TERA YATIRIM

Tupras

OVERWEIGHT

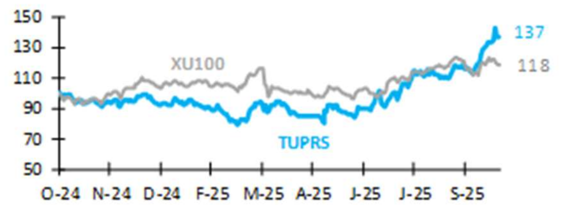
Strong margin indicators for September (and 3Q)

September 30, 2025

- **Our margin tracker for Tupras indicates US$+1.3/bbl monthly increase on top of the already-high August. We note a similar absolute increase for 3Q-average vs 2Q. Strong benchmark cracks overlapped with the highest utilisation months; hence a double-positive.**
- Among the core product groups, our indicators for diesel and jet fuel were both +10% m/m. This was a result of favourable combination of tight inventories and strong demand. The heightened geopolitical risks around additional Russian sanctions and the disrupted refineries at the Russia/ Ukraine war have been supporting the cracks.
- Our more granular daily dataseries indicate the second-half of September was better than the first half given the timing of geopolitical newsflow. Therefore, our indicators look into a strong start to October as well.
- Gasoline product margins declined a bit (-4% m/m) yet remained at high levels. The suspension at Nigeria's Dangote gasoline unit (RFCC, 650k bpd), which was supposed to be a major source of inflow to Europe, has left Nigeria rather as net importer. The crude differentials remain tight but much less than the previous month (hence sequential positive).
- **Crowded newsflow about Russian & Iraqi oil:** September was a month of frequent newsflow on potentially tighter sanctions on the Russian oil products going-forward. According to the regulator, EPDK, Turkey sourced 46% its crude imports from Russia (~285k bpd in 1H25), 60% including the final products. Split-by-refinery is not available; yet, assuming a greater use by the Star refinery, we estimate Tupras probably secured 10-15% of its crude from Russia as per the current regulations (~90k-100k bpd, est. not confirmed). If the reported tighter sanctions go ahead, we believe Tupras can securely relocate its Russian supply to alternative sources and net-net could benefit from a tighter product market in Europe – which sets the base for its domestic pricing formula.
- **Northern Iraq resumed oil exports over the weekend**, adding up to ~200k bpd to global supply (vs Tupras and STAR's 650k and 215k bpd capacities). There could be a gradual ramp-up before the Kirkuk pipeline reaches its full capacity. It is yet to be seen how much Turkey can utilise this source given the financial dispute in the background. However, we read it as a potential positive against the risk on Turkey's access to 285k bpd Russian crude.

Price Data				
Current Price (TL)				193.3
Current Mcap (TLmn)				372,450
12-mth Target Price (TL/share)				235.50
12-mth Target Mcap (TLmn)				453,760
12-mth Upside Potential (TL)				22%
Dividend yield				9%
Financials (TL mn)	**2023**	**2024**	**2025E**	**2026E**
Net Sales	686,529	810,386	801,617	1,040,507
% ch y/y		*18*	*-1*	*30*
EBITDA	96,240	50,704	53,729	64,526
% ch y/y		*-47*	*6*	*20*
Net Income	53,577	18,315	32,367	43,315
% ch y/y		*-66*	*77*	*34*
Margins (%)	**2023**	**2024**	**2025E**	**2026E**
EBITDA Margin	14.0	6.3	6.7	6.2
Net Margin	7.8	2.3	4.0	4.2
Gross Dividend Yield	13%	14%	9%	8%
Ratios	**2023**	**2024**	**2025E**	**2026E**
P/E (TL, x)	3.8	17.1	11.5	8.6
EV/EBITDA (TL, x)	1.5	5.2	6.0	4.7
Net Debt/EBITDA (x)	-0.7	-1.1	-1.1	-1.2
ROE (%)	26.7	6.5	10.3	13.1
Stock Data				
Ticker		TUPRS.IS		TUPRS TI
Sector				Oil & Gas
# of Shares (mn)				1,927
3M Av. Trd. Vol. (mn)				US$83.1
52-week Range		TL112.26 -		TL192.90
Market Data				
BIST-100				11,048
TL/US$				41.50

Price Chart



Price Performance	1M	3M	YTD	YoY
TL Absolute	12%	38%	44%	32%
BIST-100 Relative	15%	24%	28%	12%
Major Shareholders				
Enerji Yatırımları				46.4%
Koc Holding				6.4%
Free Float & others				47.3%

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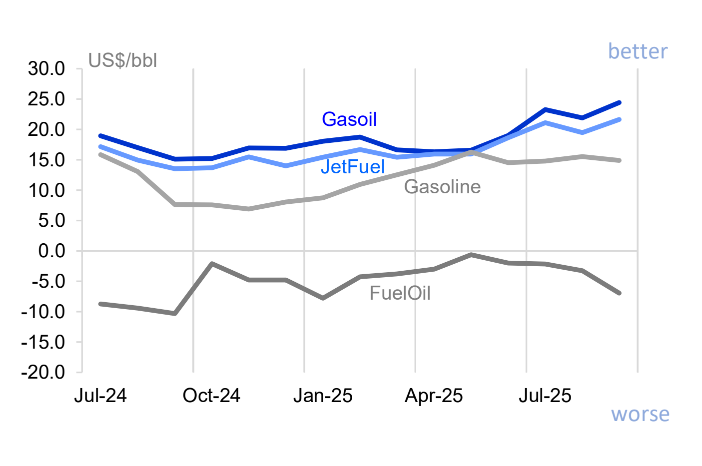
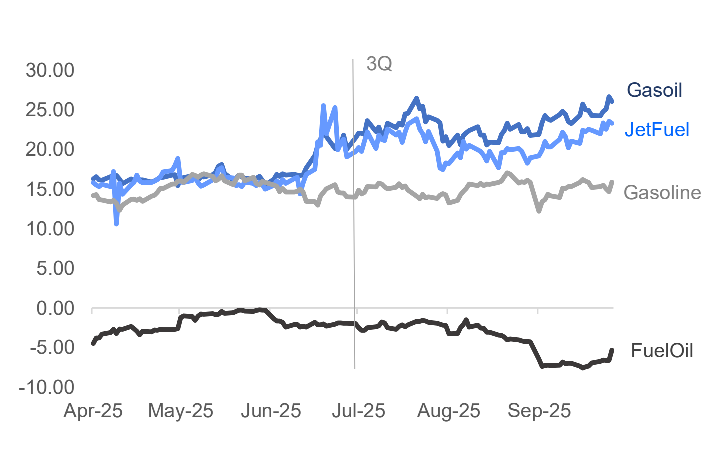
Our product crack indicators for Tupras



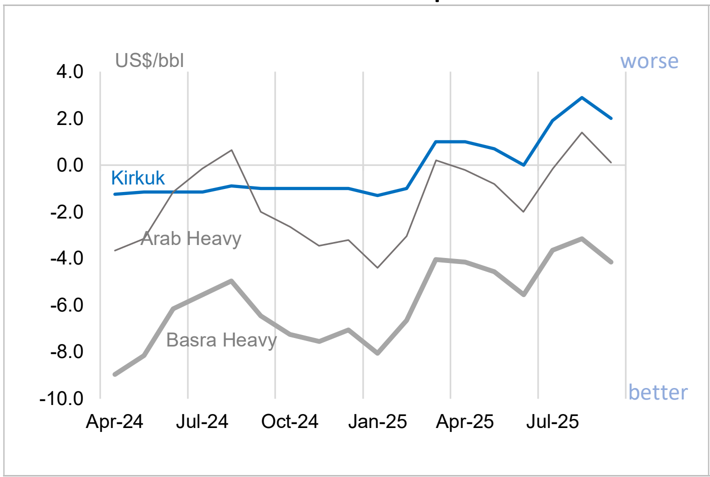
Source: Tera Yatirim

More recent trends indicate a better second-half September than the first-half



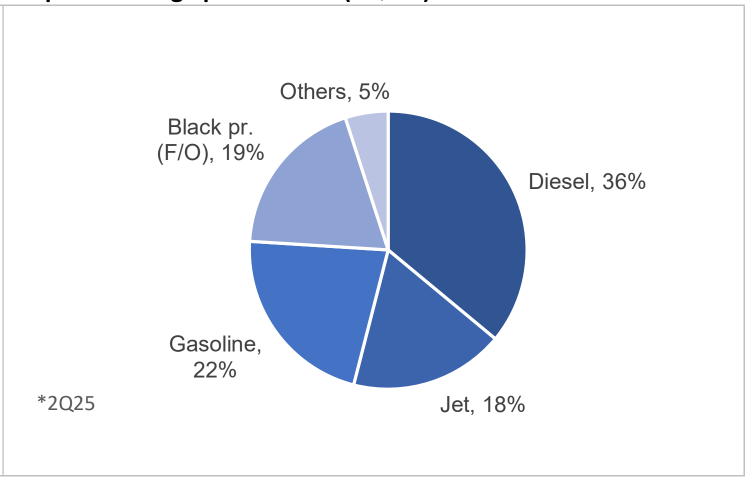
Source: Tera Yatirim

Our crude-differential indicators for Tupras



Source: Tera Yatirim

Tupras: Average product mix (2Q25*)



Source: Tera Yatirim

TERA YATIRIM

Tera Yatirim Stock Ratings

Rating	Definition
OVERWEIGHT	The analyst expects that the stock will generate a return above that of the BIST-100 index over the next twelve months.
MARKETWEIGHT	The analyst expects that the stock will generate a return in line with that of the BIST-100 index over the next twelve months.
UNDERWEIGHT	The analyst expects that the stock will generate a return below that of the BIST-100 index over the next twelve months.