
Akçansa Çimento San. Tic. A.Ş.

Q2 2024 Financial Results

Earnings Release

16 August 2024

Akçansa net sales realized 4.7 billion TL in the second quarter of 2024, 9.4 billion TL in the first half of the year.

This Bulletin regarding the financial results of the second quarter of 2024 is based on the inflation-adjusted financial data of our Company, which applies Turkish Accounting/Financial Reporting Standards in accordance with the Capital Markets Board's Decision dated 2023, December 28 in accordance with the provisions of TAS 29.

According to the financial results prepared in this context, Akçansa's net sales in the second quarter and first half of 2024 were 4.7 billion TL and 9.4 billion TL, respectively, while EBITDA was 1.0 billion TL and 1.5 billion TL, respectively.

Vecih Yılmaz, General Manager of Akçansa, emphasized that while continuing our activities with the vision of being Turkey's highest stakeholder value sustainable building materials company, efforts have been made to contribute to a wide range of human and societal aspects. He noted that our Bursa Aggregate Facility is the first and only plant in Turkey to hold the Platinum level of the Resources Responsible Use Certification awarded by the Concrete Sustainability Council (CSC) in the aggregate sector. He also highlighted that our Samsun Ladik Plant has achieved a valuable milestone by completing five years without any lost-time accidents as of June.

Financial Highlights:

- Sales revenue for the second quarter and the first half of 2024 amounted to 4.7 billion TL and 9.4 billion TL, respectively. The total cement and cementitious products sales volume increased by 6% compared to the same period of the previous year. Unlike the first quarter of 2024, the impact of market dynamics, the positive trend in total sales volume, and the stability in energy prices also had a positive effect on our financial results.
- EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) for the second quarter and the first half of 2024 amounted to 1 billion TL and 1.5 billion TL, respectively. (2023 Q2: 1.6 billion TL, 2023 H1: 2.6 billion TL)

- Net profit for the second quarter and the first half of 2024 was 673.0 million TL and 671.2 million TL, respectively.
 - Despite the gross dividend payment of 1.15 billion TL made in April and the impact of rising interest rates in the credit market, due to effective working capital and financing management, the net financial income, calculated including income from investment activities and monetary gains, amounted to 59.0 million TL in the second quarter of 2024.

You can find more information in the [2024 Q2 Financial Results Presentation](#) under "Investor Relations/Presentations" section on our website.

Strategic Highlights:

- With strong domestic demand continuing in Akçansa's main markets, the domestic sales volume of cement and cementitious products in the second quarter of 2024 was approximately at the same level of around 65% as in the same period last year. While the total sales volume of cement and related products in the second quarter of 2024 was consistent with the same period last year, the sales volume of ready-mixed concrete showed an increase of 4%.
- As of August 2024, Akçansa ranked second among 119 international construction materials companies with a score of 86 points, according to the environmental, social, and governance (ESG) assessment conducted by the international sustainability rating agency Refinitiv.
- According to the 2023 results of the 'Turkey's Top 500 Industrial Enterprises Research' prepared by the Istanbul Chamber of Industry (ISO), Akçansa ranked 84th, placing it among the top 100 industrial enterprises in Turkey.
- Between April 15-17, 2024, a total of 1,150 million TL in cash dividends was distributed to shareholders, with a dividend payout ratio of 600.69% (Gross) and 540.62% (Net) of the 2023 profit, depending on the legal status of the shareholders.

| Akçansa Çimento Financial Results | 6M 2024 | 6M 2023 | 2Q 2024 | 2Q 2023 | Change 6M | Change 2Q |
|--|------------|------------|------------|------------|--------------|--------------|
| Gross Profit (MTL) | 1.422,8 | 2.558,0 | 952,2 | 1.611,5 | -44,4% | -40,9% |
| Gross profit (%) | 15,2% | 22,2% | 20,4% | 27,6% | -7,0% | -7,2% |
| Operating profit (MTL) (excl. other inc./exp.) | 988,8 | 2.123,1 | 748,6 | 1.368,0 | -53,4% | -45,3% |
| Operating profit (%) | 10,6% | 18,4% | 16,1% | 23,5% | -7,9% | -7,4% |
| Operating profit (MTL) (incl. other inc./exp.) | 899,6 | 1.981,1 | 759,7 | 1.196,2 | -54,6% | -36,5% |
| Operating profit (%) | 9,6% | 17,2% | 16,3% | 20,5% | -7,6% | -4,2% |
| Depreciation (MTL) | 541,8 | 508,6 | 272,9 | 245,9 | 6,5% | 11,0% |
| EBITDA (MTL) (excl. other inc./exp.) | 1.530,6 | 2.631,7 | 1.021,5 | 1.613,8 | -41,8% | -36,7% |
| EBITDA (%) | 16,3% | 22,8% | 21,9% | 27,7% | -6,5% | -5,8% |
| EBITDA (MTL) (incl. other inc./exp.) | 1.441 | 2.490 | 1.033 | 1.442 | -42,1% | -28,4% |
| EBITDA (%) | 15,4% | 21,6% | 22,1% | 24,7% | -6,2% | -2,6% |
| Net profit (MTL) | 673,0 | 1.872,6 | 671,2 | 1.176,7 | -64,1% | -43,0% |
| Net profit (%) | 7,2% | 16,2% | 14,4% | 20,2% | -9,1% | -5,8% |

DISCLAIMER

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This document is an accompanying part of financial statements available in Investor Relations section of Akçansa Çimento San. Tic. A.Ş. website and public disclosure platform.

The Company's financial statements dated 30.06.2024, which were disclosed to public on August 16th, 2024, have been subject to inflation accounting within the framework of the "Financial Reporting in Hyperinflationary Economies Standard" (IAS 29). Financial figures given in this financial report is not comparable with the financial figures that were not subject to inflation adjustment which were disclosed to public by the Company in its financial statements and various investor information materials prepared for the same period in the previous year.

For this reason, selected financial figures are also presented without adjusting for inflation accounting and disclosed through investor presentations and earnings releases on the Company's corporate website as well as via the Public Disclosure Platform, in order for investors and analysts to conduct a full-fledged analysis for the Company's financial performance.

The financial figures that are not subject to inflation adjustment have not been independently audited/reviewed and are not included in the Company's audited/reviewed financial reports dated 30.06.2024. Such financial figures have been prepared and disclosed to public for providing the investors and market participants consistent and comparable assessment of our financial performance, under the responsibility of the Company's Board of Directors and executives who are responsible for financial reporting.