



Koç Holding A.Ş., Aygaz A.Ş.,
Türkiye Petrol Rafinerileri A.Ş.
and Entek Elektrik Üretimi A.Ş.

Expert Institution Report for the Determination of the
Demerger Ratio and Share Exchange Ratio

(Translated from the original Turkish Report)

25 April 2022

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Expert Institution Report regarding Demerger Ratio and Share Exchange Ratio Calculation 25 April 2022

To the attention of Koç Holding A.Ş., Aygaz A.Ş. and Türkiye Petrol Rafinerileri A.Ş Board of Directors,

In accordance with our engagement letter with Koç Holding A.Ş. ("Koç Holding"), Aygaz A.Ş. ("Aygaz") and Türkiye Petrol Rafinerileri A.Ş. ("Tüpraş") (all together "Client") dated January 13, 2022, we are pleased to present the Expert Institution Report (the "Report") prepared within the framework of Communiqué on Merger and Demerger (Serial: II No: 23.2) Article 7 of the Capital Markets Board ("CMB" or "Board"), on the determination of demerger ratio and share exchange ratio related to transfer of Entek Elektrik A.Ş. ("Entek") shares, owned by Koç Holding and Aygaz (all together "Companies to Demerge"), to Tüpraş via a demerger transaction ("Demerger"). The purpose of this Report ("Purpose") is to determine the demerger ratio and share exchange ratios as of 31 December 2021 ("Valuation Date") within the framework of CMB communiqué and/or regulations to be presented to Boards of Directors of Koç Holding, Aygaz and Tüpraş regarding the transaction mentioned above. Our work is not intended to make a specific sale or purchase recommendation, but merely to provide information to assist the Board of Directors in decision making. Our work has been completed as of the Report date, and developments after this date have not been taken into account.

The valuation study includes the audited consolidated TFRS financial statements of the Aygaz, Tüpraş and Entek (all together "Companies"), for the periods of 31 December 2019, 31 December 2020 and 31 December 2021, prepared in accordance with the CMB Financial Reporting standards, and the analysis of the business plans, financial and operational information provided by the Companies Managements. No review or audit work has been performed on the financial statements and the business plan of the Companies on which our valuation work has been based and it has been accepted that the financial information accurately reflect their historical and projected operating results and financial position.

This Report has been prepared at your request only for the Purpose set out in the first paragraph above and is not intended to be used for any other purpose. Ernst Young Kurumsal Finansman Danışmanlık A.Ş. ("EY" or "EY Turkey") does not accept any responsibility towards third parties other than the Board of Directors of Koç Holding, Aygaz and Tüpraş. The distribution of this Report is limited to the Client Managements, legal institutions and regulatory authorities (CMB, etc.) related to the merger process.

Despite this restriction, if our Report is disclosed to third person and parties or other interested parties, it should not be relied for making any decisions or investments; otherwise, EY does not accept any responsibility towards any institution other than the Board of Directors of Koç Holding, Aygaz and Tüpraş.

Please note that this Expert Institution Report is subject to the "Statement of General Assumptions and Limiting Conditions" presented in the Appendices of this Report.

The original version of this report is furnished in Turkish. In any case, in which the original and English reports contradict at any point, the original report will be binding.

Yours faithfully,



İnciser Olguner Arıkoç
Partner
Ernst Young Kurumsal Finansman
Danışmanlık A.Ş.



Mahir Can Ereren
Senior Manager



Barış Sakal
Senior Manager

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1 Executive Summary

Purpose and Scope of Work

Purpose and Scope of Work

Entek shares which are owned by Koç Holding and Aygaz, are planned to be transferred to Tüpraş in the framework of the Merger and Demerger Communiqué No. II-23.2 of the Capital Markets Board and other relevant legislation provisions, as well as the provisions of articles 136 to 158 and 191 to 194 of the Turkish Commercial Code ("TCC"), and the provisions of the 19th and 20th articles of the Corporate Tax Law No. 5520, which regulate the transfer transactions of the corporations.

In this context, Management of Koç Holding, Tüpraş and Aygaz have requested to conduct a valuation study to determine the share exchange ratio as an Expert Institution within the framework of the CMB's No. II-23.2 regulations regarding the demerger process of Entek shares and transfer to Tüpraş.

The scope of the valuation study is based on the Valuation Standards for Capital Markets Communiqué (III-62.1), which is determined by CMB and in line with the International Valuation Standards.

According to CMB's No. II-23.2 "Merger and Demerger Communiqué"; while calculating demerger and share exchange ratios, at least three valuation methodologies should be considered regarding the qualifications of the companies.

In this context, the methodologies employed in the valuation study were determined as (i) Income Approach - Discounted Cash Flows Method ("DCF"), (ii) Market Approach – Trading Multiples Method and (iii) Market Capitalization Approach – Market Capitalization Method. We have the opinion that the described methods are adequate for calculating the demerger and exchange ratios. Detailed information on the methodologies is presented in the Selected Valuation Methods and Rationale section.

The appropriate basis of valuation taken into consideration within this study is "Fair Value". According to IVS1, "Fair Value is the estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties."

The valuation date has been determined as December 31, 2021 within the framework of Article 6 of the CMB's Merger and Demerger Communiqué No. II-23.2. The recent developments up until the date of this Report have been taken into consideration in the valuation study.

The valuation study was carried out based on the Companies' audited and consolidated TFRS financial statements for the period of December 31, 2019; December 31, 2020; and December 31, 2021; prepared in accordance with the CMB Financial Reporting Standards and provided by the Companies Managements.

Reports and related data provided by third party experts or institutions which are generally accepted in the markets are taken as input in this Report; however, no audit work has been performed on these.

General Information on the Report

Our Declaration Related to Capital Markets Board Requirements

Based on the announcement of CMB's Minimum Requirement Elements to be included in the Non-Real Estate Assets Valuation Reports in accordance with the decision No 21/500 dated April 11, 2019, we intend to express that we meet the following requirements,

- ▶ We, as a consulting firm, who performs in accordance with the license, know-how and other related agreements that have been sealed to become a member of a multinational audit firm, state that we currently employ at least 1 full-time professional that holds a "Capital Market Activities Level 3 License" or "Derivative Instruments License" to carry the valuation study out.
- ▶ We have an independent "Corporate Finance Department" or a special unit of a similar nature that is established to provide valuation services,
- ▶ We have organization circulars, valuation methodology, handbook or similar pre-determined procedures that shed lights on the conducted valuation studies,
- ▶ We have control charts or similar documents to be used in the processes of customer acceptance, execution of the study, preparation and signing of the report,
- ▶ We have the sufficient database, internal circular, improved know-how and similar infrastructures that constitute the technical backbone of the valuation studies,
- ▶ We have the research database enables us to obtain the information needed in valuation studies,
- ▶ Within the scope of capital market legislation, independent audit firms are not to provide any valuation services to the customers with who they are bound with a contract to serve as an independent auditor. In accordance with this requirement, we are to express that there is no direct or indirect relationship between the customer requesting the valuation study and the institution that will conduct it.

This report has been prepared in accordance with "Minimum Requirements in the Reports Prepared for the Valuation of Non-Real Estate Assets within the Scope of Capital Market Legislation", published with the decision of Capital Markets Board's Decision-Making Body, dated October 3, 2019 and numbered 55/1294, and prepared by the Turkish Valuation Experts and the Turkish Capital Markets Associations.

Expert Institution Report has been prepared on the basis of the CMB's No. II-23.2 Communiqué on Merger and Demerger.

In Article 7 of the CMB's No. II-23.2 Communiqué on Merger and Demerger, the following information regarding the Opinion of Expert Institution has been shared, and our study has been prepared accordingly:

- ▶ An expert institution report shall be drawn up with the purpose of determining the value and the exchange ratio of the corporations being party to merger or demerger transactions or of the assets thereof as at the date of the financial statement to be taken as basis in the transaction. It is mandatory that the report includes an opinion that the Exchange Ratio is fair and reasonable. With respect to preparation of the opinion of the expert institution, at least three valuation methods shall be considered by considering the qualifications of the related corporations.
- ▶ In valuation activities, regulations of the Board with regard to valuation shall be taken as basis.
- ▶ In case that current market values of the real estate shall be used in forming the expert institution opinion, current market values of such real estate shall be determined by the real estate appraisal corporations within the framework of relevant regulations of the Board. With respect to real estate, in cases where there is a real estate appraisal report drawn up by real estate appraisal corporations within the framework of the relevant regulations of the Board, it is mandatory to take this report into consideration during the preparation of the expert institution opinion.

We declare that this Report has been prepared within the scope of International Valuation Standards in accordance with the CMB's No. II-23.2 Communiqué on Valuation Standards in the Capital Markets, in accordance with Article 2 above.

General Information on the Report

Project Team

The expert institution report has been prepared by a team of 9 experts, 4 of which were executives. Mahir Can Ereren and Barış Sakal, Senior Managers in the project team, hold Capital Market Activities Level 3 license and their certificate numbers are 213269 and 211625, respectively. Brief resumes of the executive team are presented in Appendix 2.

Declaration of Independence

The project team involved on this project within EY do not contemplate any financial benefit from the demerger, sale or any possible transaction of the Companies that are subject to the demerger. EY's fee for the Expert Institution Report is not dependent on the results of this study. EY has no direct or indirect capital and management relationships with the Companies, their subsidiaries and affiliates.

The project team, who has all the necessary technical competence, experience and knowledge, has shown the necessary professional care, and declares that they comply with all independence principles.

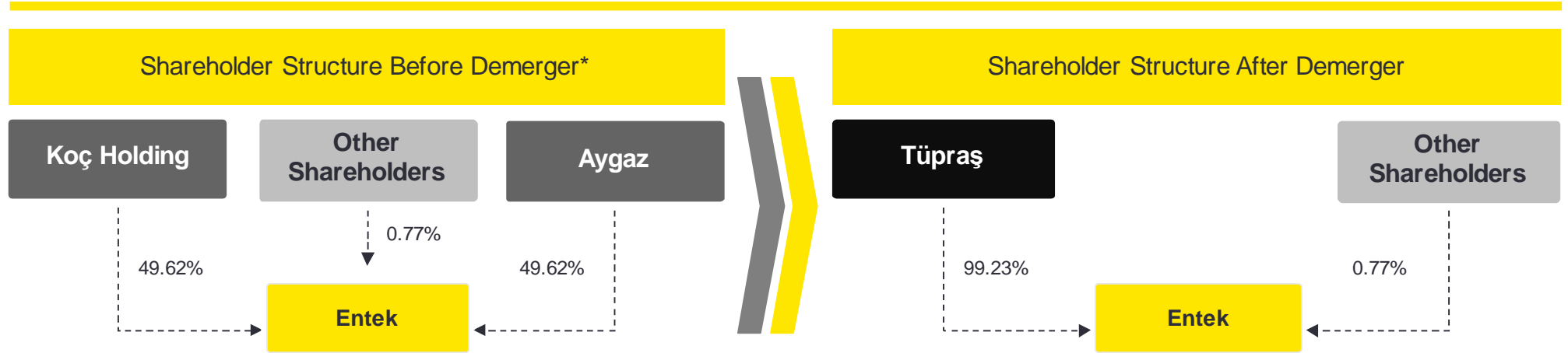
During the planning, evaluation and finalization stages of the project, our project team carefully avoided any behaviour that would harm the shareholders and stakeholders of the Companies that we are serving within the scope of the project.

In our project, it has been accepted that the financial data provided to us by the Companies Management accurately reflects the historical and projected operating results and financial status of the Companies, without requiring any audit procedures. In addition, in order to prepare the results of the study on a fair and reasonable basis, the necessary sensitivity tests were exercised to the business plans obtained from the Companies Managements. Whenever it is necessary, the data in a revised form has been taken into account in our studies according to discussions with the Companies Managements .

Client Relationship

As Ernst Young Kurumsal Finansman Danışmanlık A.Ş., no service has been provided to Koç Holding, Tüpraş, or Aygaz in the last three years.

General Framework of Demerger and Shareholder Structure



- ▶ According to our understanding, Koç Holding and Aygaz are planning to transfer each of their 49.62% shares of Entek to Tüpraş via demerger. Within the framework of the anticipated transaction, Entek shares owned by Koç Holding will be transferred to Tüpraş, and Koç Holding will own Tüpraş shares in exchange for the transferred shares. On the other hand, Entek shares owned by Aygaz will be transferred to Tüpraş, while Aygaz will distribute the transferred Tüpraş shares to its shareholders via capital decrease. The shares that Tüpraş will issue in exchange for the Entek shares taken over from Aygaz will be transferred to Aygaz shareholders.

*Shareholder structure as of December 31, 2021

Valuation Results and Share Exchange Ratio Calculation

Shareholding Structure Before the Demerger

Companies	Tüpraş			Entek			Aygaz		
	Paid-in Capital (million TL)	Number of Shares*	Ratio	Paid-in Capital (million TL)	Number of Shares*	Ratio	Paid-in Capital (million TL)	Number of Shares*	Ratio
EYAŞ	128	12,771,379,222	51.00%						
Other (Publicly Traded Part)	123	12,270,540,778	49.00%				73	7,281,177,018	24.27%
Aygaz				471	9,427,276,330	49.62%			
Koç Holding				471	9,427,272,830	49.62%	122	12,205,351,426	40.68%
Kıraça Holding A.Ş.				7	144,749,091	0.77%			
Lifli Rulo ve Levha Sanayii A.Ş.				0	603,390	0.00%			
Diğer				0	98,357	0.00%			
Temel Ticaret ve Yatırım A.Ş.							17	1,732,409,053	5.77%
Koç Family							14	1,426,496,478	4.75%
Liquid Petroleum Gas Dev. Co.							74	7,354,566,024	24.52%
Total	250	25,041,920,000	100.00%	950	19,000,000,000	100.00%	300	30,000,000,000	100.00%
Shares Subject to Demerger				943	18,854,549,161	99.23%			

* While each Tüpraş and Aygaz share represents a nominal value of 1 Kuruş, Entek shares represent a nominal value of 5 Kuruş.

Valuation Results and Share Exchange Ratio Calculation

Selected Valuation Methodologies and Rationale

Valuation Methodologies	Assigned Weight	Rationale
Discounted Cash Flow	25%	<ul style="list-style-type: none"> ▶ Discounted Cash Flow Method has been applied since the companies are at a mature stage and are capable of producing business plans which reflect the ongoing strategies of the Companies and their capability to generate cashflows in this context. In addition, while the historical financial and operational results of the Companies have been negatively impacted by Covid-19 pandemic, the Discounted Cash Flows method, by its nature, considers the prospective normalization process envisaged after 2022. Based on these arguments, 25% of weight has been assigned to Discounted Cash Flow Methodology in the valuation study.
Trading Multiples	25%	<ul style="list-style-type: none"> ▶ Since there are similar and comparable companies in terms of financial and operational performance indicators to the companies subject to demerger, the Trading Multiples Method has been taken into consideration. Trading Multiples Method has been assigned a weight of 25%, since there are no similar and comparable publicly traded domestic companies for Tüpraş and Aygaz, and foreign comparable companies were considered for Entek.
Market Capitalization	50%	<ul style="list-style-type: none"> ▶ In accordance with International Valuation Standards, notable and/or significant weight should be assigned to the Market Capitalization Methodology in cases where the asset subject to valuation is actively traded. In this context, the Market Capitalization method was used in the valuation study, as Tüpraş and Aygaz are publicly traded. The Market Capitalization Methodology was assigned a weight of 50% in our work, as Tüpraş and Aygaz have considerable trading volumes and high free float rates (49% and 24%, respectively). The comparability of the values of the related assets in the calculation of the exchange rates in a demerger transaction is a significant principle that establishes the reasonableness of the work. For this reason, while applying the Market Capitalization Methodology for Entek (a non-listed company), comparable domestic companies in BIST are selected and the relevant Trading Multiples are taken as a basis in order to calculate the representative market value.

Assigned Weights to Valuation Methodologies

In valuation analysis three valuation methodologies are used namely, **Discounted Cash Flows, Trading Multiples and Market Capitalization**. We are of the opinion that the demerger and share exchange ratios driven by these methodologies and assigned weights are **fair and reasonable**.

Evaluating the method driven valuation results

Differences can be observed in the valuation results based on the applied methodologies. Trading Multiples and Market Capitalization Methodologies, in some cases, tend to focus on short run outputs by relying more on relatively short-term dynamics, and their results can be affected more by market volatility compared to the Discounted Cash Flow Methodology.

Valuation Results and Share Exchange Ratio Calculation

Share Exchange and Demerger Ratio Calculations

Tüpraş and Entek – Share Exchange Ratio Calculations

Equity Value	Discounted Cash Flows		Trading Multiples		Market Capitalization	
	Equity Value (million TL)	per Share* (TL)	Equity Value (million TL)	per Share* (TL)	Equity Value (million TL)	per Share* (TL)
Tüpraş	70,114	2.80	52,866	2.11	49,825	1.99
Entek**	6,819	0.36	5,544	0.29	4,849	0.26
Total	76,932		58,410		54,674	
Merger Ratio						
Tüpraş	91.13698%		90.50820%		91.13074%	
Entek**	8.86302%		9.49180%		8.86926%	
Total	100.00000%		100.00000%		100.00000%	
Share Exchange Ratio						
	Equity (million TL)	Ratio	Equity (million TL)	Ratio	Equity (million TL)	Ratio
Tüpraş	250	1.00000	250	1.00000	250	1.00000
Entek**	943	0.12916	943	0.13929	943	0.12926

Source: EY Analysis

Aygaz and Entek – Demerger Ratio Calculations

Equity Value	Discounted Cash Flows		Trading Multiples		Market Capitalization	
	Equity Value (million TL)	per Share* (TL)	Equity Value (million TL)	per Share* (TL)	Equity Value (million TL)	per Share* (TL)
Aygaz	15,561	0.52	12,157	0.41	7,793	0.26
Entek***	3,409	0.36	2,772	0.29	2,425	0.26
Total	18,970		14,929		10,218	
Demerger Ratio						
Aygaz	78.09148%		77.19828%		68.88896%	
Entek***	21.90852%		22.80172%		31.11104%	
Total	100.00000%		100.00000%		100.00000%	

Source: EY Analysis

* Represents the nominal value of each Tüpraş and Aygaz share with a nominal value of 1 Kuruş, and each Entekshare with a nominal value of 5 Kuruş.

** Only includes portion of Entek shares (99.23%) subject to the transaction.

*** Only includes portion of Entek shares (49.62%) subject to the transaction.

Valuation Results and Share Exchange Ratio Calculation

Tüpraş and Entek – Share Exchange Ratio – Weighted Results

	Valuation Method	Weight	Tüpraş – Equity Value	Entek - Equity Value	Tüpraş Share Exchange Ratio	Entek Share Exchange Ratio	Target Equity (m TL)	Capital Increase (m TL)	Share Exchange Amount
1	Discounted Cash Flow	25.0%	70,114	6,819	91.13698%	8.86302%	274.77	24.35	0.12916
2	Trading Multiples	25.0%	52,866	5,544	90.50820%	9.49180%	276.68	26.26	0.13929
3	Market Capitalization	50.0%	49,825	4,849	91.13074%	8.86926%	274.79	24.37	0.12926
	Weighted Result	100.0%			90.97667%	9.02333%	275.26	24.84	0.13173



After the transaction, the shareholders will receive **0.13173** Tüpraş shares with a nominal value of 1 Kuruş in exchange for 1 Entek share with a nominal value of 5 Kuruş for Entek shares subject to the transaction. In other words, shareholders will receive Tüpraş shares with a nominal value of **0.02635 TL** in exchange for 1 TL nominal value Entek share.



After the transaction, Tüpraş' paid in capital will be increased by **24,837,314 TL** to reach **275,256,514 TL**. The new shares that will be issued in return of the Entek shares acquired by Tüpraş through the demerger, will be distributed to Koç Holding and Aygaz shareholders. Koç Holding shareholders will collect **12,418,655 TL** amount of Tüpraş shares, whereas Aygaz shareholders will collect **12,418,659 TL** of the new shares.

Valuation Results and Share Exchange Ratio Calculation

Tüpraş and Entek – Merger and Exchange Ratio According to Discounted Cash Flow Method

Share Exchange Amount	Capital After the Transaction
0.12916	275
	Million TL

Share Exchange Ratio

91.13698%

m TL	Paid-in Capital		Equity Value		Share Exchange Ratio	Share Exchange Amount**
Tüpraş	250	A ₁	70,114	A ₂	91.13698%	1.00000
Entek*	943	B ₁	6,819	B ₂	8.86302%	0.12916
Total			76,932		100.00000%	

m TL		Formula		Calculation
Merger Ratio	C	$C = \frac{A_2}{A_2 + B_2}$	=	91.13698%
Projected Paid-in Capital	D	$D = \frac{A_1}{C}$	=	274.77
Capital Increase	E	$E = D - A_1$	=	24.35
Share Exchange Ratio (Entek)	BO	$BO = \frac{B_2}{A_2 + B_2}$	=	8.86302%
Share Exchange Amount (Entek)	DO	$DO = \frac{D * BO (Entek)}{B_1} \times 5$	=	0.12916

* Shows the paid-in capital equivalent to the shares subject to the transaction.

** It represents the nominal value of each Tüpraş and Aygaz share with a nominal value of 1 Kuruş, and the nominal value of each Entek share with a nominal value of 5 Kuruş.

Valuation Results and Share Exchange Ratio Calculation

Tüpraş and Entek – Merger and Exchange Ratio According to Trading Multiples Method

Share Exchange Amount 0.13929	Capital After the Transaction 277 Million TL
----------------------------------------------------	----------------------------------------------------------------------

Share Exchange Ratio

90.50820%

m TL	Paid-in Capital		Equity Value		Share Exchange Ratio	Share Exchange Amount**
Tüpraş	250	A ₁	52,866	A ₂	90.50820%	1.00000
Entek*	943	B ₁	5,544	B ₂	9.49180%	0.13929
Total			58,410		100.00000%	

m TL		Formula		Calculation
Merger Ratio	C	$C = \frac{A_2}{A_2 + B_2}$	=	90.50820%
Projected Paid-in Capital	D	$D = \frac{A_1}{C}$	=	276.68
Capital Increase	E	$E = D - A_1$	=	26.26
Share Exchange Ratio (Entek)	BO	$BO = \frac{B_2}{A_2 + B_2}$	=	9.49180%
Share Exchange Amount (Entek)	DO	$DO = \frac{D * BO (Entek)}{B_1} \times 5$	=	0.13929

* Shows the paid-in capital equivalent to the shares subject to the transaction.

** It represents the nominal value of each Tüpraş and Aygaz share with a nominal value of 1 Kuruş, and the nominal value of each Entek share with a nominal value of 5 Kuruş.

Valuation Results and Share Exchange Ratio Calculation

Tüpraş and Entek – Merger and Exchange Ratio According to Market Capitalization Method

Share Exchange Amount	Capital After the Transaction
0.12926	275
	Million TL

Share Exchange Ratio

91.13074%

m TL	Paid-in Capital		Equity Value		Share Exchange Ratio	Share Exchange Amount**
Tüpraş	250	A ₁	49,825	A ₂	91.13074%	1.00000
Entek*	943	B ₁	4,849	B ₂	8.86926%	0.12926
Total			54,674		100.00000%	

m TL		Formula		Calculation
Merge Ratio	C	$C = \frac{A_2}{A_2 + B_2}$	=	91.13074%
Projected Paid-in Capital	D	$D = \frac{A_1}{C}$	=	274.79
Capital Increase	E	$E = D - A_1$	=	24.37
Share Exchange Ratio (Entek)	BO	$BO = \frac{B_2}{A_2 + B_2}$	=	8.86926%
Share Exchange Amount (Entek)	DO	$DO = \frac{D * BO (Entek)}{B_1} \times 5$	=	0.12926

* Shows the paid-in capital equivalent to the shares subject to the transaction.

** It represents the nominal value of each Tüpraş and Aygaz share with a nominal value of 1 Kuruş, and the nominal value of each Entek share with a nominal value of 5 Kuruş.

Valuation Results and Share Exchange Ratio Calculation

Aygaz ve Entek – Demerger Ratios – Weighted Results

	Valuation Method	Weight	Aygaz - Equity Value	Entek - Equity Value	Aygaz Demerger Ratio	Entek Demerger Ratio	Target Equity (m TL)	Capital Decrease (m TL)
1	Discounted Cash Flow	25.0%	15,561	3,409	78.09148%	21.90852%	234.27	65,73
2	Peer Companies	25.0%	12,157	2,772	77.19828%	22.80172%	231.59	68,41
3	Market Capitalization	50.0%	7,793	2,425	68.88896%	31.11104%	206.67	93,33
	Weighted Result	100.0%			73.26692%	26.73308%	219.80	80,20



After the transaction, Aygaz's capital will be reduced by **80,199,233 TL** to **219,800,767 million TL**.



After the demerger, **0,15485** Tüpraş shares will be distributed to Aygaz shareholders in return for 1 Aygaz cancelled share within the scope of capital reduction.

Valuation Results and Share Exchange Ratio Calculation

Aygaz ve Entek – Exchange Ratio and Capital Decrease According to Discounted Cash Flow Method

m TL	Demerger Status	Paid-in Capital		Equity Value	
Aygaz	Demerged	300	F ₁	15,561	F ₂
Entek*	Subject to Separation	471	G ₁	3,409	G ₂

Demerger Ratio

21.90852%

Capital After the Transaction

234

Million TL

m TL		Formula		Calculation
Demerger Ratio	H	$H = \frac{G_2}{F_2}$	=	21.90852%
Projected Paid-in Capital	I	$I = F_1 \times (1 - H)$	=	234.27
Capital Decrease	J	$J = F_1 - I$	=	65.73

Capital Decrease

66 million TL

* Shows the paid-in capital subject to the transaction.

Valuation Results and Share Exchange Ratio Calculation

Aygaz ve Entek – Exchange Ratio and Capital Decrease According to Transaction Multiples Method

m TL	Demerger Status	Paid-in Capital		Equity Value	
Aygaz	Demerged	300	F ₁	12,157	F ₂
Entek*	Subject to Separation	471	G ₁	2,772	G ₂

Demerger Ratio

22.80172%

Capital After the Transaction

232

Million TL

m TL		Formula		Calculation
Demerger Ratio	H	$H = \frac{G_2}{F_2}$	=	22.80172%
Projected Paid-in Capital	I	$I = F_1 \times (1 - H)$	=	231.59
Capital Decrease	J	$J = F_1 - I$	=	68.41

Capital Decrease

68 million TL

* Shows the paid-in capital subject to the transaction.

Valuation Results and Share Swap Ratio Calculation

Aygaz ve Entek – Exchange Ratio and Capital Decrease According to Market Capitalization Method

m TL	Demerger Status	Paid-in Capital		Equity Value	
Aygaz	Demerged	300	F ₁	7,793	F ₂
Entek*	Subject to Separation	471	G ₁	2,425	G ₂

Demerger Ratio

31.11104%

Capital After the Transaction

207

Million TL

m TL		Formula		Calculation
Demerger Ratio	H	$H = \frac{G_2}{F_2}$	=	31.11104%
Projected Paid-in Capital	I	$I = F_1 \times (1 - H)$	=	206.67
Capital Decrease	J	$J = F_1 - I$	=	93.33

Capital Decrease

93 million TL

* Shows the paid-in capital subject to the transaction.

2 Appendix

Statement of General Assumptions and Limiting Conditions

1. Nothing has come to our attention to cause us to believe that the facts and data set forth in this Presentation are not correct.
2. Provision of valuation recommendations and considerations of the issues described herein are areas of regular valuation practice for which we believe that we have, and hold ourselves out to the public as having, substantial knowledge and experience. The services provided are limited to such knowledge and experience and do not represent audit, advisory or tax-related services that may otherwise be provided by EY. Notwithstanding this limitation, the advice contained herein was not intended or written by EY to be used, and cannot be used, by the recipient or any other taxpayer for the purposes of avoiding penalties that may be imposed under the Internal Revenue Code or applicable state or local tax laws.
3. No investigation of the title to the subject company and subject assets has been made, and the owner's claim to the subject company and subject assets is assumed to be valid. To the extent that EY's services include any analysis of assets, properties or business interests, EY assumes no responsibility for matters of legal description or title, and EY shall be entitled to make the following assumptions: (i) title is good and marketable, (ii) there exist no liens or encumbrances, (iii) there is full compliance with all applicable Federal, state, local and national regulations and laws (including, without limitation, usage, environmental, zoning and similar laws and/or regulations), and (iv) all required licenses, certificates of occupancy, consents, or legislative or administrative authority from any Federal, state, local, or national government, private entity or organization have been or can be obtained or renewed for any use on which EY services are to be based.
4. This Presentation has been prepared solely for the purpose stated and may not be used for any other purpose. Neither this Report nor any portions hereof may be copied or disseminated through advertising, public relations, news, sales, or any other public (or private) media without the express prior written approval of EY.
5. The recommendations of value contained herein are not intended to represent the values of the subject assets at any time other than the effective date that is specifically stated in this Presentation. Changes in market conditions could result in recommendations of value substantially different than those presented at the stated effective date. We assume no responsibility for changes in market conditions or for the inability of the owner to locate a purchaser of the subject assets at the values stated herein.
6. Without prejudice to the provisions stated in circular of Turkish Capital Markets Association, no responsibility is assumed for information furnished by others, including the Management, and such information is believed to be reliable.
7. In the course of our analysis, we were provided with written information, oral information, and/or data in electronic form, related to the structure, operation, and financial performance of the subject company and subject assets. We have relied upon this information in our analyses and in the preparation of this Report and have not independently verified its accuracy or completeness.
8. Certain historical financial data used in our valuation were derived from audited and/or unaudited financial statements and are the responsibility of the Client Management. The financial statements may include disclosures required by generally accepted accounting principles. We have not independently verified the accuracy or completeness of this data provided and do not express an opinion or offer any form of assurance regarding its accuracy or completeness.

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9. The estimates of cash flow data included herein are solely for use in the valuation analysis and are not intended for use as forecasts or projections of future operations. We have not performed an examination or compilation, nor have we performed an agreed-upon procedures engagement with regard to the accompanying cash flow data in accordance with standards prescribed by the American Institute of Certified Public Accountants, and, accordingly, without prejudice to the provisions stated in circular of Turkish Capital Markets Association, do not express an opinion or offer any form of assurance on the accompanying cash flow data or their underlying assumptions. Furthermore, there will usually be differences between estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.
10. We assume no responsibility for any financial and tax reporting judgments, which are appropriately those of the Client Management. It is our understanding that the Management accepts responsibility for any financial statement and tax reporting issues with respect to the assets covered by our analysis, and for the ultimate use of our Report.
11. EY is not required to furnish additional work or services, or to give testimony, or be in attendance in court with reference to the assets, properties, or business interest in question or to update any Presentation, recommendation, analysis, conclusion or other document relating to its services for any events or circumstances unless arrangements acceptable to EY have been separately agreed with the client.
12. We have not made any determination of what constitutes a violation under fraud and abuse laws and regulations. The Client should consult with its legal counsel for that determination.
13. With respect to our analysis, our work did not include an analysis of the potential impact of any unexpected sharp rise or decline in local or general financial market or economic conditions or technological change.
14. Financial and operational assumptions throughout the projection period are provided by the Client Management and the signed General Representation Letter for confirmation, together with the submission of the final Expert Institution Report is provided to EY by the Companies Managements.
15. As EY, we declare that we have the qualifications to carry out valuation study specified in the section F (Announcements and Resolutions) of circular dated 11/04/2019 numbered 2019/19 issued by Capital Market Board of Turkey.
16. Our team carrying out the valuation study has all the necessary technical qualifications, experience and knowledge to carry out the valuation in all aspects and complies with the independence principles of the circular.

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