



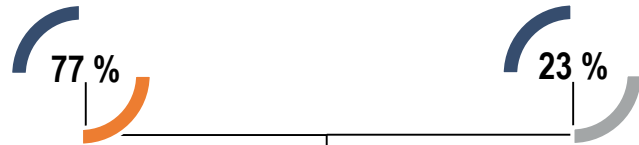
INVESTOR PRESENTATION

June 2022

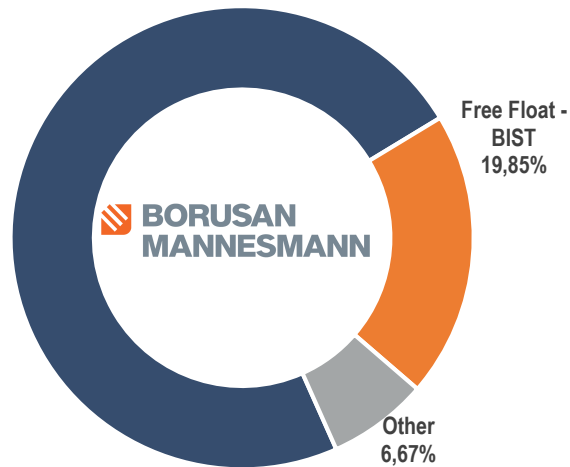
Legal Disclaimer

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.

Shareholder Structure



**Borusan Mannesmann
Investment Holding**
73,48%

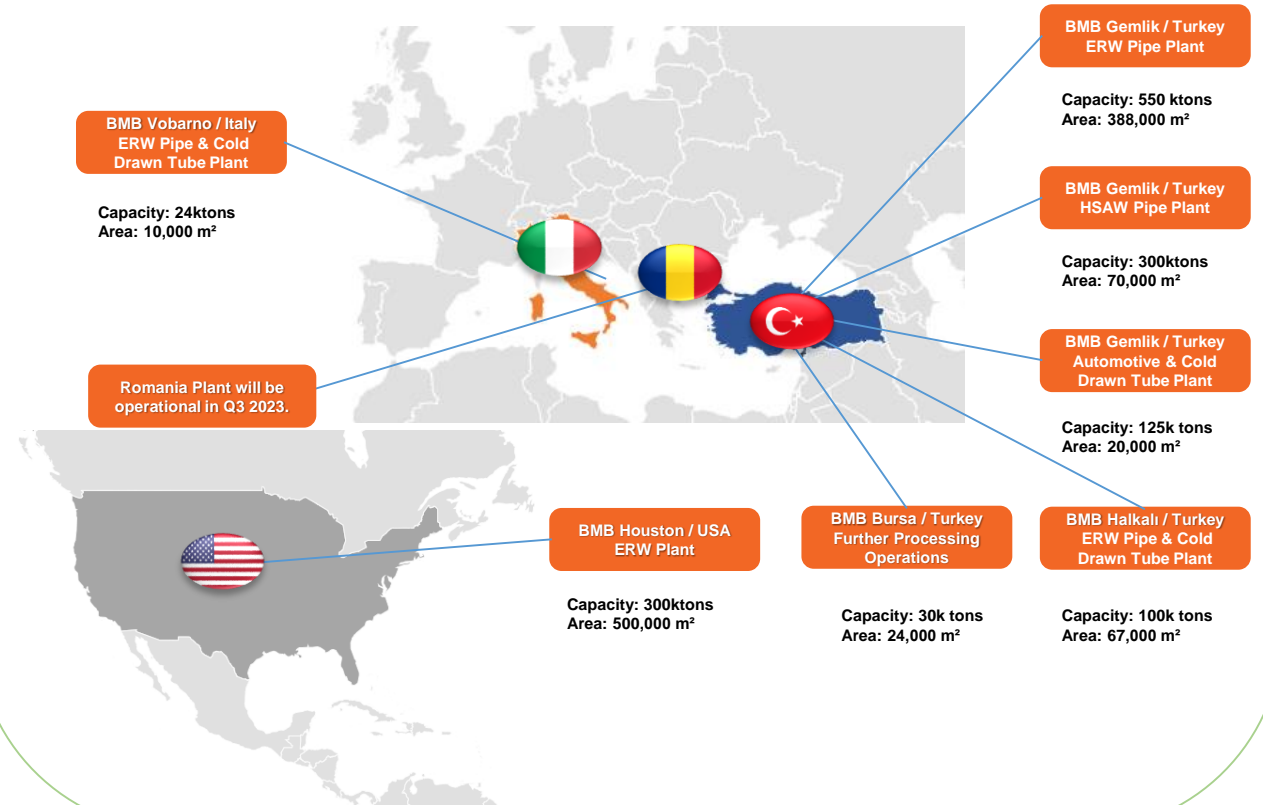


Geographical Footprint

Total Capacity
1,429 k tons

Total Area
1,079 k sqm

Total Employee
2,102



KEY HIGHLIGHTS H1 '22

SALES VOLUME



**402
k tons**

+ 8 % y/y

SALES REVENUE*



**\$ 575
millions**

+ 57 % y/y

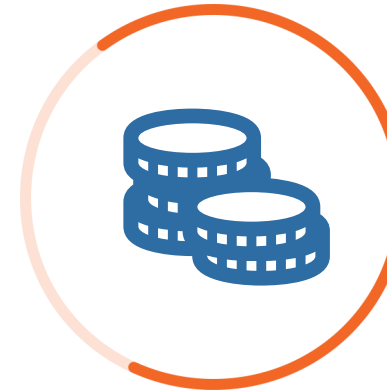
EBITDA



**\$ 74
millions**

+ 53 % y/y

PBT



**\$ 33
millions**

+ 63 % y/y

TR EXPORT



**\$ 158
millions**

+ 54 % y/y

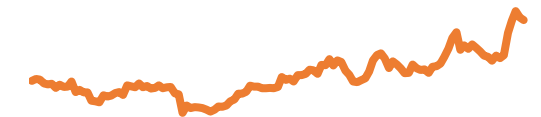
- \$575 Million consolidated revenue, significantly higher than 2021 H1.

Major drivers;

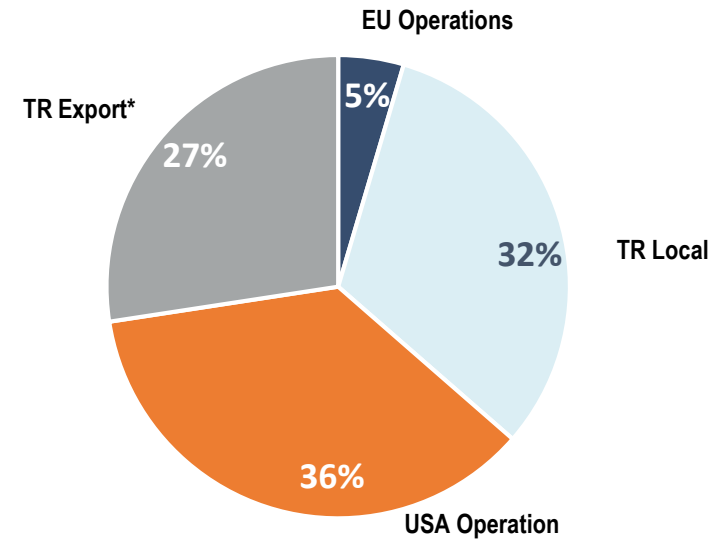
- Better performance in export markets
- Higher sales volume in energy industry
- Timely price adjustments
- EBITDA increased by 53 % y/y reaching record H1 result.

MARKET CAPITALIZATION

\$ 306 mn as of June 30,2022



SALES REVENUE

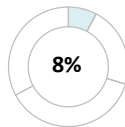


REVENUE BY INDUSTRY



Infrastructure & Project

\$ 44 mn
Sales

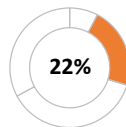


+ 10 % y/y



Automotive

\$ 126 mn
Sales

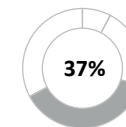


+ 35 % y/y



Industry & Construction

\$ 216 mn
Sales

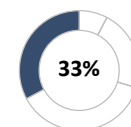


+ 38 % y/y



Energy

\$ 189 mn
Sales



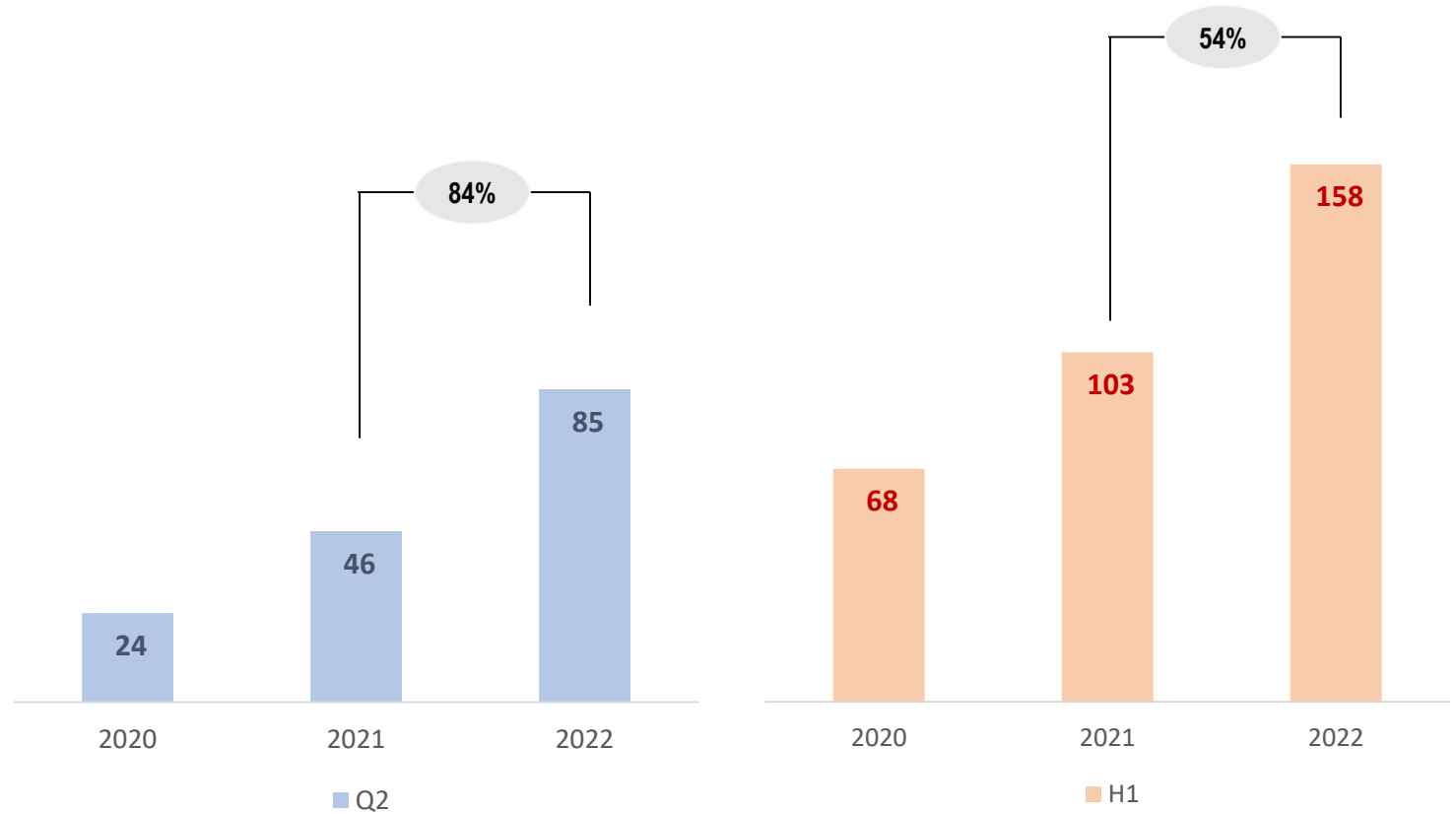
+ 145 % y/y

*Export sales from TR to EU and USA operations are consolidated in related foreign operation.

EXPORT MARKETS PERFORMANCE



EXPORT SALES mn \$



\$ 158 mn

Total*
Export

27 %

% BMB Total
Sales \$

54 %

Sales \$
Growth
y/y

11 %

Share in Total TR
Pipe Export
tonnages*

36

Number of
Export
Countries

- Strong sales performance in main export markets
- Timely price adjustments

*Export sales from TR to EU and USA operations are consolidated in related foreign operations.

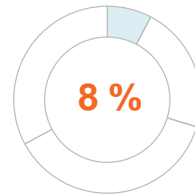
Infrastructure & Project



\$ 44 mn
Sales

% BMB Total Sales

10 %
Growth
y/y

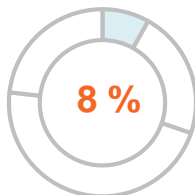


- Despite the decrease in sales volume, sales revenue increased by 10% y/y due to new projects awarded at the beginning 2022.

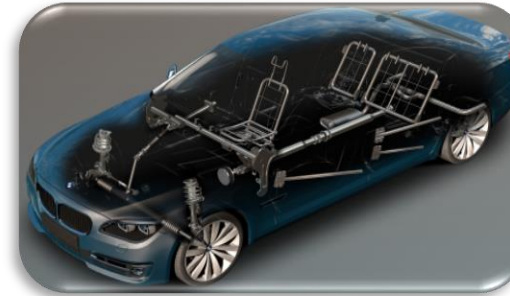
33k tons
Sales

% BMB Total Sales

-29 %
Change
y/y



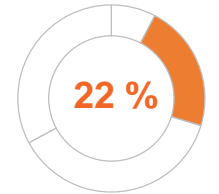
Automotive



\$ 126 mn
Sales

% BMB Total Sales

35 %
Growth
y/y

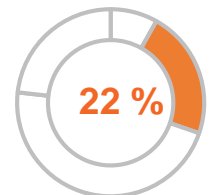


- Better y/y volume and revenue performance due to strong demand coming from Tier1 customers and after-market
- Increase in energy prices and inflationary effects limited the improvement in profit margins

89k tons
Sales

% BMB Total Sales

9 %
Growth
y/y



Industry & Construction



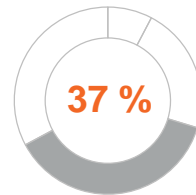
\$ 216 mn

Sales

% BMB Total Sales

38 %

Growth y/y



- Record revenue of last ten years in both domestic and export markets resulting \$216 million
- Increase in sales prices in export markets contributed positively to top-line growth.
- Successful exposure management in raw materials led better profit margins.

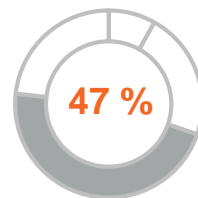
187k tons

Sales

% BMB Total Sales

3 %

Growth y/y



Energy



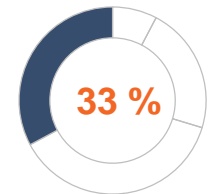
\$ 189 mn

Sales

% BMB Total Sales

145 %

Growth y/y



- Significant performance in sales volume and pricing delivering \$189 Million revenue in H1.
- 60 % increase in rig count number in US y/y drives the growth.
- Increase in oil and gas prices contributed positively to sales volume growth and profitability.

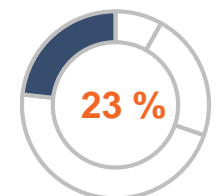
93 k tons

Sales

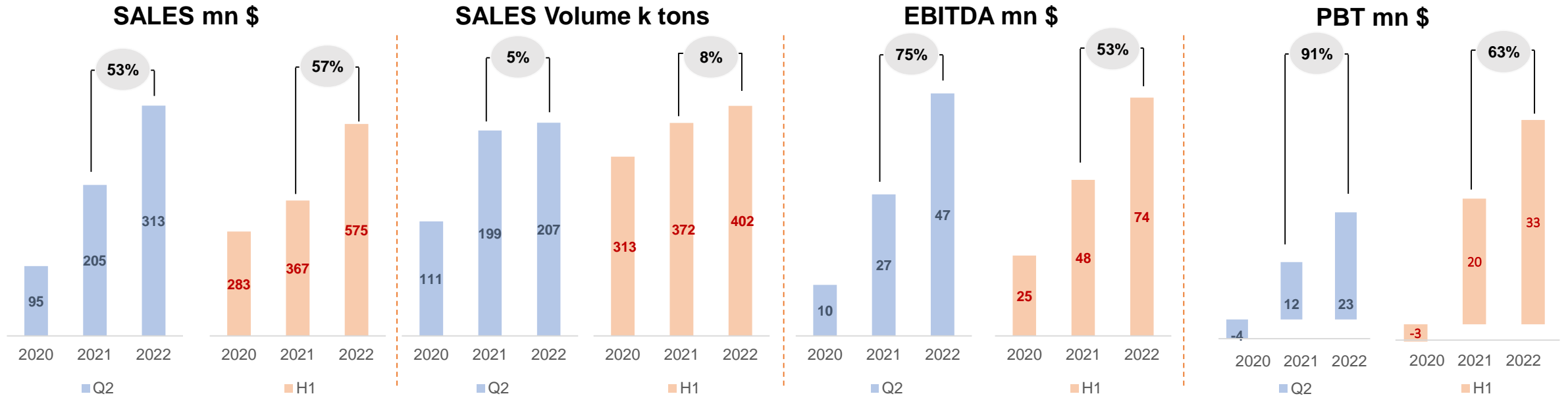
% BMB Total Sales

48 %

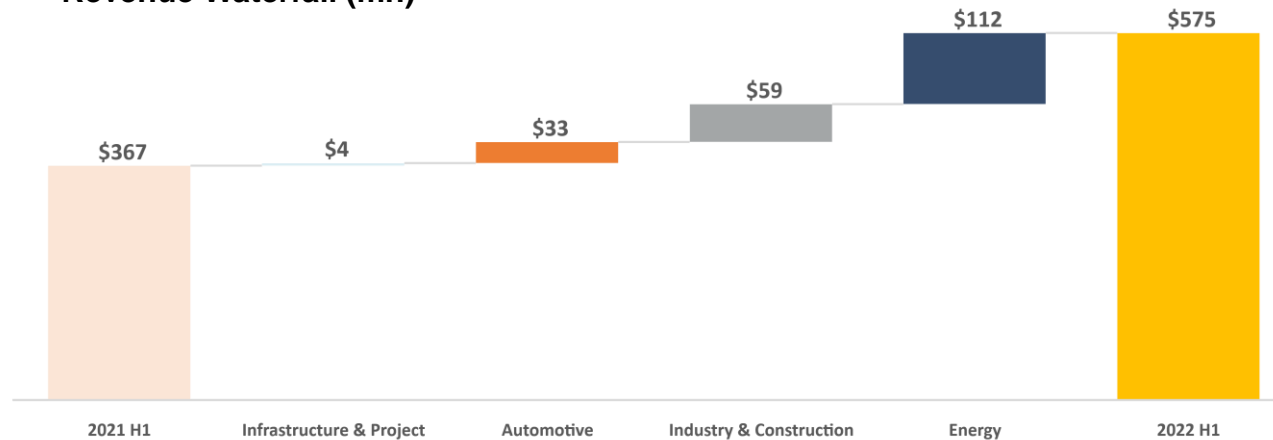
Growth y/y



SUMMARY FINANCIALS



Revenue Waterfall (mn)



SUMMARY FINANCIALS

(mn\$)	2022 H1	2021 H1	Change
Revenue	575	367	57%
Cost of Sales	(511)	(317)	61%
Gross Margin	64	50	27%
(as a % of revenue)	11.2%	13.7%	-256 bps
SG&A	(28)	(23)	18%
(as a % of revenue)	4.8%	6.4%	-155 bps
Other	19	8	143%
Financial Expense	(23)	(15)	55%
PBT	33	20	+13mn\$
(as a % of revenue)	5.8%	5.6%	20 bps
Depreciation	17	16	6%
EBITDA	74	48	+26mn\$
(as a % of revenue)	12.8%	13.2%	-32 bps

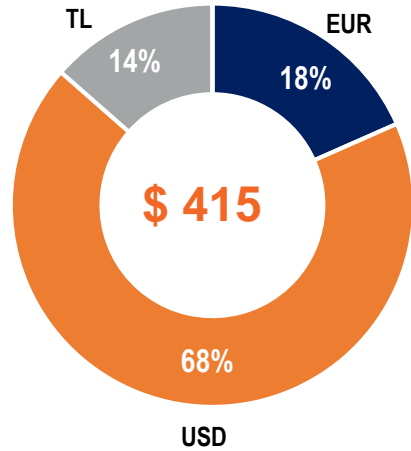
Free Cash Flow	(126)	93	-220mn\$
NFD / EBITDA	3.55x	2.67x	+0.88x
NWC Days	106	69	37

(mn\$)	2022 Q2	2021 Q2	Change
Revenue	313	205	53%
Cost of Sales	(267)	(176)	52%
Gross Margin	45	29	57%
(as a % of revenue)	14.5%	14.1%	40 bps
SG&A	(15)	(12)	19%
(as a % of revenue)	4.7%	6.0%	-130 bps
Other	7	4	63%
Financial Expense	(14)	(8)	72%
PBT	23	12	+10mn\$
(as a % of revenue)	7.4%	6.0%	130 bps
Depreciation	8	8	6%
EBITDA	47	27	+20mn\$
(as a % of revenue)	15.0%	13.4%	165 bps

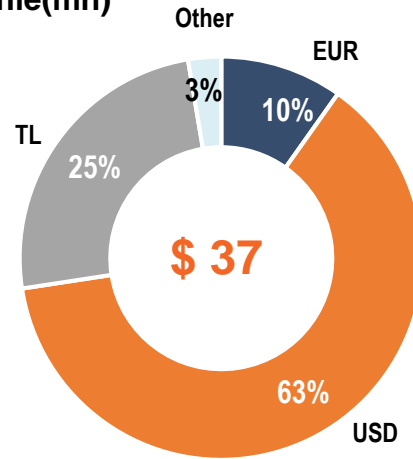
- \$ 74 Million EBITDA is the record H1 performance
- EBITDA growth led by strong top-line growth, successful exposure management and better capacity utilization.
- Timely price adjustments despite challenging market conditions
- Better PBT performance despite higher financial expenses
- Negative free cash flow due to higher working capital needs

SUMMARY FINANCIALS

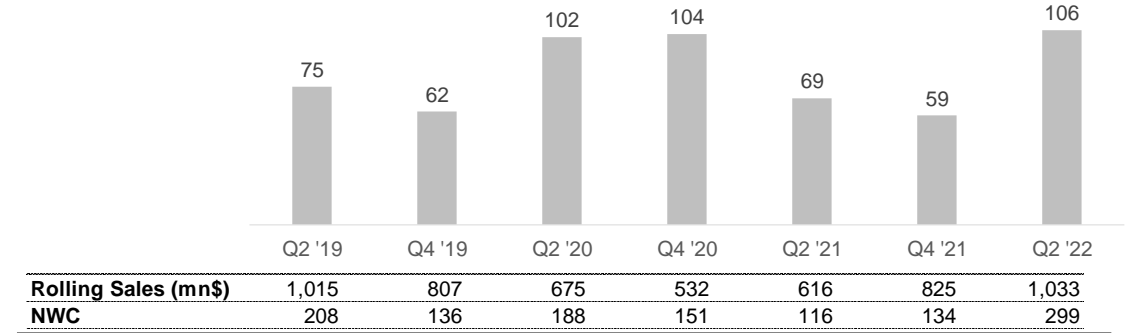
Debt Profile(mn)



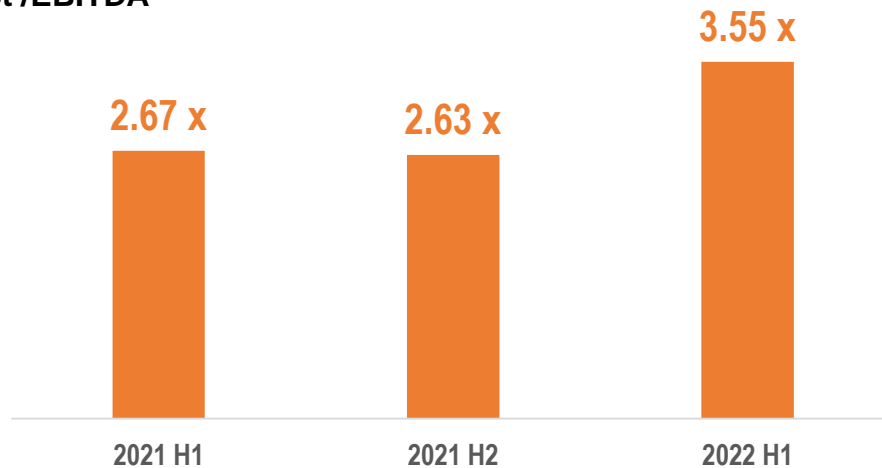
Cash Profile(mn)



WC days



Net Debt /EBITDA



- Balanced FX position with a disciplined financial management
- Net working capital increase due to top-line growth and higher raw material prices.
- Net debt; \$ 378 Million as of end of June 30th, 2022.
- Net leverage under covenant



BORUSAN MANNESMANN

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