

BUILDING MATERIALS DAY

11 DECEMBER 2023



ON STAGE TODAY



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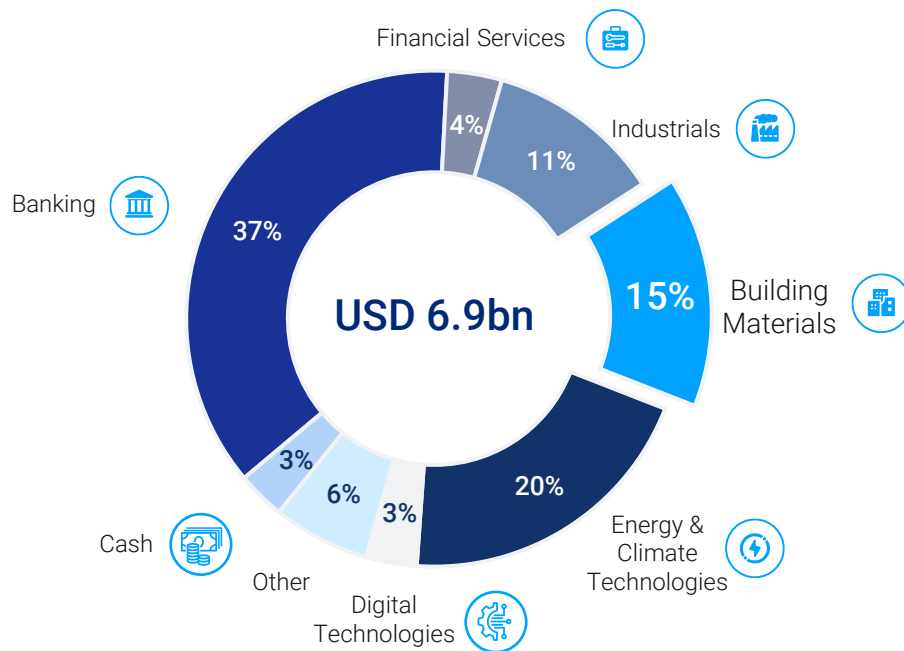
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Building Materials in Sabanci Group



Building Materials has the second largest share with 24% in Sabancı Holding non-bank NAV

NAV⁽¹⁾ Breakdown Based on Book Value for Unlisted Assets



Sabancı Holding
Total Non-Bank NAV

USD 4.4
Billion

Share in Non-Bank NAV

24%

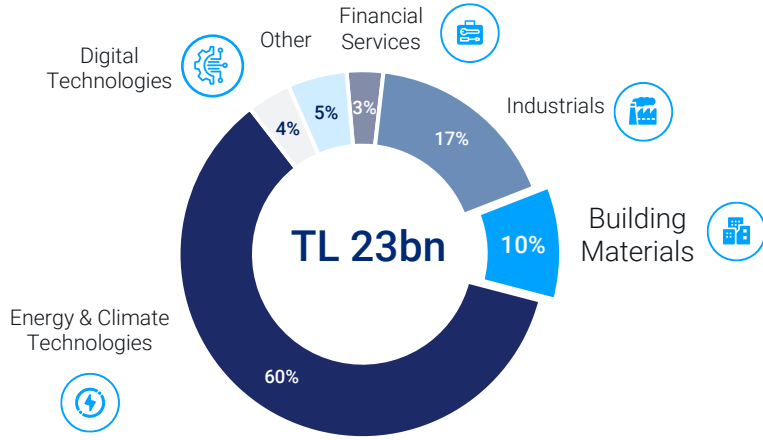
2nd Largest Segment

(1) All listed figures are as of December 8, 2023.

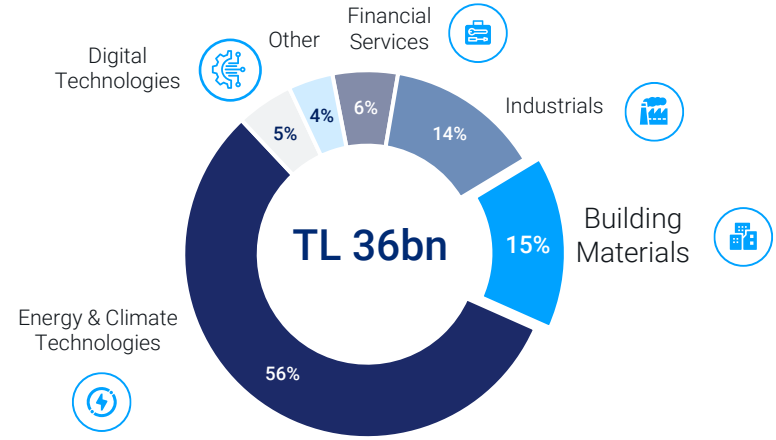
Building Materials: Akçansa, Çimsa & Sabancı Building Solutions; Energy & Climate Technologies: Enerjisa Üretim, Enerjisa Enerji & Sabancı Climate Technologies; Industrials: Brisa, Kordsa, TMA & TUA; Banking: Akbank; Financial Services: Aksigorta & Agea; Digital Technologies: Teknosa, SabancıDX & DXBV; Other: Carrefoursa, Exsa, AEO & Tursa

Growing contribution of building materials to group profitability

Combined Non-Bank EBITDA⁽¹⁾ Breakdown of 9M'22

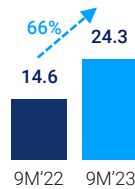


Combined Non-Bank EBITDA⁽¹⁾ Breakdown of 9M'23

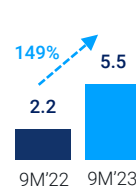


Impressive YoY Earnings Growth in 9M'23

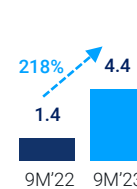
Top-line⁽²⁾ (TL bn)



EBITDA⁽²⁾ (TL bn)



Net income⁽¹⁾ (TL bn)



(1) EBITDA and Net Income excludes non-operational and non-recurring one-off items. (2) 2022 figures exclude Kayseri/Niğde plants divested in mid-2022 for like-for-like comparison.

Building Materials: Akçansa, Çimsa & Sabancı Building Solutions; Energy & Climate Technologies: Enerjisa Üretim, Enerjisa Enerji & Sabancı Climate Technologies; Industrials: Brisa, Kordsa, TMA & TUA; Banking: Akbank; Financial Services: Aksigorta & Ageas; Digital Technologies: Teknosa, SabancıDX & DXBV; Other: Carrefoursa, Exsa, AEO & Tursa

Building Materials SBU Strategy & Roadmap



Global Outreach Via Our International Footprint

AKÇANSA



3 integrated gray cement production plants
25 Ready-Mix Concrete plants



2 international ports, high export capabilities
One of the largest suppliers to US



Market Value: ~1 bn\$



ÇİMSA TÜRKİYE



3 integrated cement plant including gray, white and calcium-aluminate cement with 26 Ready-Mix Concrete plants



Türkiye's only, World's 3rd largest Calcium Aluminate Cement producer



Global brand in white cement business



Market Value: ~1.1 bn\$ & Afyon: ~180 mn\$



ÇİMSA

SABANCI BUILDING SOLUTIONS



EU's largest integrated white cement plant in Spain



1 cement grinding station in US



International presence in 6 countries



Global Cement Update

Demand



Stable to negative growth due to overall increasing policy rates.



Stable to slow growth in US



Real estate crisis and low cement demand continues



Negative growth mainly driven by lagged effects of monetary tightening.



Domestic slow down expected in 2024

Supply

- New capacities in 2024
- Northern African, Middle Eastern and Asian players becoming more serious competitors to Türkiye exports
- Vietnam gaining market share in US East Coast
- Weak demand and excess capacity (specifically due to low import demand by China) impacting price resilience globally

Key Macro Trends for Building Materials

Green Construction



- Shift to Low Carbon Materials
- Bio-based materials
- Digitalization of Construction
- Modular construction

Sustainable Buildings



- Green throughout lifecycle
- Thermal insulation and external cladding increased importance
- Water footprint of buildings

Re-use or Recycle Materials



- Recyclable building materials
- Re-use of modular parts
- Separation of construction demolition

From Local to Glocal, From Gray to Green...

ACCOMPLISHMENTS

IN-PROGRESS

SABANCI TECHNOLOGY CENTER



Operational

CALCIUM ALUMINATE CEMENT PLANT



Test Production

AFYON SOLAR POWER PLANT



Operational

AFYON ALTERNATIVE FUEL FEEDING



Operational

KAYSERİ NİĞDE DIVESTMENT



Completed

KARÇİMSA DIVESTMENT



Completed

BUNOL ACQUISITION



Completed

FUTURE BETS



Invested

A
n
n
o
u
n
c
e
d

US Grinding Plant

Eskişehir Waste-Heat-Recovery

Bunol Solar Power Plant

Sustainability is Part of our Business-as-usual Operations

ESG Achievements



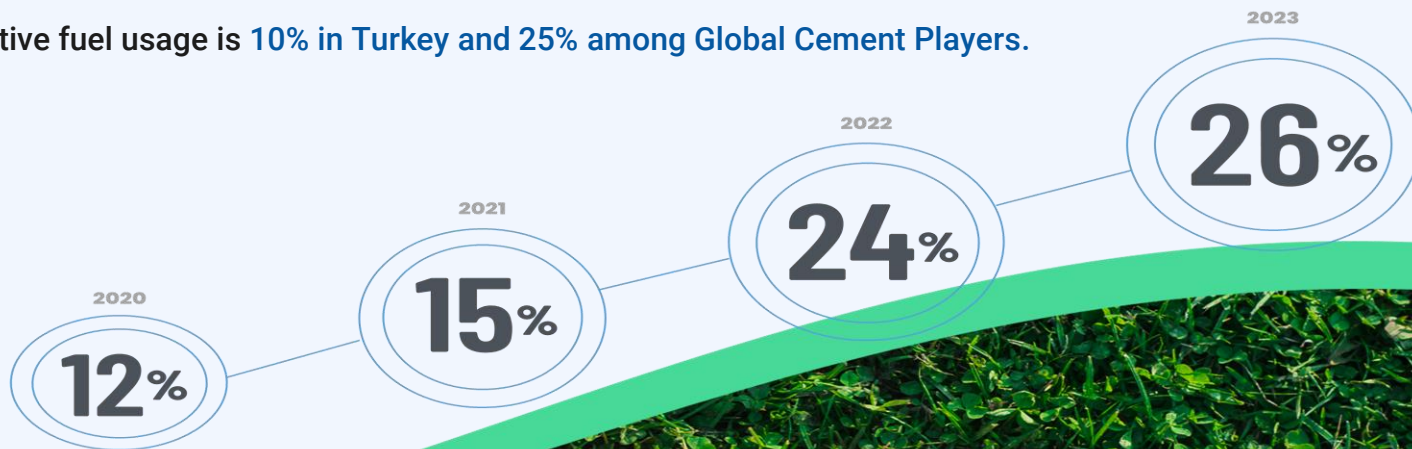
- Score “A-” in "CDP Supplier Engagement Rating"
- Ranked 3rd in the BIST Sustainability Index Refinitiv Rating
- Akçansa increased its ESG performance score to 87 in an evaluation conducted by Refinitiv and rose to 2nd place globally among construction materials companies in ESG performance.



-
- First and only cement company in BIST Sustainability 25 index.
 - Score “A” in Supplier Engagement Rating (SER) , first cement company in Turkey to receive an A score & one of the 6 cement companies in the world
 - Çimsa became the only building materials company in the Top 100 among 12 thousand companies in the World in the Refinitiv Diversity and Inclusion Index.

High level of Alternative Fuel Usage

Average alternative fuel usage is **10% in Turkey** and **25% among Global Cement Players**.



Building Materials SBU's Strategy House

From Pure Cement to Building Materials
From Local to Glocal, From Grey to Green

MAXIMIZE VALUE OF THE CORE



Continuous Network Optimization

Asset/Carbon/Energy optimization



Customer Proximity in Export Markets

US Grinder, Light asset expansion



Vertical Integration in Export Markets

Specialty precast, Ready-mix concrete



Commercialize Sustainability & Innovation

Premium Value-add products

TRANSFORM VALUE OF THE PORTFOLIO



New Growth and Diversification



Sustainable Building Materials;

Insulation, Roofing Solutions and Prefabrication



Focused R&D at Global Technology Center in Munich



Venture Capital and Start-ups



Carbon Capturing and Utilization

INVEST INTO FUTURE VALUE

Value Creation Through Asset Optimization / Portfolio Reshuffle

KAYSERİ-NİĞDE PLANTS DIVESTITURE

Sold for
123 m\$



- Serving mainly to domestic market
- Limited access to export opportunities
- Mainly local currency generation



RE-INVESTMENT

Investment
125 m\$

ÇİMSA
AMERICAS



USA: 82m\$

ÇİMSA
TÜRKİYE

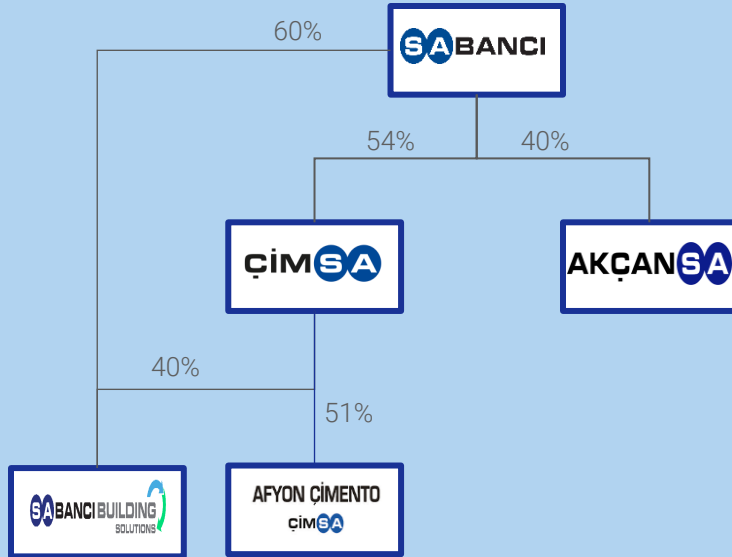


CAC: 42m\$

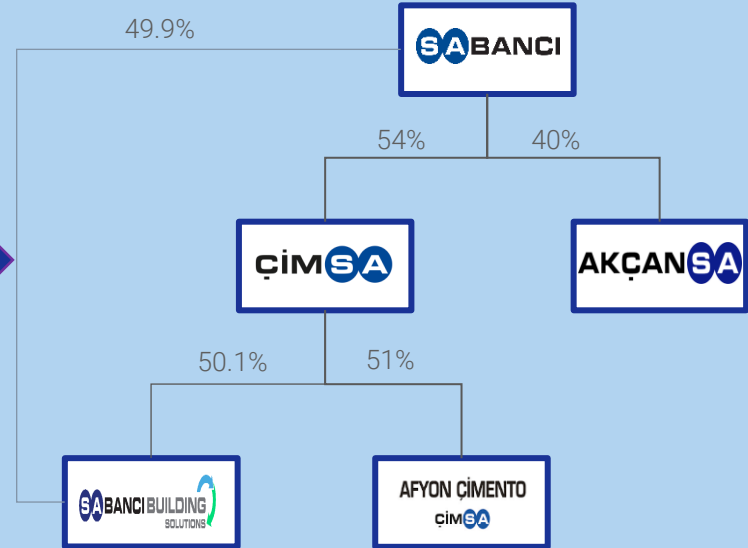
- Strengthen our global footprint
- Increase in hard currency gain
- Becoming among top 3 producers of CAC globally

Value Creation Through Structural Change

STRUCTURE AS OF 1H2023



UPDATED STRUCTURE, announced in October

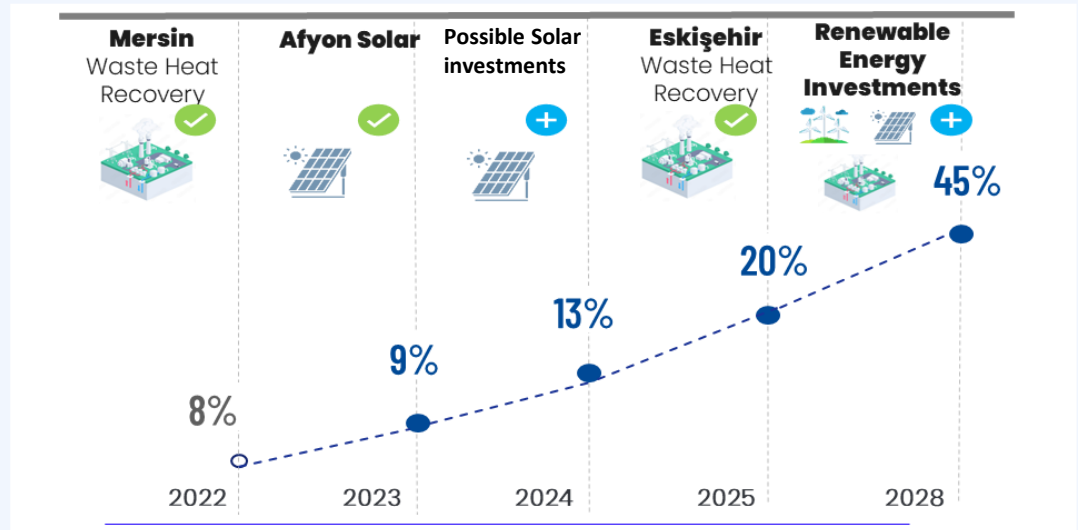


Electricity-self-sufficiency through renewable investments



ÇİMSA AS AN EXAMPLE:

- Target of increasing renewable energy usage ratio increase up to 50% with new investments.



Commercialize Innovation and Sustainability: Premium Value-add Products

FLYCRETE

READY TO FLY CONCRETE

- Concrete using Calcium Aluminate Cement, designed at Çimsa Formülhane, to be used as repair concrete where fast application and strength is crucial.
- Use case: Airport runways can be opened for air traffic within 3 hours.



GREEN FORMULATION

- Sustainable product movement in line with our climate targets.

GREEN FOR CEMENT

ACTIONCEM

SOLIDCEM

DUĞCEM

ACTIONCEM^{ECO}SOLIDCEM^{ECO}DUĞCEM^{ECO}ACTIONCEM^{PRO}SOLIDCEM^{PRO}DUĞCEM^{PRO}

GREEN FOR CO₂ CRETE

AÖBETON

YÖLBETON

HIDROMIX

YÖLBETON^{PRO}

SOLIDMIX

100ÖBETON

SOLIDMIX^{PRO}

PERFORMIX

ECO: more eco-friendly & PRO: higher performance

VC/Start-ups and Technology Center

TECHONOLGY CENTER



- Technology Center became operational as of May 2023, located in Munich, Germany within Technical University of Munich' campus
- Cooperation with TUM's Building Materials Division and strong collaboration with Customers
- Initial focus on CAC and White Cement, will extend to other Building Materials along with transformation of the portfolio.

FUTURE BETS



- US based venture focusing on construction-tech start-ups



- Biocarbon-based concrete admixtures to decarbonize construction
- In Türkiye, Ecolocked material tried in commercial concrete materials results are being analyzed.
- 1 year research project will be held with Sabancı University and Çimsa



- Renovation (retrofitting) of multi-story houses with BIM enabled technology



- Transform low-value and local materials into high-performance and sustainable insulation material

From Pure Cement to Building Materials, From Local to Glocal, From Grey to Green

FROM



45% FX based revenue generation



20% Revenue from international operations



2% Revenue share from non-cement



CO2 Intensive product portfolio

TO



Higher FX based revenue generation



Higher revenue share from international operations



Higher share of non-cement businesses



Diversified and sustainable product portfolio

Q&A





Meet SirA, Sabancı Holding's digital
investor relations assistant !

Turkey's First Investor Relations
Dedicated Assistant !

INVESTOR RELATIONS CONTACTS

Kerem TEZCAN
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Şule GENÇTÜRK KARDİÇALIOĞLU
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Details**

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