
Akçansa Çimento San. Tic. A.Ş.

Q1 2023 Financial Results

Earnings Release

28 April 2023

Akçansa sales revenues reached 3 billion TL in the first quarter of 2023.

Akçansa's sales revenues reached 3,042.1 million TL in the first quarter of 2023, while its EBITDA rose to 646.1 million TL.

Akçansa increased Q1 net profit to 672.2 million TL by impact of operational efficiency. Aside from operational improvements, 2023 Q1 net profit benefited mainly from sale of fixed asset and favorable deferred tax impact that resulted from asset revaluation.

Financial Highlights:

- Sales revenues reached 3,042.1 million TL in the first quarter of 2023. Domestic sales accounted for 83% of total sales in Turkish Lira in the first quarter of 2023, driven by strong domestic demand.
- EBITDA increased to 646.1 million TL in the first quarter of 2023.
- Net profit reached 672.2 million TL in the first quarter of 2023.
 - *There was a positive impact of 80 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 law numbered 213 in 2023 Q1. (2022 Q1 effect was 28.6 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.*
 - *Revenue from fixed asset sales of 150 million TL in the first quarter of 2023, contributed significantly to net profit.*
 - *Improvement in cash flow from operations kept the increase in net financial expenses limited.*
 - *Akçansa made 250 million TL dividend payment in Q1 this year with 1,31 TL per share.*

Strategic Highlights:

- Sales volume of total cementitious material in the first quarter of 2023 is in line with volume of the previous year, while ready-mixed concrete sales increased by approximately 48%. Strong domestic demand in Akçansa's main markets enabled the share of domestic sales volume in tonnage basis, increase to around 70% in the first quarter of 2023 which was 50% in the same period of last year.
- Akçansa is continuing its sustainability efforts:
 - Akçansa issued its first Integrated Annual Report for the Year 2022, which includes the financial and non-financial (environmental, social and corporate governance) performance details of our company, has been prepared in accordance with the Integrated Reporting Framework and GRI Universal Standards 2021. The information disclosed within the scope of Akçansa 2022 Integrated Annual Report is also associated with the Stakeholder Capitalism Metrics, Sustainable Development Goals and recommendations of the Task Force on Climate Related Financial Disclosures (TCFD).
 - Akçansa's CDP Supplier Engagement rating (which indicates how effectively companies are engaging their suppliers on climate change) improved to "A-" (Leadership Level) from "B-" (Management Level).

Akçansa Çimento Financial Results	1Q 2023	1Q 2022	Diff. 1Q
Gross Profit (MTL)	699,9	170,0	312%
Gross profit (%)	23,0%	13,7%	9,3%
Operating profit (MTL) (excl. other inc./exp.)	604,5	127,8	373%
Operating profit (%)	19,9%	10,3%	9,6%
Operating profit (MTL) (incl. other inc./exp.)	621,5	105,3	490%
Operating profit (%)	20,4%	8,5%	11,9%
Depreciation (MTL)	41,6	29,3	42%
EBITDA (MTL) (excl. other inc./exp.)	646,1	157,1	311%
EBITDA (%)	21,2%	12,7%	8,6%
EBITDA (MTL) (incl. other inc./exp.)	663,1	134,6	393%
EBITDA (%)	21,8%	10,9%	10,9%
Net profit (MTL)	672,2	103,1	552%
Net profit (%)	22,1%	8,3%	13,8%

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