Akçansa Çimento San. Tic. A.Ş.
Q4 2022 Financial Results
Earnings Release

17 February 2023

Akçansa increased its sales revenues by 239% in the fourth quarter of 2022 compared to the same period of the previous year, and by 210% in the full year of 2022, reaching TL 3 billion and TL 9 billion, respectively.

Akçansa's sales revenues reached 3,028.5 million TL in the last quarter of 2022, while its EBITDA rose to 407.9 million TL, compared to 78.5 million TL in the same quarter of the previous year.

Akçansa increased Q4 and full year net profit to 361.5 million TL and 1,520.6 million TL, respectively, through efforts focused on operational excellence, including energy cost optimization and significant growth in export revenues. Aside from operational improvements, 2022 Q4 and full year net profit also benefited from favorable tax impact that resulted from asset revaluation amounting to 137.3 million TL and 733.1 million TL, respectively.

Financial Highlights:

- Sales revenues increased by 239% in the fourth quarter of 2022 and by 210% in the whole of 2022 compared to the same period of the previous year, reaching 3,028.5 million TL and 8,898.7 million TL, respectively. In the twelve-month period of 2022, domestic sales accounted for approximately 70% of the total sales in Turkish Lira, up from 264% in the previous year driven by strong domestic demand.

- EBITDA increased by 419% in the fourth quarter of 2022 and by 230% in 2022 compared to the same period of the previous year, reaching 407.9 million TL and 1,339.5 million TL, respectively.

- Net profit reached 361.5 million TL in the last quarter of 2022 and 1,520.6 million TL in the whole of 2022.

    - *There was a positive impact of 733.1 million TL on the net profit, that resulted from deferred tax income generated by the revaluation of the Company's assets within the scope of the laws numbered 213 and 7338 throughout the year. (2022 Q4 effect 137.3 million TL)*
    - *This non-cash, positive effect on net profit will be impaired if hyper-inflation accounting is adopted in the TFRS financial statements as the deferred tax asset recorded will be expensed.*

Strategic Highlights:

- Sales volume of total cementitous material in the twelve-month period of 2022 is in line with volume of the previous year, while ready-mixed concrete sales increased by approximately 8% in. The share of foreign sales volume in terms of tonnage remained close to 35% in the last quarter and 42% in the whole of 2022.

  Aiming to support the transformation of the sector by spreading its sustainability approach and practices to its ecosystem, Akçansa continues development in the field of sustainability by increasing its Environment, Social and Governance ("ESG") score from 76 in the third quarter of 2022 to 83 in the fourth quarter of 2022, in the BIST Sustainability Index scoring. In the Refinitiv ESG Scoring ranking, where companies from around the world are evaluated on their ESG activities, Akçansa increased its score in 2022 and moved to the highest category as defined by the best relative ESG performance in the scoring classification and a high degree of transparency in reporting. The company rose to the fourth place among 109 companies in the global scoring in the "Construction Materials" category.

Income Statement	**12M 2022**	**12M 2021**	**4Q 2022**	**4Q 2021**	**Diff. 12M**	**Diff. 4Q**
Gross Profit (MTL)	1.492,0	420,9	502,0	93,2	254%	439%
Gross profit (%)	16,8%	14,7%	16,6%	10,4%	2,1%	6,2%
Operating profit (MTL) (excl. other inc./exp.)	1.211,6	296,5	372,1	51,8	309%	618%
Operating profit (%)	13,6%	10,3%	12,3%	5,8%	3,3%	6,5%
Operating profit (MTL) (incl. other inc./exp.)	1.153,5	244,3	348,9	26,7	372%	1204%
Operating profit (%)	13,0%	8,5%	11,5%	3,0%	4,5%	8,5%
Depreciation (MTL)	128,0	108,8	35,9	26,7	18%	34%
EBITDA (MTL) (excl. other inc./exp.)	1.339,5	405,3	407,9	78,5	230%	419%
EBITDA (%)	*15,1%*	*14,1%*	*13,5%*	*8,8%*	0,9%	4,7%
EBITDA (MTL) (incl. other inc./exp.)	*1.281,5*	*353,1*	*384,8*	*53,5*	263%	619%
EBITDA (%)	*14,4%*	*12,3%*	*12,7%*	*6,0%*	2,1%	6,7%
Net profit (MTL)	1.520,6	303,6	361,5	173,3	401%	109%
Net profit (%)	17,1%	10,6%	11,9%	19,4%	6,5%	-7,4%

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