



2021

INVESTOR PRESENTATION



**BORUSAN
MANNESMANN**

Legal Disclaimer

Certain information set forth on this website may contain “forward-looking statements”, including, without limitation BORUSAN MANNESMANN BORU SANAYİ ve TİCARET A.Ş (Company)’s business projects, strategic objectives, future revenues, anticipated savings, financial results (including expenses, earnings, liquidity, cash flow and capital expenditures), industry or market conditions, demand for and pricing of our products, acquisitions future development, future-oriented financial information and “financial outlook” under applicable Capital Market Laws (collectively referred to herein as forward-looking statements). Forward-looking statements are provided to allow potential investors the opportunity to understand management’s beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment. These forward-looking statements reflect the Company’s views at the time such statement was made with respect to future events and are not a guarantee of future performance or developments and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

01 BORUSAN MANNESMANN KEY FIGURES

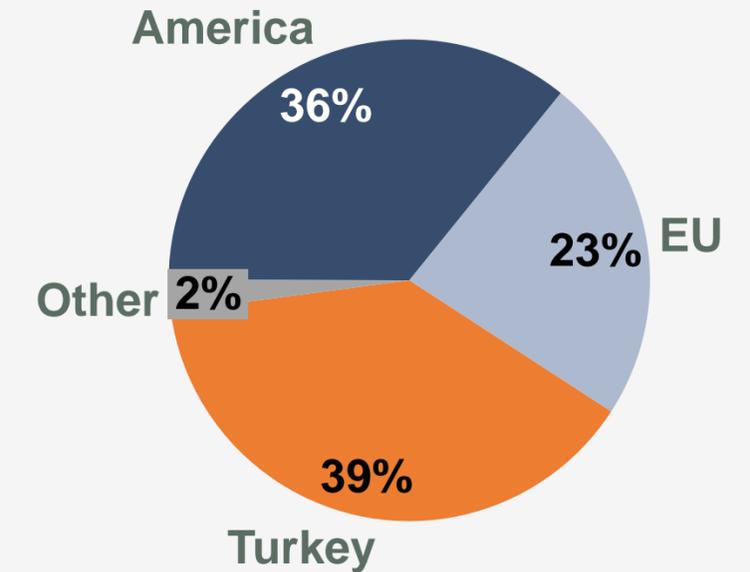
TOTAL SALES VOLUME 2021



TOTAL REVENUE 2021



TURNOVER BY REGION 2021



NUMBER OF EMPLOYEES



NUMBER OF COUNTRIES

More than 70
countries with
a revenue of
\$278 million



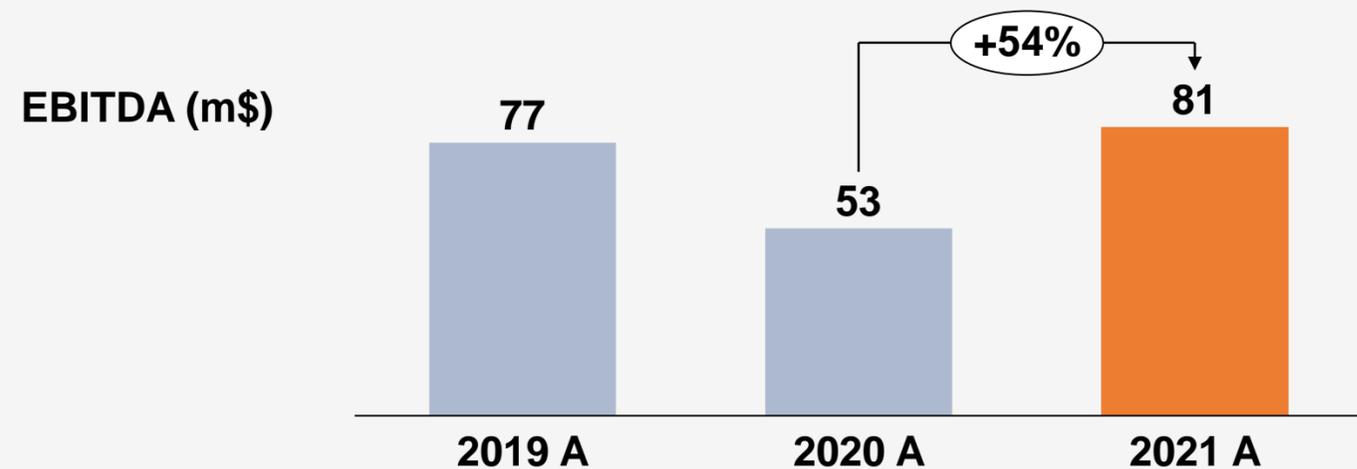
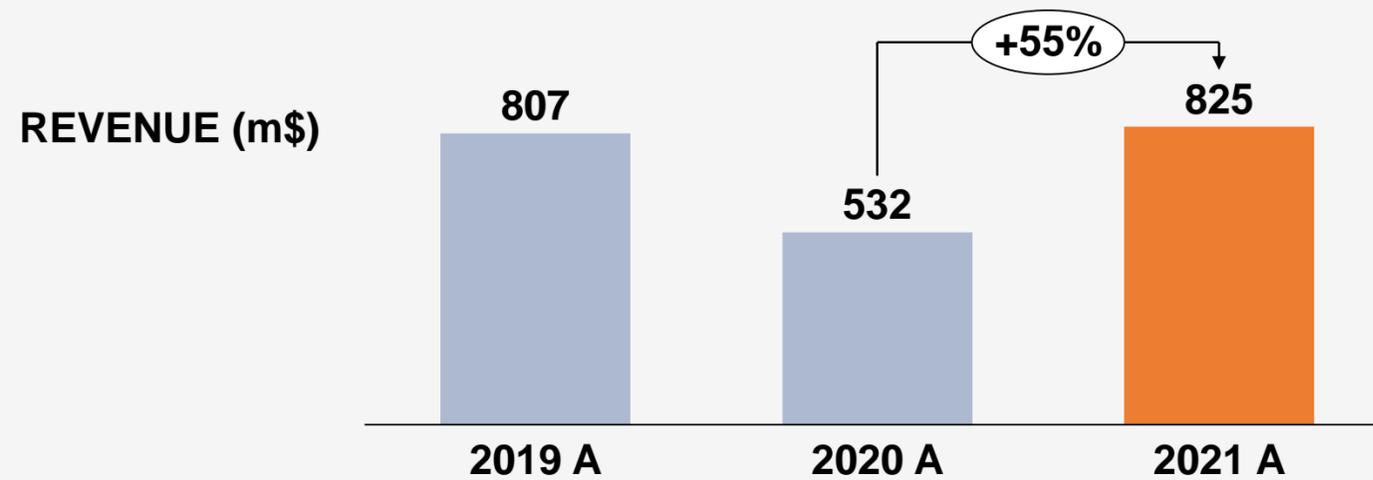
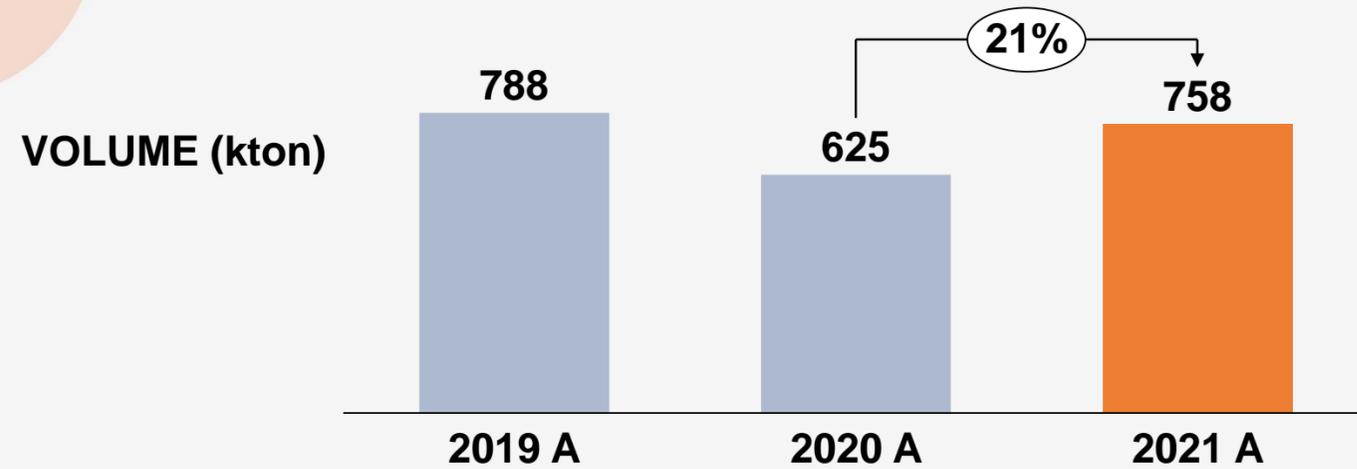
MARKET CAPITALIZATION

in mn \$ as of December 31, 2021



02

KEY FINANCIAL FIGURES



- **21%** growth in volume, attributable to strong performance in Industry & Construction and Automotive businesses.
- **825 m\$** revenue, significantly higher compared to 2020, largely due to increasing sales volume and global steel prices at historical highs.
- **81m\$** EBITDA, strong y-o-y increase of **54%** with **10%** margin
- Additional gp (gross profit) margin due to increase in steel prices in combination with efficient inventory exposure management
- Better absorption of fixed production costs reflecting the increase in production
- **213 m\$** Net Financial Debt, **24%** lower compared to 2020 year-end

03 OPERATIONAL HIGHLIGHTS



Infrastructure & Project

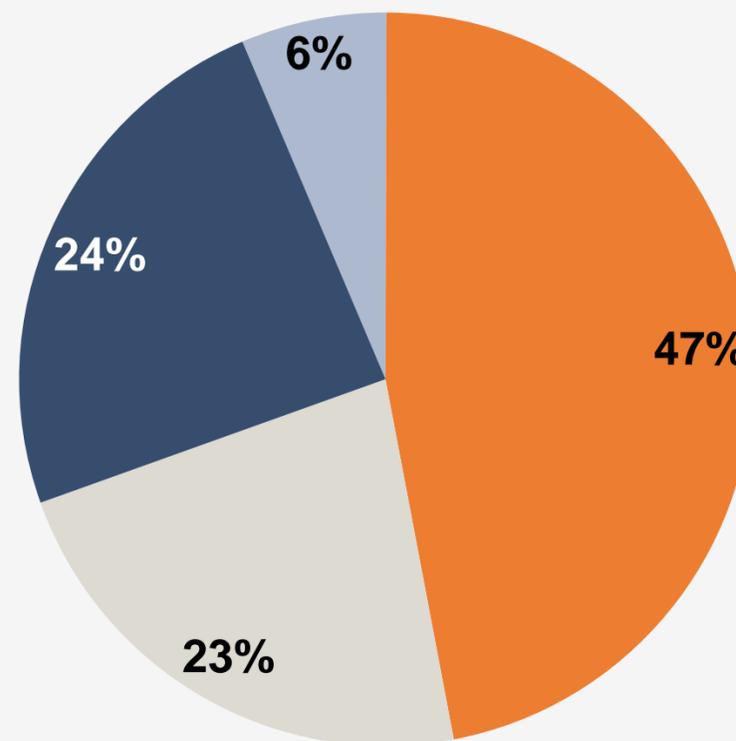
- Revenue decreased by **33%** y-o-y mainly due to COVID pandemic related economic environment resulting to lack/cancellation of projects.
- Better revenue generation in ERW product category.
- Lower profitability in domestic projects due to unfavorable currency rates.



Automotive

- Revenue increased by **71%** y-o-y.
- Maintained market leadership in domestic market with the additional capacity provided by new 'Vision' investment
- Positive impact in local market due to the shift in global supply chain network as an outcome of COVID pandemic.
- Ongoing global chip shortage resulted in unexpected, long-term disruptions in production plan of OEM's.

REVENUE by INDUSTRY



Industry & Construction

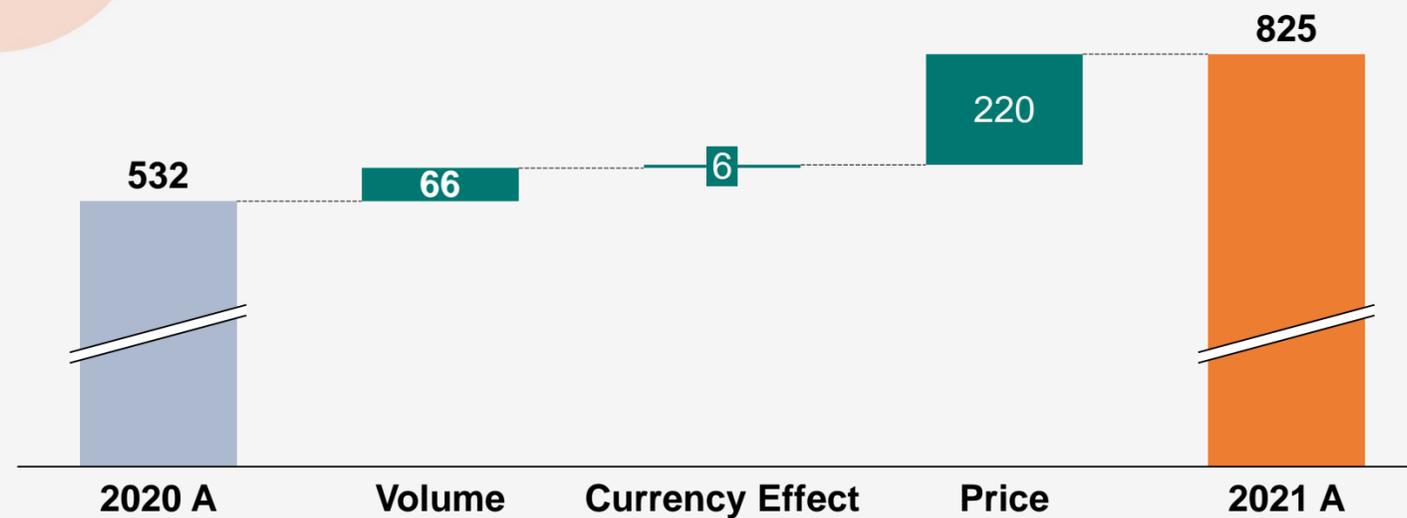
- Revenue increased by **117%** y-o-y
- Strong recovery in domestic demand
- Re-entrance to Construction - Profile market
- Significant increase in export sales performance, mainly in the EU market, despite disturbing effect of global supply chain crisis.



Energy

- Revenue increased by **10%** y-o-y due to the rig count numbers in USA. Average rig count, a major driving KPI for Energy business, was 478 in 2021 whereas it was 433 in 2020

04 FINANCIAL HIGHLIGHTS



(m\$)	2021 A	2020 A	Change
Revenue	825	532	55%
Cost of Sales	(759)	(482)	57%
Gross Margin	66	50	33%
(as a % of revenue)	8,1%	9,4%	-1,3%
SG&A	(48)	(45)	7%
Other	(9)	(4)	95%
PBT	10	0	+10m\$
Depreciation & Other non-cash	44	27	62%
Financial Expense	28	25	10%
EBITDA	81	53	28
(as a % of revenue)	9,8%	9,9%	-0,1%
Free Cash Flow	81	22	+59m\$
NFD / EBITDA	2,6x	5,3x	
NWC Days	59	104	-44

- **Revenue increased by 55% year-over-year due to** increase in Industry & Construction, Energy and Automotive Segments performance. Sales price per ton increased by 28% due to better market conditions and effective sales management.
- Rising costs in raw materials procurement during 2021, overall, contributed positively towards domestic sales volume and prices. **Accordingly gross margin increased by 33%.**
- SG&A increased by 7% mainly due to increase in sales related expenses.
- Increase in raw material prices also increased working capital employed which resulted 10% higher financial expense compared to 2020.
- Long term procurement from raw material suppliers and effective management of trade receivables had a positive impact on cash flow and net working capital.