

An aerial photograph of a large cargo ship docked at a pier. The ship is oriented vertically, with its bow at the top. The pier is a long, straight concrete structure extending from the left side of the frame. The water is a deep blue. On the left side of the image, there is a blue semi-transparent overlay containing white text. The ship's deck is visible, showing various structures and equipment. The pier has some vehicles and equipment on it. The background shows some greenery and a road.

# 2023 Full Year Results

February 28th, 2023

Jason South, CFO

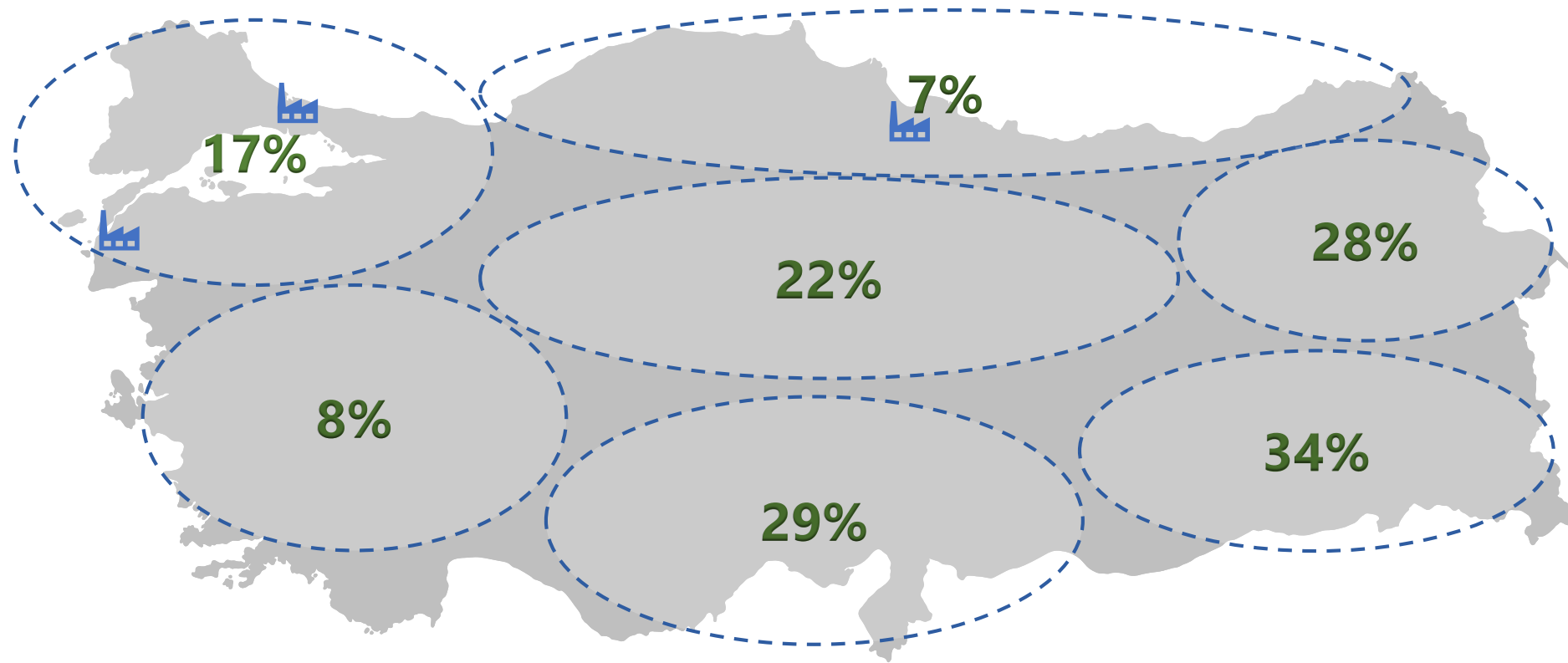


# Key messages for FY 2023

- Unless indicated otherwise, figures shown in this presentation have been adjusted for hyper-inflation accounting. For discussion purposes, nominal figures are shown in some cases
- Strong operational performance:
  - ➡ Full year revenue +12%,
  - ➡ EBITDA +143%,
  - ➡ Net Income +23%
- Higher energy margin and cost discipline drove EBITDA margin to 21.3%
- Strong improvement in operational cash flow and financial income resulted in net cash position of ~1bTL
- Sustainability KPIs on track:
  - ➡ Akçansa improved from "B" to "A-" (leadership) in the CDP Climate Change Program and became the only Turkish cement company to receive this score in program.
  - ➡ Refinitive ESG score of 87 and ranked as the 2nd position among 120 global peer
  - ➡ Alternative fuel (AF) rate over 20%



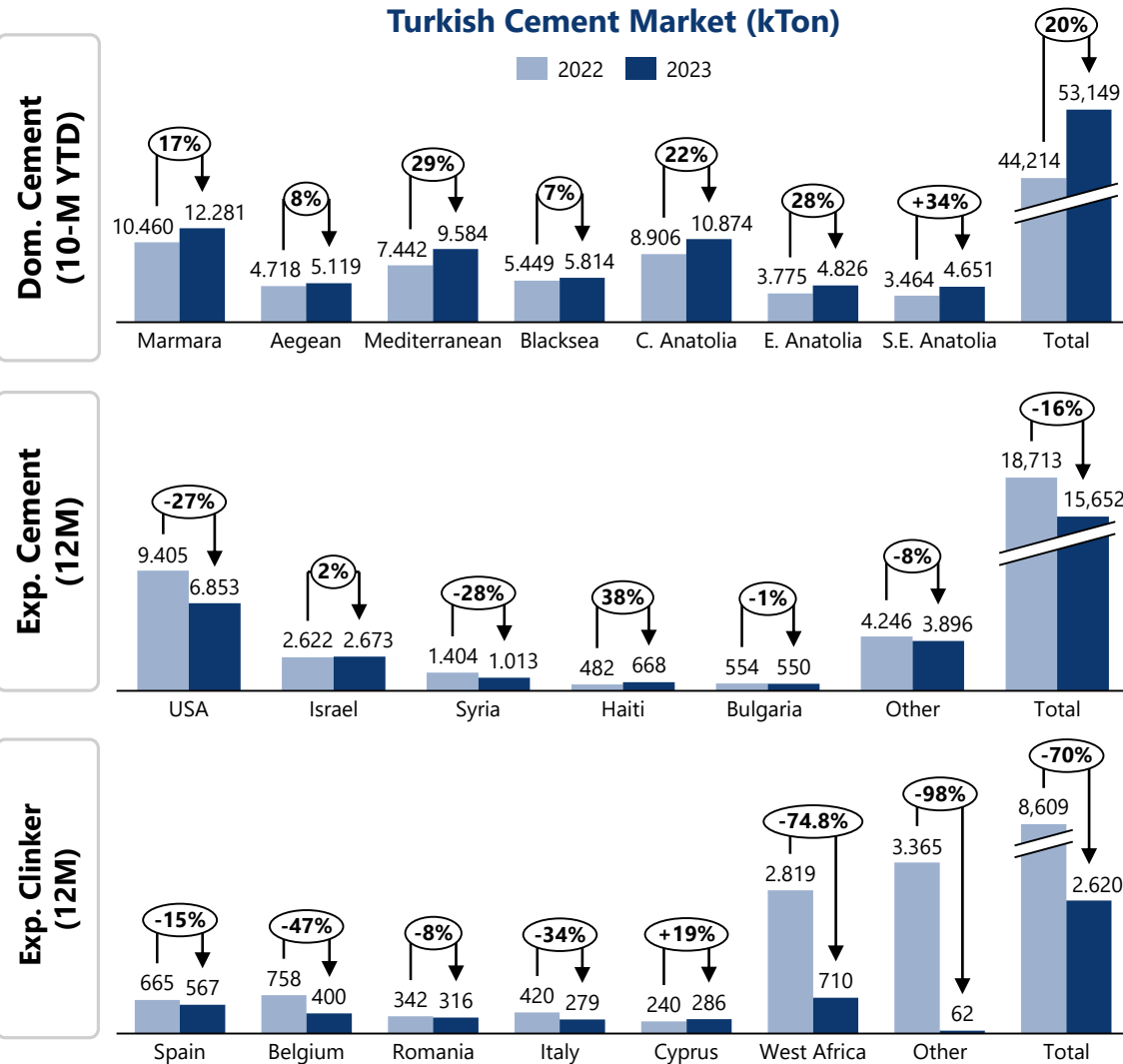
## Total cement demand in Turkey increased by 20% in Oct '23 vs '22 with 53.1 mio t



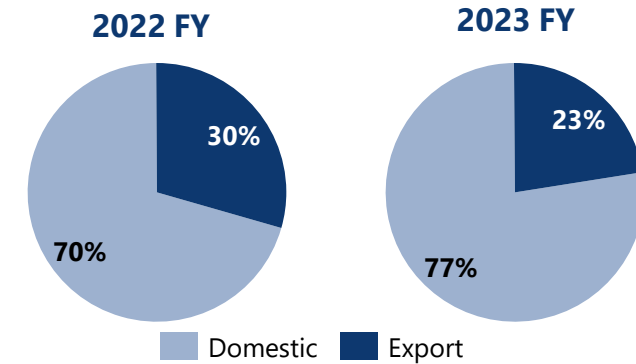
Akçansa's core market Marmara Region represents 23% of total domestic market.

Source: TCMA and company estimations

# Flexible distribution network key as market demand shifts



## Akcansa Revenue Distribution



### Comments:

- As of October 2023, Turkish domestic cement demand was up 20%, with a 17% increase in Akçansa's core Marmara market
- Export cement decreased by 16% 12M YoY driven USA as historically low freight rates increase competitiveness of southeast Asian suppliers
- Clinker exports continue lower than prior year as volume was largely shifted to domestic markets to match increasing demand

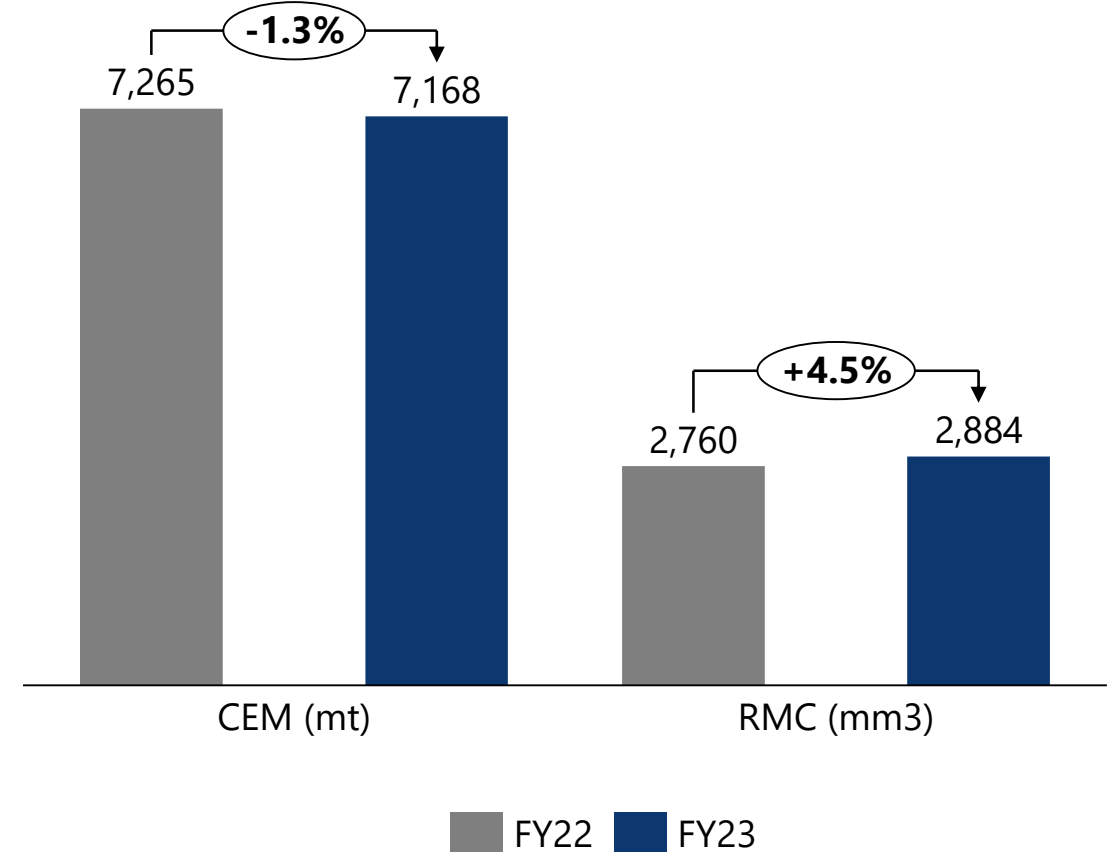
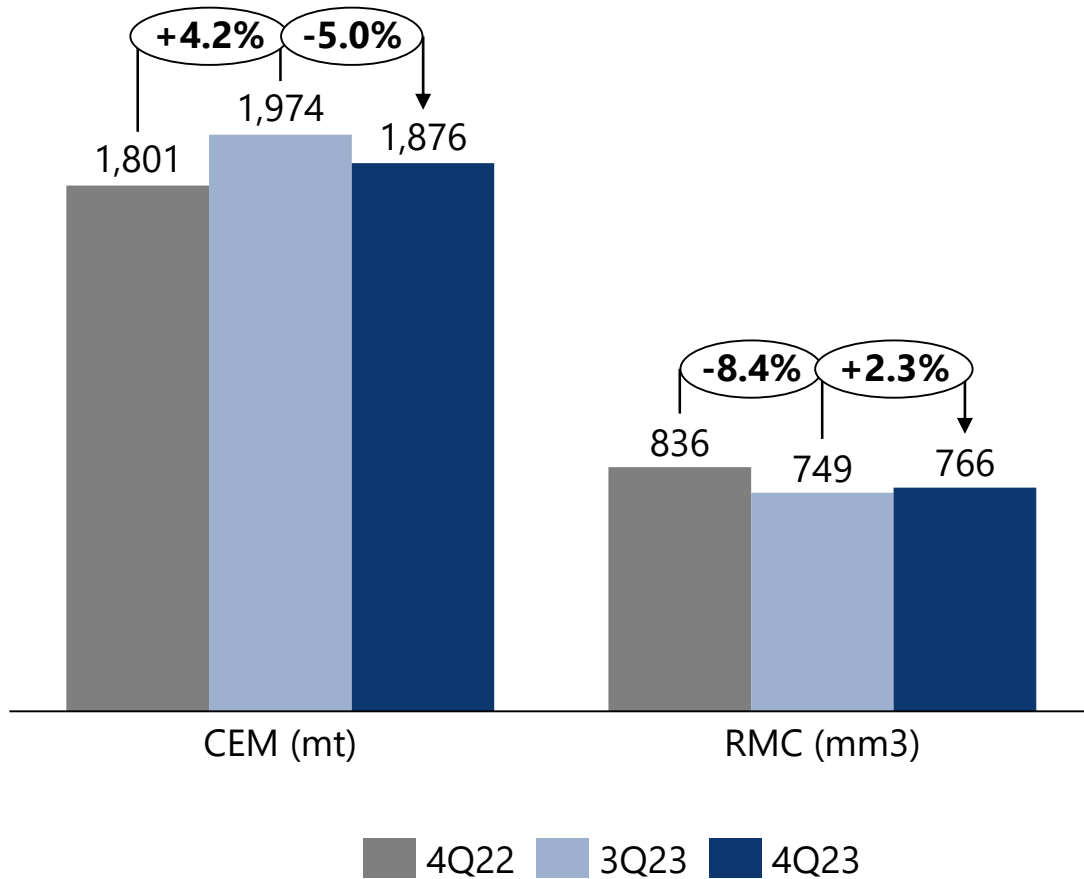
### Source:

Central Anatolian Exporters Association (OAIB) for exports  
TCMA and company estimations for domestic cement demand

# Company Performance



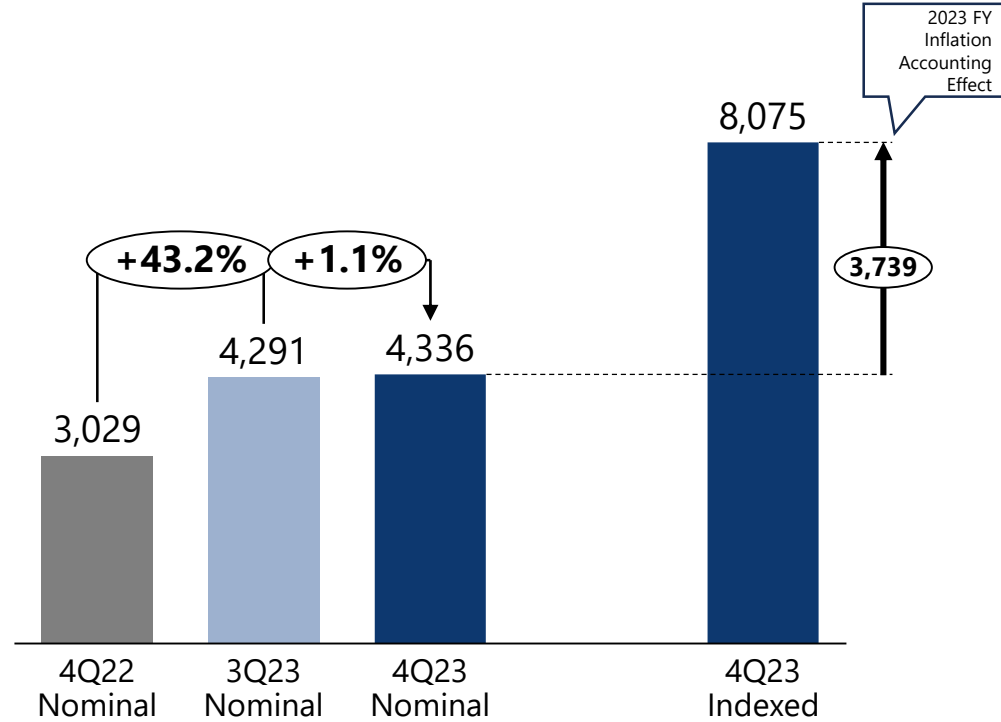
## Full year cement volume in line with expectations while ready-mix improved



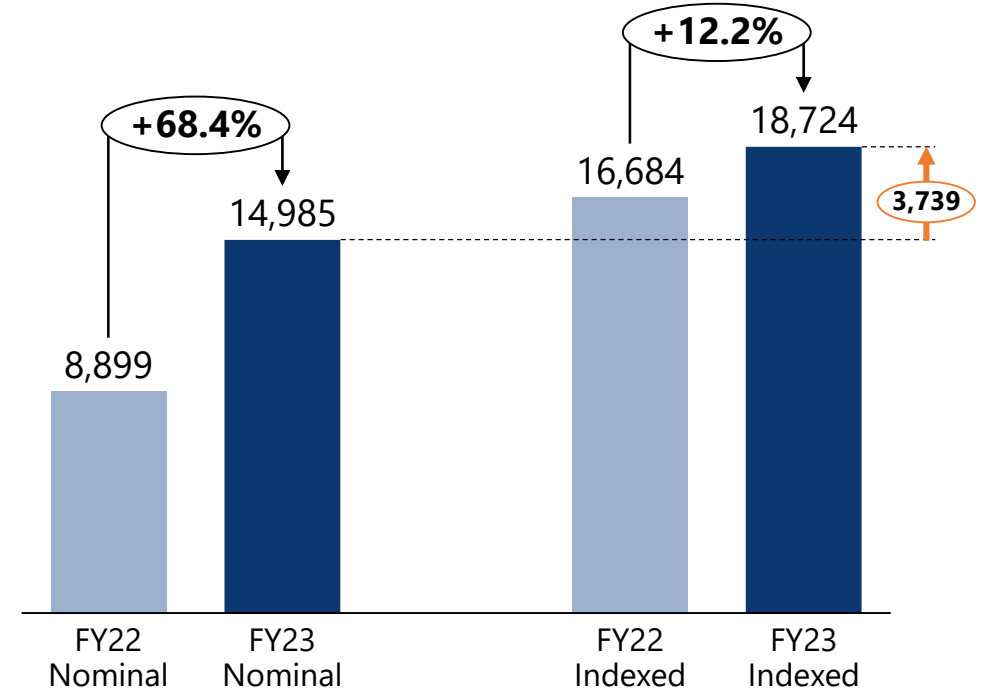


## Full year sales outpaced inflation and increased 12.2% on strong domestic demand

Q4 Sales (mTRY)



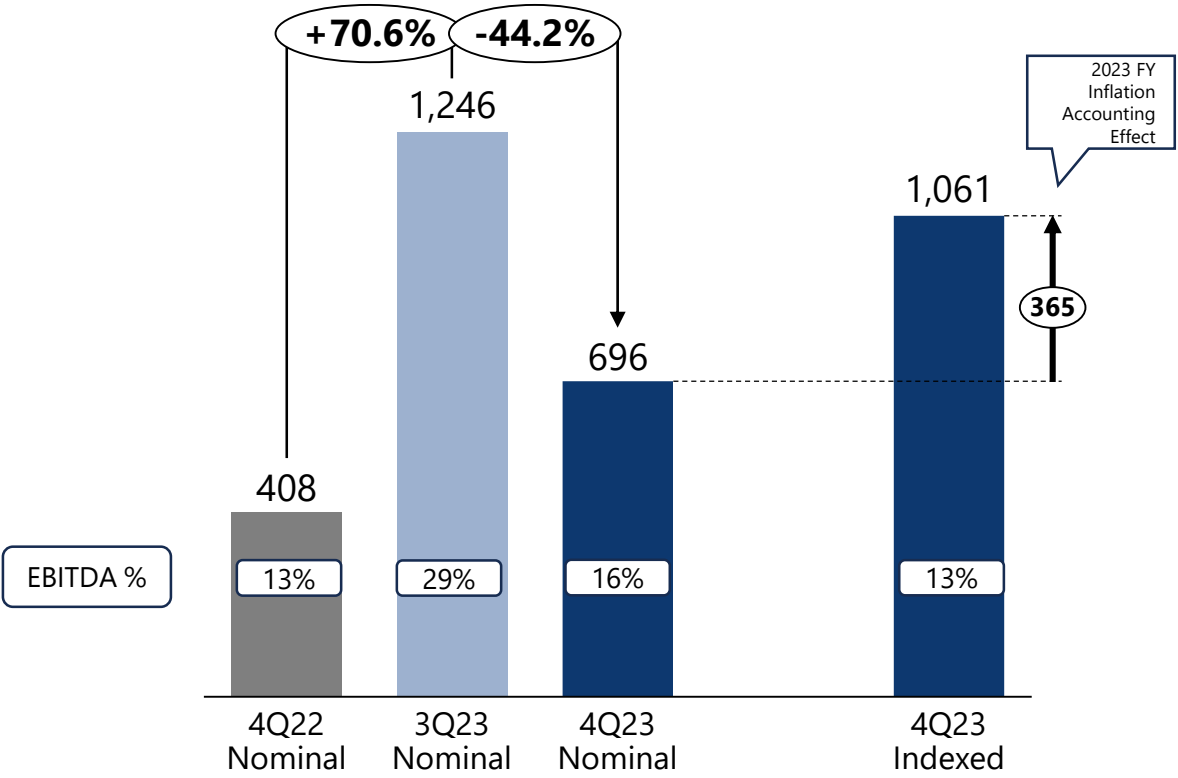
Full Year Sales (mTRY)



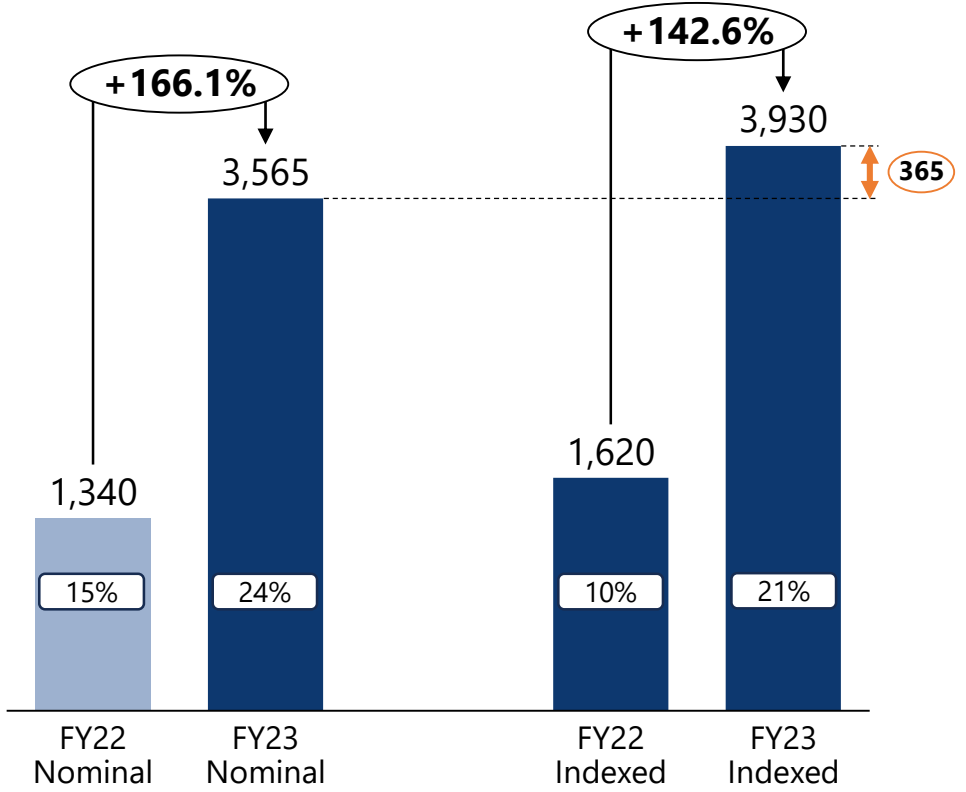
\*Due to inflation accounting application started as of year end, full year effect is shown in Q4

# EBITDA growth from margin improvement mainly resulting from lower energy costs

Q4 EBITDA (mTRY)



Full Year EBITDA (mTRY)

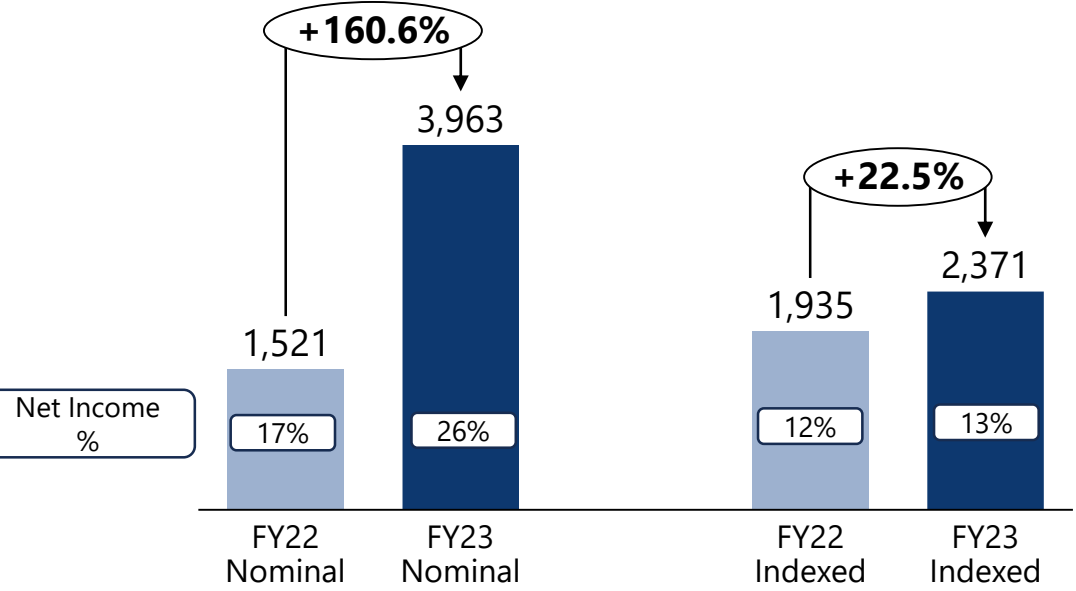


\*Due to inflation accounting application started as of year end, full year effect is shown in Q4

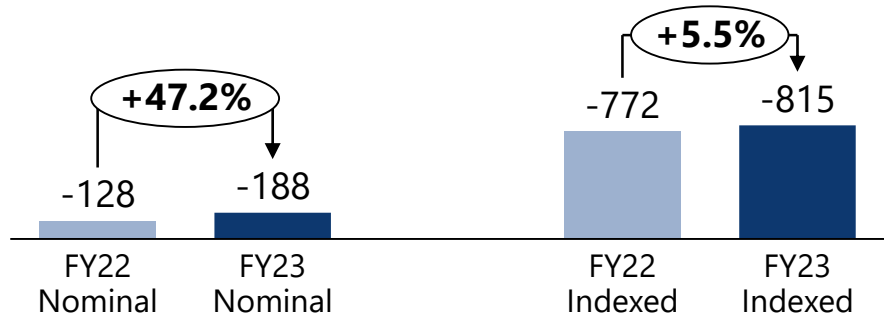


# Net income impacted by hyper-inflation effects on depreciation and deferred tax

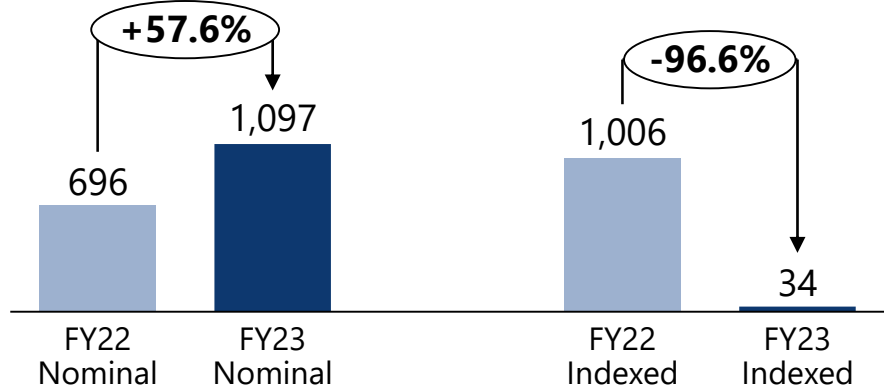
Net Income (mTRY)



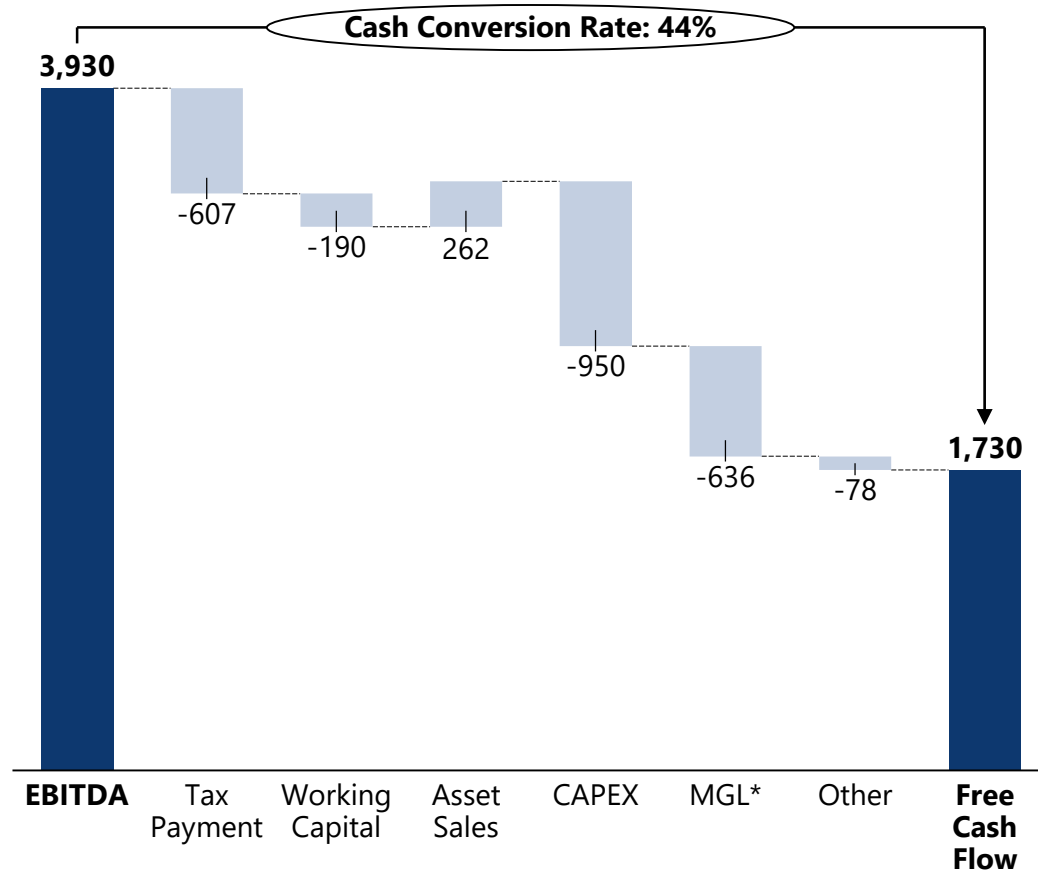
Depreciation



Deferred Tax Income

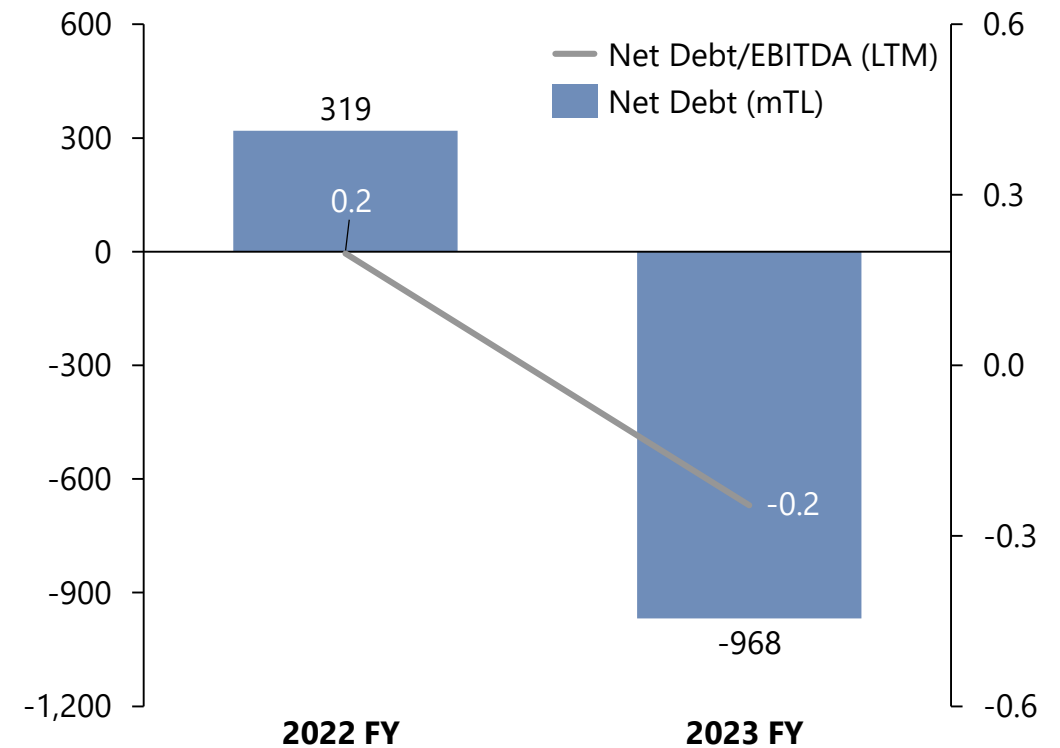


## Solid free cash flow generation and the leverage at a very good level with -0.2x

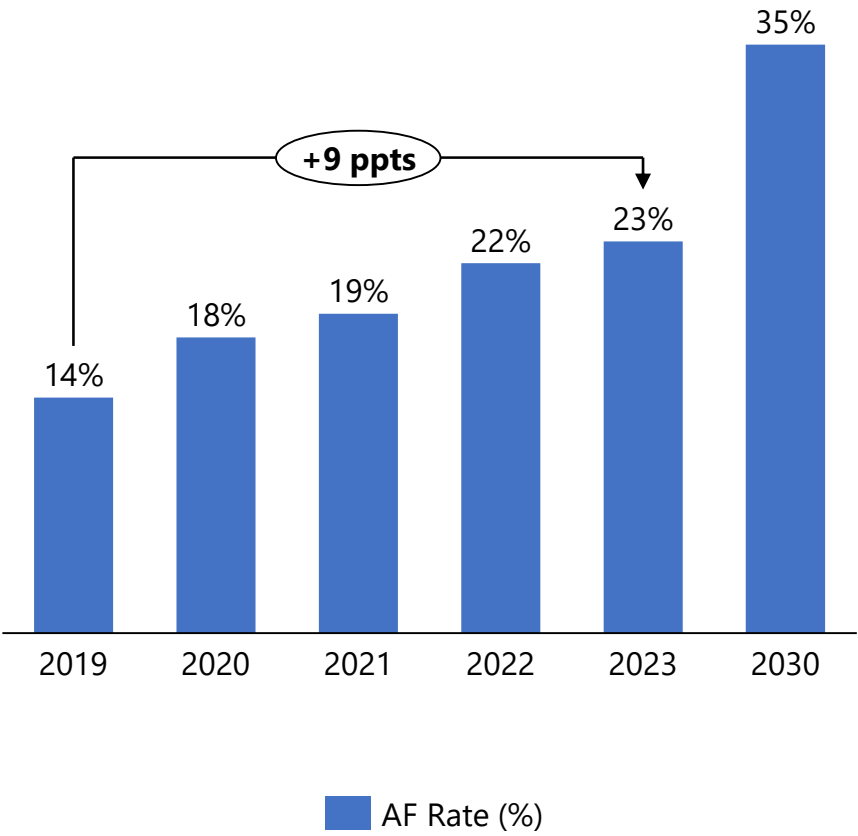
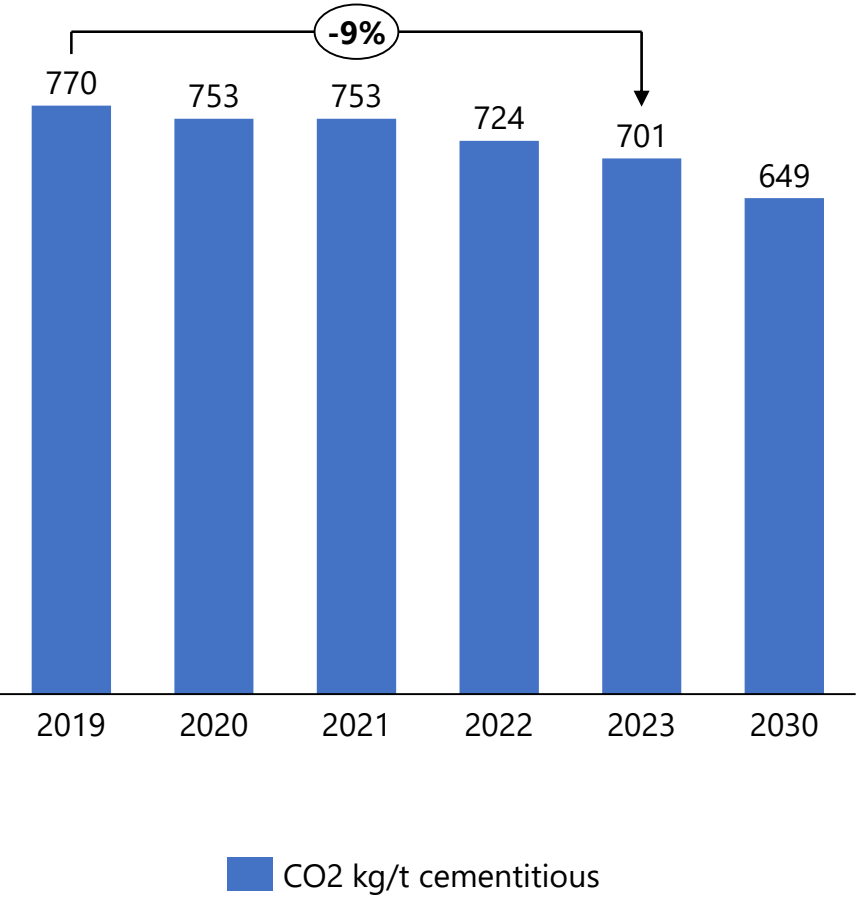


Nominal Cash Conversion Rate: 44%

\*Monetary Gain/(Loss)

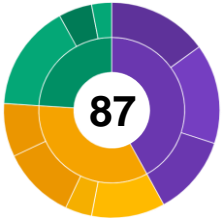


# Continuous ESG focus resulted in higher ranking in Refinitiv, #2 globally



REFINITIV

2023 Score



2<sup>nd</sup> of 120 in global ranking



2023



Climate Change

2022



Water Security

2022



Supplier Engage.

Source: Refinitiv, CDP



# Q&A





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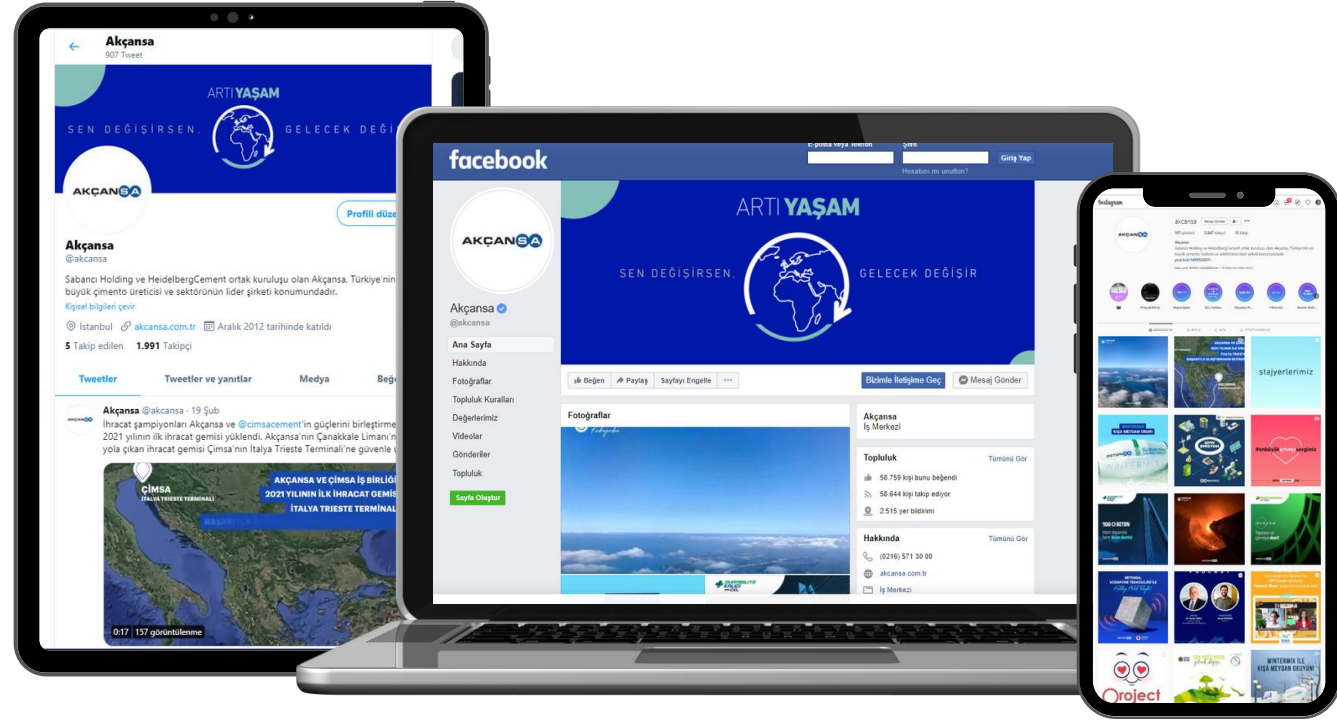
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# Contact Information



Jason South  
CFO

Dinçer Bulan  
Financial Planning, Analysis & IR Group Manager

Ahmet Yılmaz  
Financial Planning, Analysis & IR Manager

Hilal Yıldız Çelik  
Corporate Governance Executive



[investor.relations@akcansa.com.tr](mailto:investor.relations@akcansa.com.tr)

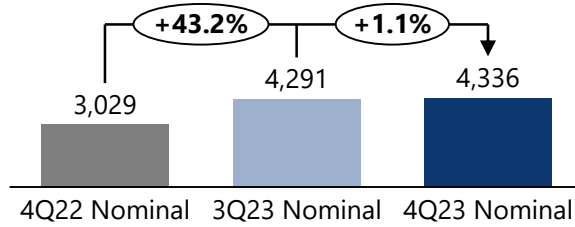
# Appendix



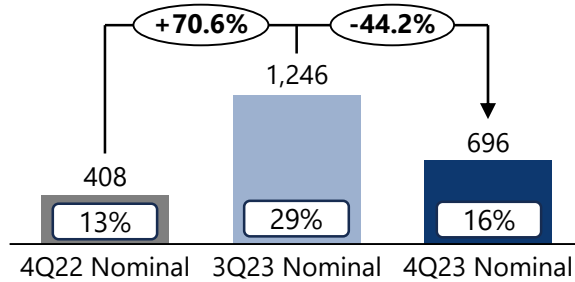
# w/o IAS 29 Financials - Summary

## Q4 (mTRY)

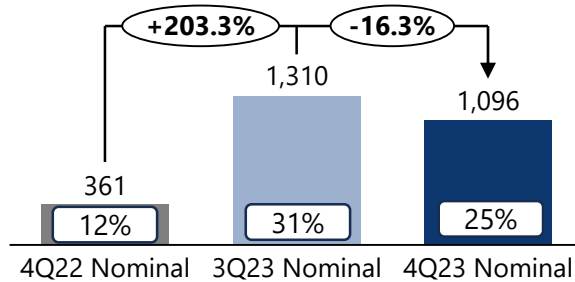
Sales



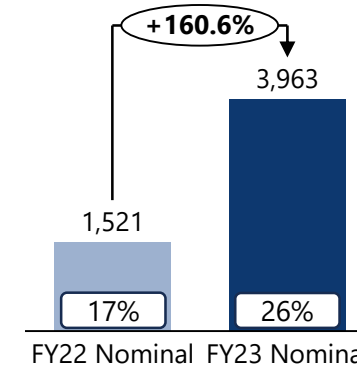
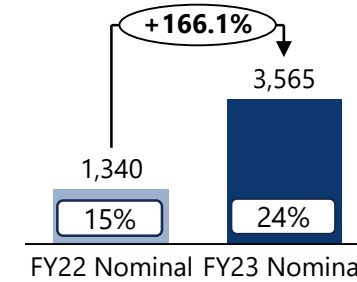
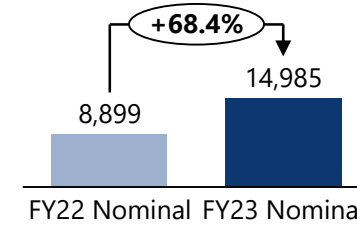
EBITDA



Net Income



## Full Year (mTRY)



# AKÇANSA