

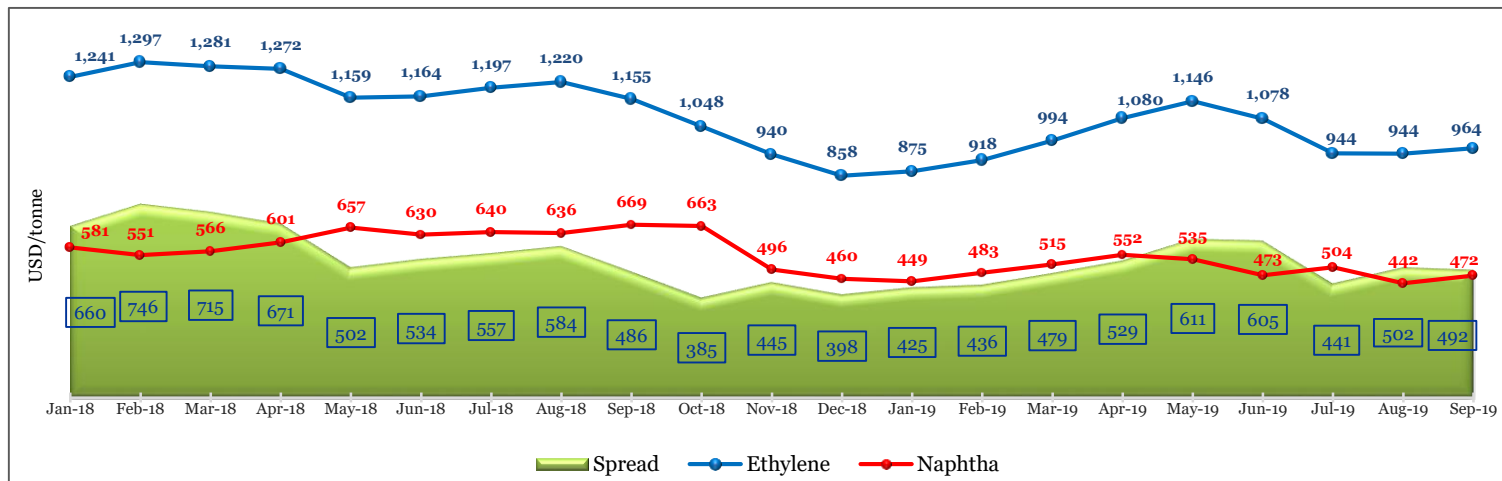
3Q19 Results Investor Presentation



Ethylene – Naphtha spread averaged US\$ 478/ton in 3Q19

- Ethylene-naphtha spread decreased by 18% from US\$ 582/ton in 2Q19 to US\$ 478/ton in 3Q19.
- Naphtha prices plunged in August and jumped in September on the back of rising crude oil price due to Saudi feedstock disruption.
- On the contrary, petrochemical market sees resistance to passing through higher naphtha costs despite Saudi outages. Overall, this outages have been no significant impact on petchem market.
- In the third quarter, naphtha based producers benefited from the low LPG prices.
- Margins squeezed by a quarter on the account of sluggish demand and over supplied market outlook.

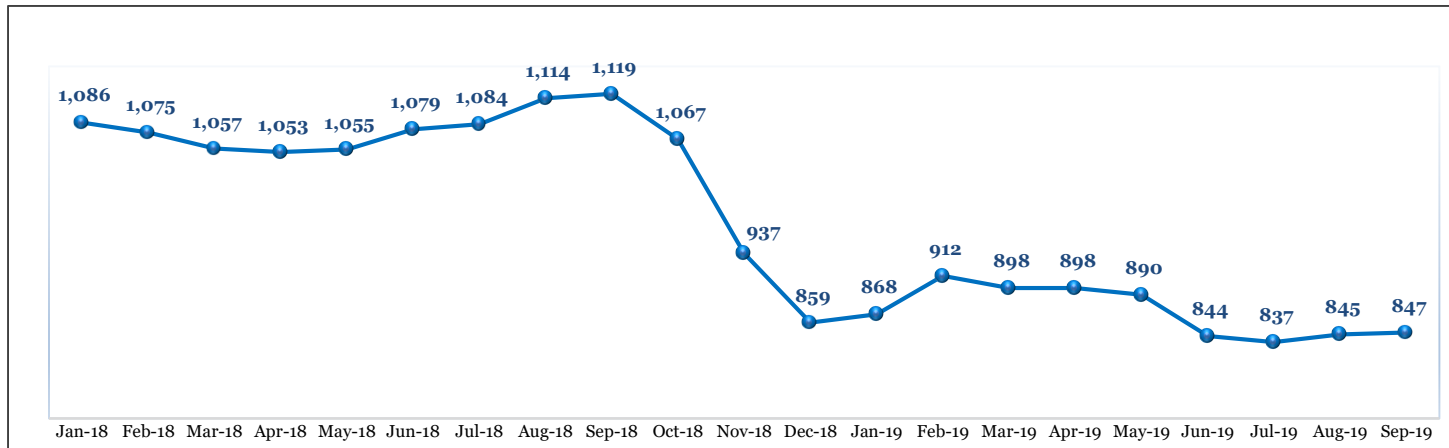
Monthly Naphtha - Ethylene Spread (CIF MED Spot Prices)



PLATTs Index averaged US\$ 843 per ton in 3Q19

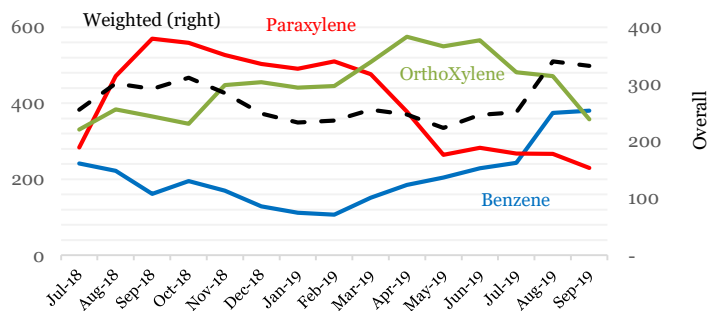
- PLATTs index decreased to US\$843 per ton in 3Q19 from US\$877 per ton in 2Q19 .
- In 3Q19 PLATTs index was %20 below 2018 average.
- In the third quarter petchem product prices increased slightly.
- Ethylene and propylene prices fell limited in Europe thanks to the maintenance TAs in Europe.
- Global paraxylene markets are bearish, amid a period of slowing demand attributed to trade tensions. However Petkim has not affected too much since it has European Contract Price (ECP) indexed paraxylene sales.
- Petkim significantly benefited from high benzene-ethylene spreads during September.

Monthly Average Platts Index

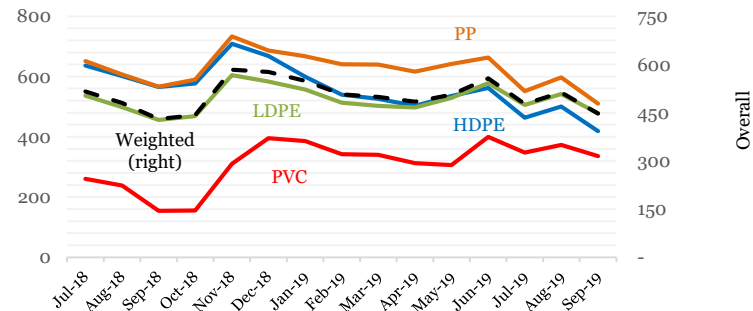


Product group spreads (Over naphtha CIF MED), USD/MT

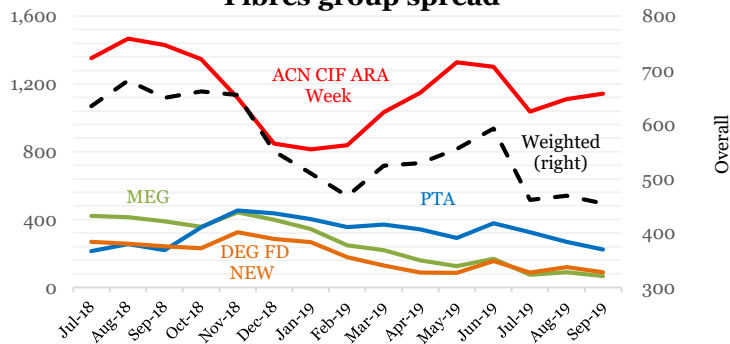
Aromatics group spread



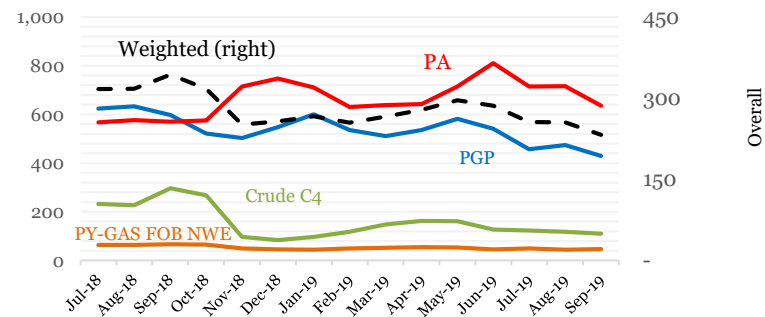
Polymers group spread



Fibres group spread



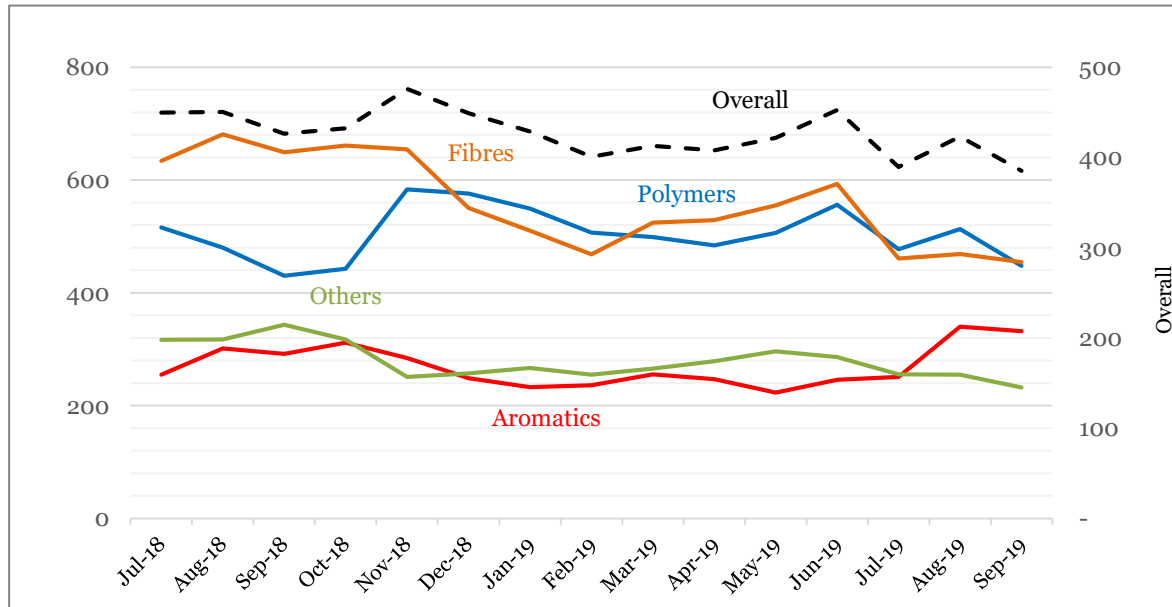
Others group spread



Source: Platts, Company



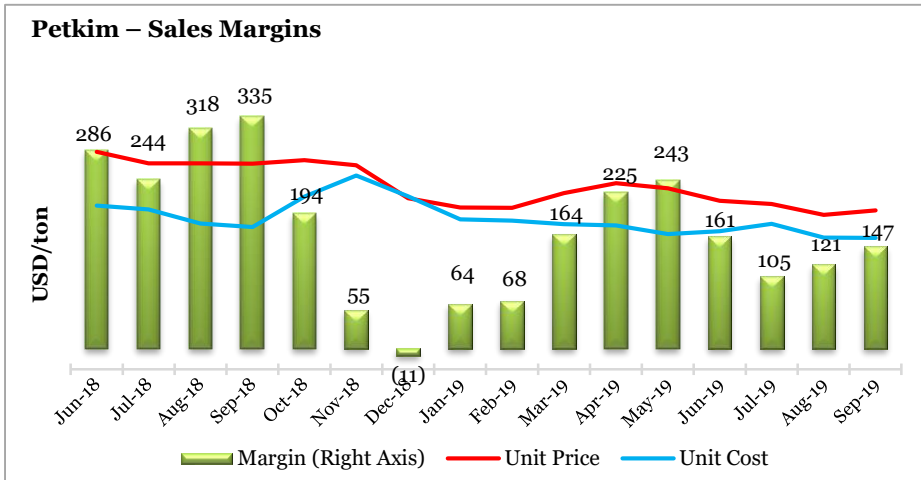
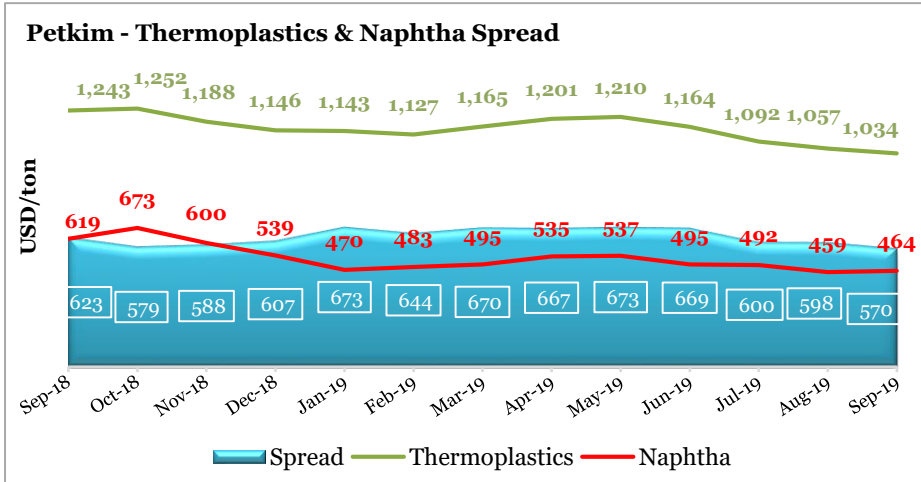
Product groups and overall weighted spread (over naphtha CIF MED), USD/MT



Source: Platts, Company



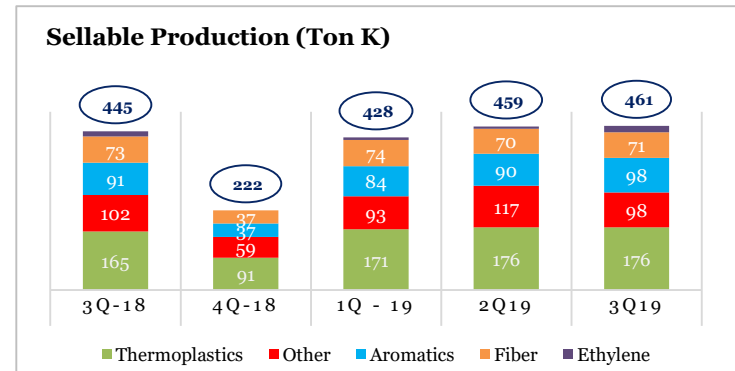
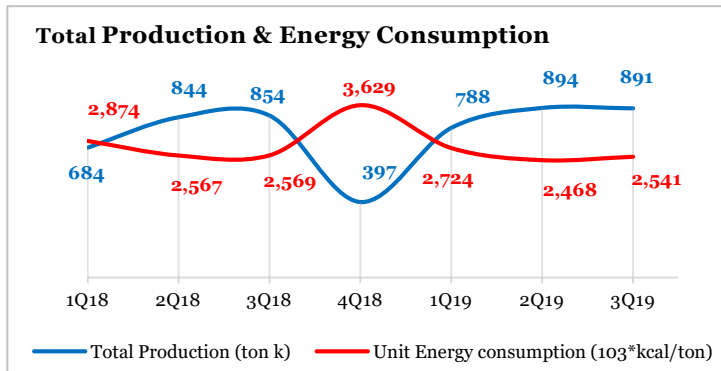
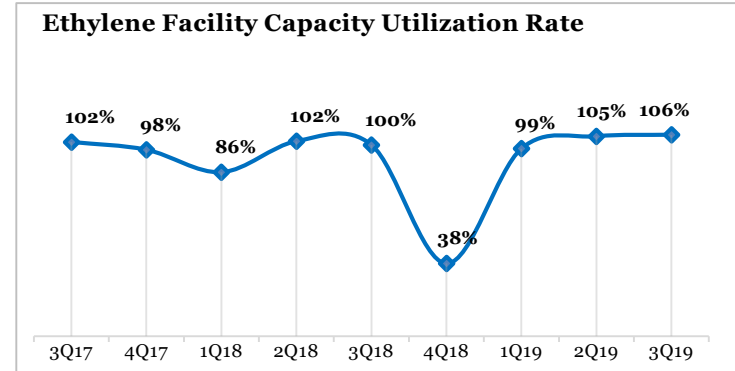
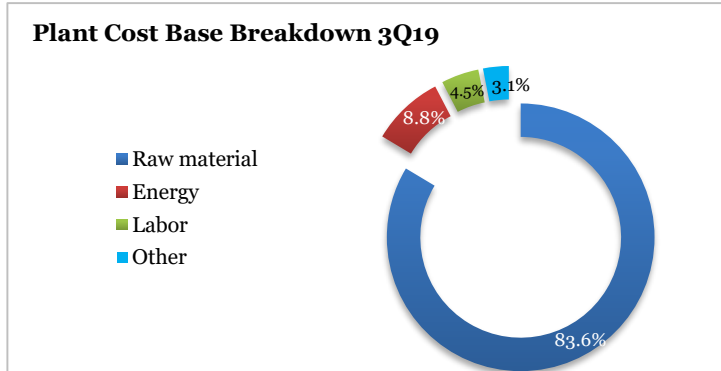
Feedstock vs. Product Prices



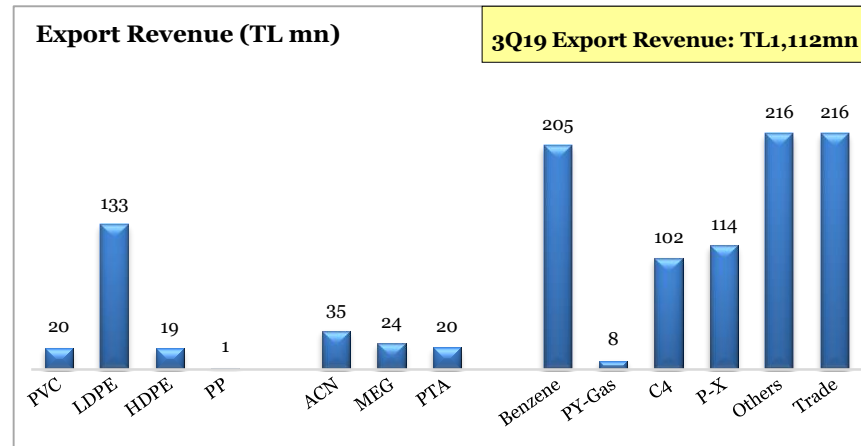
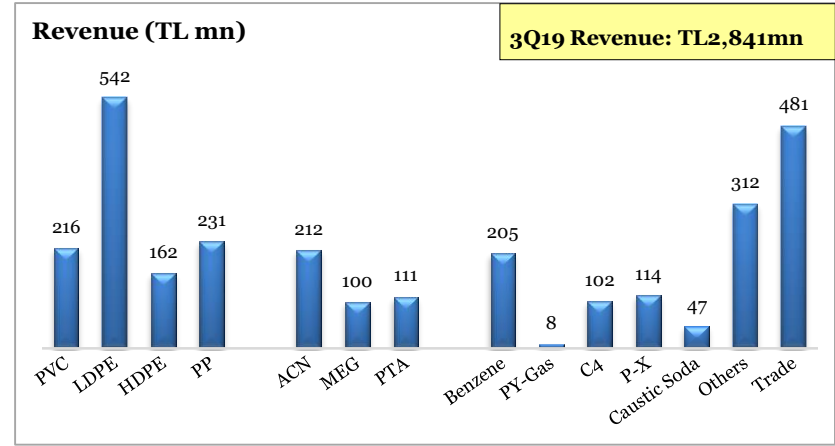
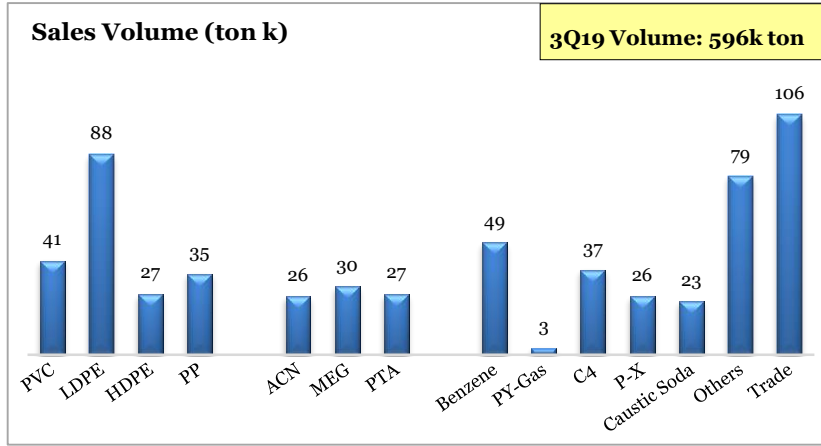
- 294 Kton feedstock has been supplied from STAR Refinery in the third quarter, so total naphtha purchase as at the end of the third quarter has reached to 554 Kton.
- Thanks to successful major maintenance in 4Q18, production performance was very high and Petkim produces more than 460 Kton. Ethylene Unit capacity utilization rate has reached %106.
- Petkim has reached 596 Kton sales from production even there was a slowdown in the local market. Decrease in domestic demand affected mainly the importers, while Petkim could keep its level of sales.
- In the third quarter, sales margins improved gradually after the bottleneck in July.



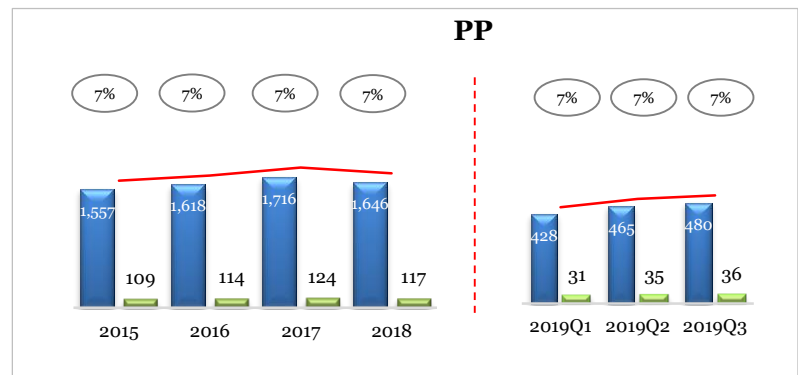
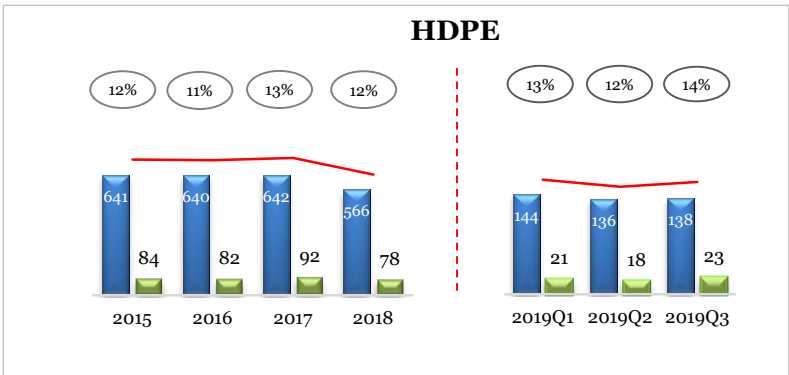
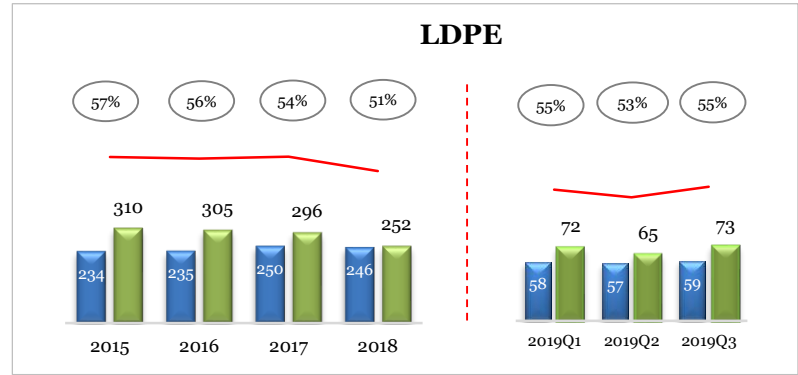
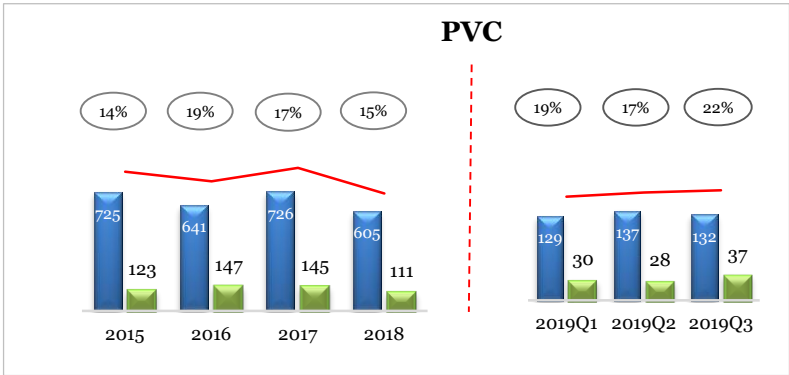
Costs and Operational Efficiency in 3Q19



In 3Q19 Petkim achieved TL 2,841mn sales via 596k ton volume



Turkish Market – Thermoplastics, 2015-2019Q3 (mn tons)

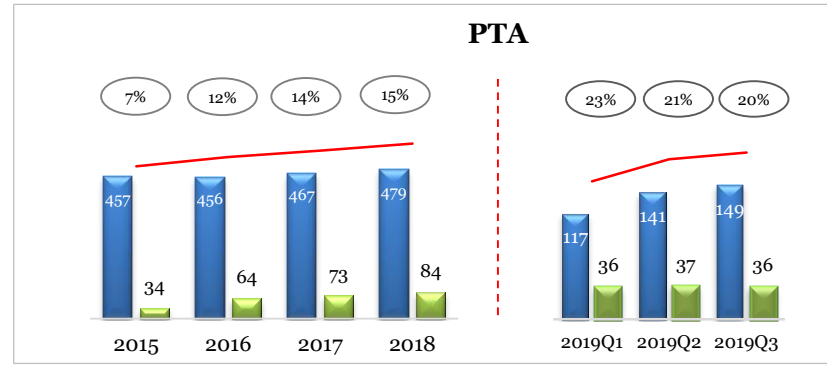
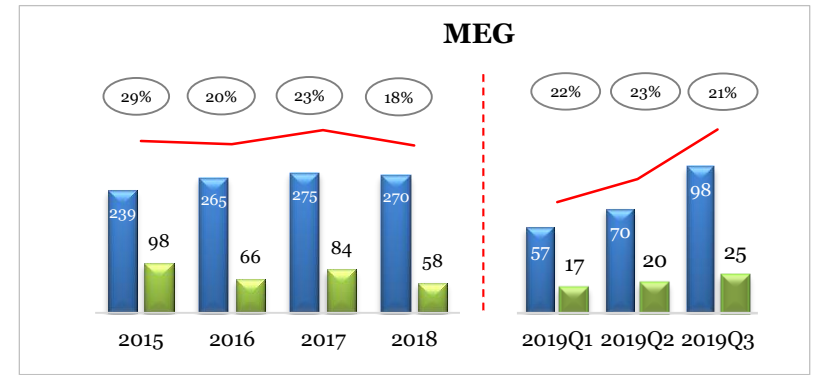
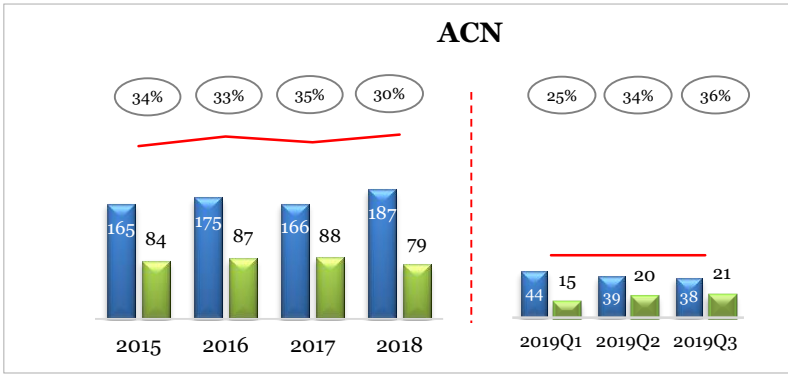


■ Turkey's Import — Domestic Consumption
■ Petkim/Domestic Sale ○ Domestic Market Share %

Source: TURKSTAT, Company



Turkish Market – Fiber Raws, 2015-2019Q3 (mn tons)

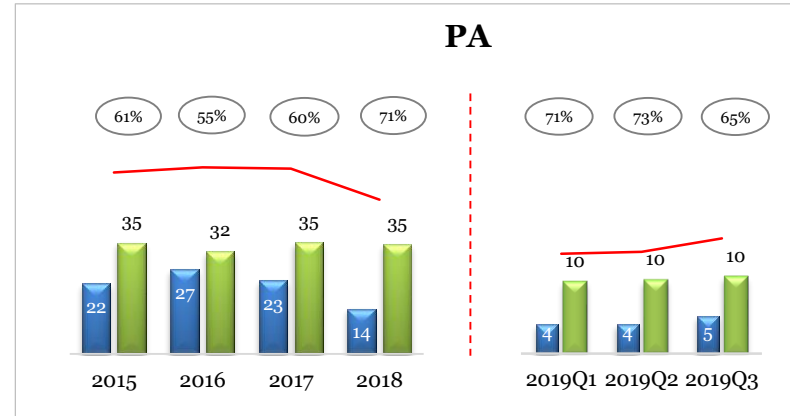
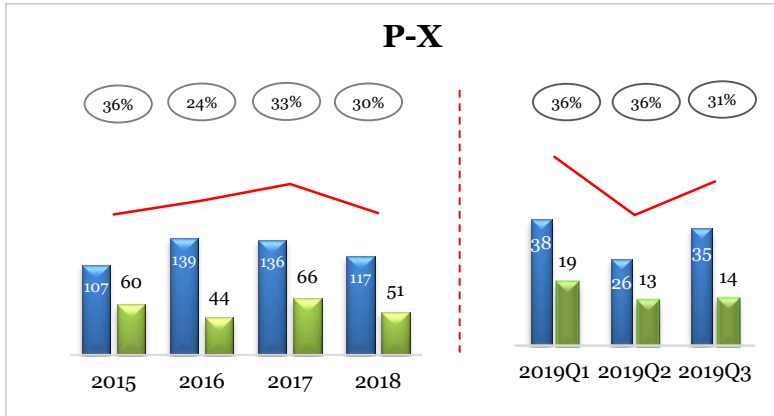


- Turkey's Import
- Domestic Consumption
- Petkim/Domestic Sale
- Domestic Market Share %

Source: TURKSTAT, Company



Turkish Market – Others, 2015-2019Q3 (Million tons)



Source: TURKSTAT, Company



PETKIM 3Q19 Income Statement

| TL mn | 9M18 | 9M19 |
|------------------------------|--------------|--------------|
| Sales | 7,283 | 8,877 |
| Cost of sales | (5,763) | (7,607) |
| Gross Profit | 1,520 | 1,270 |
| <i>Gross profit %</i> | 21% | 14% |
| Marketing and sales expenses | (57) | (70) |
| General admin. Expenses | (202) | (212) |
| R&D Expenses | (16) | (18) |
| Operating profit | 1,244 | 970 |
| Other income / (expenses) | 89 | 51 |
| Financial income | 3,452 | 1,496 |
| Financial expense | (3,673) | (1,784) |
| Profit before tax | 1,111 | 734 |
| Income tax | (150) | (41) |
| Deferred tax | (88) | (24) |
| Net Profit / (loss) | 873 | 669 |
| <i>Net profit %</i> | 12% | 8% |
| Other | 29 | 52 |
| Depreciation | 177 | 260 |
| EBITDA | 1,450 | 1,283 |
| <i>EBITDA %</i> | 20% | 14% |



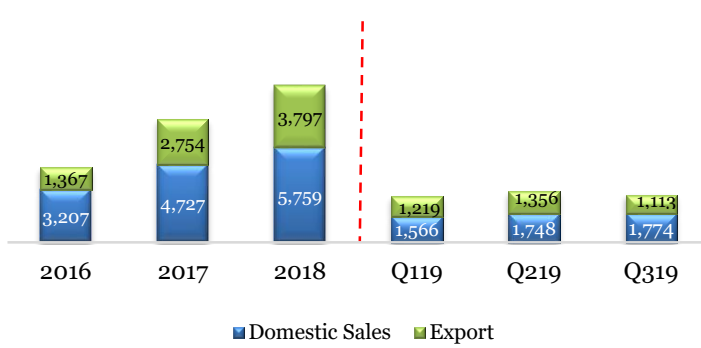
PETKIM 3Q19 Balance Sheet

| TL mn | 12M18 | 9M19 |
|---------------------------------|---------------|---------------|
| Cash and cash equivalents | 3,009 | 3,152 |
| Trade receivables | 1,194 | 1,634 |
| Inventory | 1,130 | 881 |
| Other receivables | 5 | 39 |
| Other current assets | 2,656 | 3,127 |
| Current assets | 7,995 | 8,834 |
| Non current assets | 4,593 | 5,067 |
| Total Assets | 12,588 | 13,902 |
| Short term borrowings | 3,019 | 3,483 |
| Trade payables | 697 | 837 |
| Other payables | 146 | 280 |
| Current liabilities | 3,862 | 4,599 |
| Long term borrowings | 4,306 | 4,039 |
| Other non-current liabilities | 284 | 483 |
| Shareholders' equity | 4,135 | 4,781 |
| Total liabilities | 12,588 | 13,902 |
| <i>Net debt position</i> | -4,316 | -4,369 |
| <i>Working Capital</i> | 109 | 581 |
| <i>Days sales outstanding</i> | 47 | 55 |
| <i>Days payable outstanding</i> | 105 | 75 |
| <i>Days sales of inventory</i> | 53 | 34 |

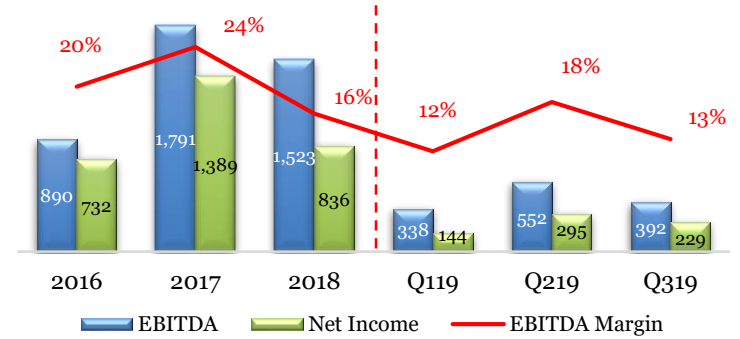


Financial Performance

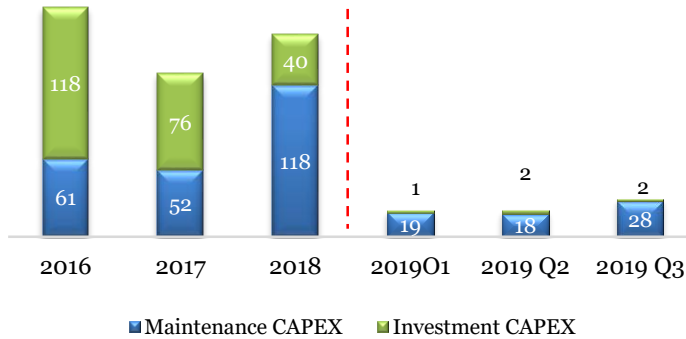
Revenue (mn TL)



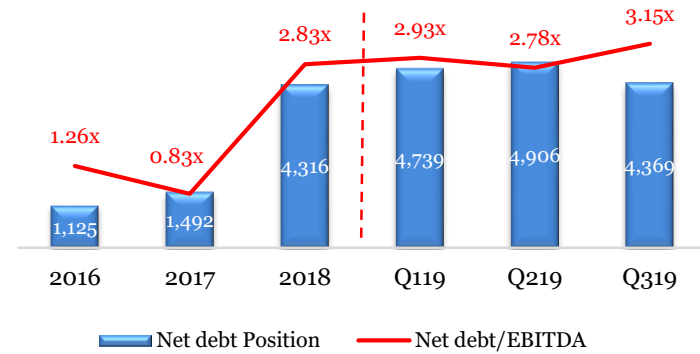
EBITDA, Net Income & EBITDA Margin (mn TL)



CAPEX (mn US\$)



Net Debt Position (mnTL)



Diversified business profile through ancillary infrastructure and energy investments

STAR Refinery



Description

- 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. To date, c.\$5.7bn has been invested, of which c.49% is financed by equity and the remainder by debt

Benefits to Petkim

- 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



- 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

- Stable stream of income that is not correlated to Petkim’s core business
- Savings on shipments for expansion projects

Windfarm

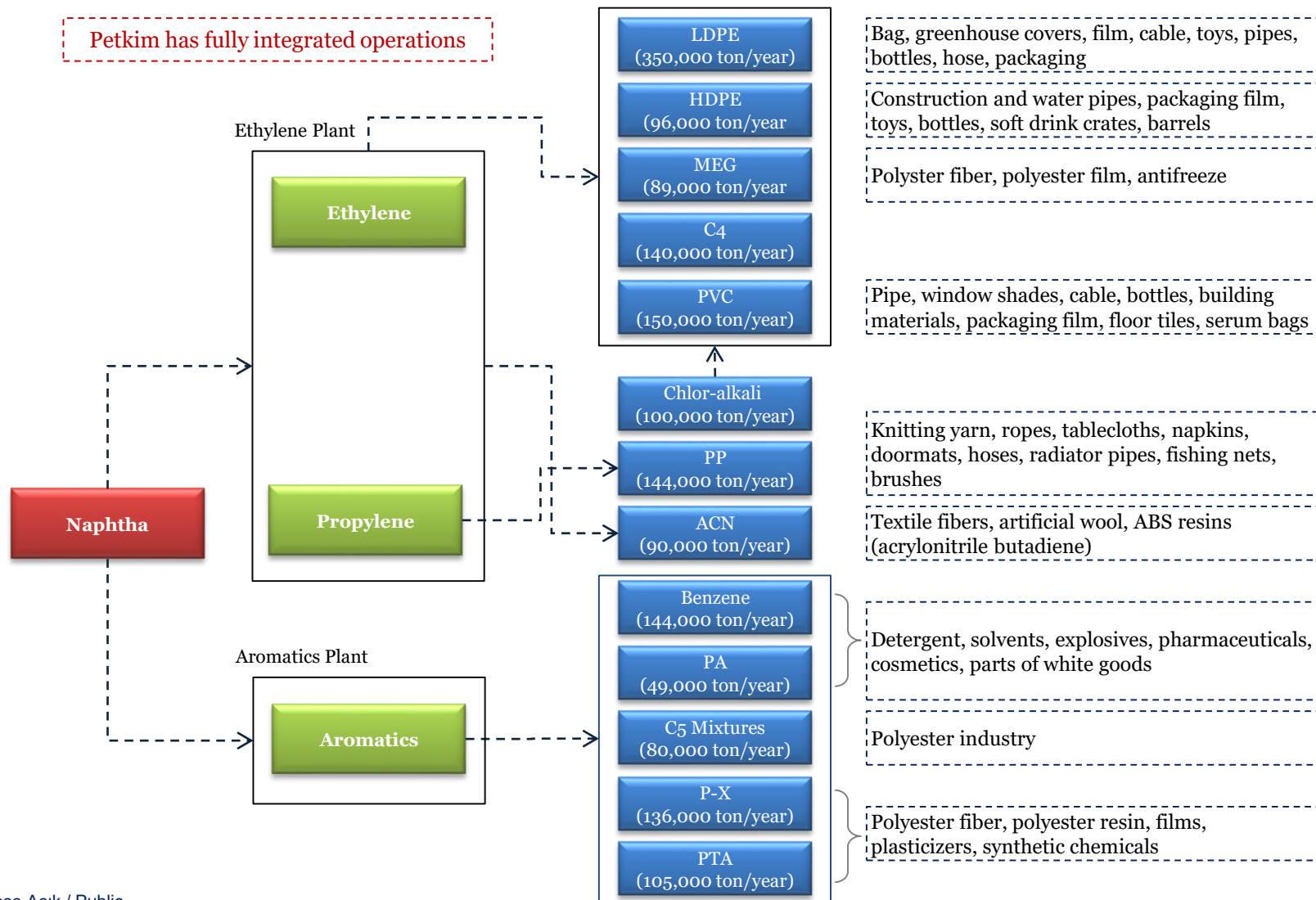


- Wind farm located in the Aliaga Peninsula licensed to generate 25 MW of electricity
 - Petkim has applied for a new license allowing generation at full capacity of 51 MW
- The construction of 17 new turbines, each able to generate 3 MW of electricity, was completed in Sep-2017
- Total investment in the windfarm amounts to €55m

- Contributes to revenue diversification
 - 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

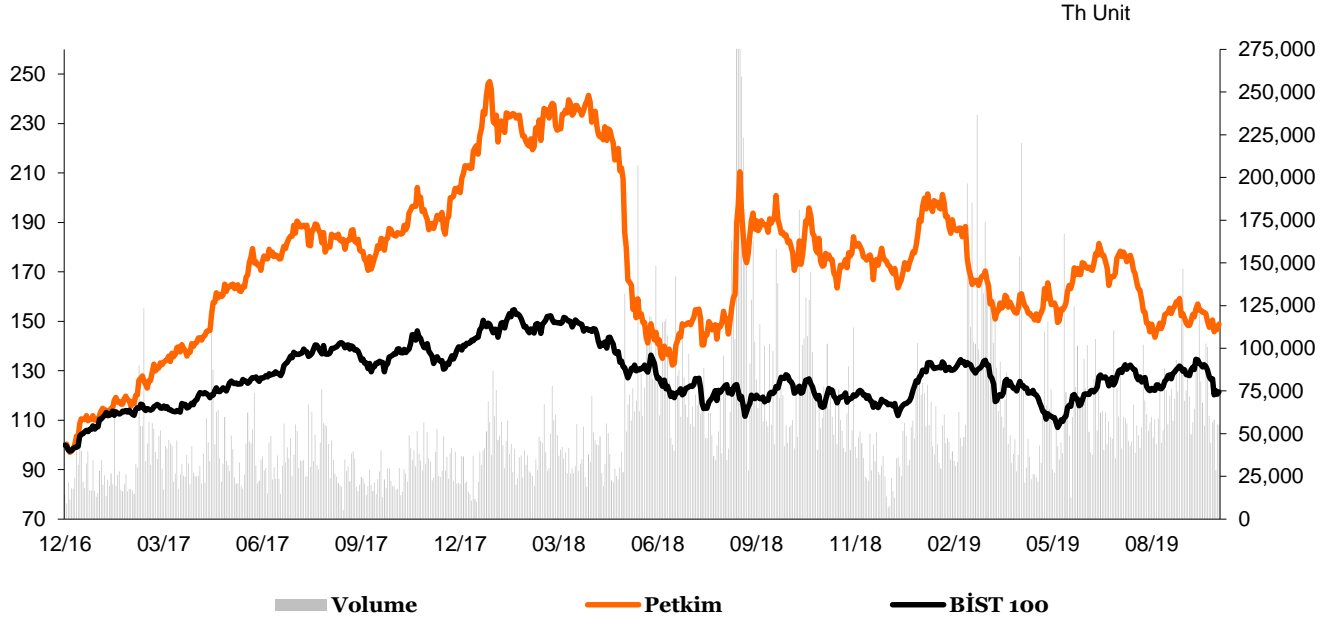


Appendix 1. Petrochemical Complex Flow Chart



Appendix 2. PETKIM Stock Performance

PETKIM STOCK PERFORMANCE



| | |
|---|----------|
| Closing Price as of 30 September 2019 (TRY/Share) | 3,61TL |
| Market Cap (TRY mn) | TL 7,624 |
| Free Float (%) | 49.0% |



Investor Relations

We welcome your questions, comments and suggestions. Our corporate headquarters office address is:

Petkim Petrochemical Holding Corp. PO. Box.12
Aliğa, 35800 İzmir/ TURKEY

To contact us with respect to shareholding relations for individual and corporate investors, please call directly or send an e-mail to:

Semih ATALAY

SOCAR Turkey IR Manager

Phone: +90 (212) 305 0142

Email: semih.atalay@socar.com.tr

Mustafa ÇAĞATAY

PETKIM IR Manager

Phone: +90 (232) 616 12 40 ext.2501

Email: mcagatay@petkim.com.tr

Also, please visit our web site at www.petkim.com.tr for further information and queries.



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