

The background of the slide is a photograph of an industrial facility, likely a refinery or gas processing plant, during sunset. The sky is a mix of orange, red, and purple. In the foreground, there are several large white storage tanks with metal ladders and pipes. The facility in the background is lit up with various lights, and there are power lines and towers visible against the horizon.

Q1. 2023 Earnings Release Report

April 28, 2023

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LPG Market & Business

- According to Energy Market Regulatory Authority (EMRA) LPG sector January report; Turkish **cylinder gas and autogas markets increased by 13% and 33% respectively** in the first month of the year mainly due to the increasing purchasing power. Aygaz's **total market share was 27.2%** as of January with market share gains in all segments.
- In the first quarter of 2023, **Aygaz autogas sales improved by 27%**, compared to the same quarter of the previous year, due to the **increase in LPG's economic advantage** and its increased use due to weather conditions that are above seasonal normals. With the **growth in bulk gas sales**, total **domestic retail sales** reached 278 thousand tons with a **growth of 39%** compared to the same period of the previous year.
- In the first three months of 2023, our **wholesale and international LPG sales** were realized **66% and 176% above** the same period of the previous year respectively, and the total tonnage reached 492 thousand tons.
- **United Aygaz LPG**, our joint venture in Bangladesh, continues its cylinder gas sales activities, which started in Chittagong in August 2022, by expanding to different regions. In the first quarter of the year, a total of **9.5 thousand tons were sold through 90 dealers**.



Financial

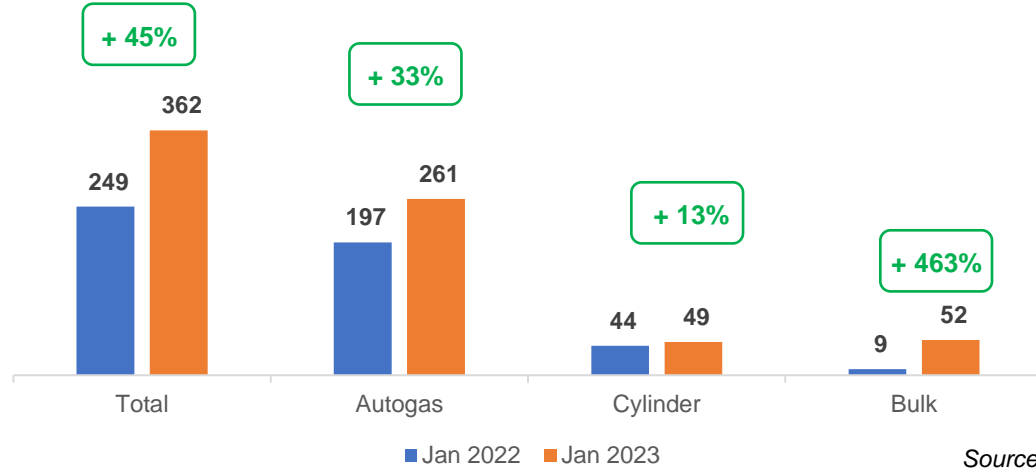
In Q1 2023;

- In the **LPG and natural gas business line**, increasing LPG sales volume and higher margins had a positive impact.
- In the **cargo handling and distribution business line**, our new investment, Sendeo, which continues its growth phase realized an operating loss as planned.
- **Consolidated net profit** (parent) figure amounted to **687** million TL, on the back of contribution from EYAŞ that is accounted under equity method.
- **On the back of the increasing operating cash flow and dividend income**, net financial debt came down by 1.5 billion TL compared to year-end.

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LPG and Natural Gas Segment

Turkish LPG Market ('000 ton)



According to EMRA LPG sector January report;

Aygaz's

- cylinder gas market share is 41.6% up by 0.6 points YoY.
- autogas market share is 22.3% up by 1 points YoY.
- total LPG market share is 27.2% up by 2.2 points YoY.

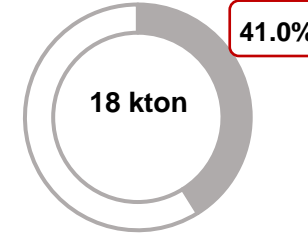
Aygaz sustained its leader position in all segments.

Aygaz Market Shares

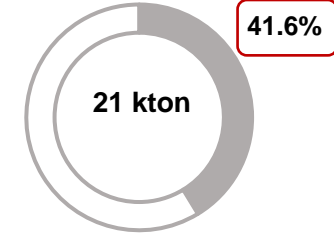
Cylinder



January'22



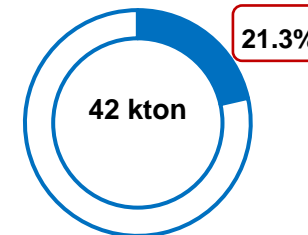
January'23



Autogas



January'22



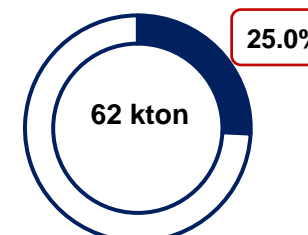
January'23



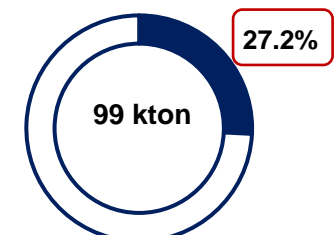
Total



January'22



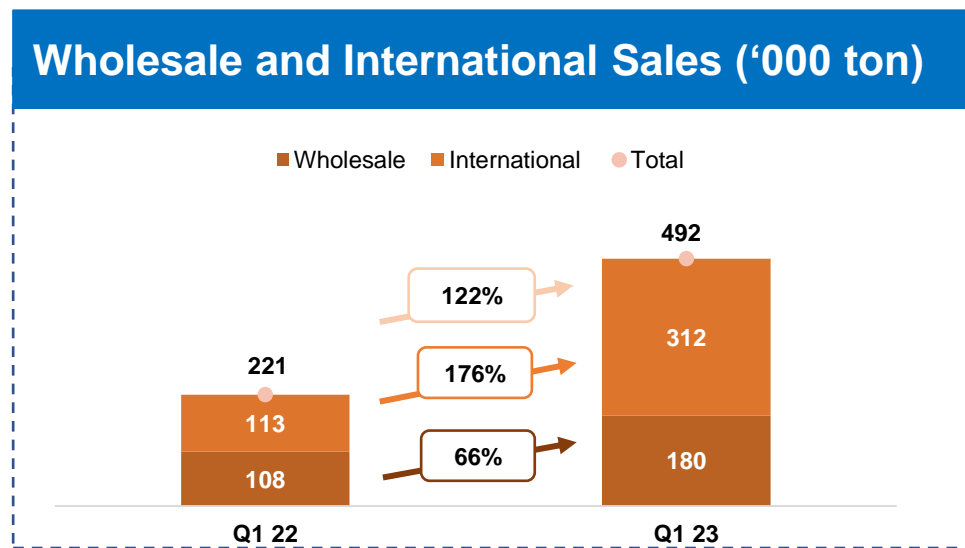
January'23



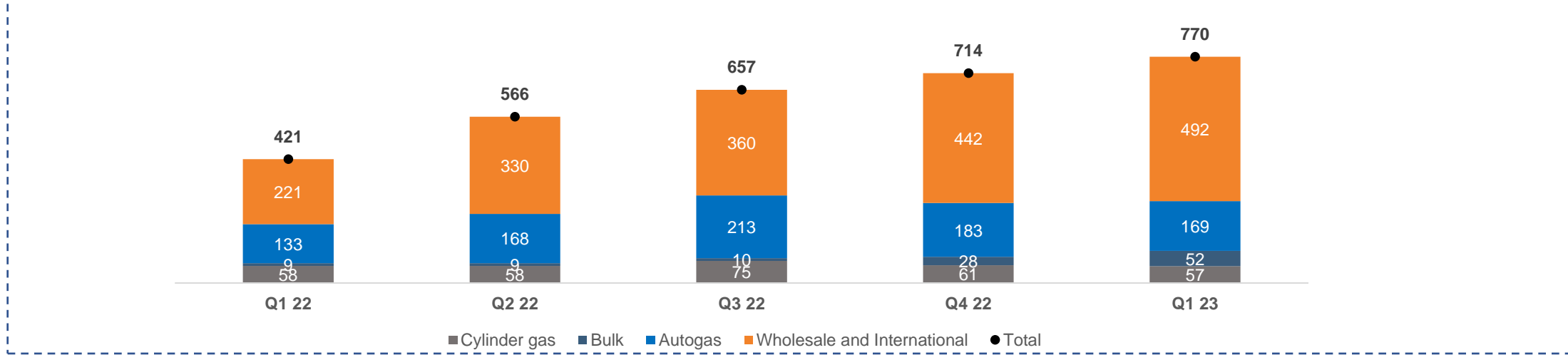
Source: EMRA

Operational indicators – Q1 2023

	1Q 2023 (‘000 ton)	Compared to 1Q 2022	4Q 2022 (‘000 ton)	Compared to 4Q 2022
Domestic Retail LPG Sales	278	39%	272	2%
Wholesale and International LPG Sales	492	122%	442	11%
Total LPG Sales	770	83%	714	8%



Aygaz LPG Sales Quarterly (‘000 ton)



Bangladesh Investment: United Aygaz



49 M USD
capital

Cumulative Capital Contribution: 49 million USD
Aygaz Share: ~24.5 million USD



Total 136
employees



Bangladesh LPG market, which grew by **13% in 2021 and reached 1.4 million tons**, is one of the fastest growing LPG markets in the world with an **average annual growth rate of 32% between 2016-2021**.



In addition to the 2 LPG sphere tanks in use with a total capacity of 6,000 tons, the installation process of 3 new sphere tanks with a total capacity of 7,500 tons continues in **Chittagong**.

The permit process for the **Dhaka** facility, which we aim to make operational in 2023, continues.



After starting **sales operations as of August 2022**, a sales volume of approximately **9,500 tons** was reached in **the first quarter of 2023**.



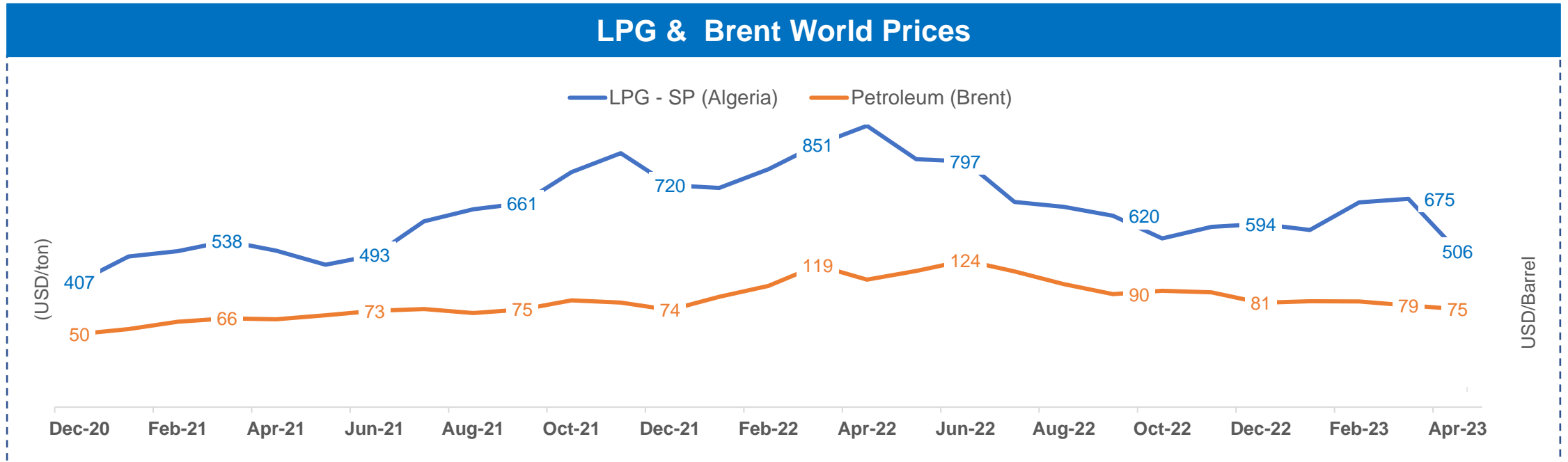
As of the end of the 1st quarter of 2023, operations are carried out with **85 dealers and 3,500 sales points**.



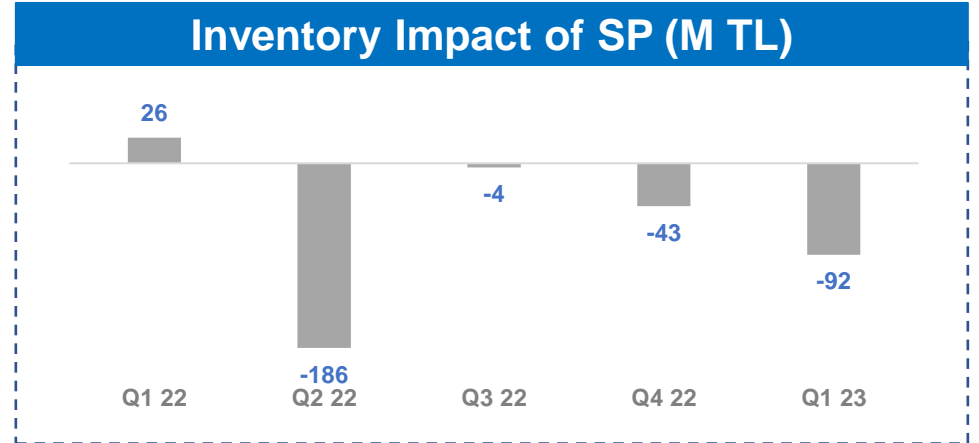
Billboard



Chittagong Terminal



- March 2023 Sonatrach (SP) LPG price is at 675 USD/ton and down by 21% compared to March 2022 while it is 14% higher than December 2022 level. The average LPG price in Q1 2023 is 638 USD/ton, 11% above the previous quarter.
- The SP price, which has been moving upwards since the last quarter of 2022, decreased by 169.5 USD/ton to 506 USD/ton in April due to the recession expectation in the global markets and the downward movement in global LPG consumption especially in the Far East.
- Net inventory loss incurred from SP price impact is 92 million TL for January-March period 2023. (Jan-Mar 2022: +26 million TL)



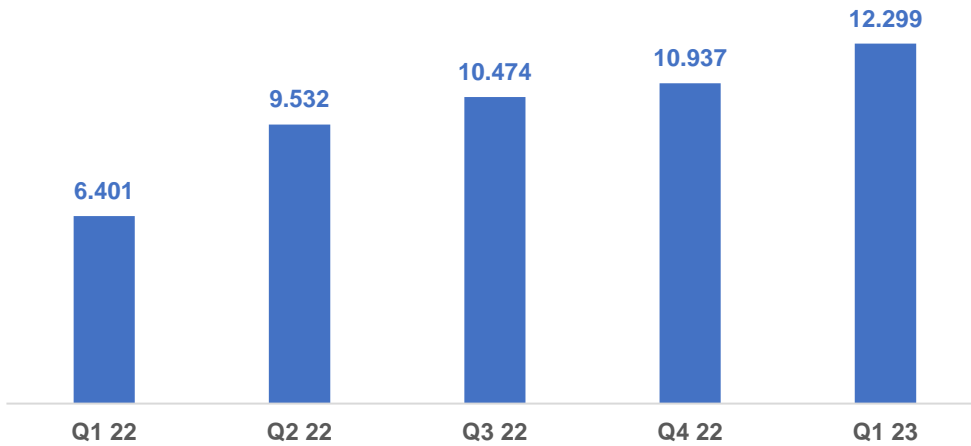
LPG & Natural Gas Financials – Q1 2023



Financials (M TL)	Q1 2023	Q1 2022	Quarterly / YoY
Revenue	12,299	6,401	92%
Gross Profit	792	491	61%
Operating Profit	208	69	200%
EBITDA (excl. other op. inc/exp)	242	229	6%
Net Profit	144	33	331%

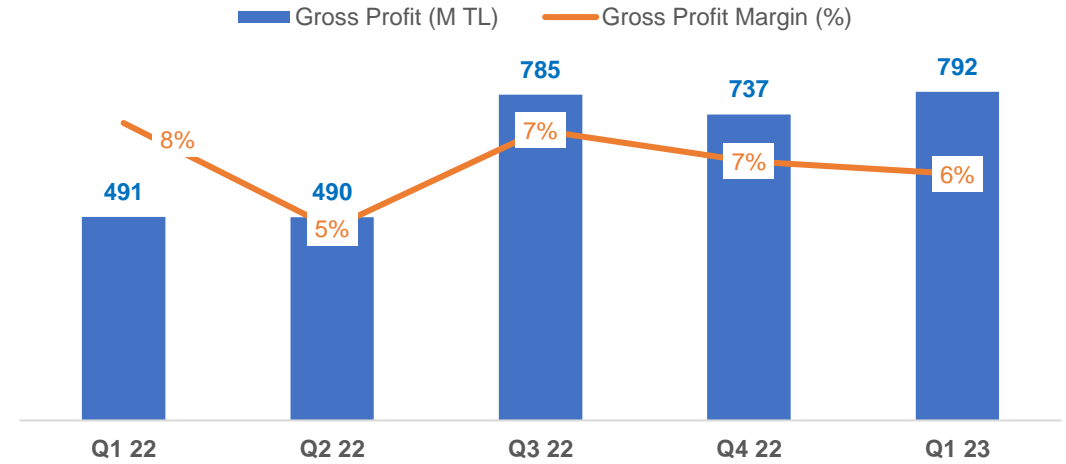
- In Q1 2023, higher sales volume (83% YoY) led to stronger sales revenue which is 92% above previous year's figure. Gross profit increased by 61% with improvements in distribution margins in line with inflation.
- Margin increases and improvement in net financial expenses offset the impact of the 150 million TL provision for impairment on inventory set aside in the scope of the sharp SP fall in April. Net profit of 144 million TL was generated in the first 3 months of 2023 higher than the previous year's figure.

Net Sales (M TL)



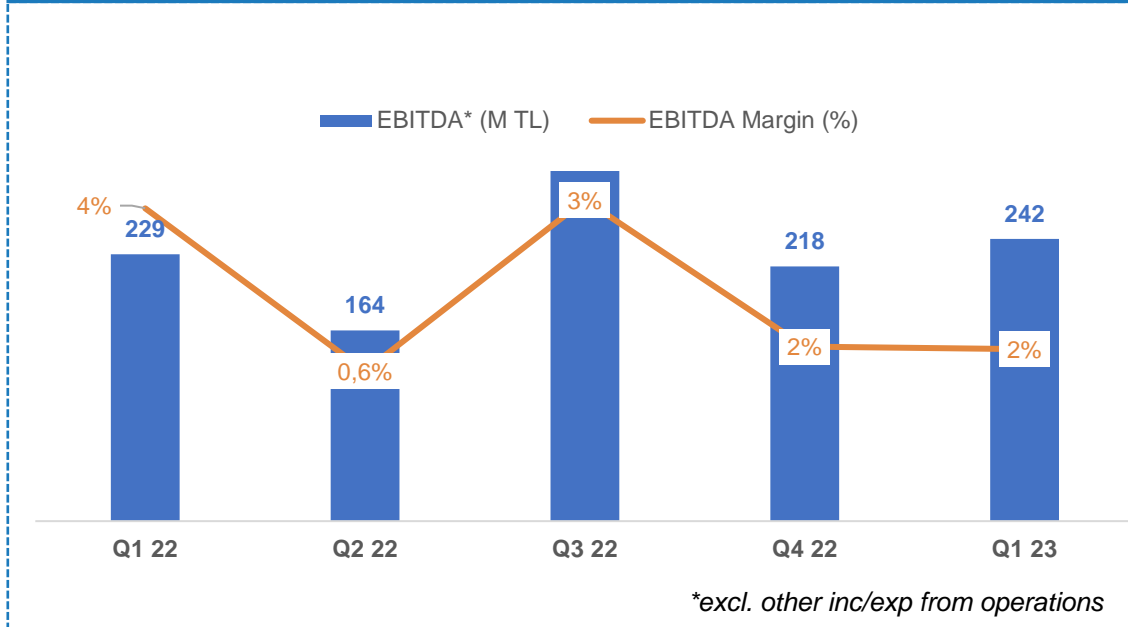
- Q1 net sales reached 12.3 billion TL, is higher both YoY and QoQ, on the back of increasing volume.

Gross Profit & Gross Profit Margin



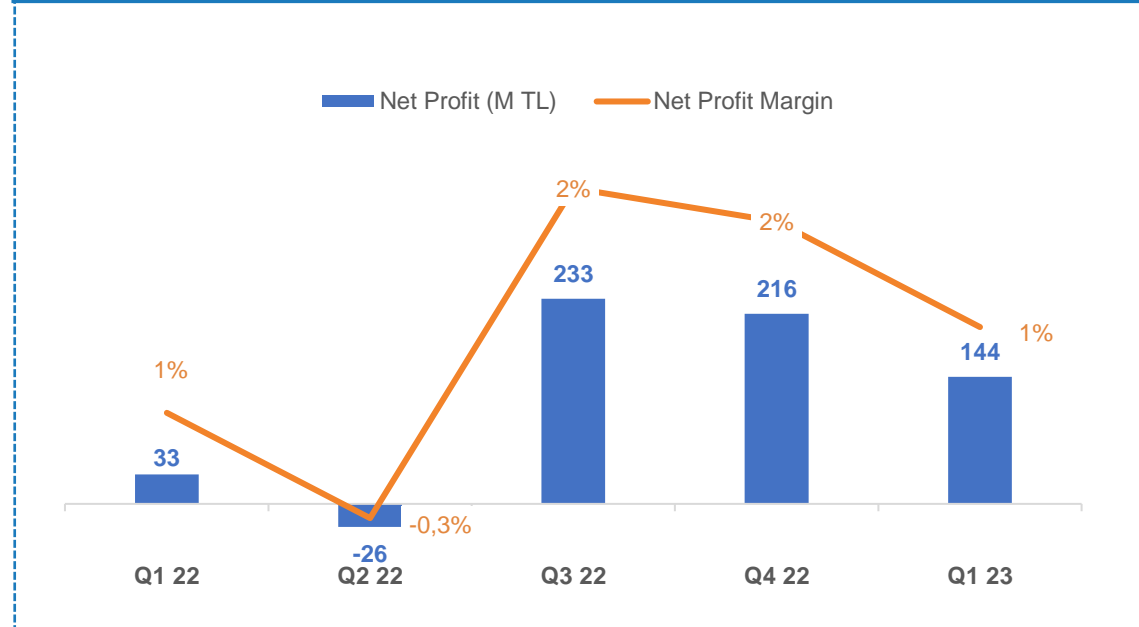
- Gross profit is up by 61% YoY with the improvement of distribution margins despite the negative inventory impact.
- Gross profit margin is around 6%.

EBITDA & EBITDA Margin



- Q1 EBITDA is equal to 242 million TL increasing YoY, due to the higher margins that offset the negative impact of inventory valuation.

Net Profit & Net Profit Margin



- Q1 net profit is 4 times the previous year's figure on the back of lower net financial expenses.

The background of the slide is a wide-angle photograph of an industrial facility, likely a refinery or gas processing plant, during sunset. The sky is a mix of orange, red, and purple. In the foreground, several large white storage tanks are visible, with the number "201" on one of them. The facility is filled with pipes, structures, and lights, some of which are illuminated. A blue semi-transparent banner is overlaid on the right side of the image, containing the text "Cargo Handling and Delivery Segment".

Cargo Handling and Delivery Segment

1,053.5 M TL
capital
contribution

Total 1,769
employees with
1,449 in the field

88% on-time
delivery

Total 5,494 customers'
packages delivered

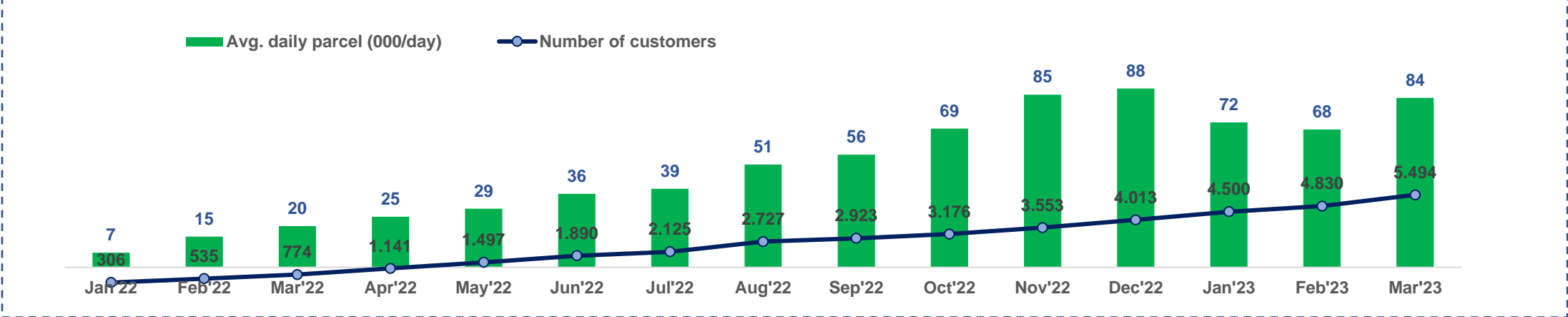
After starting operations in 15 additional provinces to Istanbul in September 2021, **expansion in all 81 provinces** was completed in February 2022.

In line with the investment plan, company's capital is increased to **1,053.5 million TL** as of March 2023.

111,000 maximum daily package delivery is reached in March. In 2023, the total number of delivered **packages is 5,3 million.**

Sendeo operates with 10 transfer centers, 9 distribution centers, 422 distribution points and **1,547 active delivery points** as of March.

Number of Package Development



Cargo Handling and Delivery – Financials - Q1 2023



Financials (M TL)	Q1 2023	Q1 2022	Quarterly / YoY
Revenue	135	12	1,030%
Gross Profit	-91	-25	-260%
Operating Profit	-195	-50	-290%
EBITDA (excl. other op. inc/exp)	-183	-46	-296%
Net Profit	-150	-47	-220%

- After starting its Istanbul operations in May 2021, Sendeo, which became operational in 81 provinces in less than a year, still continues its growth period.
- Compared to the Q4 2022, sales revenue and gross profit improvements were realized as 72% and 29%, respectively.
- Net loss incurred within the scope of expenditures related to investment and growth period in Q1 2023 is -150 million TL.

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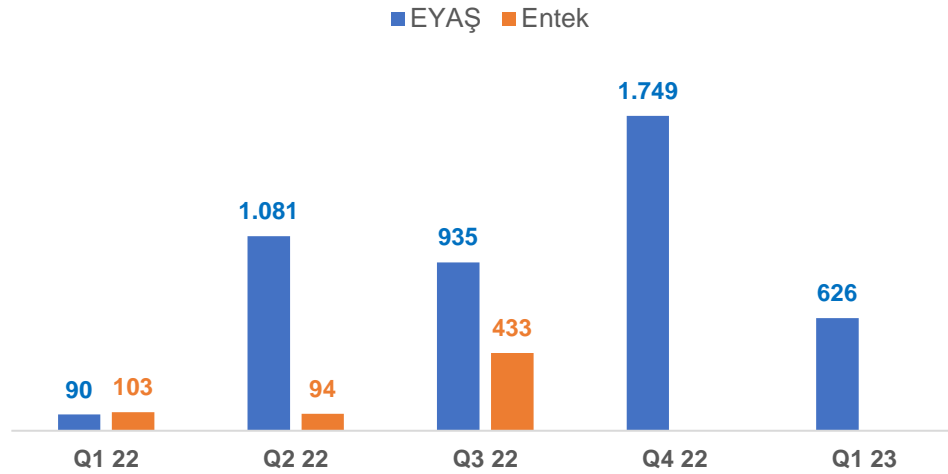
Consolidated Financials

Consolidated Financials – Q1 2023

Financials (M TL)	Q1 2023	Q1 2022	Quarterly / YoY
Revenue	12,434	6,413	94%
Gross Profit	701	465	51%
Operating Profit	13	19	-33%
EBITDA (excl. other op. inc/exp)	38	183	-79%
Net Profit (parent company's shares)	687	201	242%

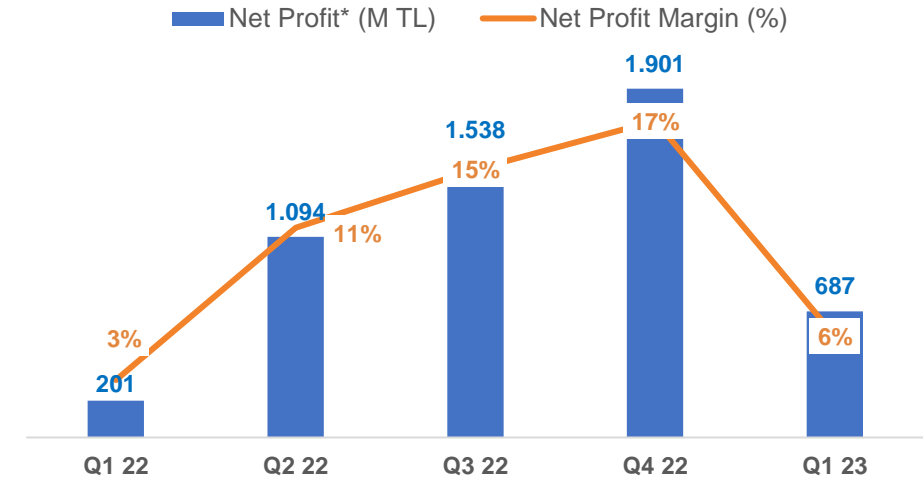
- The positive performance of the LPG segment compensated for the operating loss of Sendeo's growth period, resulting in an EBITDA of TL 38 million in Q1.
- Consolidated net profit in Q1 is 0,7 billion TL with the contribution from EYAŞ.

Contribution from EYAŞ* and Entek**



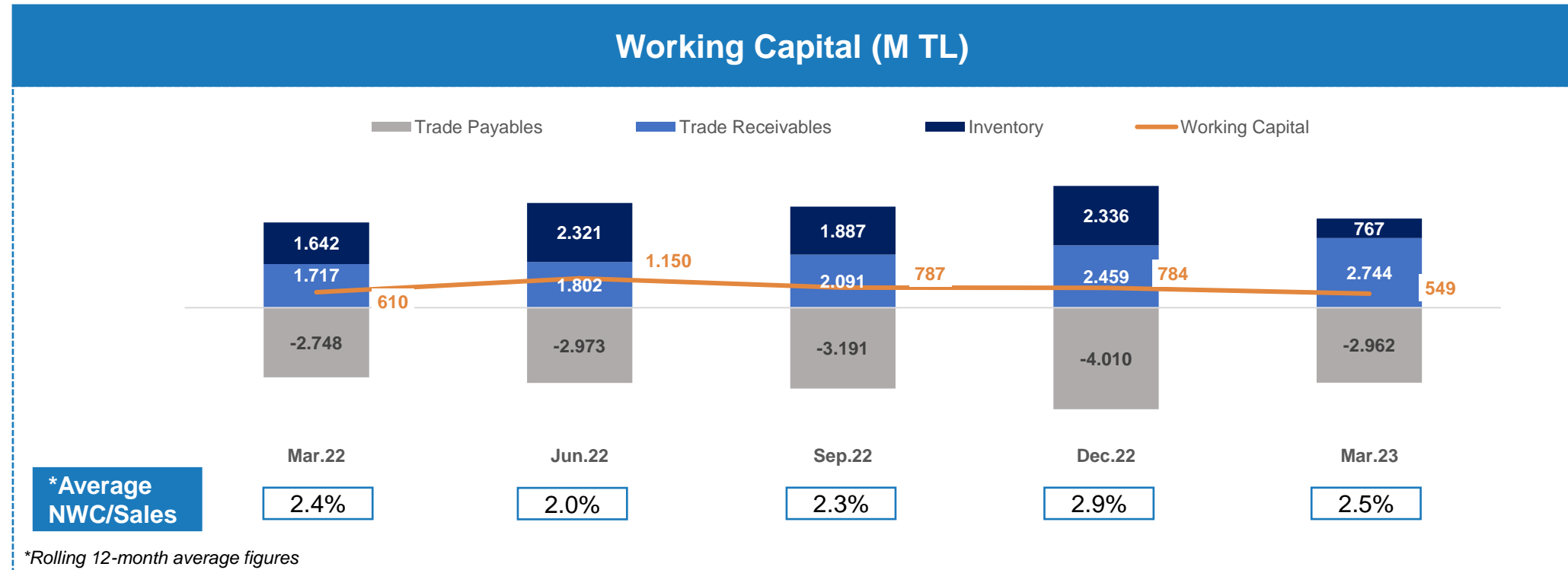
*EYAŞ: Enerji Yatırımları A.Ş. **Entek: Entek Elektrik Üretimi A.Ş.

Net Profit & Net Profit Margin

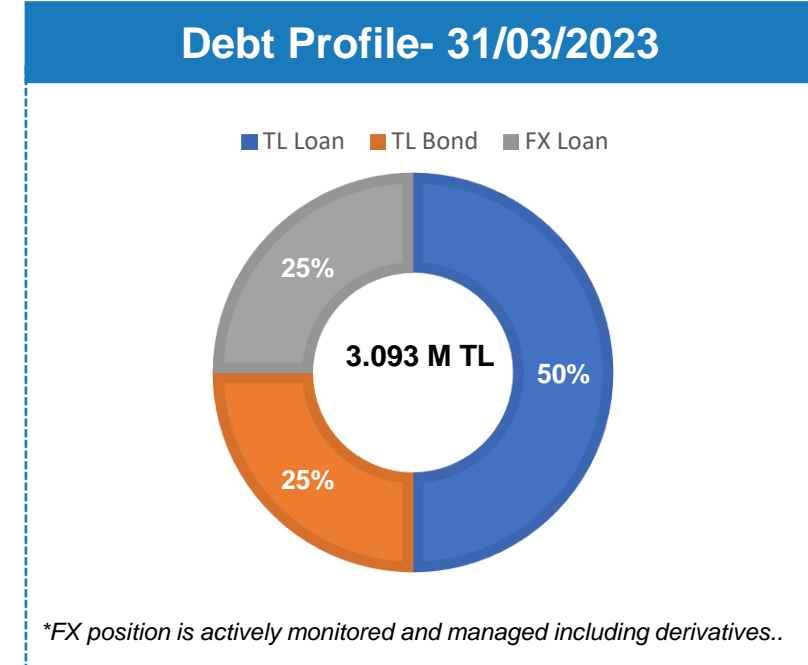
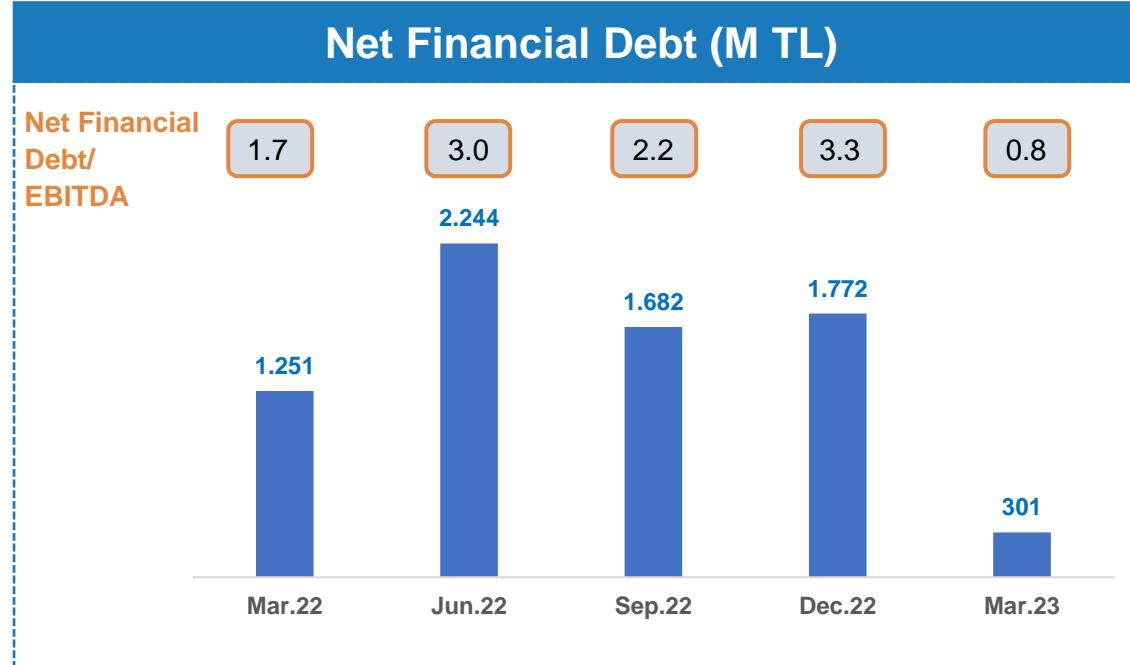


*Parent company's share

- Contribution from EYAŞ, accounted under equity method, is approximately 7 times higher than the same period of the previous year in Q1.
- Net profit is equal to 687 million TL in Q1 with the contribution from EYAŞ.
- Entek, whose shares were transferred to Tüpraş with a partial demerger transaction, has no contribution to Aygaz financials starting from Q4 2022.



- As of the end of March, trade payables and inventory decreased by 26% and 67% respectively, while trade receivables were up by 12% compared to the end of December. The net working capital was realized as 549 million TL down by 30% YoY.
- As of March end, the inventories comprised of 42 thousand tons of LPG. (December end: 180 thousand tons)



- Net financial debt amount decreased by 1.5 billion TL compared to the year-end in line with the contribution of improvement in working capital and dividend income.
- In Q1 2023, 1 billion TL dividends were received from EYAŞ, while Aygaz paid a dividend of 220 million TL.
- NFD/EBITDA ratio is 0.8x as of March end.

Forward Looking Statements for 2023



**Sales
Volume**



Cylinder: 245 - 255 k tons



Autogas: 730 - 760 k tons*



**Market
Share**



Cylinder: 41.0% - 43.0%



Autogas: 22.0% - 23.0%

**It is revised due to the general demand growth in the autogas market.
Previous: 700-730 k ton*

Income Statement Summary



Income Statement (M TL)	Q1'23	Q1'22	Y/Y (%)***	Q4'22	Q/Q (%)***
Revenue	12,434	6,413	94	11,016	13
Gross Profit	701	465	51	609	15
Gross Profit Margin	6%	7%	(1)	6%	-
Operating Profit/Loss	13	19	(32)	73	(82)
Operating Profit Margin	0.1%	0.3%	(0.2)	1%	(0.9)
Profit Before Tax	619	215	188	1,719	(64)
PBT Margin	5%	3%	2	16%	(11)
Net Profit*	687	201	242	1,901	(64)
Net Profit Margin	6%	3%	3	17%	(11)
EBITDA**	38	183	(79)	25	52
EBITDA Margin	0.3%	3%	(2.97)	0.2%	0.1
Inventory Gains/Losses	-92	26	-454	-43	-114

*Parent company's share

**Excluding other income and expenses

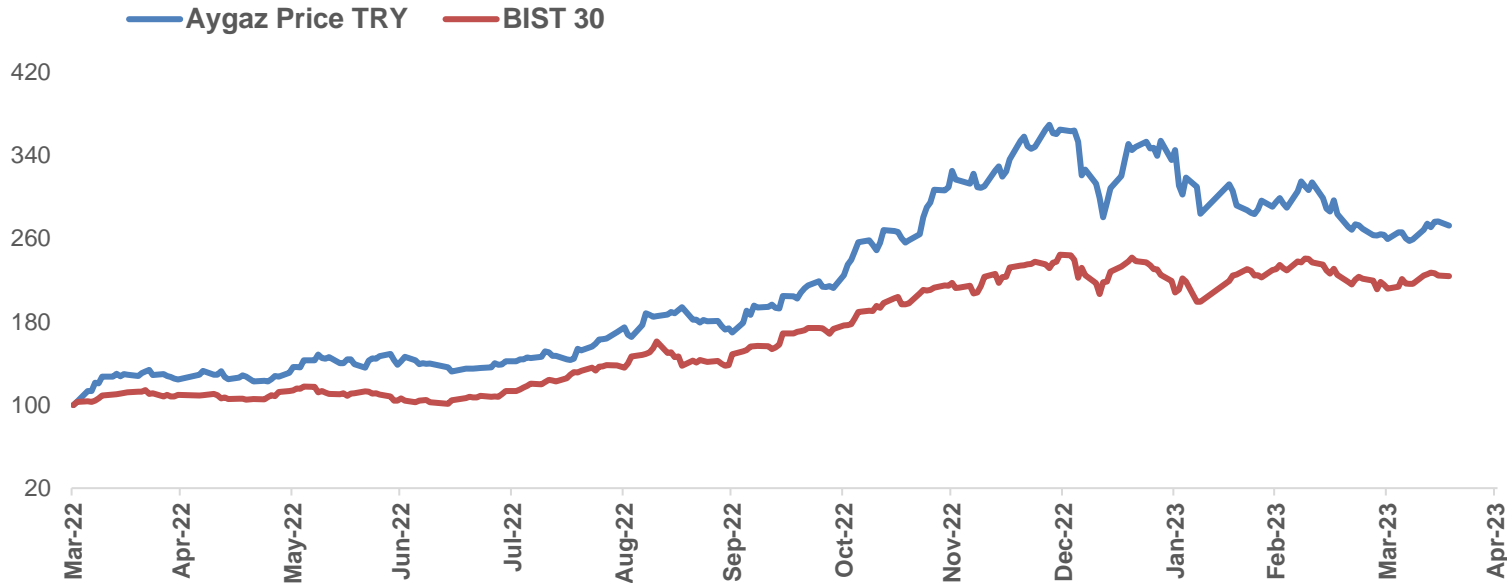
*** Y/Y and Q/Q changes in margins are in points basis.

Balance Sheet Summary



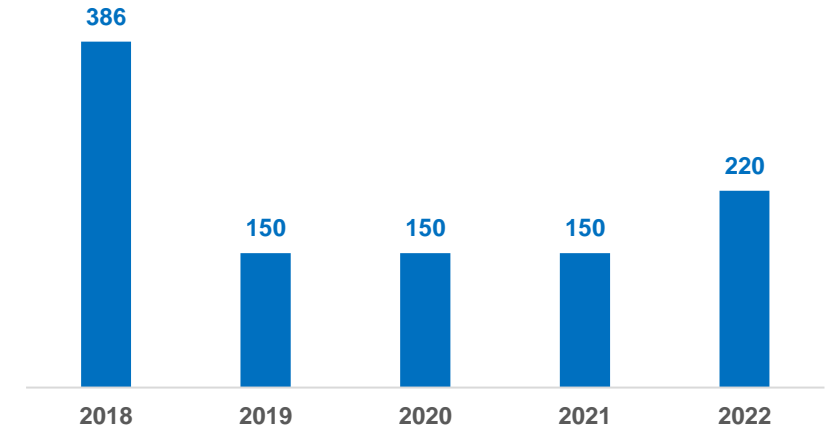
Balance Sheet (M TL)	3M'23	12M'22	Diff.	Diff. %
Cash & Cash Eq.	2,792	1,827	965	53
Trade Receivables	2,744	2,459	285	12
Inventories	767	2,336	(1,569)	-67
Prop. Plant & Equip.	1,012	984	28	3
Participations	6,572	6,262	310	5
Total Assets	15,487	16,648	(1,161)	-7
Financial Debt	3,093	3,599	(506)	-14
Trade Payables	2,962	4,010	(1,048)	-26
Total Equity	7,901	7,728	173	2
Total Liabilities & Equity	15,487	16,648	(1,161)	-7
Net Cash (Debt)	(301)	(1,772)	1,471	-83
Net Working Capital	549	784	(235)	-30

Aygaz Share Price



- As of March 31, 2023, Aygaz's company value has increased by 159% in the last 1 year, reaching TL 14.7 billion (USD 770 million).
- In the same period BIST 30 and BIST 100 are up by 112% and 114% respectively.

Dividend (M TL)



BIST Code: **AYGAZ**

Bloomberg Code: **AYGAZ.TI**

Reuters Code: **AYGAZ.IS**


IPO Date: **13.01.1988**

Free float rate: **24.3 %**

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