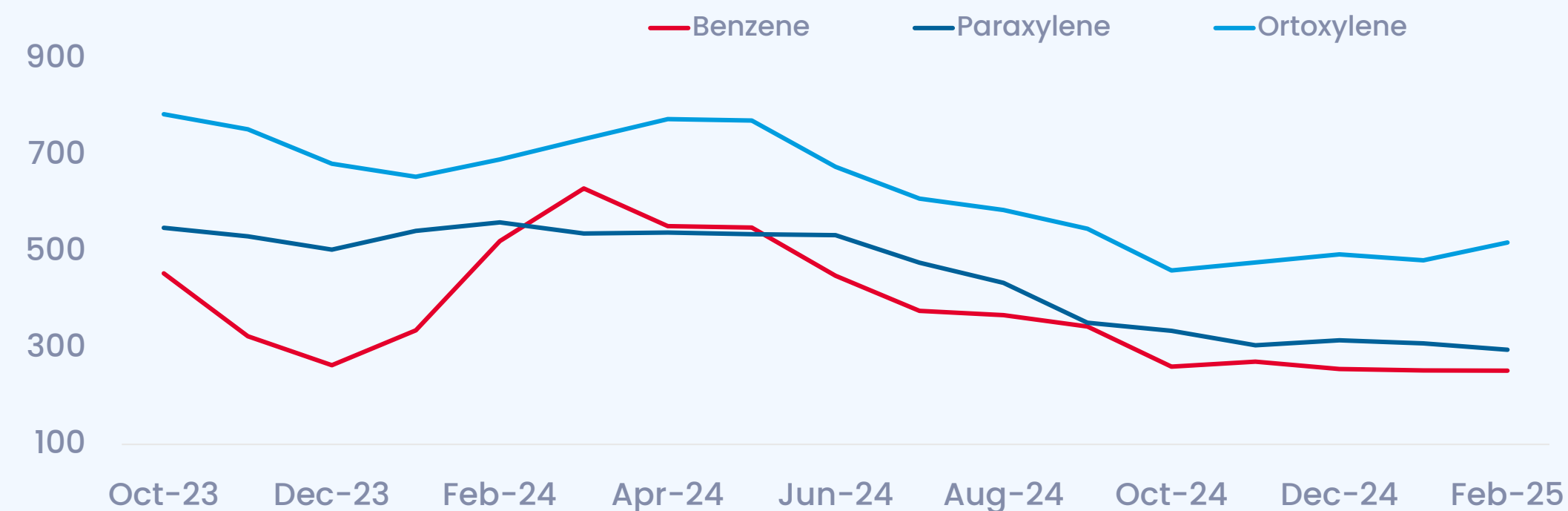
Polymers



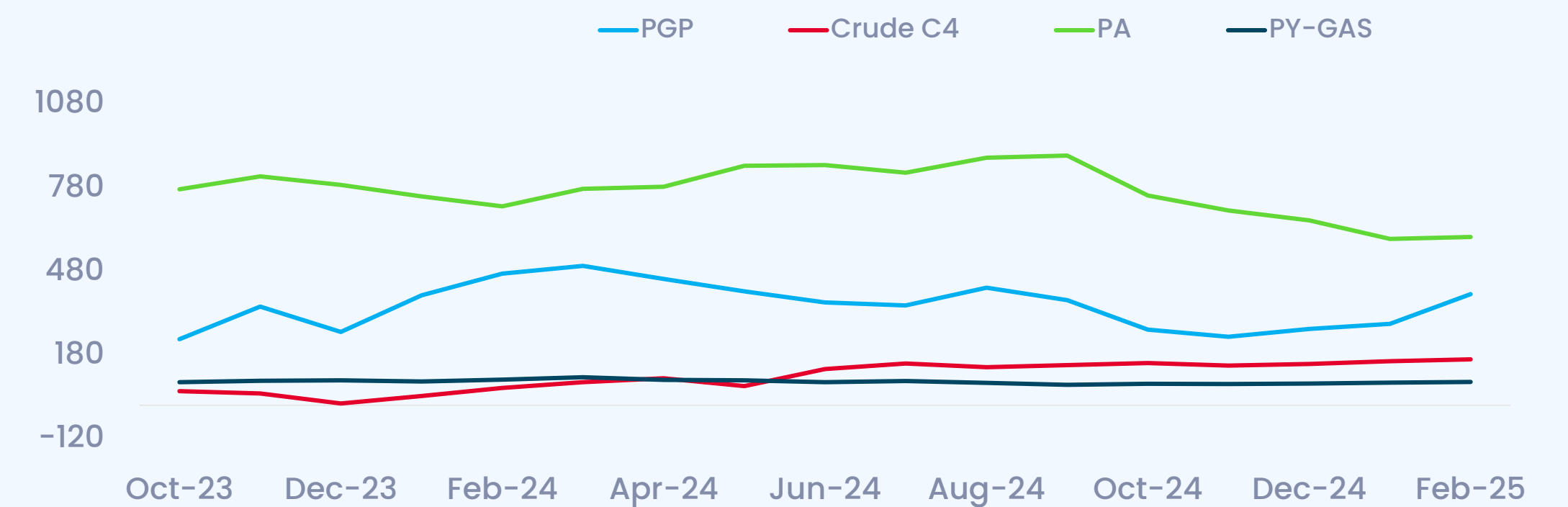
Fibers



Aromatics



Others

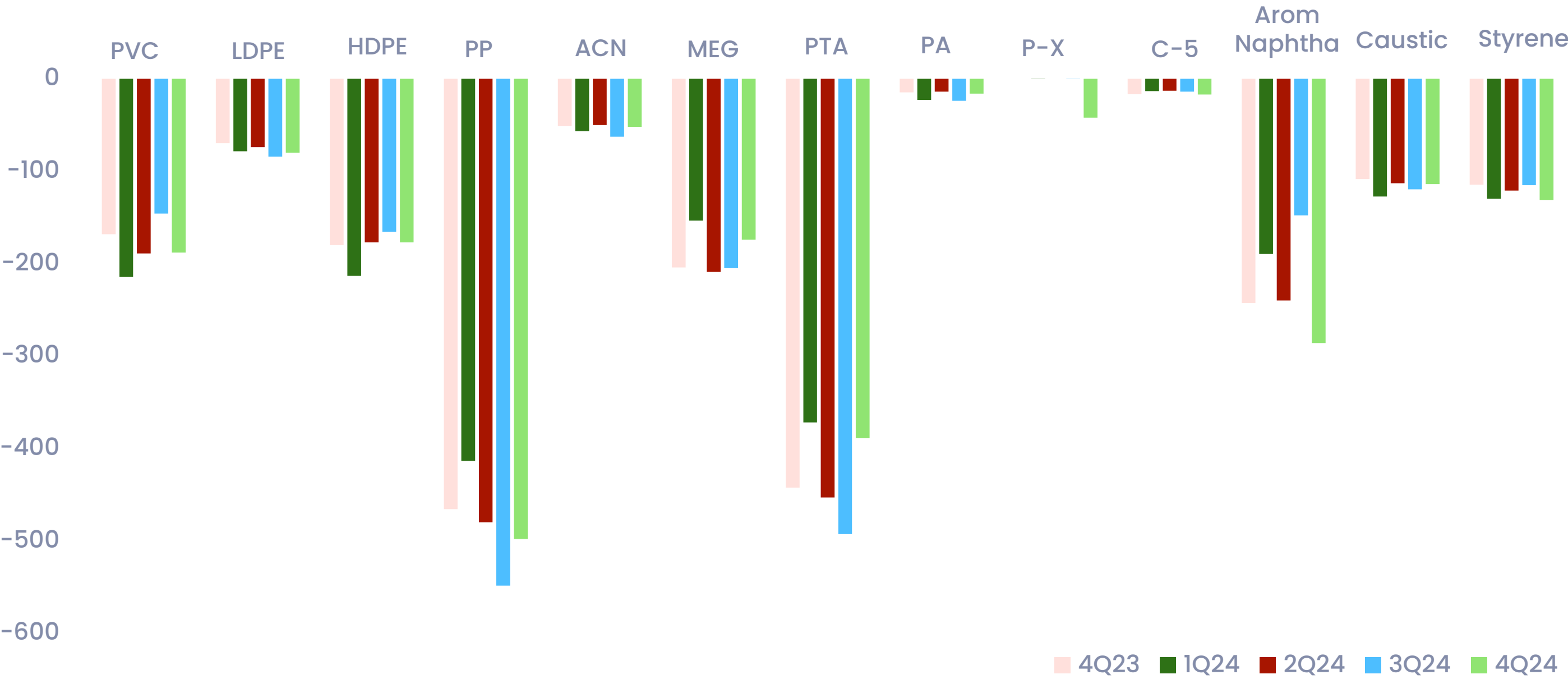


Türkiye's Petrochemical Sector Overview



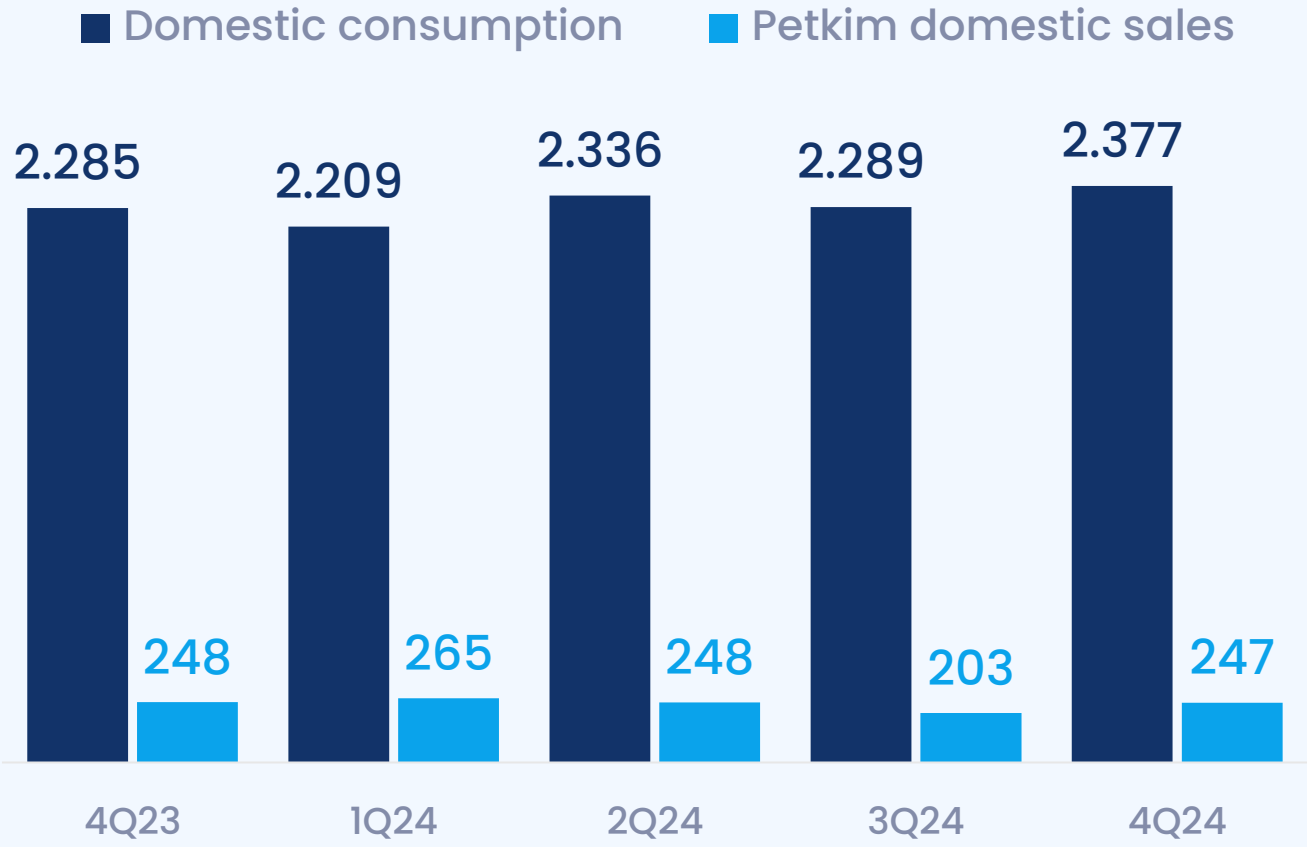
Surplus (k tons)

Türkiye domestic demand is primarily met by imports

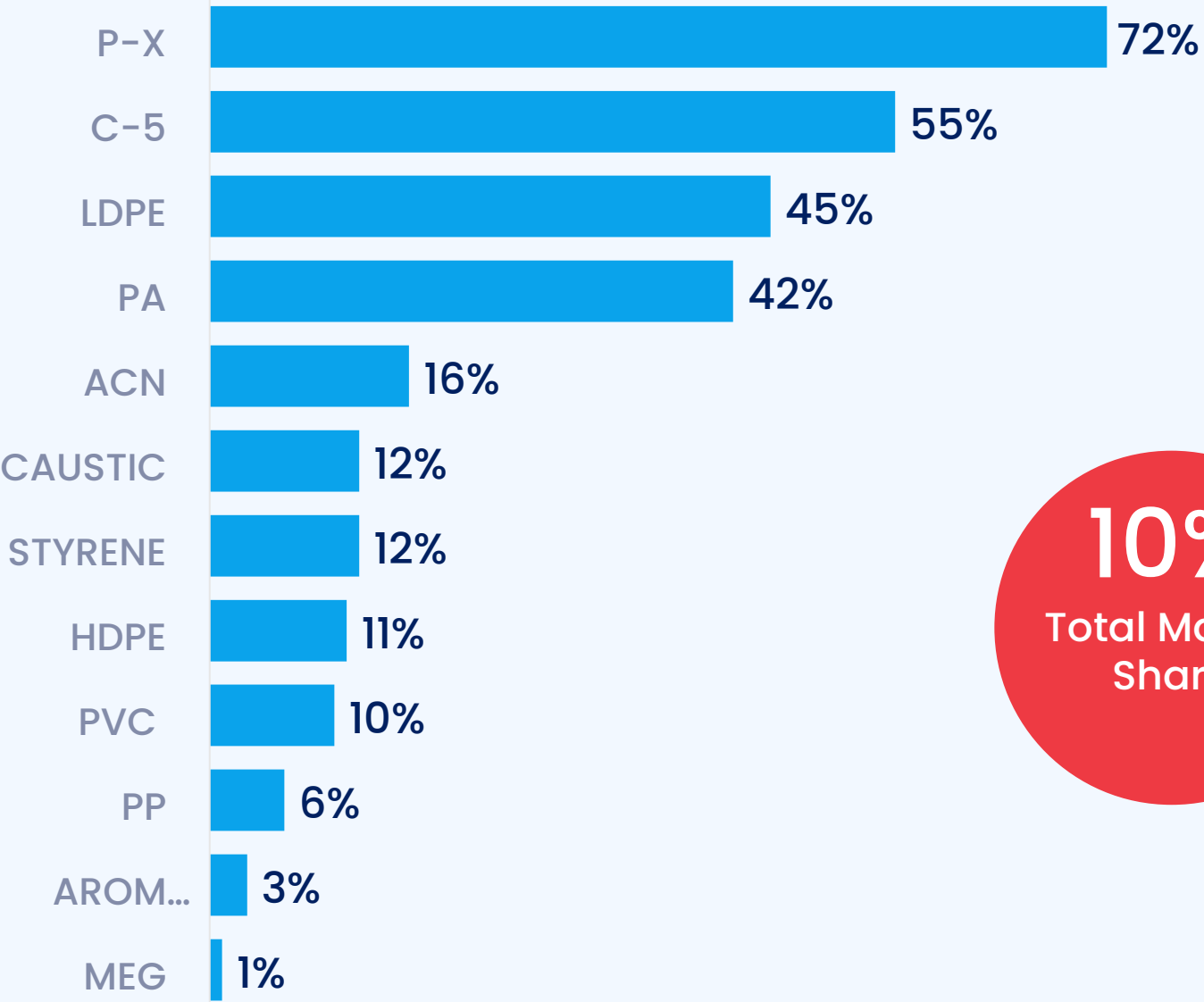


Deficit (k tons)

Petrochemical consumption in Türkiye (k tons)



Products market share (cumulative)



10%
Total Market Share





OPERATING & FINANCIAL RESULTS

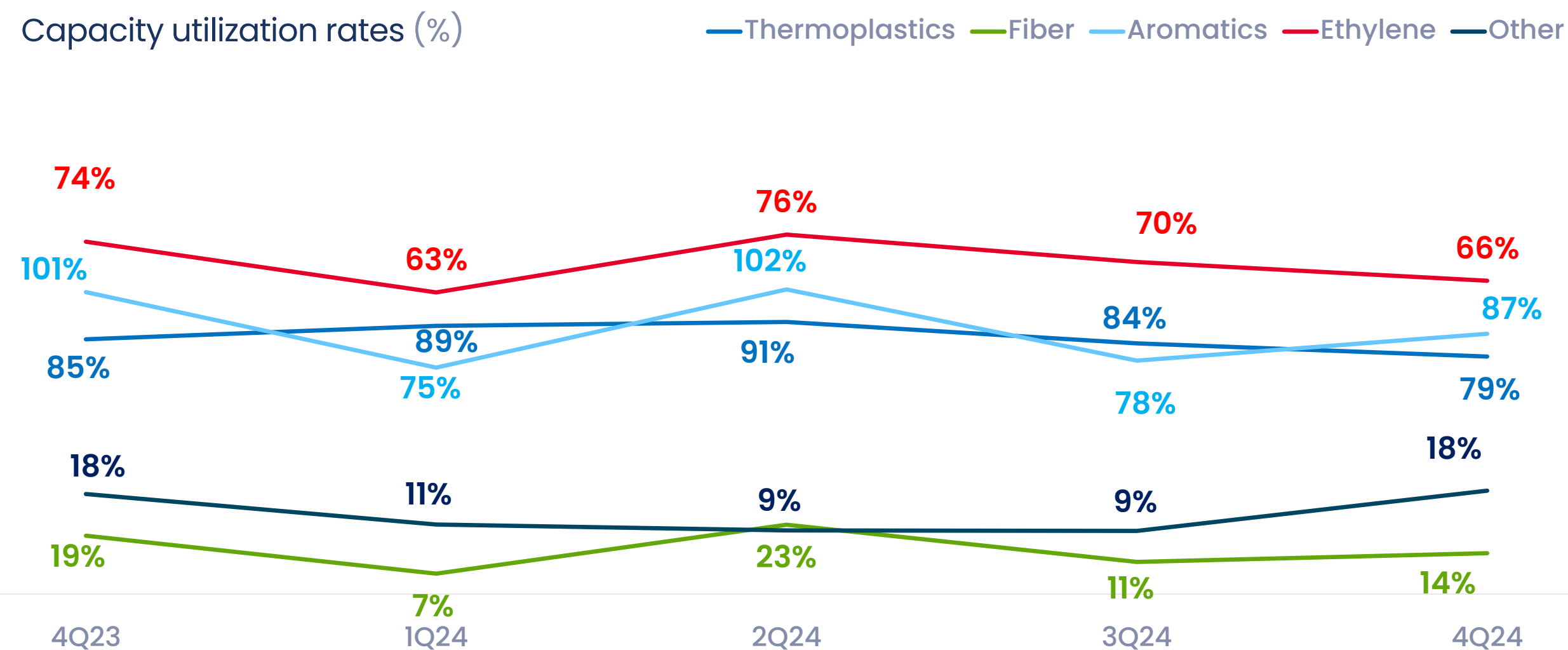


Capacity Utilization & Gross Production

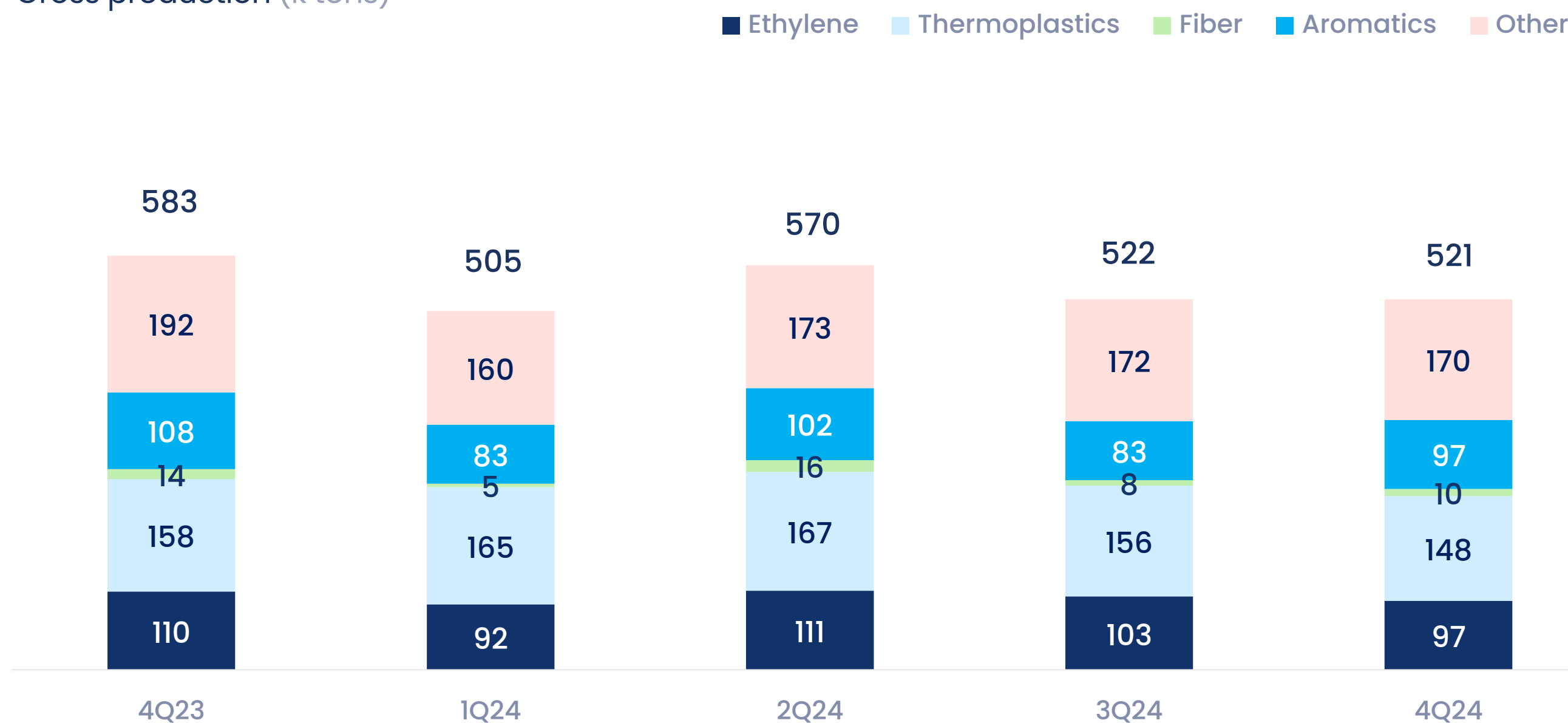
+ Non-economical plants are temporarily shut down or operated at low-capacity levels to optimize costs

+ Petkim generated 521k tons gross production and capacity utilization rate was 58% in 4Q24

Capacity utilization rates (%)



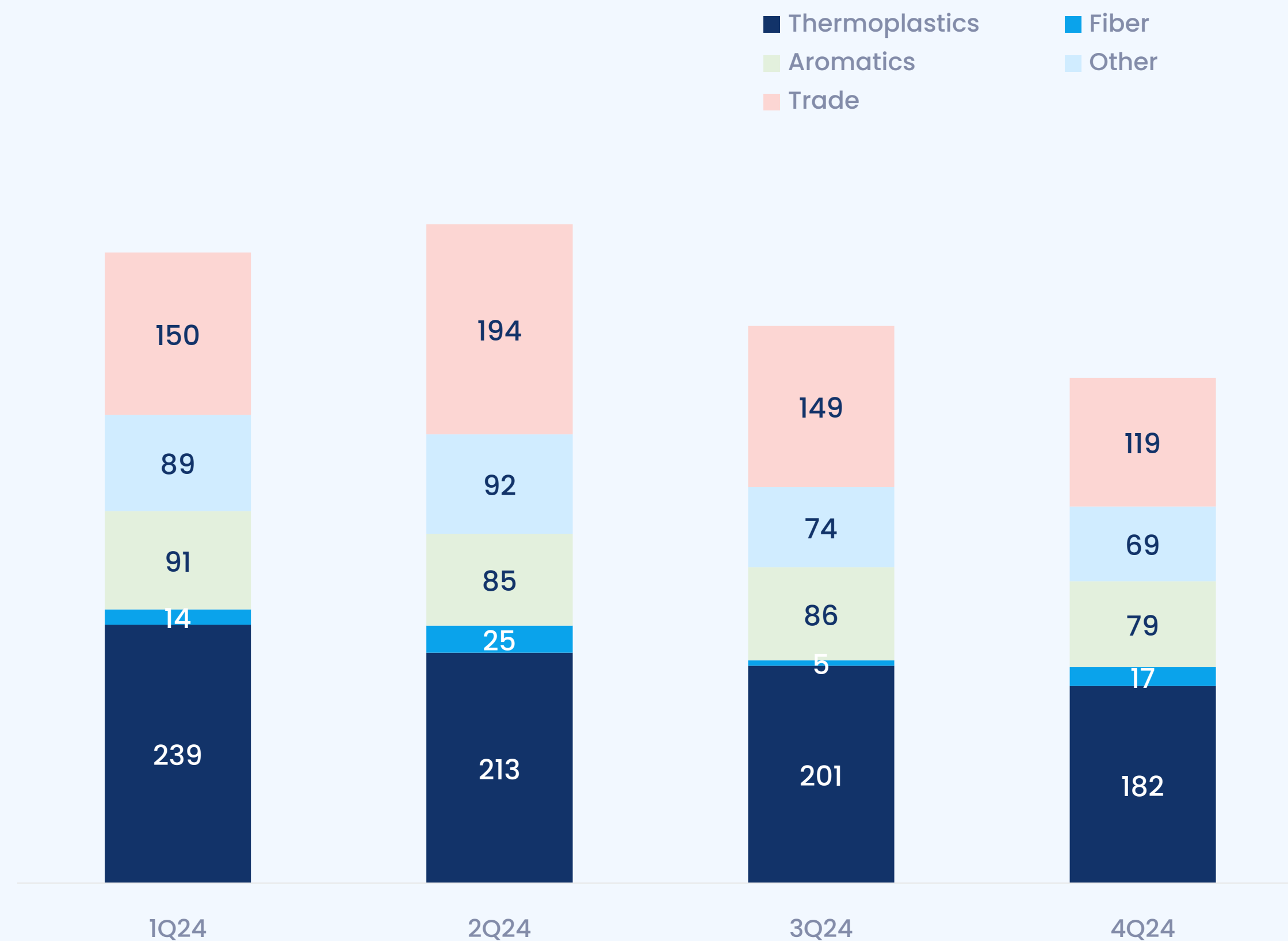
Gross production (k tons)



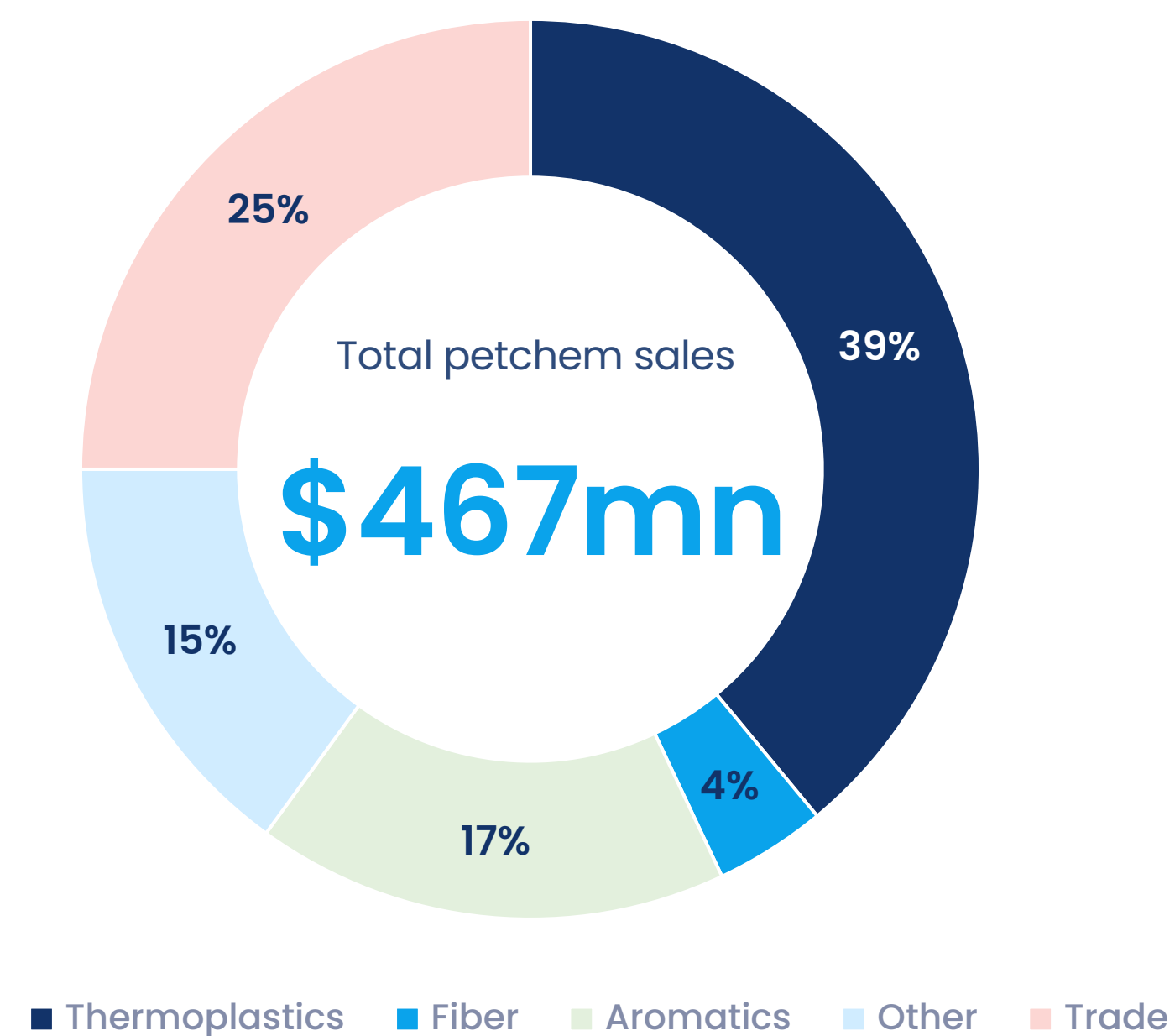


Petrochemical Product Sales

Breakdown of petchem sales (USD mn)



Breakdown by percentage in 4Q24

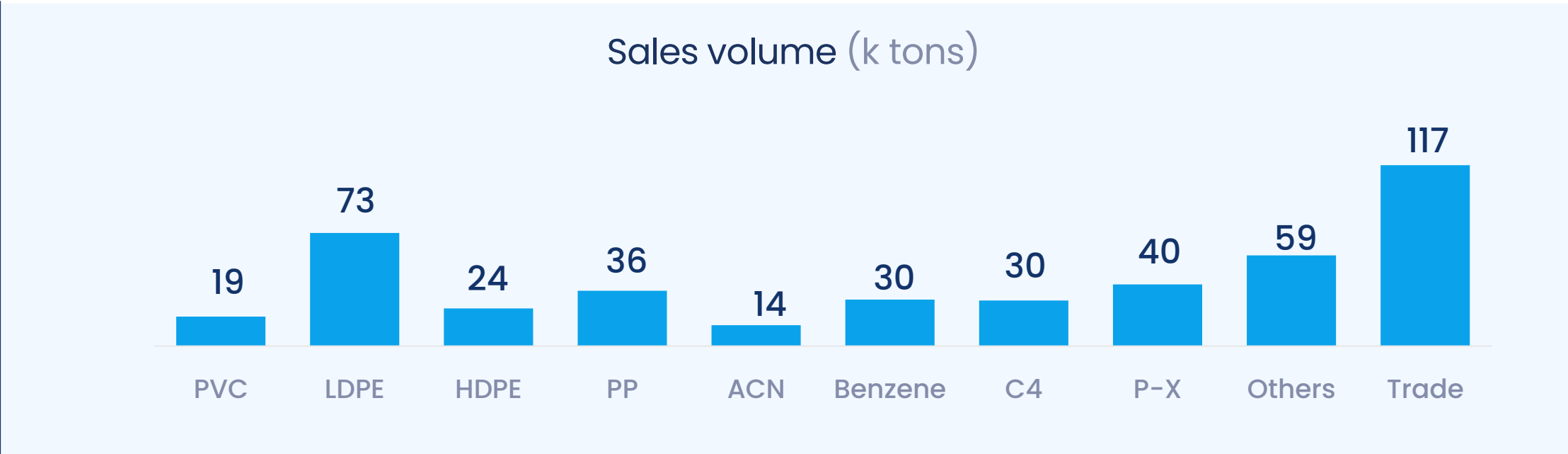


Breakdown of Sales



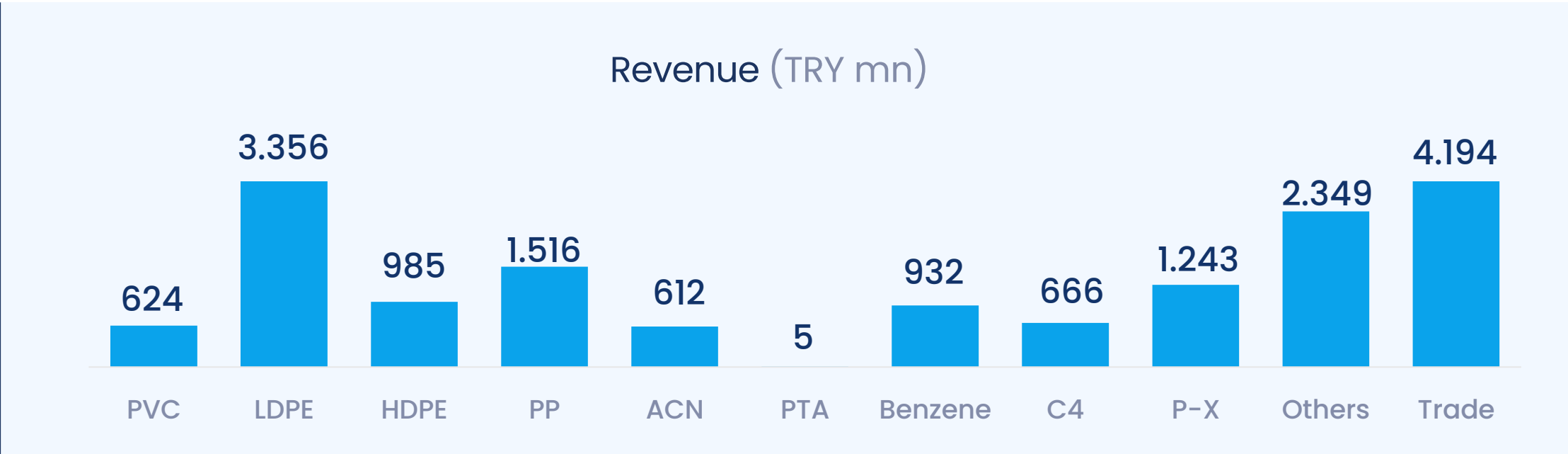
Total volume:

443k tons



Total revenue:

₺16,480mn

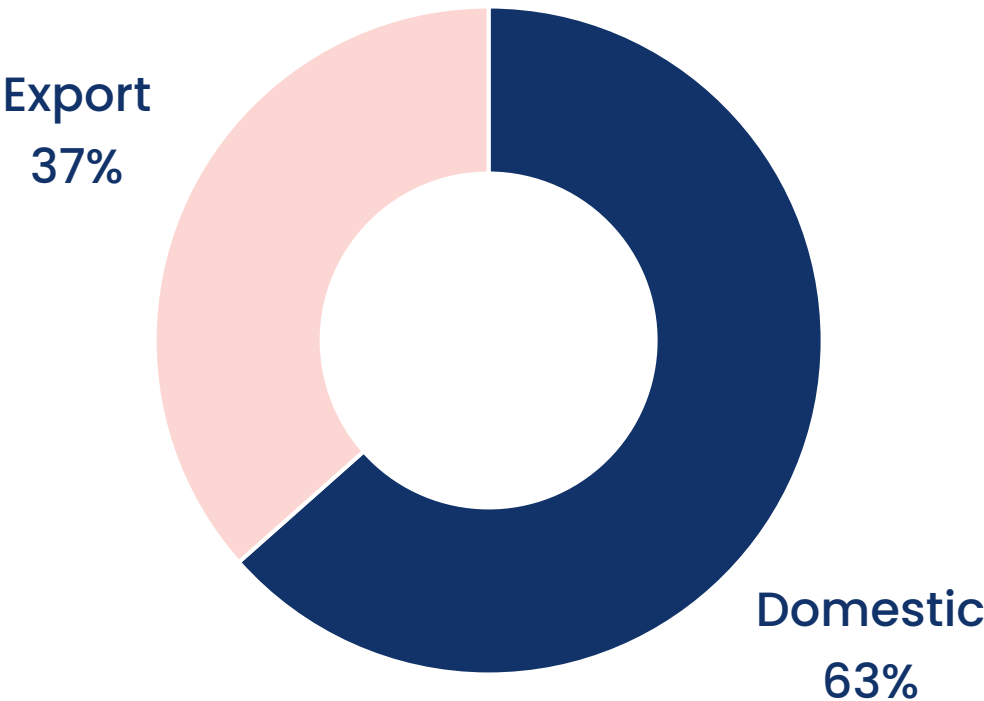


Total export:

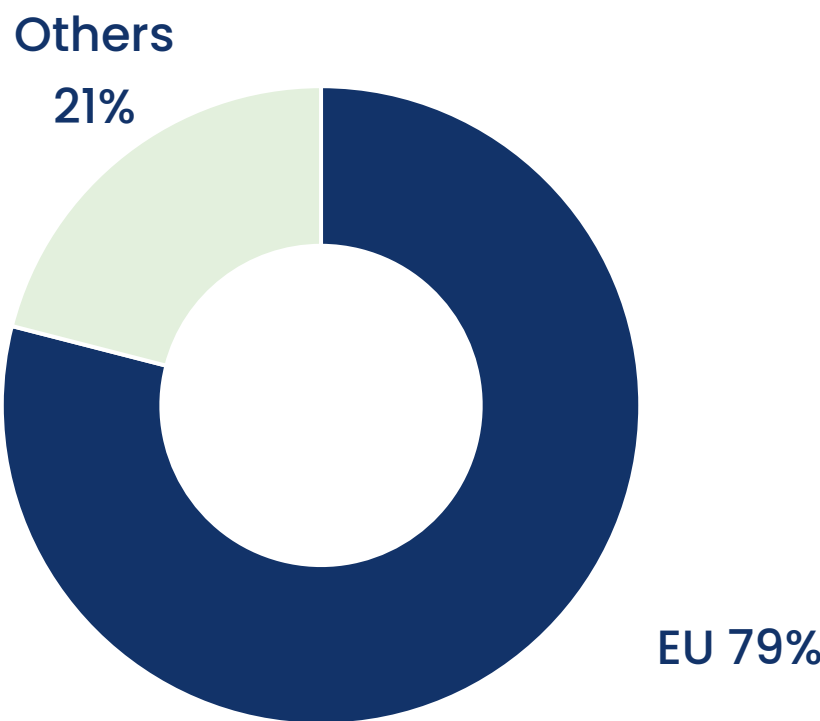
₺6,002mn



Revenue breakdown (%)



Exports breakdown as per region (%)

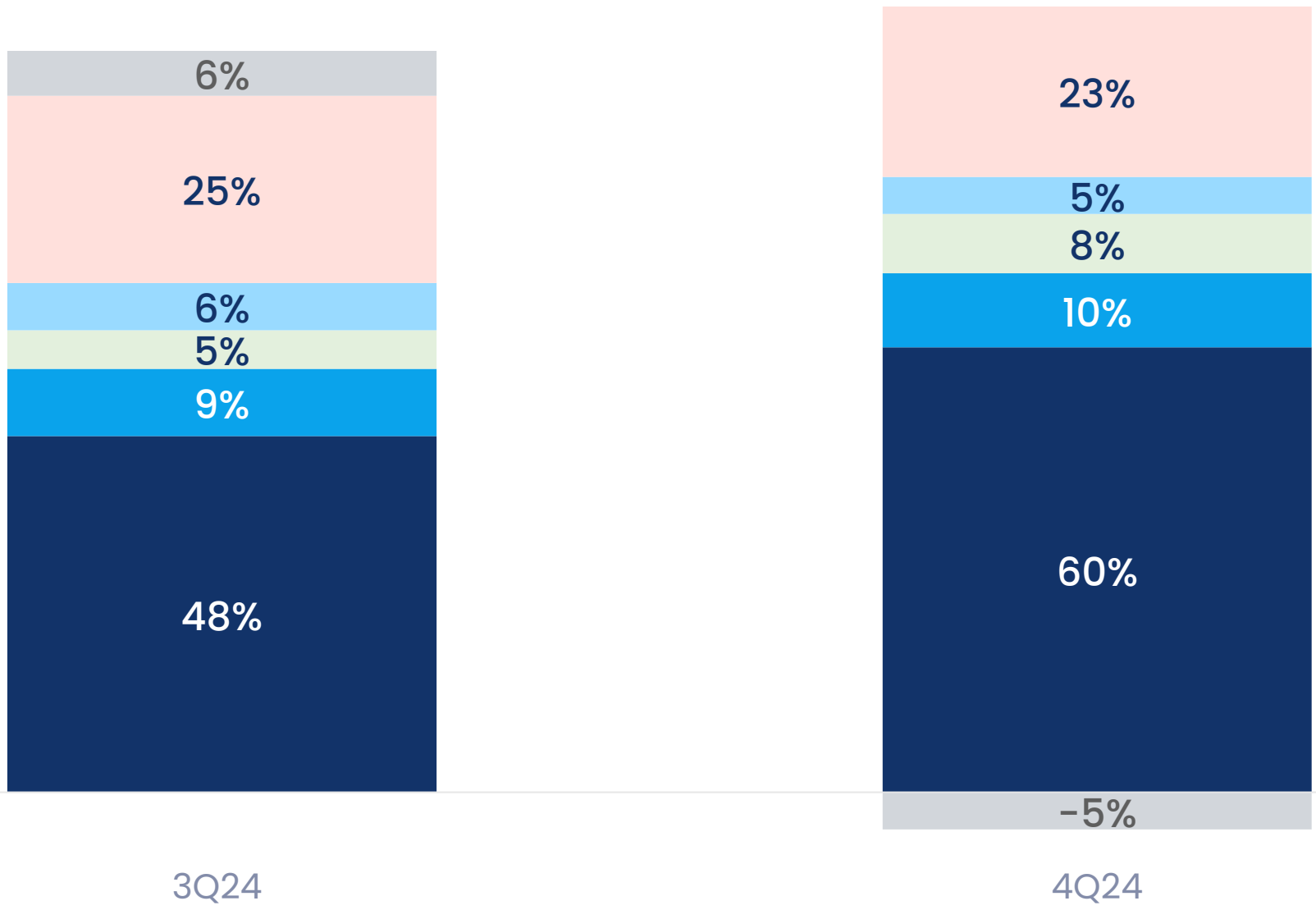




Breakdown of Total COGS

COGS breakdown (%)

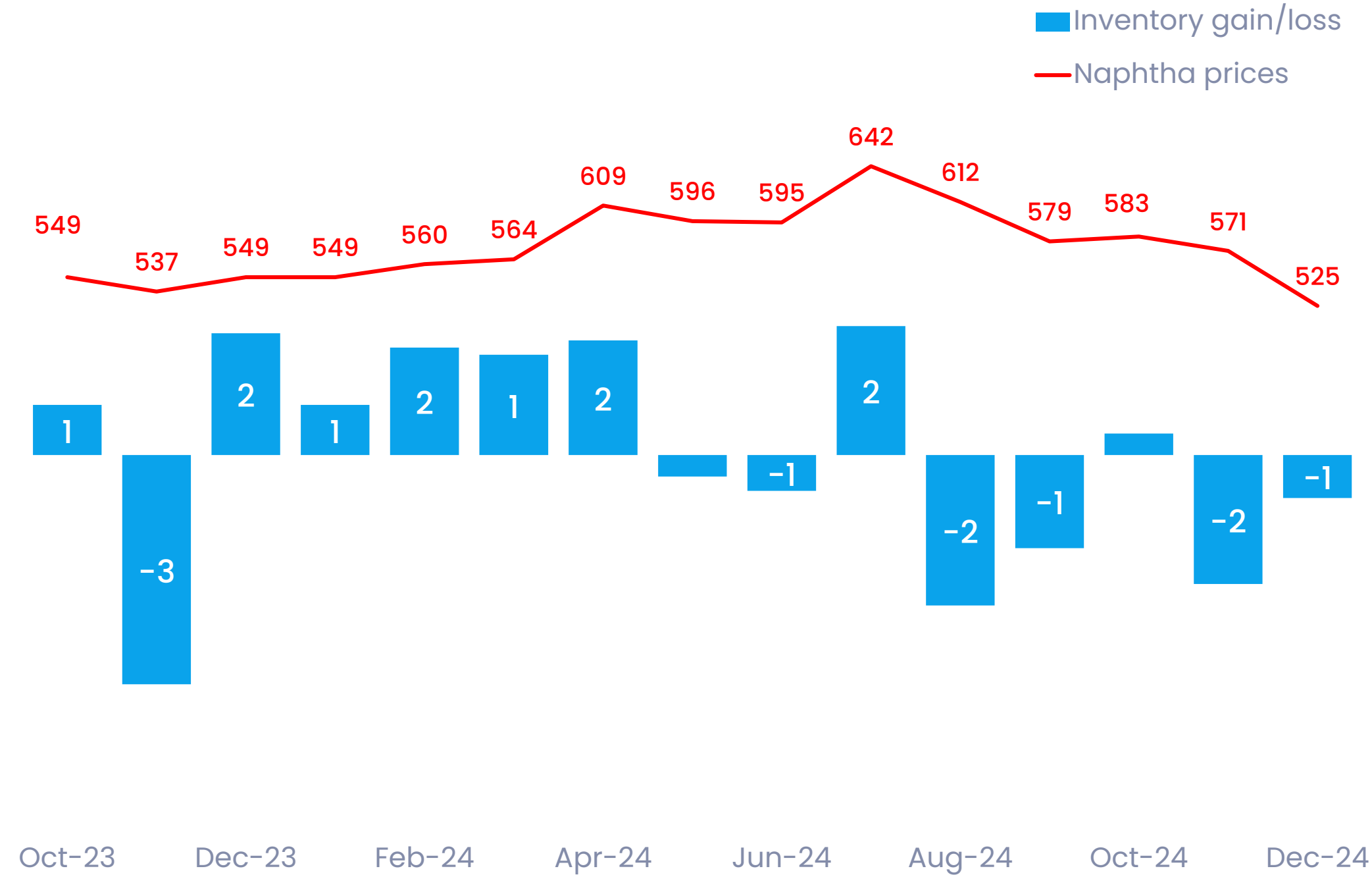
Other Trade Depreciation
Labour costs Energy Raw materials



4Q24
total COGS

₹17,163mn

Inventory gain/loss* (USD mn)



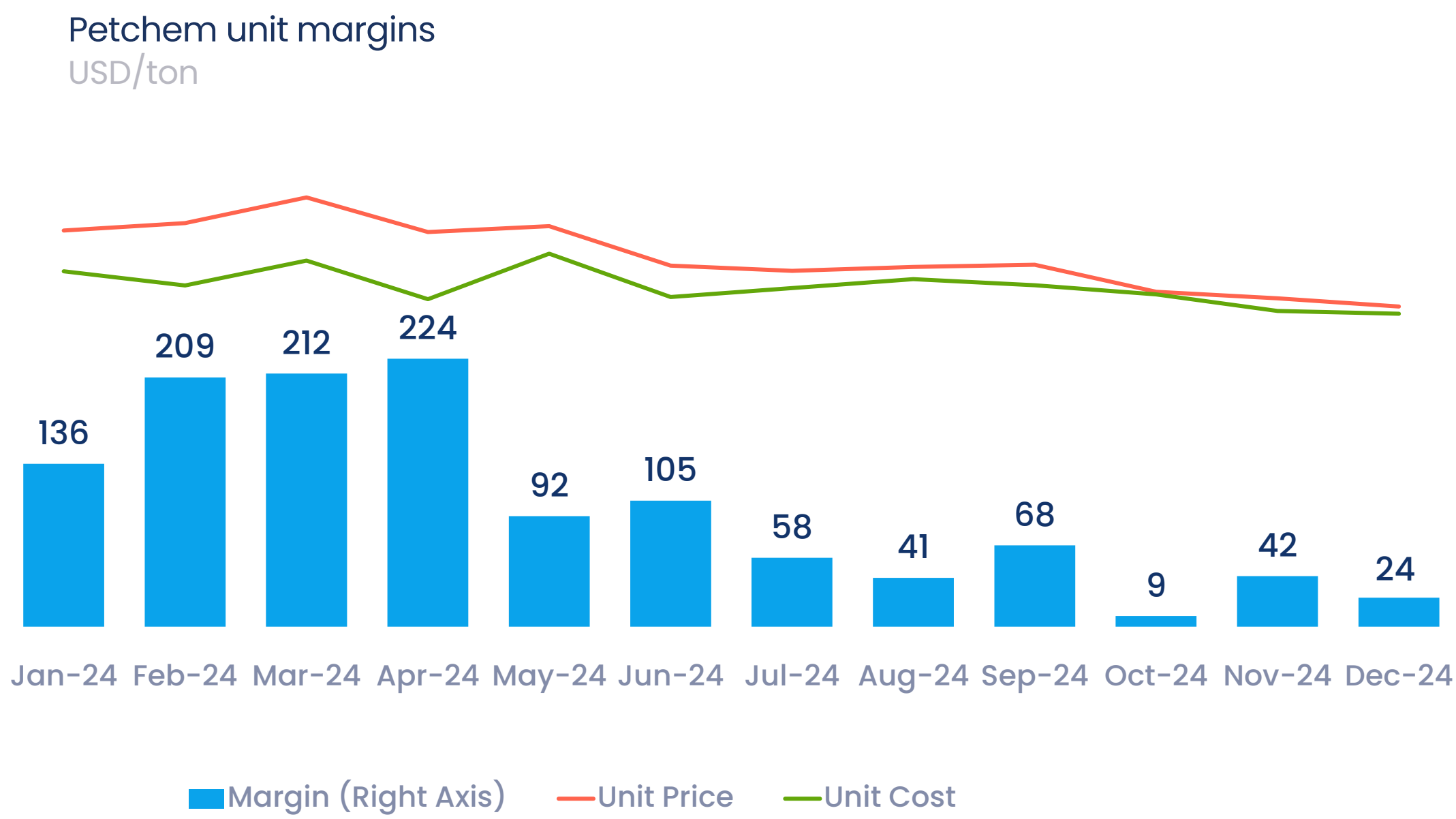
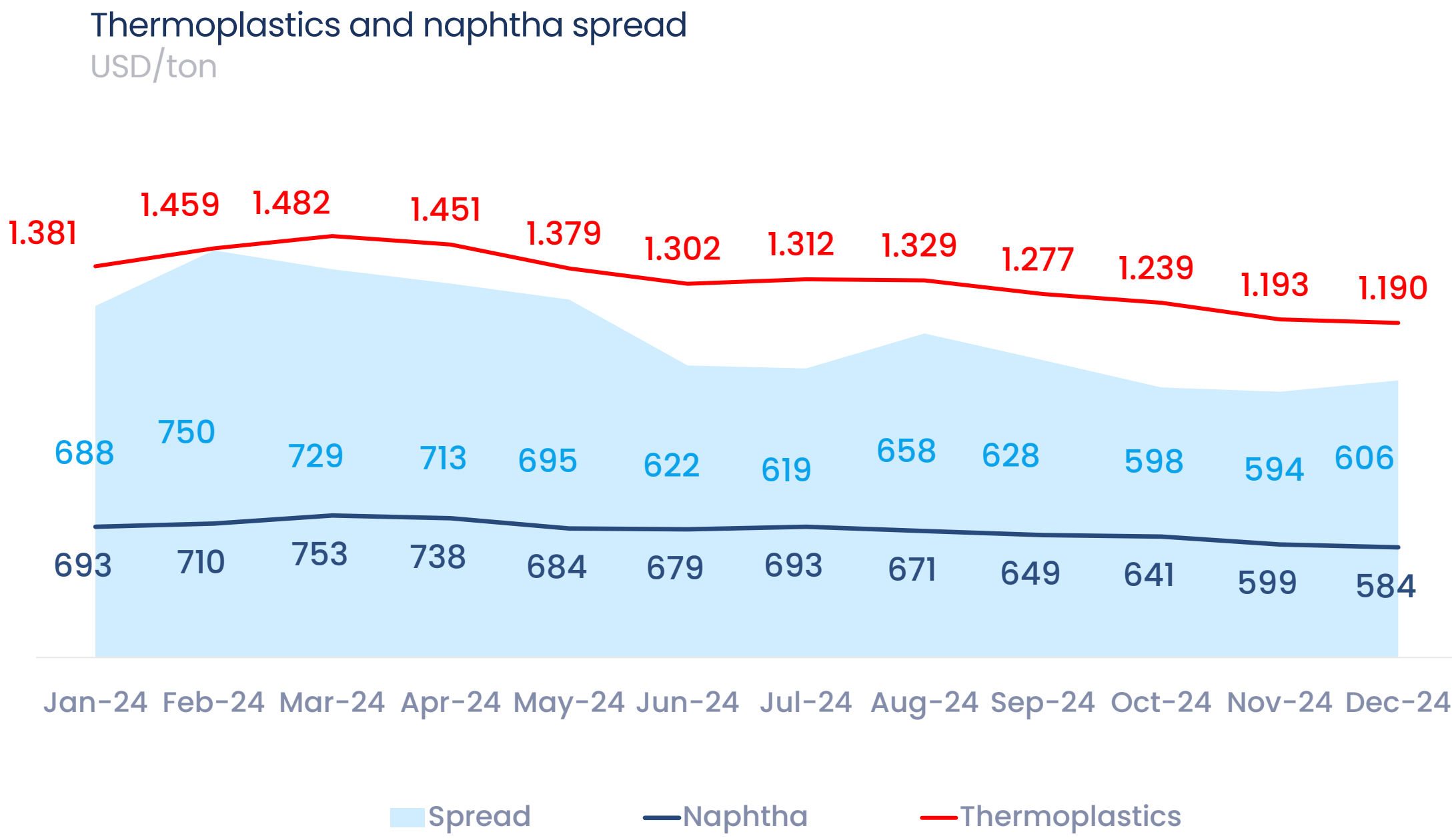
4Q24
inventory loss

\$2mn

*IAS 29 is not applied to this figure.



Feedstock vs. Product Prices of PETKIM

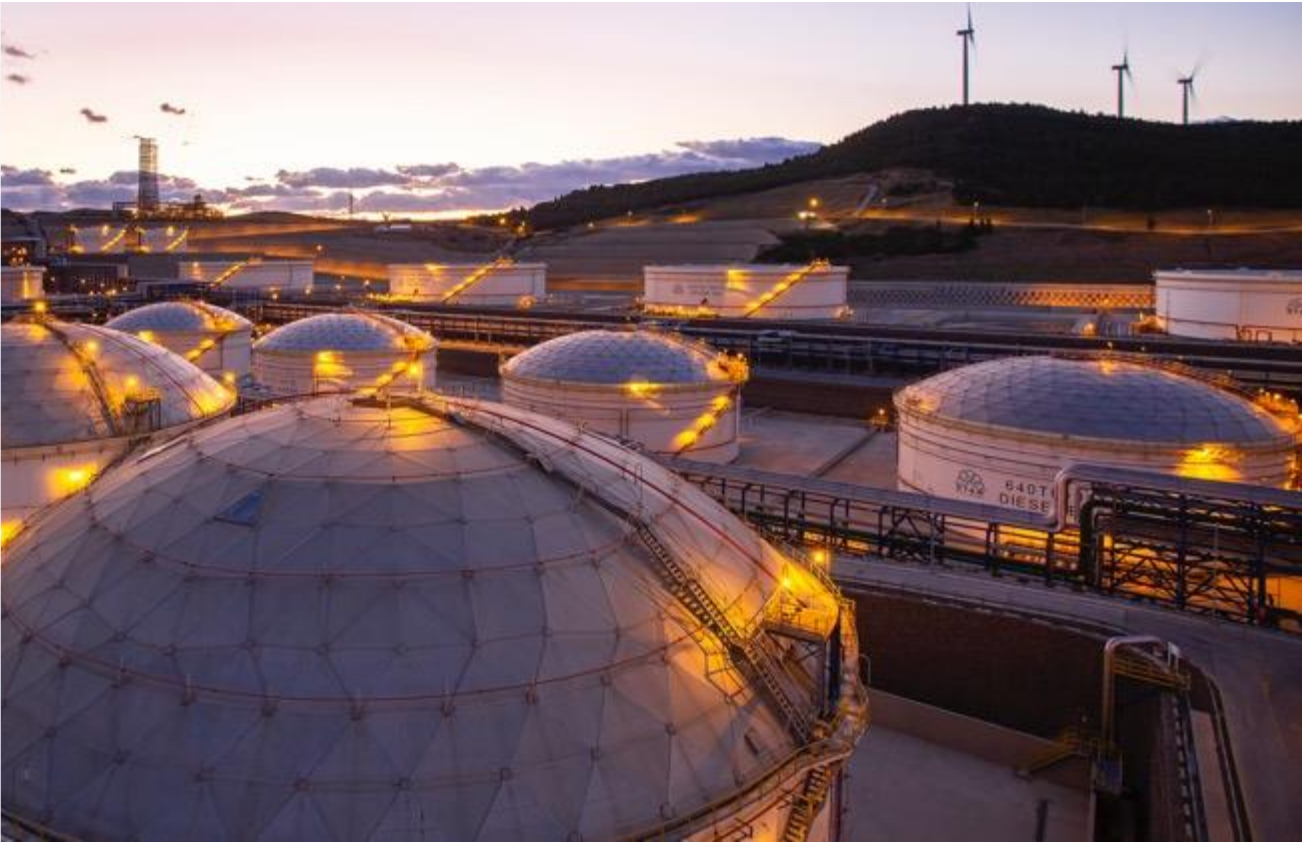


* Excluding trade

+ Petkim continued to leverage its synergy with STAR Refinery, procuring LPG and reformat feedstocks at competitive price

+ The feedstock price advantage has been maintained thanks to its flexibility in naphtha procurement

+ The petrochemical industry's downturn was reflected in Petkim's unit margins





PETKIM 4Q24

Income Statement



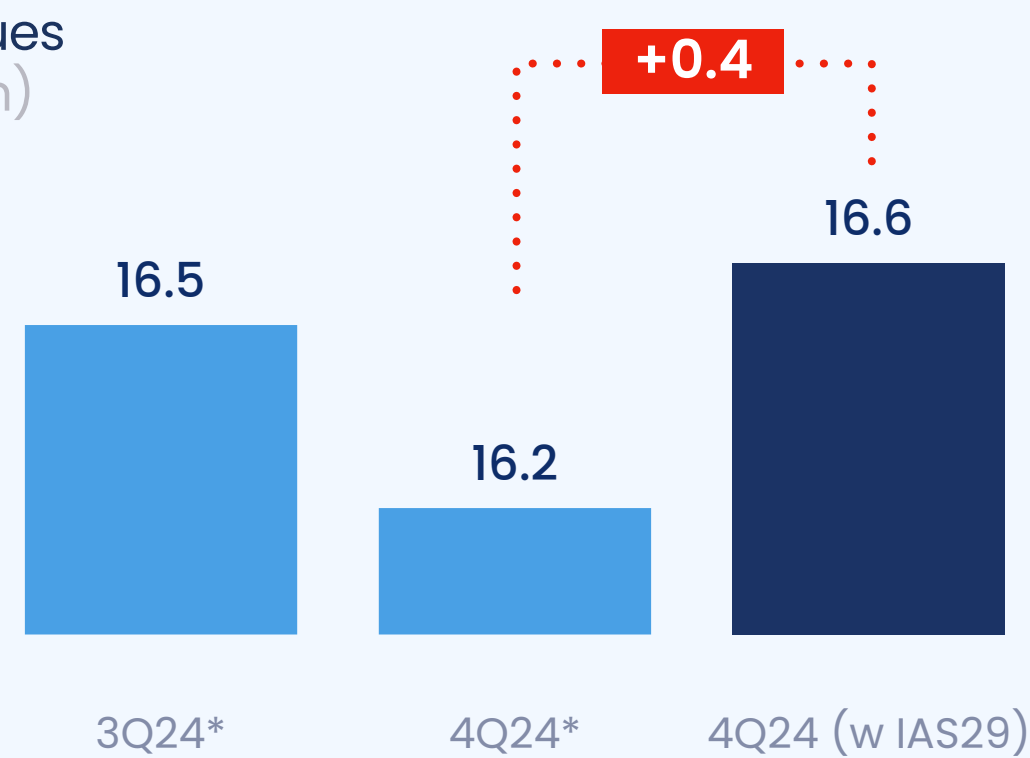
| TRY mn | Q3'24* | Q4'24 | QoQ Δ (%) |
|---------------------------------|----------------|----------------|--------------|
| Sales | 18,299 | 16,639 | (9%) |
| Cost of sales | (19,545) | (17,163) | (12%) |
| Gross profit | (1,246) | (524) | (58%) |
| Gross profit % | (7%) | (3%) | - |
| Marketing and sales expenses | (316) | (381) | 20% |
| General administrative expenses | (709) | (982) | 38% |
| Operating profit | (2,272) | (1,887) | (17%) |
| Other income/ (expenses) | (1,961) | (515) | (74%) |
| Financial income | 532 | 353 | (34%) |
| Financial expenses | (2,518) | (2,212) | (12%) |
| Monetary gain / (loss) | 2,529 | 2,069 | (18%) |
| Profit before tax | (3,690) | (2,192) | (41%) |
| Income tax | - | (25) | - |
| Deferred tax | 482 | (4,476) | (1028%) |
| Net profit / (loss) | (3,208) | (6,694) | 109% |
| Net profit % | (18%) | (40%) | - |
| Other | - | 4,911 | - |
| Depreciation | 1,382 | 1,015 | (27%) |
| EBITDA | (609) | (738) | 21% |
| EBITDA % | (3%) | (4%) | - |

*Indexed to purchasing power as of the end of December 2024.

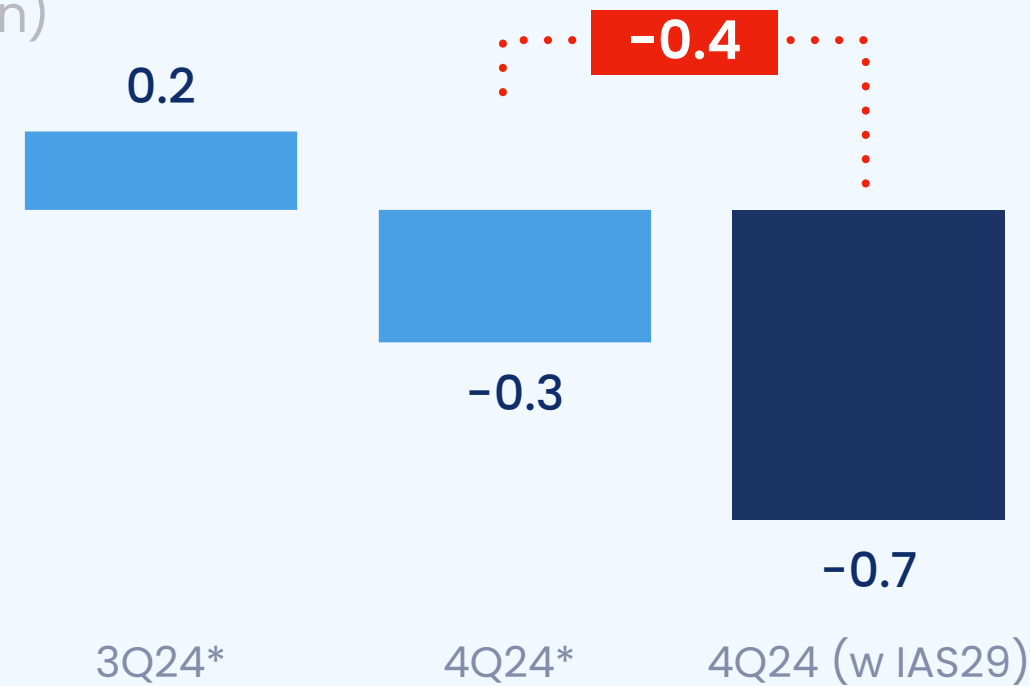


Impact of Inflation Accounting on Income Statement

Revenues
(TRY bn)

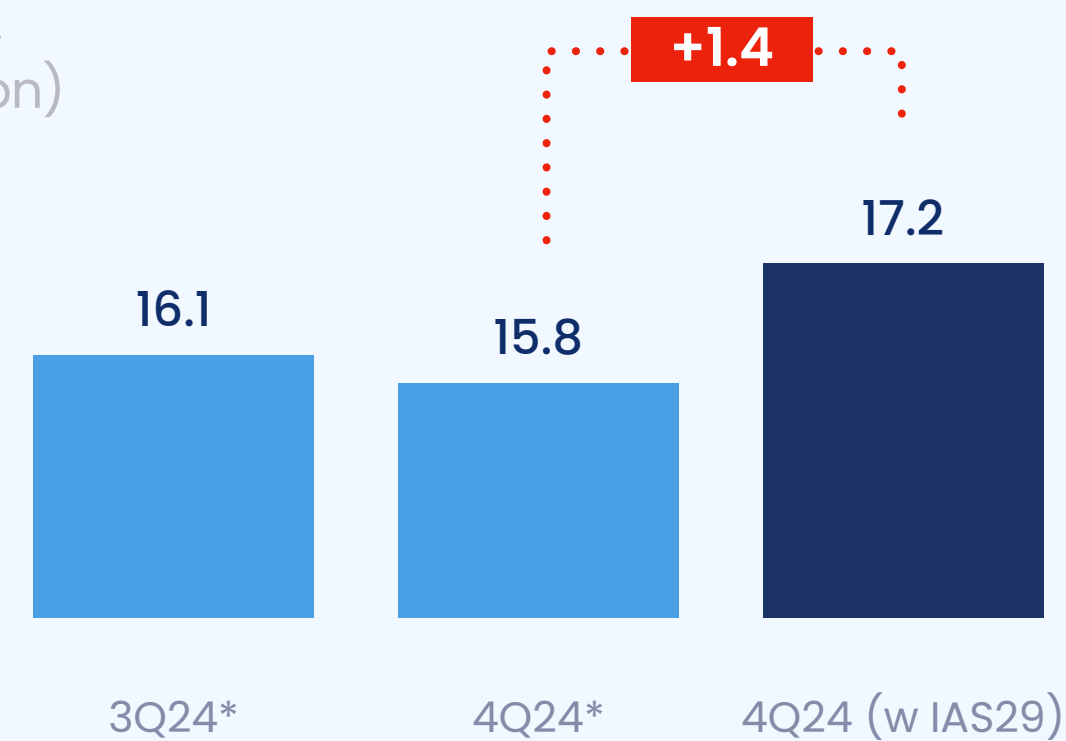


EBITDA
(TRY bn)



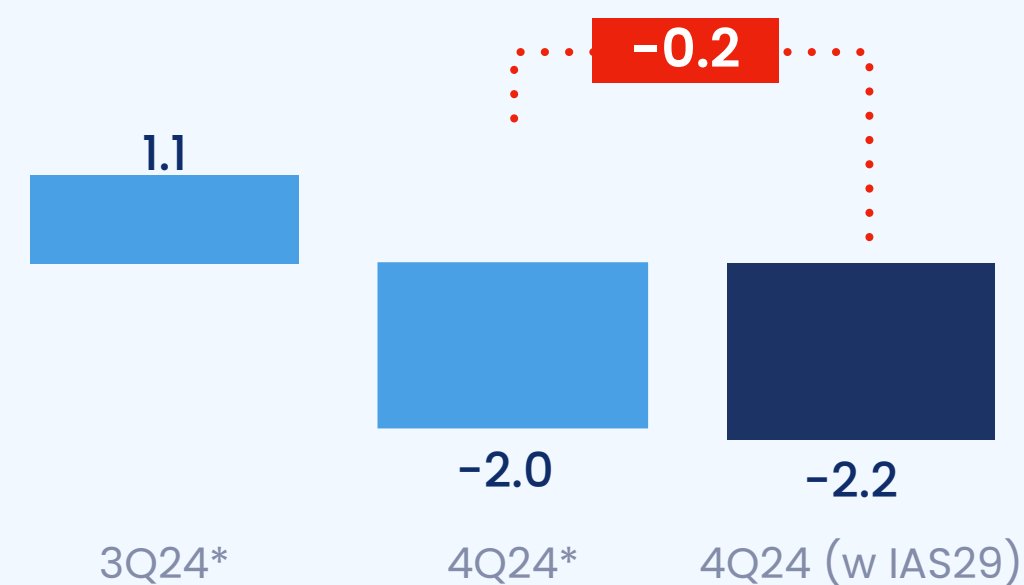
-Δ TRY92mn OPEX

COGS
(TRY bn)



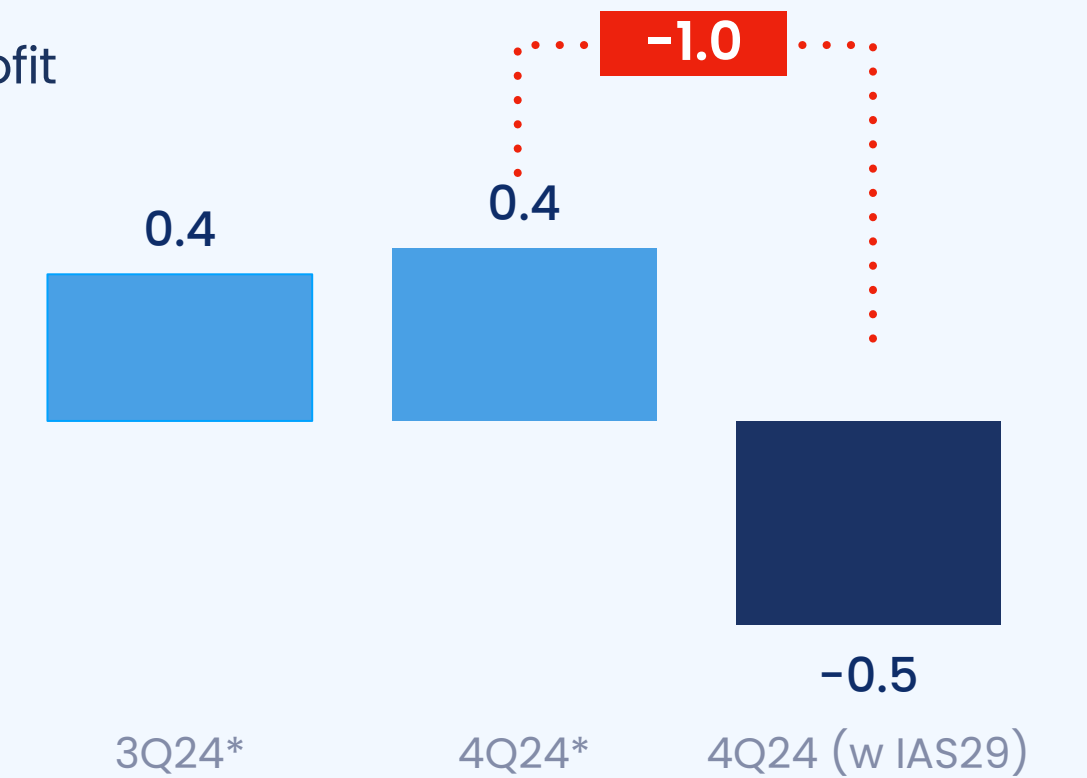
-Δ TRY497mn depreciation

Profit Before Tax
(TRY bn)

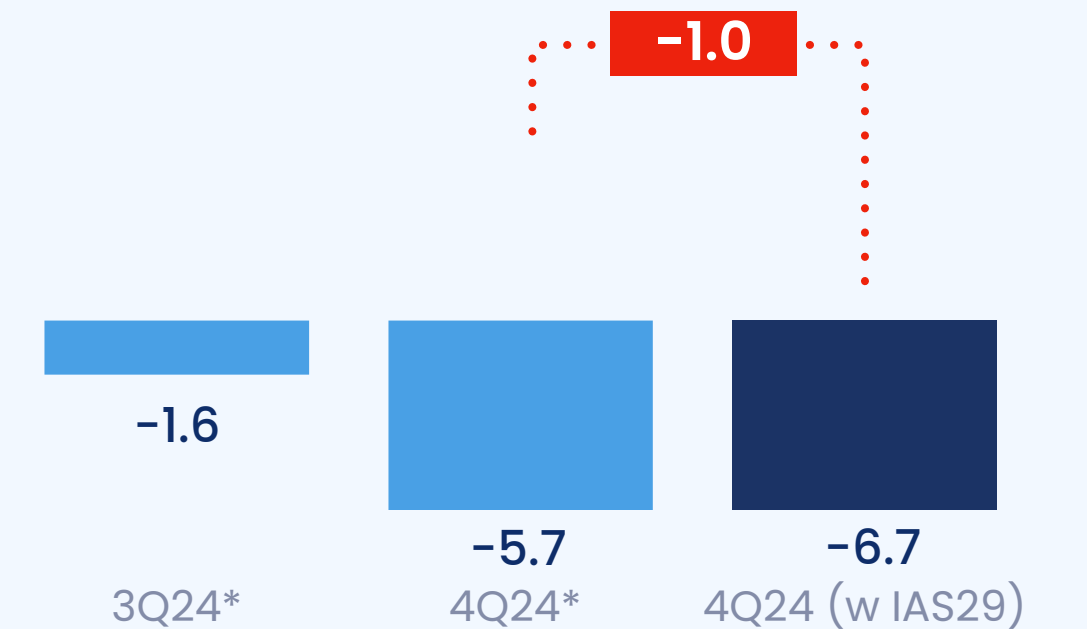


+Δ TRY2.1bn monetary gain
-Δ TRY1.1bn net income from investment activities

Gross Profit
(TRY bn)



Net Profit
(TRY bn)



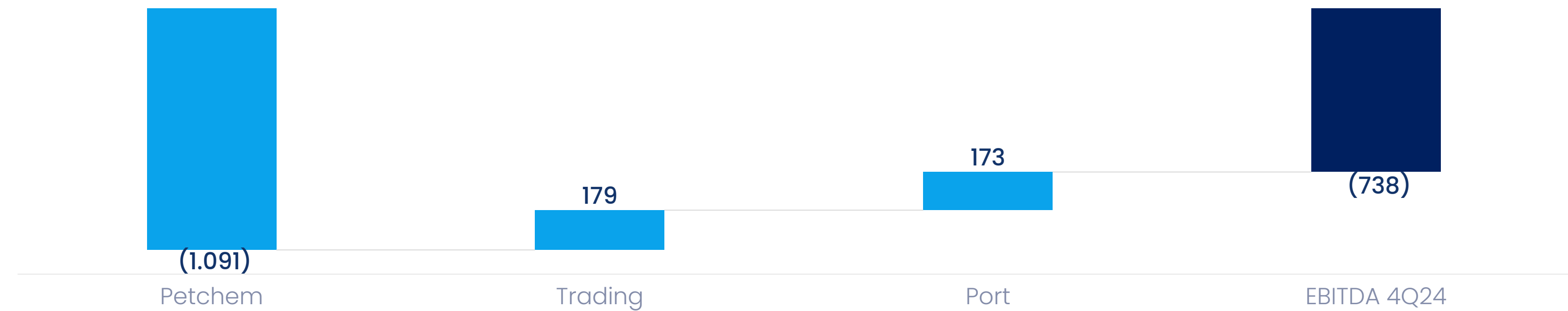
-Δ TRY822mn deferred tax

*IAS 29 is not applied to these figures.

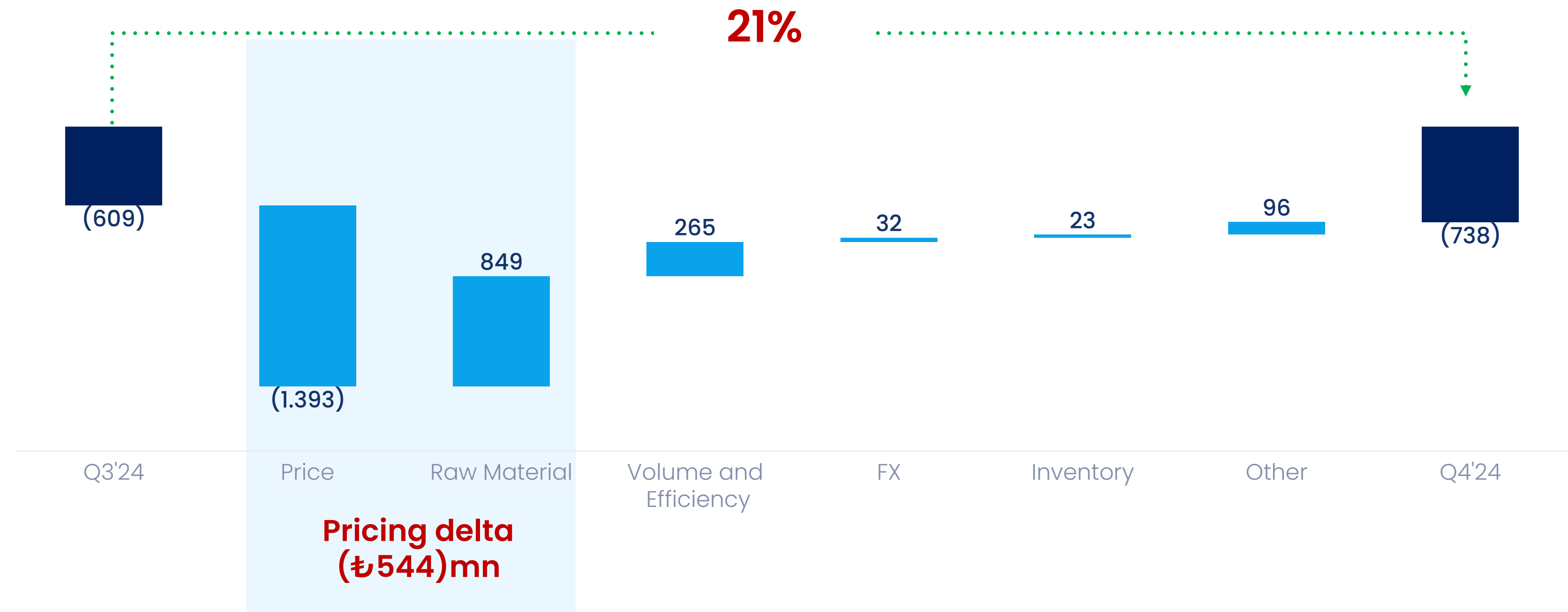


EBITDA decreased mainly due to **negative pricing delta**

Q424
segments'
results
(TRY mn)



Quarterly
change in
EBITDA
(TRY mn)





PETKIM 12M24

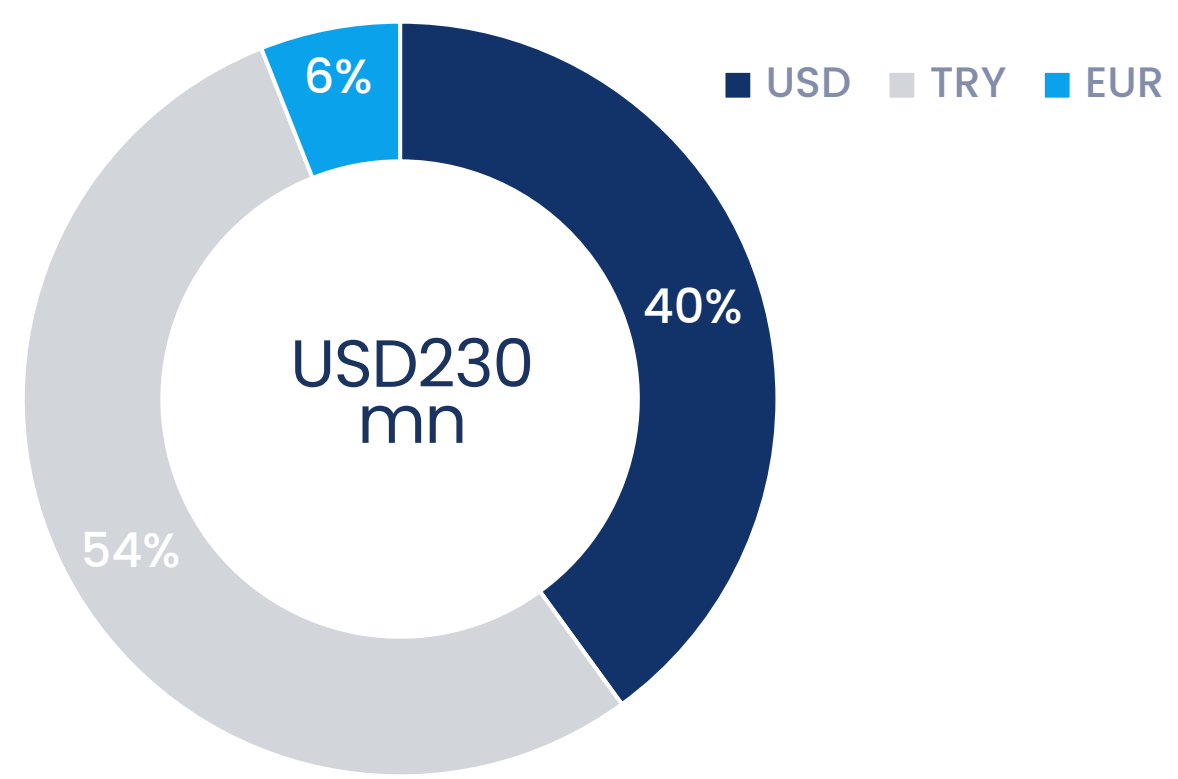
Balance Sheet

As values of non-monetary assets and liabilities are indexed to inflation, the largest impact was realized on inventories, fixed assets, right of use assets, share capital and retained earnings

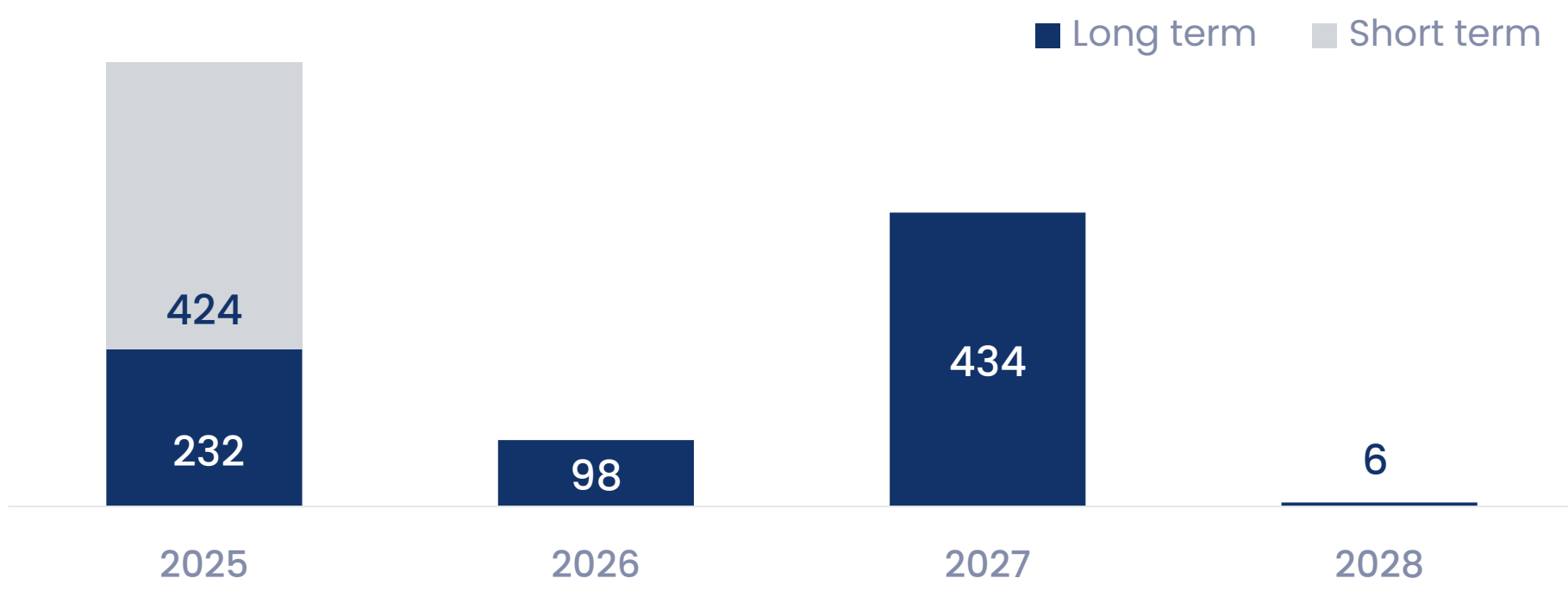
| TRY mn | 9M'24* | 12M'24 | QoQ Δ (%) |
|-------------------------------|----------------|----------------|--------------|
| Cash and cash equivalents | 3,373 | 8,169 | 142% |
| Trade receivable | 9,354 | 8,375 | (10%) |
| Inventory | 9,192 | 7,435 | (19%) |
| Other receivables | 13 | 35 | 170% |
| Other current assets | 3,462 | 3,118 | (10%) |
| Current assets | 25,394 | 27,132 | 7% |
| Non current assets | 100,962 | 97,420 | (4%) |
| Total assets | 126,357 | 124,553 | (1%) |
| Short term borrowings | 25,388 | 24,875 | (2%) |
| Trade payables | 10,590 | 13,487 | 27% |
| Other payables | 2,464 | 2,289 | (7%) |
| Current liabilities | 38,442 | 40,650 | 6% |
| Long term borrowings | 16,846 | 19,497 | 16% |
| Other non-current liabilities | 4,881 | 6,082 | 25% |
| Shareholders' equity | 66,188 | 58,324 | (12%) |
| Total liabilities | 126,357 | 124,553 | (1%) |

*Indexed to purchasing power as of the end of December 2024.

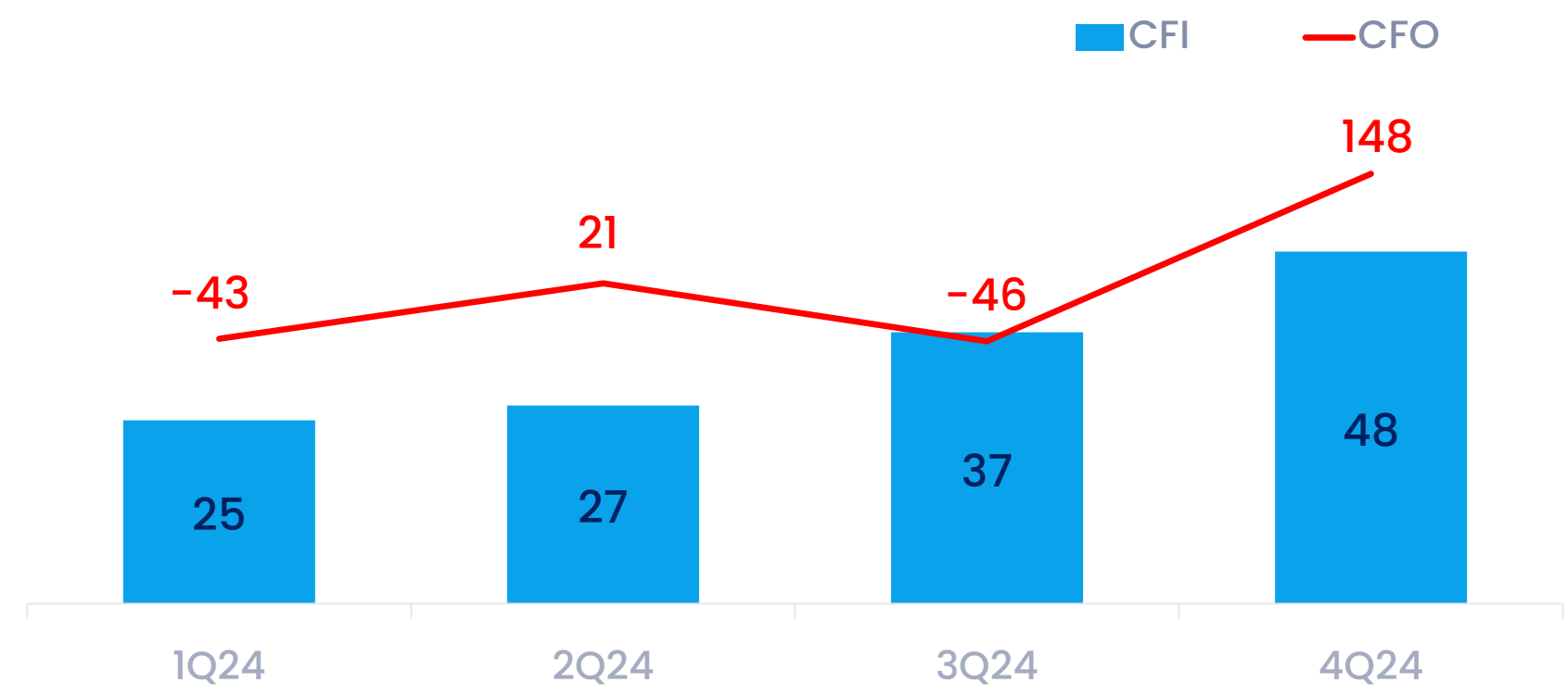
Liquidity Highlights



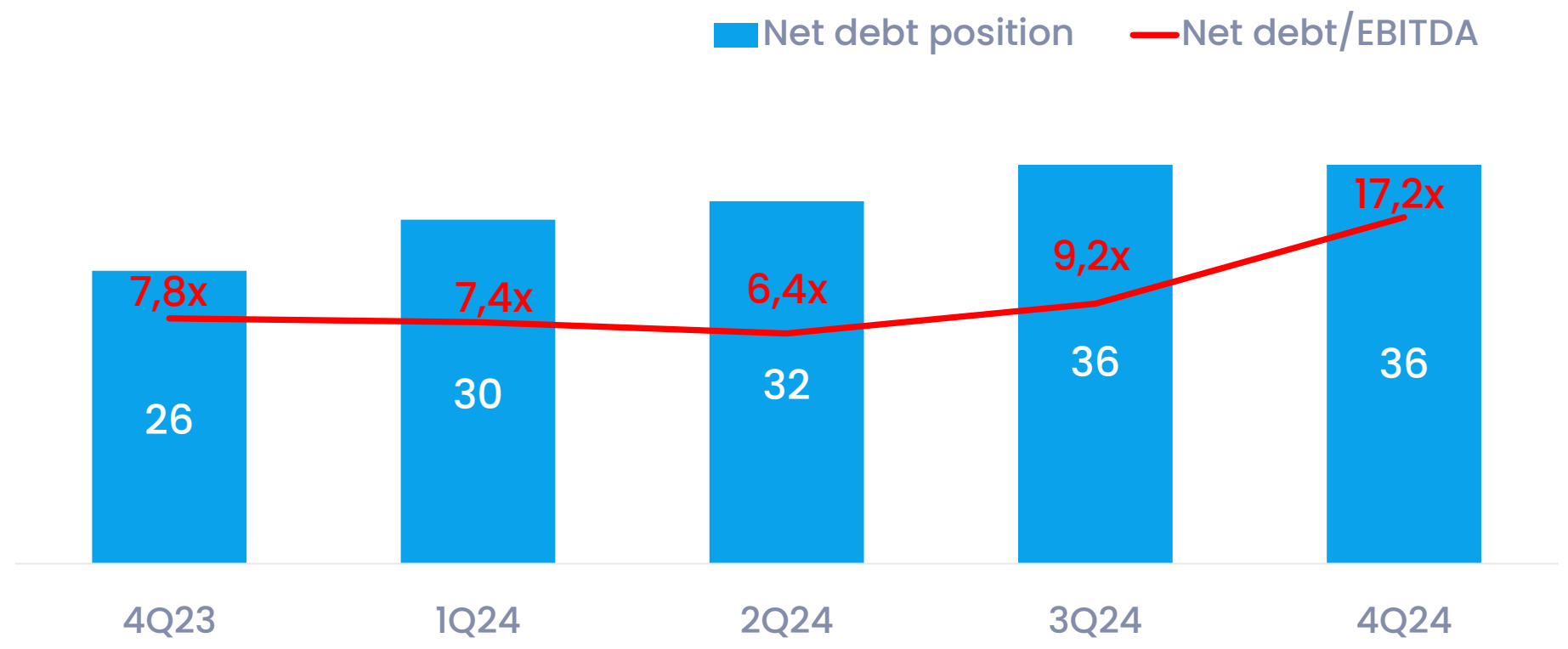
Maturity profile (USD mn)



Cash flow from operations and investment activities (USD mn)



Net debt position* (TRY bn)



*IAS 29 is not applied to this figure.



STAR REFINERY



STAR Refinery

13mn tons

REFINING CAPACITY

\$6.7bn

TOTAL INVESTMENT VALUE

~14%

TÜRKİYE MARKET SHARE

28–36 API

PROCESSING RANGE

9.2

NELSON COMPLEXITY INDEX

~88%

WHITE PRODUCT YIELD

1.96mn m³

STORAGE CAPACITY

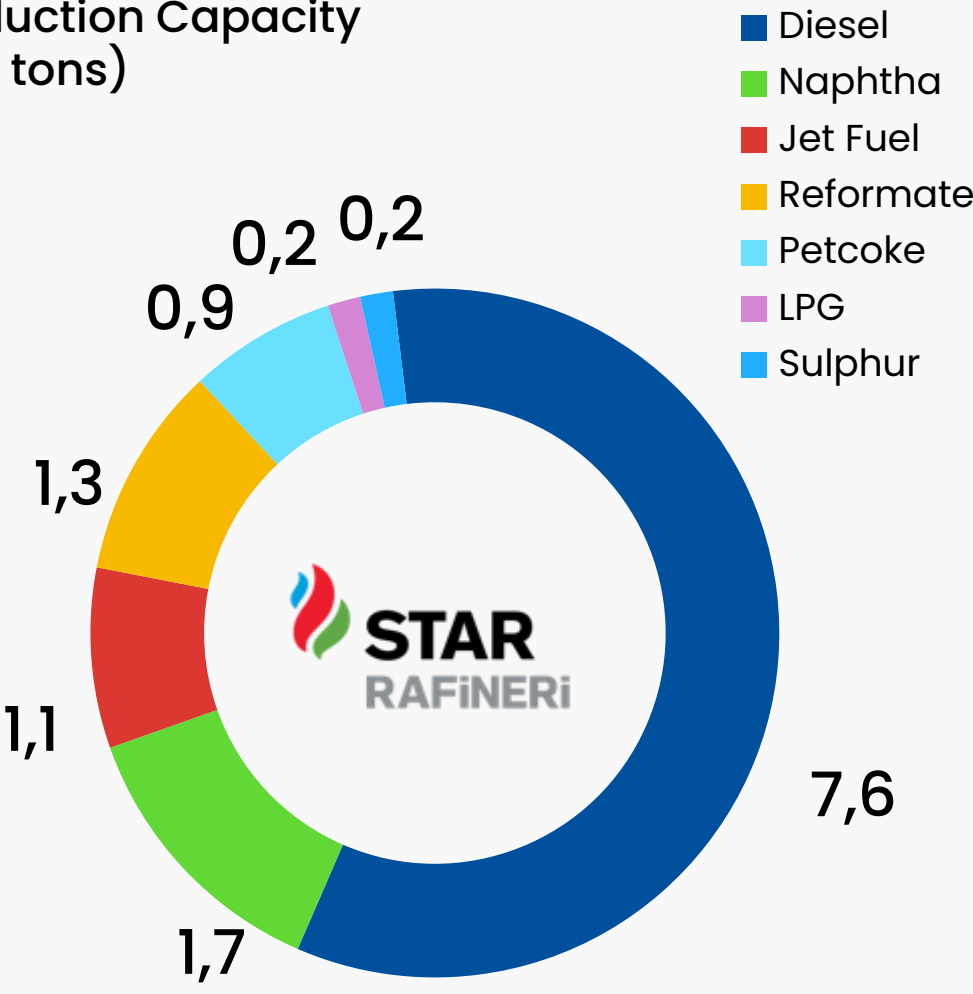


One of the most digitalized refinery in the world



- STAR Refinery is Türkiye's first privately constructed refinery
- The refinery began full operations in 2019
- The first company in Türkiye to hold a Strategic Investment Incentive Certificate
- State-of-the-art refinery with high white product yield
- Full integration with refinery-petrochemical value chain

Production Capacity (mn tons)



STAR Refinery Operating and Financial Highlights

Q4 2024 Figures

| | |
|----------------------|----------------------------|
| Capacity utilization | Crude processed (per year) |
| 88% | 10mn tons |
| Product sales | Domestic sales |
| 2mn tons | 57% |

- +** STAR Refinery successfully completed first major TA in October, lasted approximately two months to increase production, efficiency and reliability
 - production capacity increased to **13mn tons** per year
 - increase in the downtime interval of the refinery from four to five years



- +** STAR Refinery has started to be fully consolidated in Rafineri Holding as of 31 December 2024
- +** STAR Refinery purchased 100% shares of SOCAR Turkey Akaryakit Depolama A.S (which fully owns SOCAR Turkey Petrol Ticaret A.S) in December 2024. Therefore, Rafineri Holding financials consists of consolidated financials of these three companies

| Rafineri Holding Results TRY (mn) | 2024 |
|-----------------------------------|---------|
| Revenue | 279.704 |
| Gross Profit | 20.737 |
| Net income | 14.419 |
| Net Debt | 54.065 |

- 17% of the consolidated revenue is derived from Petrol Ticaret, while 0,1% is contributed by Depolama

STAR Refinery is not subject to the application of IAS 29, as its functional currency is USD.

SUSTAINABILITY & ESG



Our Sustainability Strategy Will be Built on Two Pillars – Climate/CO2 Targets



Decarbonization

Short-term²

2021–2025

- Implement energy efficiency, electrification, resource management and flare management initiatives to decrease CO2 emission intensity in R&P BU

Mid-term

2025–2030

- Develop internal carbon pricing approach for future investments to effectively integrate decarbonization aspiration and mitigate risks caused by potential regulations
- Consider decarbonization initiatives under strategic investments

Long-term

2030 onwards

- Achieve long term decarbonization targets for decreased emissions:
 - 40% reduction by 2035 for Scope 1 & 2¹
 - Carbon neutral by 2050 for Scope 1 & 2¹
- Collaborate with alternative energy start-ups through CVC with know-how gained in short and mid-term

Improve capabilities and know-how for potential alternative energies (e.g., bio-naphtha, SAF, etc.)



Circular economy

Develop relations and potentially partnerships with recycling players to address projected business opportunity and capture sustainability impact

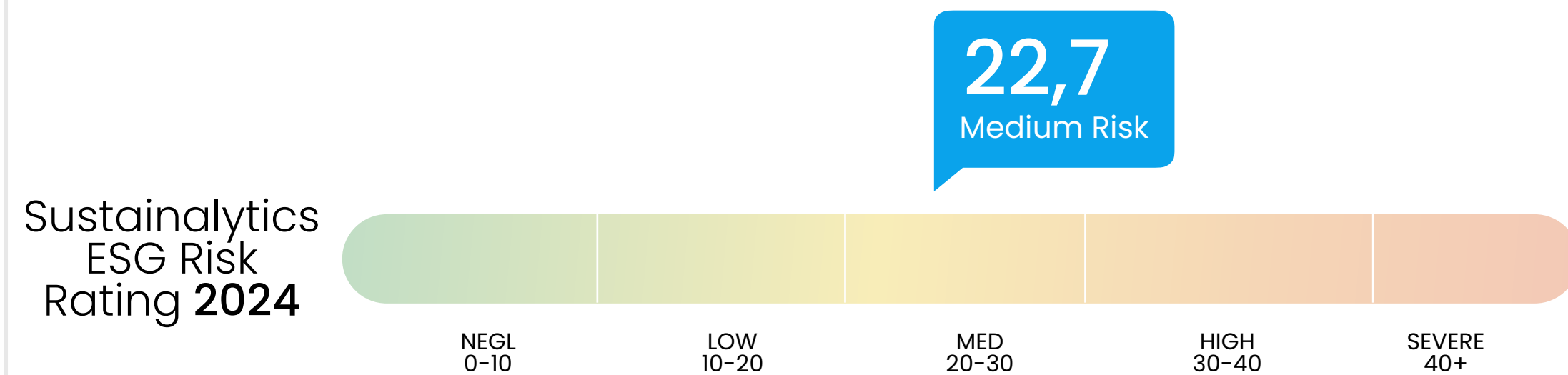
Invest in plastic recycling to be one of the leading companies in Türkiye recycling industry capacity



Scope 1: Direct emissions (e.g. production processes), Scope 2: Indirect emissions (e.g. electricity and heat), No major capex needed in the short term. Base year is 2017



Petkim's ESG Risk Rating Score is 22,7



- Environmental Policy
- Environmental Management System
- EMS Certification
- Emergency Response Programme



- Political Involvement Policy
- Lobbying and Political Expenses
- Animal Testing Programme and Policy



- Health and Safety Management System
- Health & Safety Certifications
- LTIR Trend
- Employee Fatality Rate
- Contractor Safety Programme



You can access our article on World Finance Magazine on pages 138-139 through QR code



SUPPORTING SLIDES

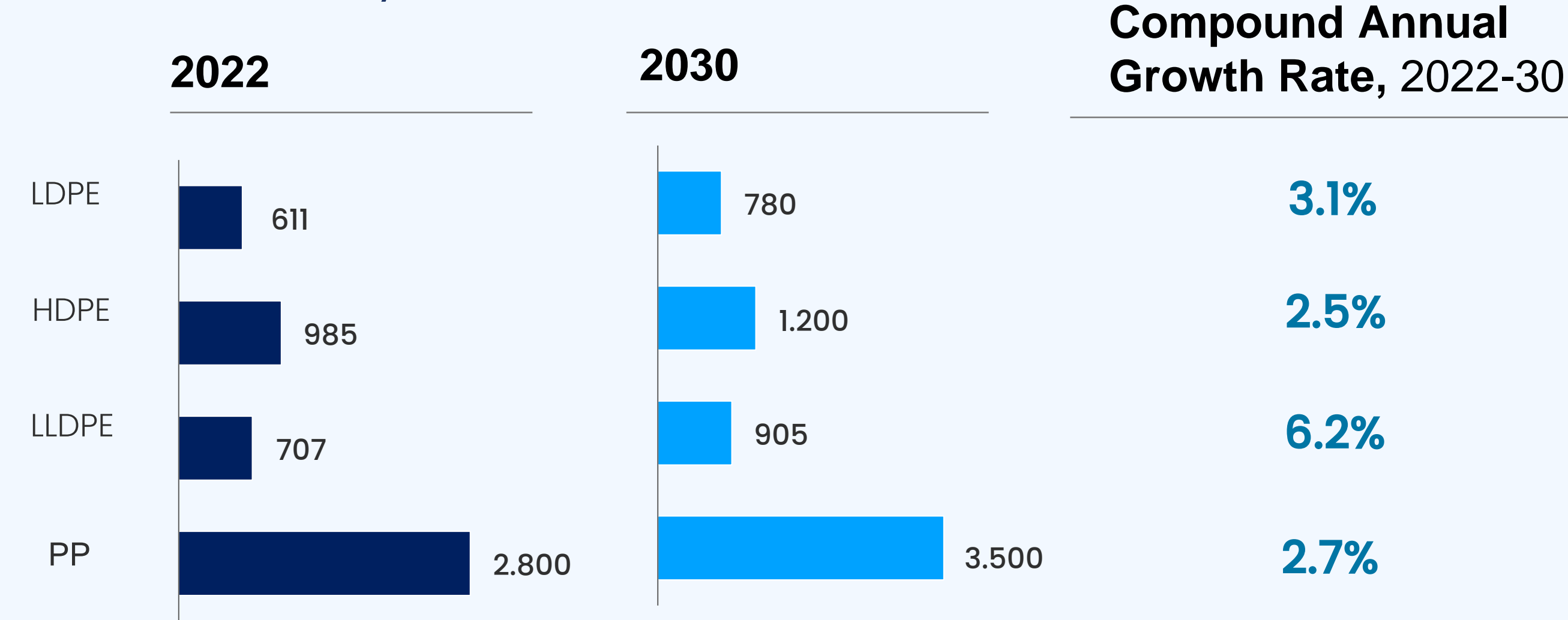




Petkim plans to invest in Ethylene, PP and HDPE/LLDPE plants due to strong growth potential and high demand

According to the results of the Feasibility and Technical Feasibility Study conducted by KBR, Petkim aims to build a new Ethylene Plant (1.2 MTA), PP Plant (550 KTA) and HDPE/LLDPE Plant (827 KTA)

Domestic demand by main petrochemical products
(Thousand tons/year)



Timeline

| | 2025 | 2026 |
|--|------|------|
| + Pre-FEED process | ◆ | |
| + FEED process | ◆ | ◆ |
| + Licensor selection and technical studies | ◆ | ◆ |
| + Final investment decision | | ◆ |
| Petkim Master Plan final investment decision is expected to be evaluated in 2026 | | |



Diversified Business Profile Through Ancillary Infrastructure **Energy Investments**



STAR
Refinery

- Türkiye's first privately constructed refinery
- Target processing capacity of 13mn tons p.a.
- Owned 48% by SOCAR Türkiye, and 40% by Azerbaijan Ministry of Economy and Industry and 12% by Petkim
- Total investment amounts to USD6.7bn
- Lower naphtha procurement costs
- Replacement of some of the heavy naphtha feedstock with reformat / 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 Refinery expected to become a stable dividend payer over the medium-term



Petlim

- The largest container sea port in Western Türkiye with a 1.5mn TEU container handling capacity
- Total construction costs amount to c.USD400m
- Owned 93% by Petkim and 7% by STEAS
- Stable stream of income that is not correlated to Petkim's core business
- Savings on shipments for expansion projects



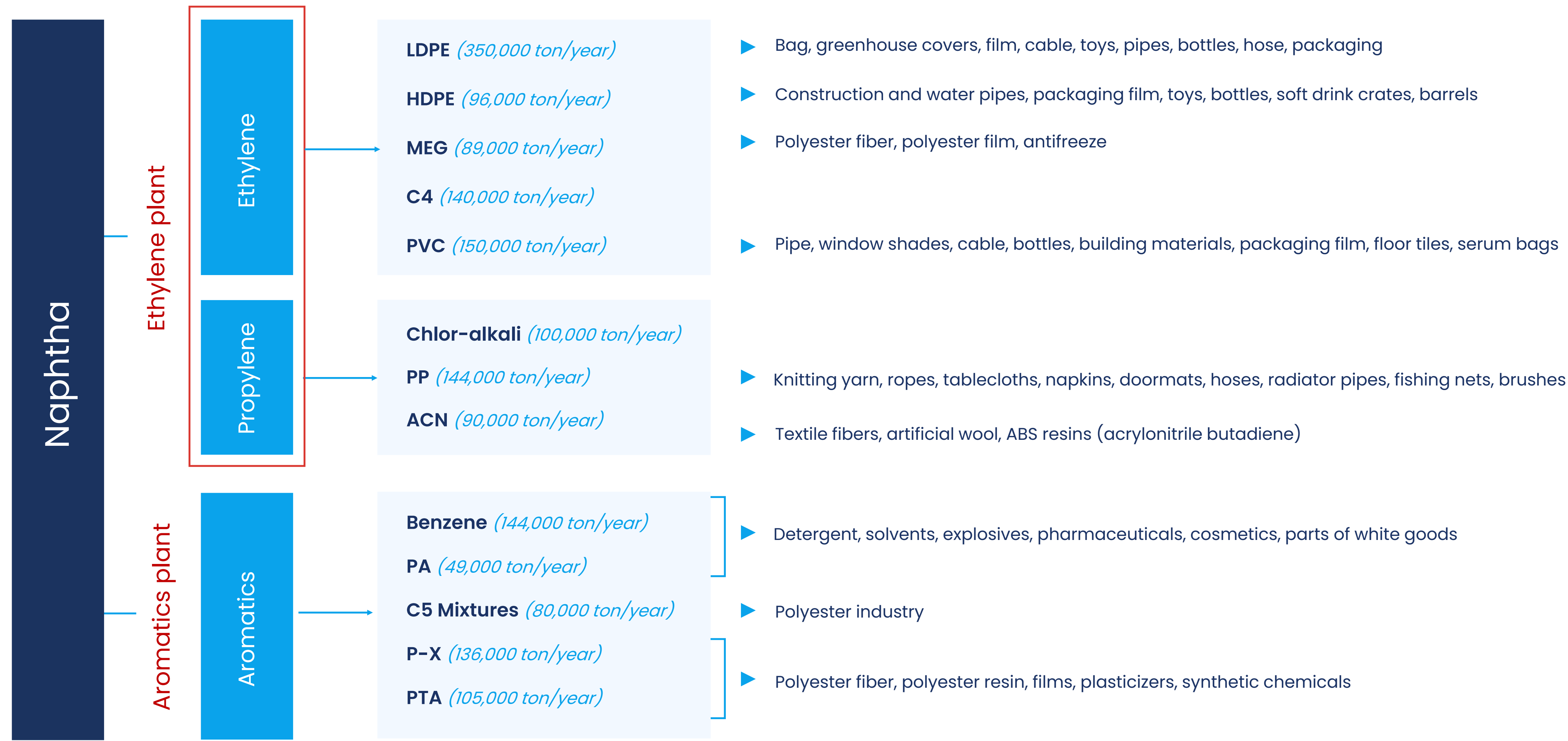
Wind farm

- Wind farm located in the Aliağa Peninsula licensed to generate 43,8MW of electricity
 - ▶ 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 wind farm amounts to EUR55mn
- Contributes to revenue diversification
- Plan is to sell the electricity generated to Türkiye's national grid, with a guaranteed tariff
- The wind farm provides a 22% increase in Petkim's electricity generating capacity
- Expected to reduce carbon emissions by 120kt per year



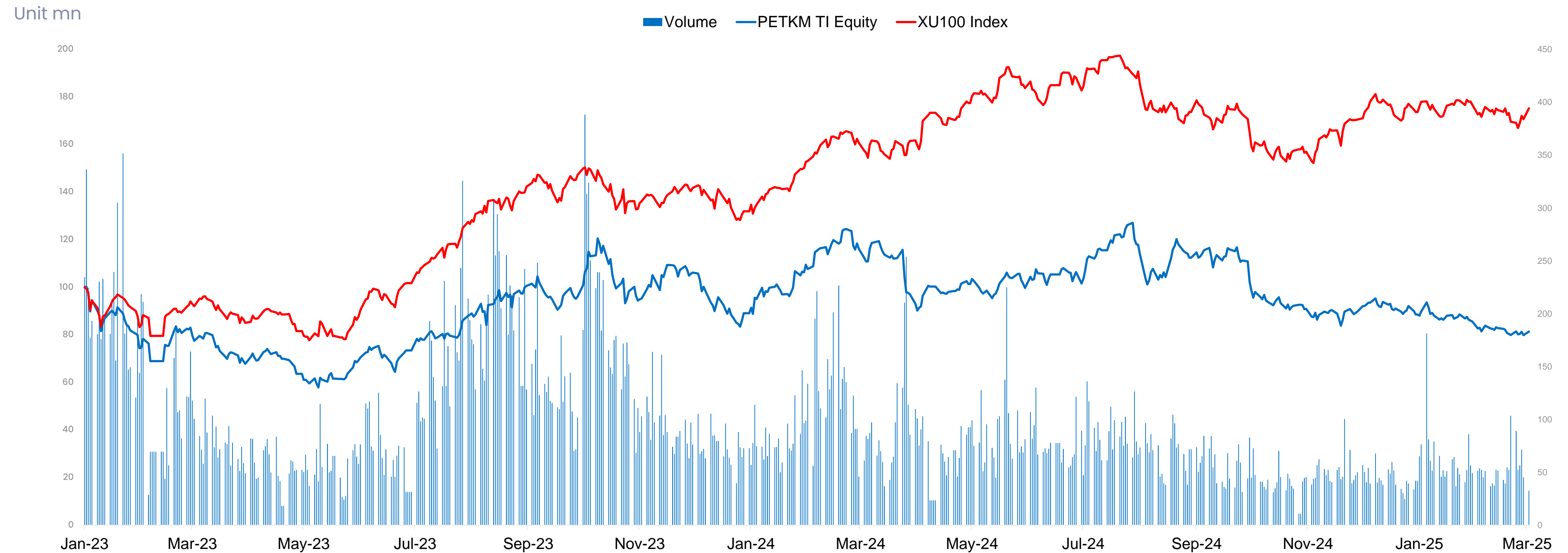
Petrochemical Complex Flow Chart

Petkim has fully integrated operations





PETKIM Stock Performance



Closing price
(TRY/share) / (USD/share)

₺16.32 / \$0.45

Market capitalization
(TRY mn) / (USD mn)

₺41,361 / \$1,133

Free float
(%)

49.0%

*As the date of 28 Feb 2025

Disclaimer

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The Capital Markets Board, with its Bulletin dated 28.12.2023 and numbered 2023/81, announced to the public that issuers subject to financial reporting regulations and capital market institutions must prepare their annual financial statements ending on 31.12.2023 and thereafter in accordance with IAS29 inflation accounting.

As of March 31, 2024, in accordance with the adjustments required by IAS 29, financial statements prepared in a hyperinflationary currency must be presented in the purchasing power of the currency as of the balance sheet date, and amounts from previous periods must be similarly restated.

The indexing process used the coefficient derived from the Consumer Price Index (CPI) published by the Turkish Statistical Institute (TUIK). Figures from previous reporting periods have been restated using the general price index to ensure that comparative financial statements are presented in the measurement unit valid at the end of the current reporting period. Information for previous periods is also shown in the measurement unit valid at the end of the reporting period.

Additionally, some items in our financials are presented without inflation adjustment for informational purposes, to provide our investors with a consistent and comprehensive overview of previous periods. These unaudited figures are clearly marked where applicable. All other financial figures are reported in accordance with IAS 29.

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