AYGAZ A.Ş.

REPORT OF RELATED PARTY TRANSACTIONS EXPECTED TO BE REALIZED IN 2021

This report has been prepared within the context of the 10th article of Capital Markets Board (CMB) II.17.1 numbered Corporate Governance communiqué. In accordance with the mentioned article, the Board of Directors of the Company should prepare a report which includes the total amount of continuous transactions between the company quoted in Borsa Istanbul and its associates and the affiliated parties in a certain accounting period,

a) in purchasing transactions; the ratio of purchases to the costs of goods sold based on the annual financial statements,

b) in sales transactions; the ratio of sales to the revenues based on the annual financial statements

which are estimated to be minimum 10% of the revenues based on the final annual financial statements in sales transactions and market comparisons for such transactions and such report or its results section should be disclosed via Public Disclosure Platform (KAP).

The purpose of this report is to disclose the terms of estimated transactions between Aygaz A.Ş. (Company) and its affiliates and the associated parties as defined by Turkish Accounting Standards (TMS 24) within the scope of CMB regulations in 2021 and exceeding the amount set forth by the Communiqué to the extent that they are not commercial secrets and show that any such transaction does not have a negative effect on the Company as compared to the market conditions.

The detailed information about related party transactions of our Company carried out in 2020 was announced to public in 32nd footnote of financial statements concerning our activities in 2020. In this report, only and solely the transactions that are expected to exceed 10% range in 2021, was evaluated.

Information on AYGAZ A.Ş.

Aygaz is established in 1961 to be the first company of Koç Group entering the energy industry. The main activity of Aygaz is the purchase of liquid petroleum gas (LPG) in bulk from domestic refineries and the overseas market and delivery to retailers for distribution to customers. As a result of the merger in 2001 with Gaz Aletleri A.Ş., the Company started to manufacture LPG cylinders, LPG tanks, LPG stoves and other supplementary materials which support the Company's main business, and which are necessary equipment for the end-user. The ultimate and controlling shareholder is Koç Holding A.Ş. The Company is registered at the Capital Markets Board of Turkey and as of December 31, 2020, 24.27% of its shares have been quoted at Borsa Istanbul.

Total assets of our Company according to consolidated financial tables as of 2020 year-end is 5.4 billion TL, total sales revenue is 10.1 billion TL and net operating income is 288 million TL.

The issued capital of our Company is 300,000,000 TL and is fully paid. The table regarding the shareholding structure as of 31/12/2020 is as follows:

Name and Title of the Person or Company	Share Amount (TL)	Share Stake (%)
KOÇ Group	**153.642.569,58**	**51.21**
Koç Holding A.Ş.	122.053.514,26	40.68
Temel Ticaret Ve Yatırım A.Ş.*	17.324.090,53	5.77
Koç Family	14.264.964,78	4.76
Other	**146.357.430,42**	**48.79**
Liquid Petroleum Gas Development Company (LPGDC)	73.545.660,24	24.52
Free Floating**	72.811.770,18	24.27
Total	**300,000,000.00**	**100.00**

*The majority of Temel Ticaret ve Yatırım A.Ş. shares are owned by the members of Koç Family.

**The share at the amount of 2,725,041.31 TL (capital ratio 0.91%) included in the publicly traded section is owned by Hilal Madeni Eşya Ticaret Sanayi ve Yatırım A.Ş., 100% owned by LPGDC.

Summary financial tables of our Company for 2018, 2019 and 2020 are below;

(million TL)	31.12.2018	31.12.2019	31.12.2020
Total Assets	5,013	4,955	5,395
Parent Shareholders Capital	2,502	2,478	2,317

(million TL)	01.01.2018-31.12.2018	01.01.2019-31.12.2019	01.01.2020-31.12.2020
Net Sales	9,554	10,211	10,145
COGS	-8,920	-9,254	-9,233
Net Profit	228	273	-25

According to such data, a Board of Directors Report should be prepared due to the Declaration; for the purchase transactions and sales transactions whose total amounts for the year 2021 are expected to exceed 923,300,000 TL (2020 COGS*%10) and 1,014,500,000 TL (2020 Revenue*%10) respectively.

Information on Related Company Türkiye Petrol Rafinerileri A.Ş. that is subject to the Report

Türkiye Petrol Rafinerileri A.Ş. (Tüpraş) was established in 16 November 1983. Tüpraş, which served Turkey as a State Economic Enterprise for many years, was transferred to T.R. Prime Ministry Head Office of Privatization Administration (ÖİB). The tender, performed on 12 September 2005 by ÖİB for the block sales of 51% of publicly owned shares, was won by Koç-Shell Joint Initiative Group. Koç Holding has performed the share transfer by signing the Share Sales Agreement on 26 January 2006. Aygaz owns 20% of shares in the shareholding structure of Enerji Yatırımları A.Ş. (EYAŞ), established to take over Tüpraş shares. Because 51% of Tüpraş belongs to EYAŞ, Aygaz indirectly owns 10.2% of Tüpraş. The remaining 49% shares of Tüpraş are publicly traded.

The Company performs the production and refining activities of petroleum products with four refineries in İzmit, İzmir, Kırıkkale, and Batman, and also the supply, exportation, importation, storage, and distribution of every kind of raw petroleum and petroleum products. The issued capital of Tüpraş is 250,419 thousand TL. Total assets of the Company according to consolidated financial tables as of 2020 year-end is 61.2 billion TL, total sales revenue is 63.2 billion TL and net operating loss is 619 Million TL.

Information about the conditions of transactions to be done with related party and conformity of these operations with market requirements

Our company is supplying LPG both from abroad and domestically. One of our domestic supplier is Tüpraş A.Ş, pioneering refinery in Turkey.

Tüpraş has to fix the prices of its products according to the "closest attainable free market conditions" in line with the10th Article of Petroleum Market Law and also in accordance with the Methodology of Fuel Ceiling Price which is reported to EMRA within the frame of Fuel Market Pricing Regulation. Within this framework, our Company's purchases are performed within the terms and the pricing mechanism, which all other LPG companies who purchase from Tüpraş are subject to.

A purchase at the amount of 859,990 thousand TL (this amount corresponds to 9.3% of total cost of sales of 2020) has been performed in 2020 between our Company and the related Türkiye Petrol Rafinerileri A.Ş. The pricing in the said purchase transactions are also compared with other LPG suppliers of our Company and is determined over the comparison of equality method.

Even tough the said purchasing transactions are realized below the 10% limit in 2020, they areexpected to exceed 10% limit in 2021 in line with previous years.

Related party transactions that are expected to exceed 10% limit will be made with Türkiye Petrol Rafinerileri A.Ş. for the accounting period of 01.01.2021-31.12.2021, and the summary information regarding these transactions are provided in the below table.

Information regarding our Company's Transactions that are expected to exceed 10% of COGS

Related Party (Name/Title))	**Transaction**	**Transaction Amount (TL) (2020)**	**Ratio of transaction amount to COGS (2020)**	**Pricing/Method of Profit Sharing**
TÜPRAŞ	Product purchase	859,990,000	9.3%	Comparable uncontrolled price

Conclusion

With respect to Article 10 of Capital Markets Board's (CMB) Declaration, numbered Serial II.17.1, (Declaration), it is foreseen that the ratio of the amount of the common and continuous product purchase transactions of our Company with Türkiye Petrol Rafinerileri A.Ş. to the cost of the sales amount of 2020 accounting year is expected to reach more than 10%; therefore the conditions of the transactions made with Türkiye Petrol Rafinerileri A.Ş., the price determination method, and the rationale for the selection of this method are explained in this Report, and information is presented on the compliance of the transactions with market conditions.