

Kocaer Çelik posted a 123% YoY topline growth in 2022...

Kocaer Çelik increased its total sales volume by 7.3% YoY in 2022, reaching 533,238 tons. The share of value-added products segment in total sales volume increased significantly during the period and reached to 42% in 2022 from 33.1% in 2021.

Sales Volume (ton)	FY2022	FY2021
Structural Steel Profiles	204.951	213.606
Value Added Steel Profiles	224.038	164.373
U and C Shape Steel Profiles	70.532	71.944
I and H Shape Steel Profiles	33.717	47.134
Total Sales Volume*	533.238	497.057
Value Added Products/Total Sales Volume	42,0%	33,1%

* Excluding other sales

Domestic sales revenues and export revenues rose by 72% and 146% respectively in 2022, YoY. Thus, total sales revenues jumped by 123% YoY and reached TRY9,42 billion on the back of 7,3% volume increase and higher share of value-added segment sales.

Sales Revenues (000 TRY)	FY2022	FY2021	Change (%)
Domestic Sales Revenues	2.219.594	1.290.846	72%
Global Sales Revenues	7.202.208	2.923.257	146%
Other Sales Revenues	1.684	4.895	-66%
Sales Returns and Discounts	-5.021	-2.692	87%
Net Sales Revenues	9.418.466	4.216.307	123%

In line with the global trends, Turkey faced a sharp increase on energy costs during 2022, and its share in production costs has become more noticeable. On the other hand, scrap and iron ore prices followed a fluctuating course while labor costs also increased significantly. As a result, crude steel production decreased by 12,9%* in 2022 in the Country. Despite all these developments, Kocaer Çelik managed to increase its sales volume by 7,3% in 2022 while posted a 154% growth on its gross profit from TRY 851.6 million in 2021 to TRY 2,162.7 million in 2022.

In parallel with the gross profitability, Kocaer Çelik's EBITDA generation and EBITDA margin increased significantly during 2022, mainly due to rising value-added segment contribution as well as volume growth in total. Adjusted EBITDA in 2022 increased by 169% compared to 2021 and reached TRY 1,579 million while Adjusted EBITDA margin also increased from 13.9% to 16.8%. Along with significant topline growth and margin improvement, sharp decrease in financing expenses also supported the bottom-line and the company increased its total net profit by 458% in 2022 YoY, from TRY 135.4 million to TRY 755.7 million.

Net financial debt decreased by 27% YoY at the end of 2022...

Net financial debt decreased by 27% YoY, down to TRY 1.062 million in 2022 from TRY1.449 million level in 2021. Accordingly, the Company's Net Debt to EBITDA ratio improved to 0,67 times at the end of 2022 from 2,47 times at the end of 2021.

* worldsteel.org

Financial Debt (000 TRY)	FY2022	FY2021	Change (%)
Short Term Borrowings	1.499.563	708.934	112%
Short Term Portions of Long Term Borrowings	159.068	669.144	-76%
Long Term Borrowings	351.258	381.116	-8%
Total Borrowings	2.009.889	1.759.194	14%
Cash and Cash Equivalents ¹	947.471	310.435	205%
Net Financial Debt²	1.062.419	1.448.758	-27%

Summary Consolidated Financial Tables

Summary Consolidated Balance Sheet (000 TRY)	FY2022	FY2021	Change (%)
Current Assets	4.243.790	2.125.444	100%
Fixed Assets	3.057.687	1.335.407	129%
Total Assets	7.301.477	3.460.851	111%
Short Term Liabilities	3.551.871	2.116.976	68%
Long Term Liabilities	462.809	410.497	13%
Equity	3.286.798	933.378	252%
Total Liabilities and Equity	7.301.477	3.460.851	111%

Summary Consolidated P/L (000 TRY)	FY2022	FY2021	Change (%)
Net Sales	9.418.466	4.216.307	123%
Gross Profit	2.162.679	851.570	154%
Operating Profit	1.404.092	961.917	46%
Financial Expenses (net)	(808.424)	(810.464)	0%
Profit Before Tax	812.686	180.254	351%
Net Profit	755.744	135.368	458%
Net Profit for Parent Equityholders	751.244	132.584	467%
Adjusted EBITDA ³	1.579.459	587.292	169%

Main Ratios (%)	FY2022	FY2021
Gross Profit Margin	23,0%	20,2%
Adjusted EBITDA Margin	16,8%	13,9%
Net Profit Margin	8,0%	3,2%
Net Financial Debt/A.EBITDA(x)	0,67	2,47

¹ Marked to market financial assets have been included.

² Calculated as Short Term Financial Debt+Short Term Portions of Long Term Financial Debt+Long Term Financial Debt -Cash and Cash Equivalents.

³ Other operating revenues and expenses have been excluded from EBITDA calculation.