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# Akçansa Çimento San. Tic. A.Ş.

## 2023 Financial Results

### Earnings Release

26 February 2024

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Akçansa's financial results were adjusted according to inflation accounting for 2023 and 2022. Based on the updated financials, sales revenues increased by 12% in 2023 compared to the same period of the previous year, reaching 18.7 billion TL, and EBITDA increase from 1.6 billion TL to 3.9 billion TL.

Akçansa has prepared its financial statements for the year dated 31 December 2023 and ending on the same date, based on the announcement made by the Public Oversight Authority (POA) on 23 November 2023 and the "Implementation Guide on Financial Reporting in High-Inflation Economies" published in accordance with TMS 29 "Financial Reporting in High-Inflation Economies". The financial statements in question and all comparative amounts for previous periods have been adjusted according to the changes in the general purchasing power of the Turkish lira in accordance with TAS 29 and are finally expressed in terms of the purchasing power of the Turkish lira as of December 31, 2023.

According to the financial results prepared in this context, Akçansa's sales revenues reached 18.7 billion TL in 2023, while EBITDA, which was 1.6 billion TL at the end of last year, increased to 3.9 billion TL.

Akçansa increased its 2023 net profit to 2.4 billion TL with its efforts focusing on operational excellence, including energy cost optimization, growth in domestic sales and effective financial management.

Akçansa General Manager Vecih Yılmaz made evaluations about Akçansa's achievements in the field of sustainability, in addition to the positive operational and financial results achieved in 2023. Vecih Yılmaz stated that Akçansa aims to create the highest value for all stakeholders in social, environmental and economic areas within the framework of its vision of being the sustainable building materials company with the highest stakeholder value in Turkey. As a result of these studies, Akçansa has increased its score from "B" level to "A-" (leadership) level in the 2023 Climate Change Program of the Carbon Disclosure Project (CDP), in which it has participated voluntarily since 2011 and transparently shares its environmental performance with all stakeholders. He also stated that it was the only Turkish cement company to receive the leadership score in the relevant program in its sector.

#### Financial Highlights:

- Sales revenues increased by 12% compared to the previous year and reached 18.7 billion TL in 2023. 2023, demand driven domestic sales, which constitute approximately 77% of total sales in Turkish Lira, increased by 23% compared to the previous year.
- EBITDA increased by 143% in 2023 compared to the previous year and reached 3.9 billion TL.
- Net profit increased by 23% compared to the previous year and reached 2.4 billion TL in 2023.
  - *As a result of effective working capital, financing and management, net financial income of 168.4 million TL was realized. (2022: 407.1 million TL net financial expense)*
  - In the first nine months of 2023, the positive deferred tax income effect resulting from the valuation of company assets within the scope of laws no. 213 and 7338 was eliminated due to the implementation of inflation accounting in TFRS financial statements and became one of the items that had a significant impact on the net profit.
- You can find more information in the [2023 Full Year Results Presentation](#) under "Investor Relations/Presentations" section on our website.

#### Strategic Highlights:

- Strong domestic demand in Akçansa's main markets enabled the domestic cement and cementitious sales volume on a tonnage basis to increase to approximately 67% of total volume in 2023 from 58% in the same period last year. Total cement and cementitious sales volume in 2023 realized parallel to 2022. On the the other hand 2023 ready-mixed concrete sales volume increased by 4% compared to the same period of the previous year.
- Within the scope of the 'Turkey Sustainable Future Awards' organized for the first time by the Turkish Quality Association (KalDer) in 2023, Akçansa won the grand prize as a result of the field evaluation on Governance, Planet, People and Welfare, which are among the stakeholder capitalism metrics shared by the World Economic Forum with the business world in 2020.
- Akçansa increased its score from "B" level to "A-" (leadership) level in the CDP Climate Change Program, in which it has participated voluntarily since 2011 and transparently shares its environmental performance with all its stakeholders. Akçansa became the only Turkish cement company in its sector to receive the leadership score in the relevant program and continued to maintain its score at B level in the CDP Water Safety program.
- Akcansa increased its environmental, social and governance (ESG) performance score to 87, according to the evaluation made by the international sustainability rating company Refinitiv. As a result, it rose to second place in the global rankings, where it was fourth last year, among 120 companies in the field of construction materials.

| Income Statement                               | 12M     | 12M     | Diff. |
|--|---------|---------|-------|
|  | 2023    | 2022    | 12M   |
| Gross Profit (MTL)                             | 3.977,5 | 1.400,0 | 184%  |
| Gross profit (%)                               | 21,2%   | 8,4%    | 12,9% |
| Operating profit (MTL) (excl. other inc./exp.) | 3.115,3 | 848,1   | 267%  |
| Operating profit (%)                           | 16,6%   | 5,1%    | 11,6% |
| Operating profit (MTL) (incl. other inc./exp.) | 2.852,9 | 732,0   | 290%  |
| Operating profit (%)                           | 15,2%   | 4,4%    | 10,8% |
| Depreciation (MTL)                             | 814,7   | 772,1   | 6%    |
| EBITDA (MTL) (excl. other inc./exp.)           | 3.930,0 | 1.620,2 | 143%  |
| EBITDA (%)                                     | 21,0%   | 9,7%    | 11%   |
| EBITDA (MTL) (incl. other inc./exp.)           | 3.668   | 1.504   | 144%  |
| EBITDA (%)                                     | 19,6%   | 9,0%    | 11%   |
| Net profit (MTL)                               | 2.371,2 | 1.935,0 | 23%   |
| Net profit (%)                                 | 12,7%   | 11,6%   | 1,1%  |

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