

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 the AYGAZ logo on them. The facility in the background is lit up with various lights, and there are power lines and towers visible against the horizon.

Q2. 2023 Earnings Release Report

July 31, 2023

- This presentation may contain forward-looking statements that reflect the Company Management's current views with respect to certain future events. Although it is believed that the expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.
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LPG Market & Business

- According to Energy Market Regulatory Authority (EMRA) LPG sector May report, in January-May 2023 period; Turkish **cylinder gas and autogas markets increased by 3% and 23% respectively** YoY. Aygaz sustained its market leader position during this period with a **total market share of 26.3%**.
- In the first half of 2023, **Aygaz autogas sales improved by 23% YoY**, due to the **increase in LPG's economic advantage** and its increased use. With the **growth in bulk gas sales**, total **domestic retail sales** reached 566 thousand tons with a **growth of 30%** compared to the same period of the previous year.
- In the first six months of 2023, our **wholesale and international LPG sales** were realized **44% and 70% above** the same period of the previous year respectively, and the total sales volume reached to 874 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 half of the year, a total of **21 thousand tons were sold through 106 dealers**.



Financial

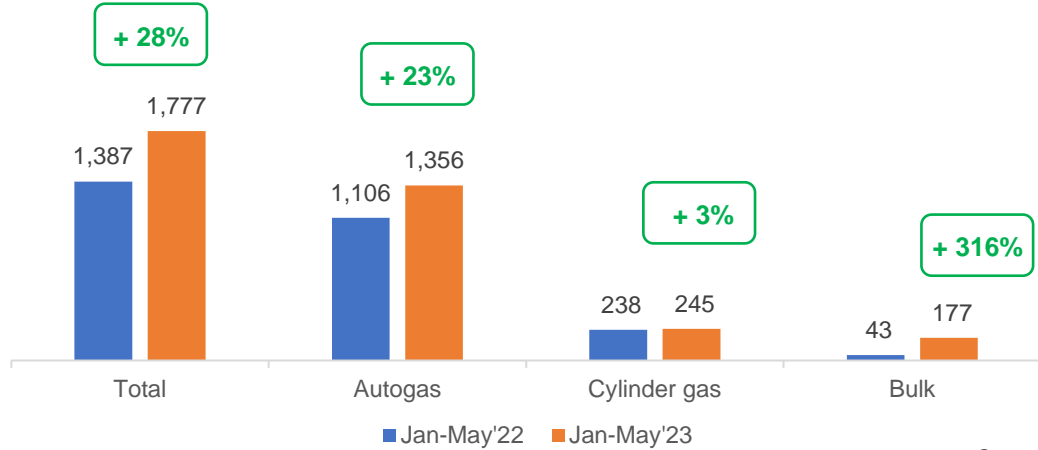
In H1 2023;

- 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 of 369 million TL .
- **Consolidated net profit** (parent) figure amounted to **1,412 million TL**, on the back of contribution from EYAŞ that is accounted under equity method.
- As of the end of June, **due to the increase in working capital, the net financial debt** amount reached **1,101 million TL with an increase of 800 million TL** compared to the end of March.

The background of the slide is a wide-angle photograph of an industrial facility, likely a 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 in the background is lit up with various lights, and there are power lines and towers visible against the horizon.

LPG and Natural Gas Segment

Turkish LPG Market ('000 ton)



Source: EMRA

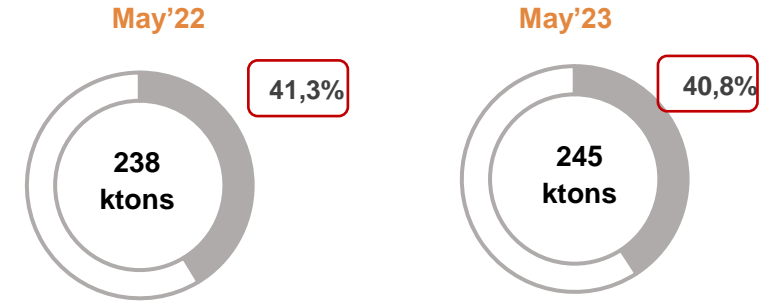
According to EMRA LPG sector May report, Aygaz's market shares in the January-May'23 period are as follows:

- Cylinder gas market share is 40.8% down by 0.5 points YoY.
- Autogas market share is 22.1% which is parallel YoY.
- Total LPG market share is 26.3% up by 0.5 points YoY.

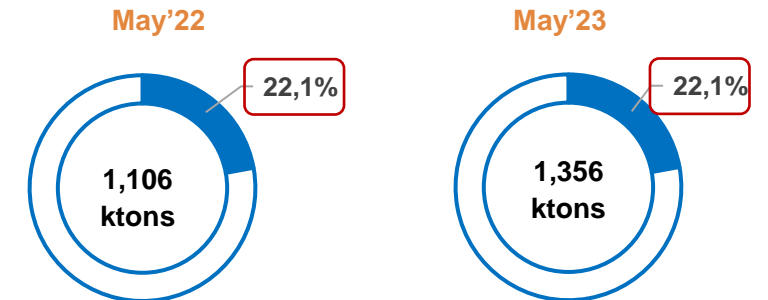
Aygaz sustained its leader position in all segments.

Aygaz Market Shares

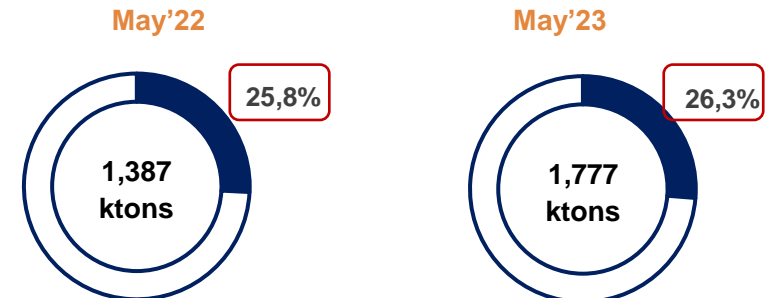
Cylinder



Autogas



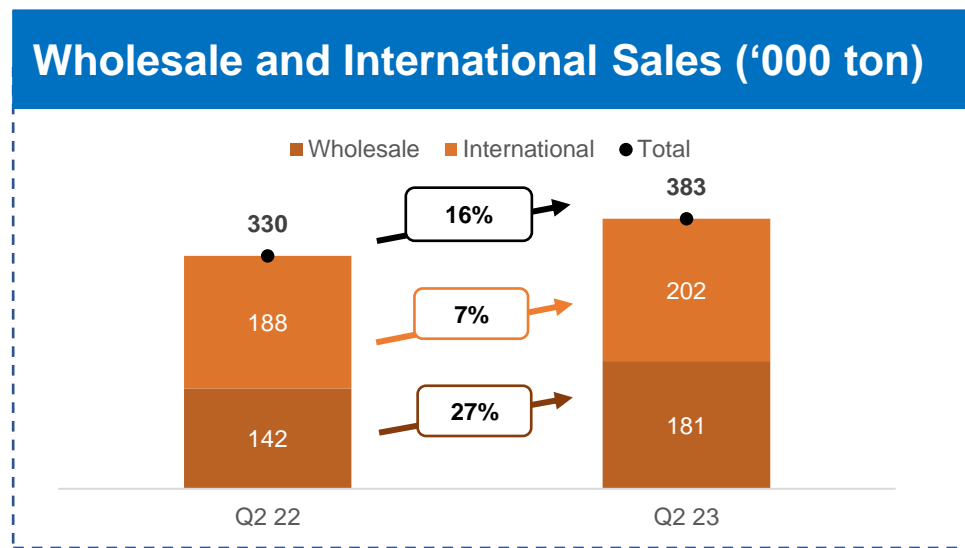
Total



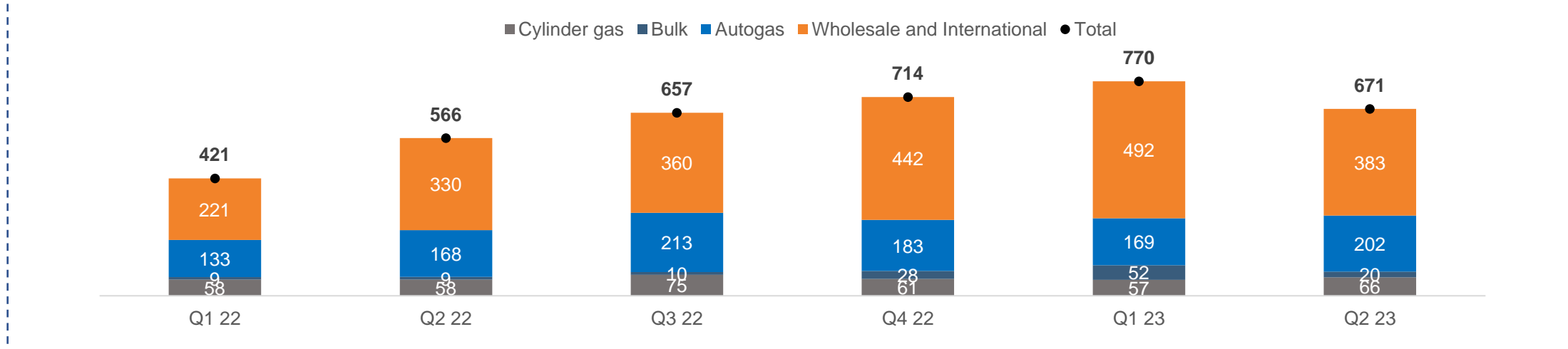
Source: EMRA

Operational indicators – Q2 2023

	2Q 2023 (‘000 ton)	Compared to 2Q 2022	6M 2023 (‘000 ton)	Compared to 6M 2022
Domestic Retail LPG Sales	288	22%	566	30%
Wholesale and International LPG Sales	383	16%	874	59%
Total LPG Sales	671	19%	1,441	46%



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 159
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% in the last five years.**



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



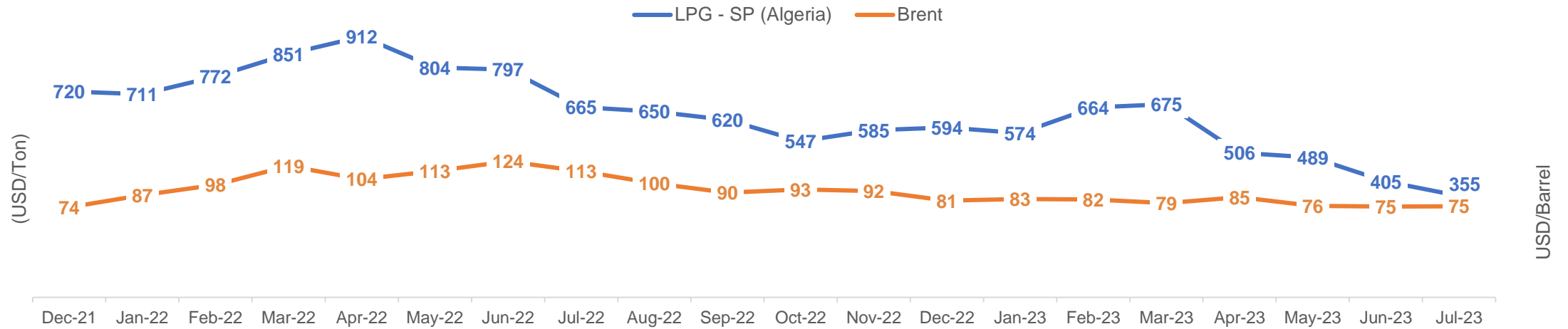
After starting **sales operations as of August 2022**, a sales volume of approximately **21 k tons** was reached in **the first half of 2023.**



As of the end of the June of 2023, operations are carried out with **106 dealers** and **3,500 sales points.**

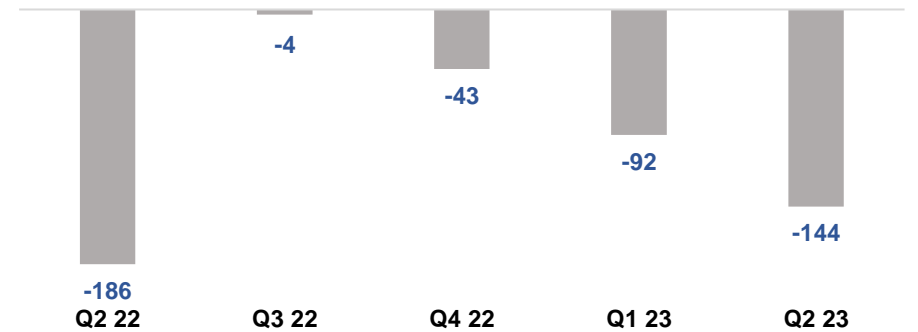


LPG & Brent World Prices



- June 2023 Sonatrach (SP) LPG price is at 405 USD/ton, down by 49% compared to June 2022 and down by 32% compared to December 2022 level. The average LPG price in H1 2023 is 552 USD/ton.
- The SP price, which moved upwards during the first quarter of 2023, decreased by 320 USD/ton to 355 USD/ton in last three months due to stagnation in the global economic outlook, the increase in LPG supply in the USA and the Middle East and the limited consumption in China.
- Net inventory loss incurred from SP price impact is 236 million TL for January-June period 2023 (Jan-Jun 2022: -161 million TL).

Inventory Impact of SP (M TL)



LPG & Natural Gas Financials – Q2 2023

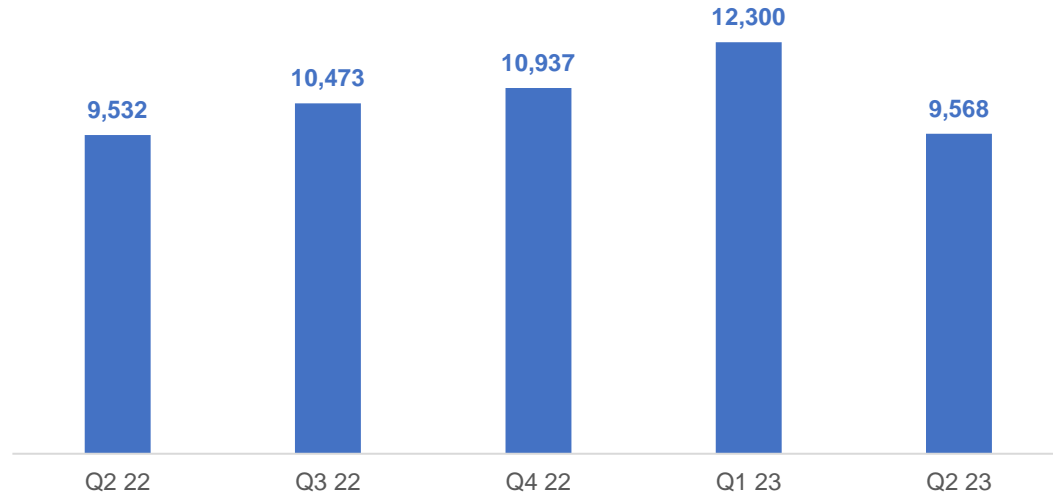


Financials (M TL)	Q2 2023	Quarterly / YoY	6M 2023	6M / YoY
Revenue	9,568	-	21,867	37%
Gross Profit	1,098	124%	1,891	93%
Operating Profit	209	378%	417	268%
EBITDA (excl. other op. inc/exp)	491	201%	712	82 %
Net Profit	127	587%	270	NM*

- In Q2 2023, despite the 46% increase in total sales volume compared to the previous year, sales revenues were realized in parallel due to decline in product prices. Gross profit increased by 124% with increased USD exchange rate and improvements in distribution margins.
- The increase in operating expenses mainly due to inflation and net FX losses incurred related to trade receivables/payables have negative impact on operating profit and EBITDA. As a result of the positive effect of the improvement in gross profit, EBITDA of 491 million TL was generated, which is 3 times the level of the previous year.

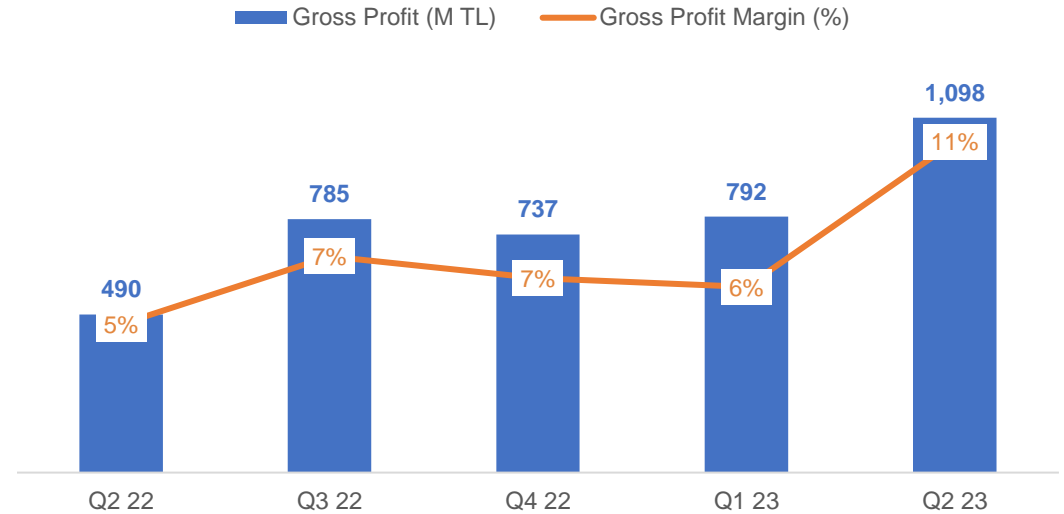
*NM: Not Meaningful

Net Sales (M TL)



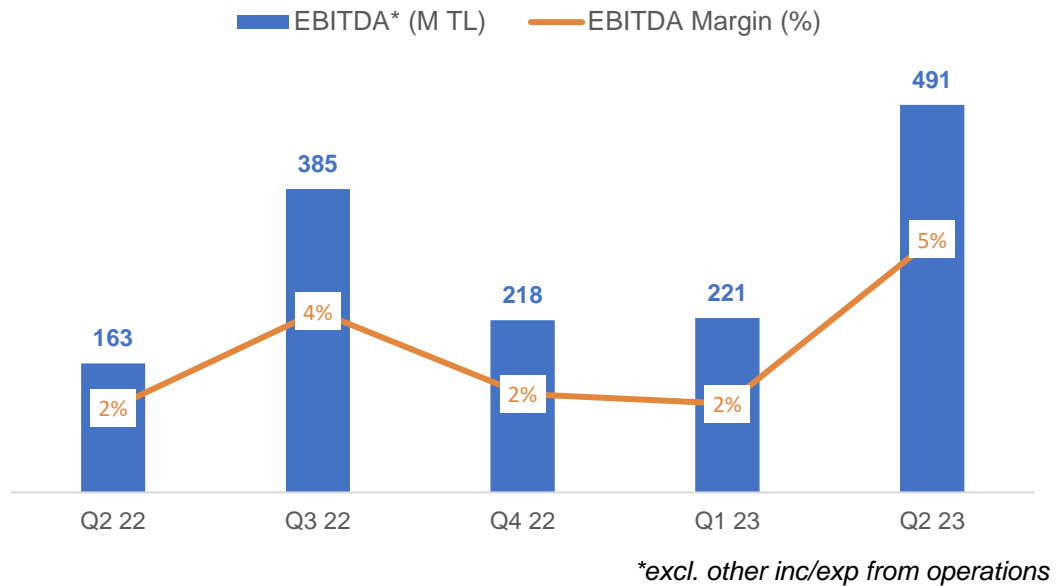
- Q2 net sales reached to 9.6 billion TL, in line with last year and down by %22 QoQ.

Gross Profit & Gross Profit Margin



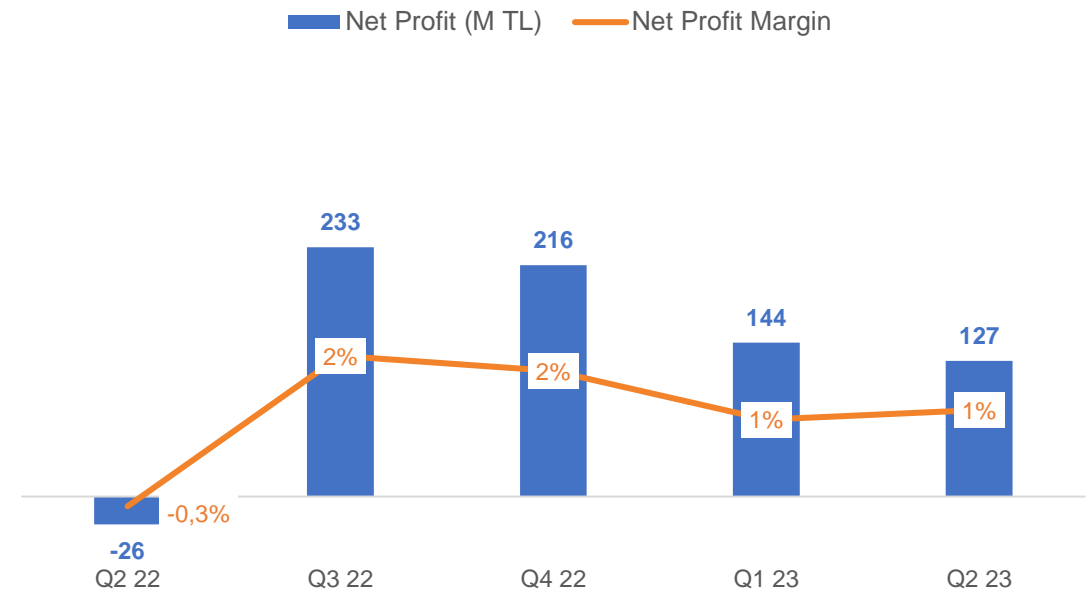
- Gross profit is up by 124% YoY with USD exchange rate with the contribution of increased distribution margins and volume despite the negative inventory impact.
- Gross profit margin is around 11%.

EBITDA & EBITDA Margin



- Q2 EBITDA is equal to 491 million TL increasing YoY, on the back of the increase in gross profit that offset the increase in operating expenses due to inflation and net FX losses related to trade receivables/payables.

Net Profit & Net Profit Margin



- Q2 net profit is above the same period of the previous year with the support of the decrease in net finance expenses.

The background image shows an industrial facility, likely a refinery or gas processing plant, at sunset. The sky is a mix of orange, red, and purple. In the foreground, there are several large white storage tanks. One tank on the left has the AYGAZ logo and the number "203" on it. Another tank in the middle has the number "201". The facility is filled with pipes, valves, and structures, with some lights on. In the distance, there are hills and power lines.

Cargo Handling and Delivery Segment



1,183.5 M* TL
capital
contribution



Total 1,859
employees with
1,542 in the field



Total 5,421 customers'
packages delivered



108,000 maximum daily package
delivery is reached in June.

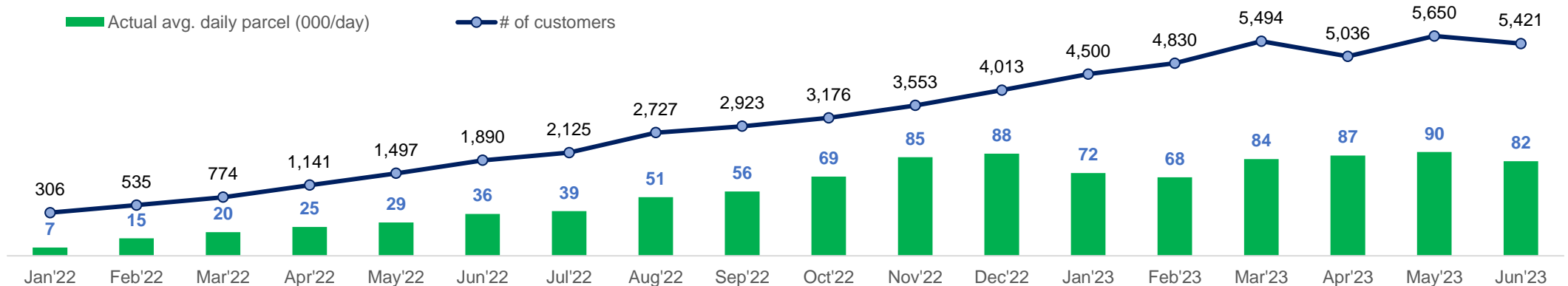
As of the beginning of 2023, the
total number of delivered
packages is **10.8 million**.



Sendeo operates with 10
transfer centers, 13 distribution
centers, 405 distribution points
and **1,629 active delivery**
points as of end of June.



Number of Package Development



*Indicates current cumulative amount. On the Ordinary General Meeting held in March 2023, capital of Sendeo is decided to increase from TL 753,500 thousand to TL 1,183,500 thousand. TL 300,000 thousand 13 of the total amount of TL 430,000 thousand was paid in cash by the shareholders on 21 March 2023. The payment of the remaining TL 130,000 thousand was completed at the beginning of July 2023

Cargo Handling and Delivery – Financials – Q2 2023



Financials (M TL)	Q2 2023	Quarterly / YoY	6M 2023	6M / YoY
Revenue	148	502%	284	675%
Gross Profit	(113)	-139%	(204)	-181%
Operating Profit	(174)	-63%	(369)	-135%
EBITDA (excl. other op. inc/exp)	(165)	-60%	(348)	-133%
Net Profit	(132)	-32%	(282)	-91%

- 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.
- Sales revenue is realized as 148 million TL in the Q2 2023, above the previous quarter due to the increase in volume .
- EBITDA in the first half of 2023 within the scope of investment and growth period is -348 million TL.
- With the effect of increased volumes as well as efficiency efforts, net loss in 2Q 2023 is down by 12% QoQ.

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 spherical storage tanks are visible, with the number "201" on one of them. A blue semi-transparent banner is overlaid across the middle of the image, containing the text "Consolidated Financials".

Consolidated Financials

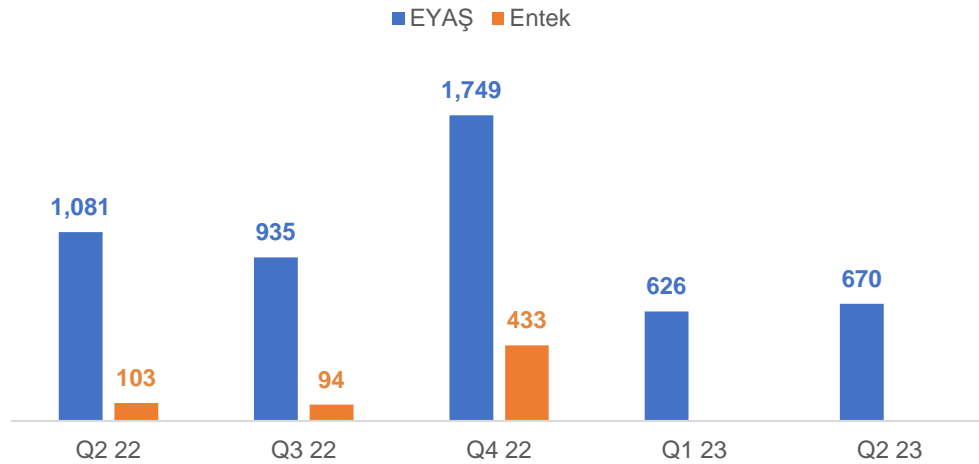
Consolidated Financials – Q2 2023



Financials (M TL)	Q2 2023	Quarterly / YoY	6M 2023	6M / YoY
Revenue	9,715	2%	22,150	39%
Gross Profit	986	123%	1,687	86%
Operating Profit	35	155%	48	209%
EBITDA (excl. other op. inc/exp)	326	439%	364	50%
Net Profit (parent company's shares)	724	-34%	1,412	9%

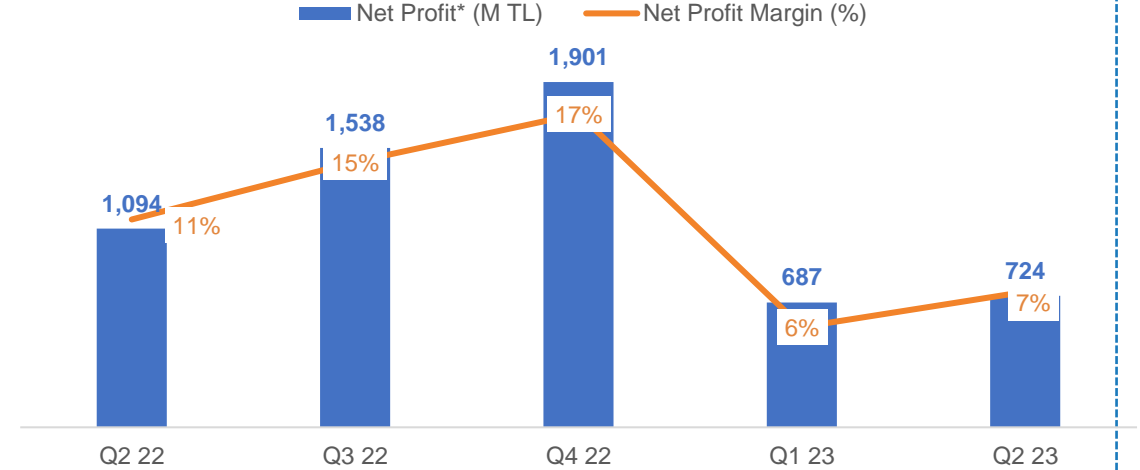
- The positive performance of the LPG segment compensated for the operating loss of Sendeo's growth period, resulting in an EBITDA of 364 million TL in H1.
- Consolidated net profit in H1 is 1.4 billion TL with the contribution from EYAŞ.

Contribution from EYAŞ* and Entek**



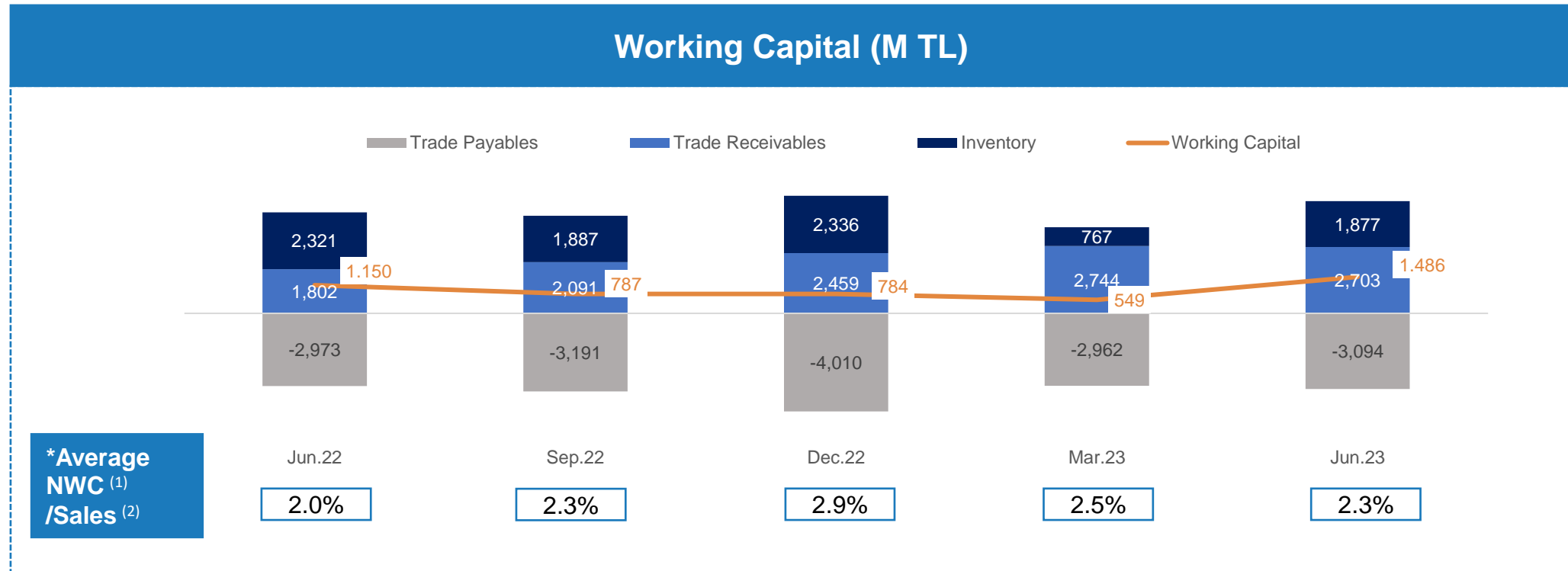
*EYAŞ: Enerji Yatırımları A.Ş. **Entek: Entek Elektrik Üretimi A.Ş.

Net Profit & Net Profit Margin



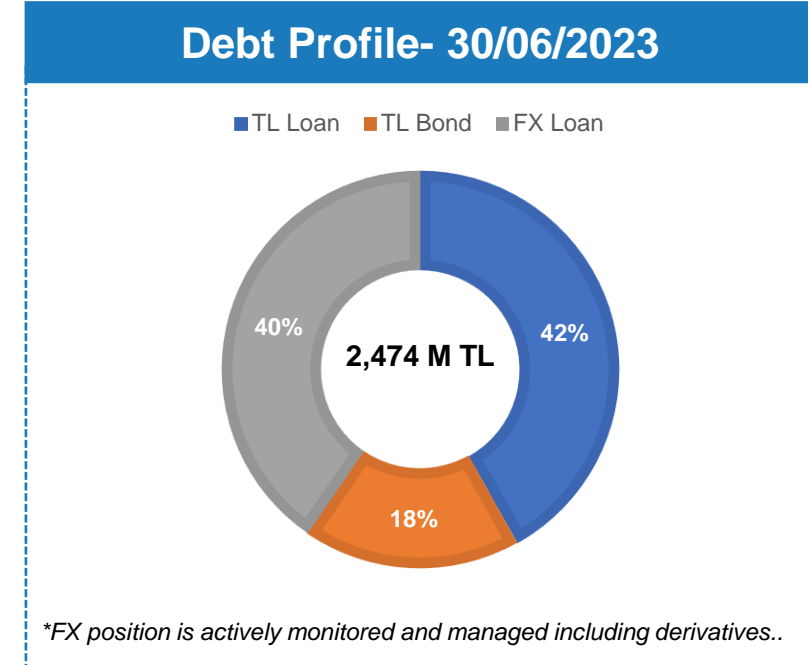
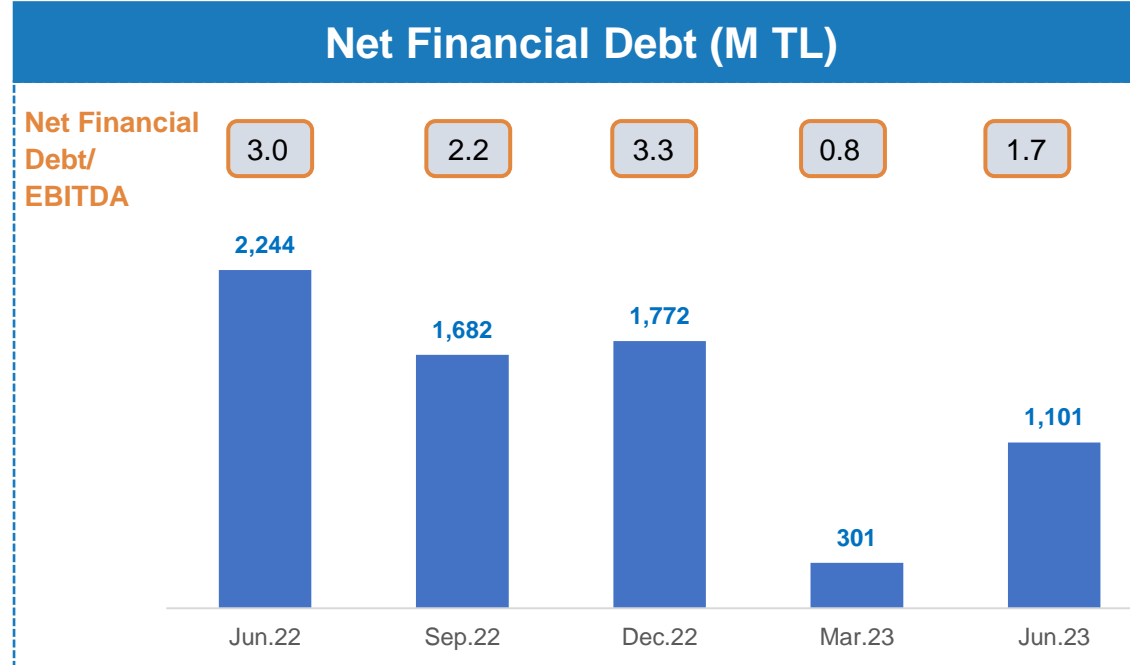
*Parent company's share

- Net profit is equal to 724 million TL in Q2 2023 with the contribution from EYAŞ (670 million TL) which is accounted under equity method.
- Entek, whose shares were transferred to Tüpraş with a partial demerger transaction, has no contribution to Aygaz financials starting from Q4 2022.



- The net working capital was realized as 1,486 million TL up by 171% QoQ mainly due to the increasing stock level with the impact of the seasonality.
- The ratio of average net working capital to revenue is at the level of 2.3%, which is in line with previous periods.
- As of June end, the inventories comprised of 142 thousand tons of LPG including the goods-in-transit.

(1) Last 3 months average
 (2) 12-months average sales



- As of the end of June, due to the increase in working capital, the net financial debt amount increased by 800 million TL compared to the end of March.
- NFD/EBITDA ratio is 1.7x as of June end.

Forward Looking Statements for 2023



Sales Volume



Cylinder: 245 - 255 k tons



Autogas: 750 - 780 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: 730-760 k tons*

Income Statement Summary - Quarterly



Income Statement (M TL)	Q2'23	Q2'22	Y/Y (%)***	Q1'23	Q/Q (%)***	6M'23	6M'22	Y/Y (%)***
Revenue	9,715	9,557	2	12,434	(22)	22,150	15,969	39
Gross Profit	986	442	123	701	41	1,687	908	86
Gross Profit Margin	10%	5%	5	6%	4	8%	6%	2
Operating Profit/Loss	35	(63)	(155)	13	168	48	(44)	(209)
Operating Profit Margin	0.4%	-1%	1	0.1%	0.3	0.2%	-3,0%	0.5
Profit Before Tax	676	1,011	(33)	619	9	1,295	1,226	6
PBT Margin	7%	11%	(4)	5%	2	6%	8%	(2)
Net Profit*	724	1,094	(34)	687	5	1,412	1,295	9
Net Profit Margin	7%	11%	(4)	6%	1	6%	8%	(2)
EBITDA**	326	60	440	38	758	364	243	50
EBITDA Margin	3%	1%	3	0.3%	3	2%	2%	0
Inventory Gains/Losses	(144)	(186)	(23)	(92)	57	(236)	(161)	47

*Parent company's share

**Excluding other income and expenses

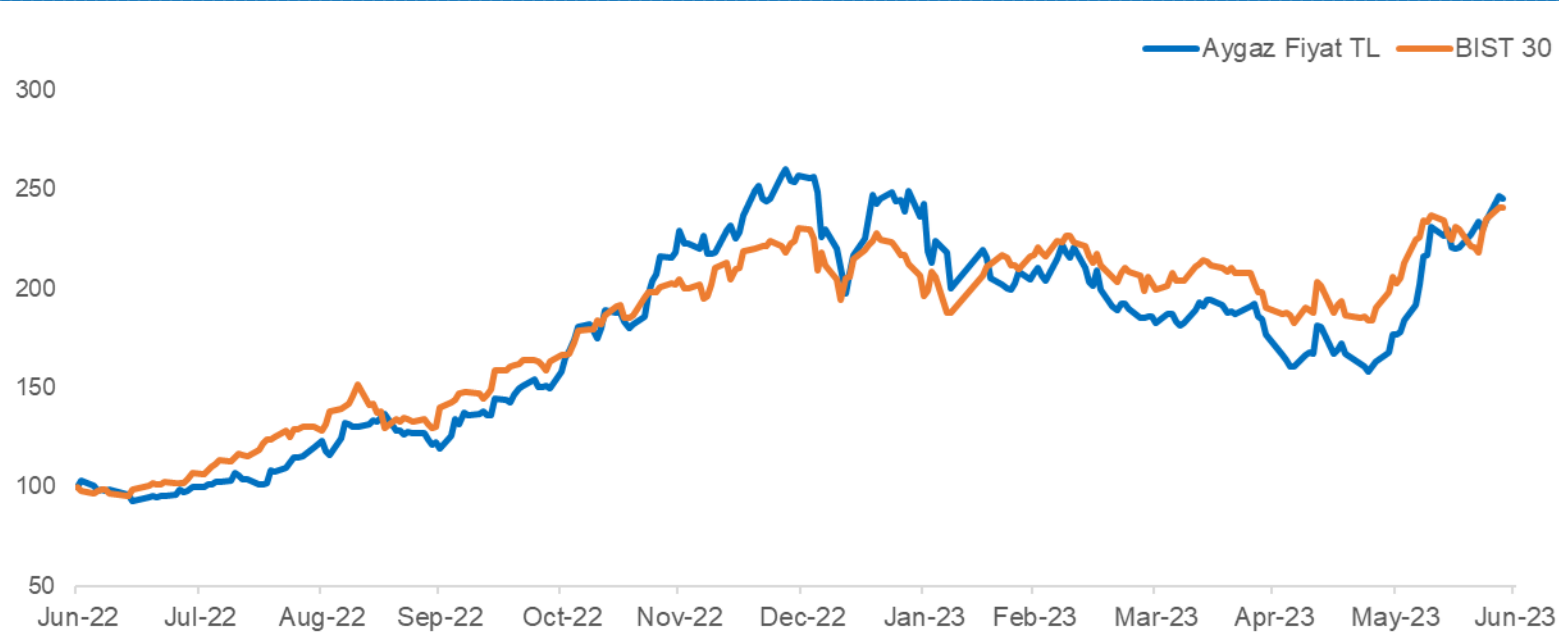
*** Margins include point changes

Balance Sheet Summary



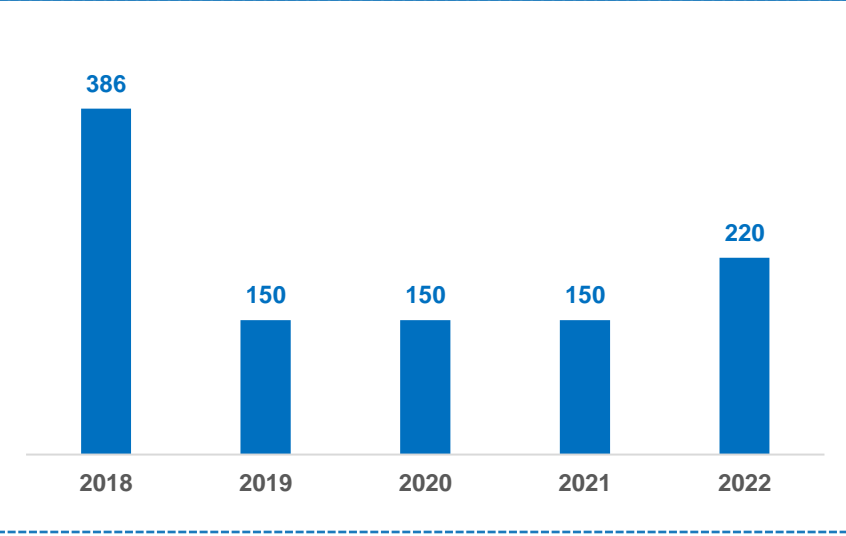
Balance Sheet (M TL)	6M'23	12 M'22	Diff.	Diff. %
Cash & Cash Eq.	1,546	1,827	(281)	(15)
Trade Receivables	2,703	2,459	244	10
Inventories	1,877	2,336	(459)	(20)
Prop. Plant & Equip.	1,088	984	105	11
Participations	6,500	6,262	237	4
Total Assets	16,388	16,648	(259)	(2)
Financial Debt	2,647	3,599	(952)	(26)
Trade Payables	3,094	4,010	(916)	(23)
Total Equity	9,128	7,728	1,401	18
Total Liabilities & Equity	16,388	16,648	(259)	(2)
Net Cash (Debt)	(1,101)	(1,772)	671	(38)
Net Working Capital	1,486	784	702	89

Aygaz Share Price



- As of end of June, Aygaz's company value has increased by 80% in the last 1 year, reaching TL 19.8 billion (USD 767 million).
- In the same period BIST 30 and BIST 100 are up by 141% and 136% 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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