

**TÜRK PRYSMIAN
KABLO VE
SİSTEMLERİ A.Ş.**

**1Q 2022
FINANCIAL RESULTS**

29.04.2022

**Prysmian
Group**

**Linking
the Future**

AGENDA



- 1. Macroeconomics & Business Environment**
- 2. 1Q 2022 Financial Results**
- 3. 2Q 2022 Expectations**

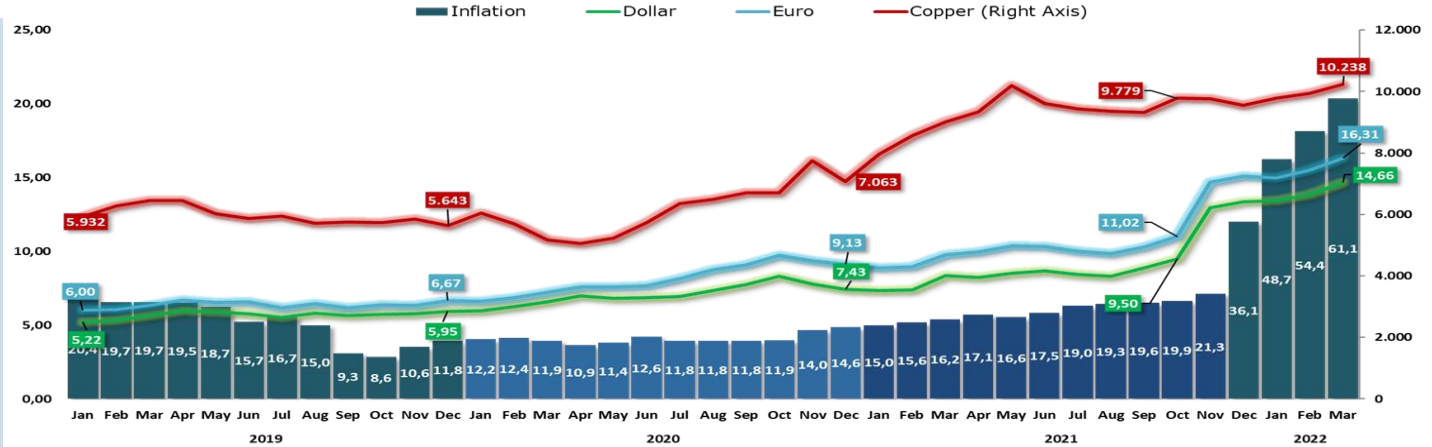


Macroeconomics & Business Environment

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MACROECONOMICS & CABLE INDUSTRY



Global Markets

- Covid-19 restrictions slow down all over the World.
- Inflation hits most of the global economies.
- Russia - Ukraine conflict affects the global macroeconomic environment.
- Sharply increasing raw material & logistic prices pose a challenge mainly for the manufacturing industries.

Turkey

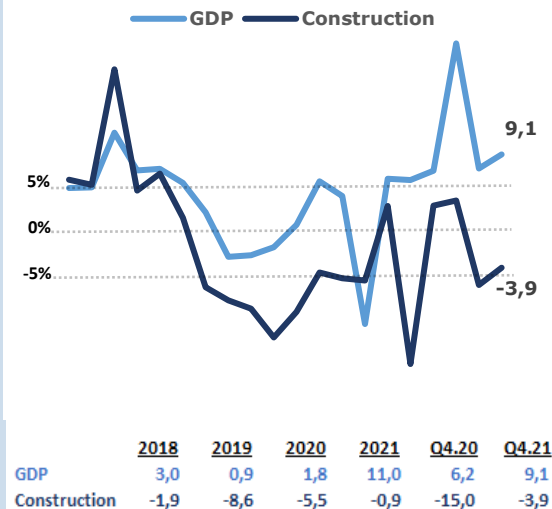
- Pandemic restrictions slow down and daily cases decreased to 2,500 after peak in February 2022.
- Increasing inflation trend continues.
- The volatility in TL continues.
- High interest rates lead to increase in financial costs.
- CBRT kept its policy rate unchanged at 14%.

Cable Industry

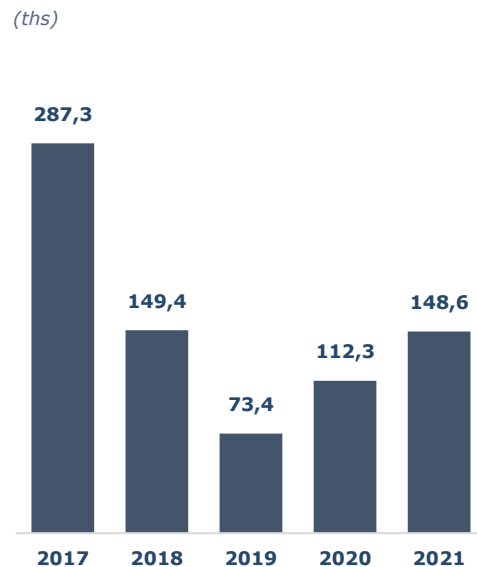
- High interest rates limit the growth of construction industry; there is a slowdown in domestic volume compared to last year.
- High raw material costs push profitability down.
- Supply chain issues result in longer delivery lead times.

CONSTRUCTION SECTOR IN TURKEY

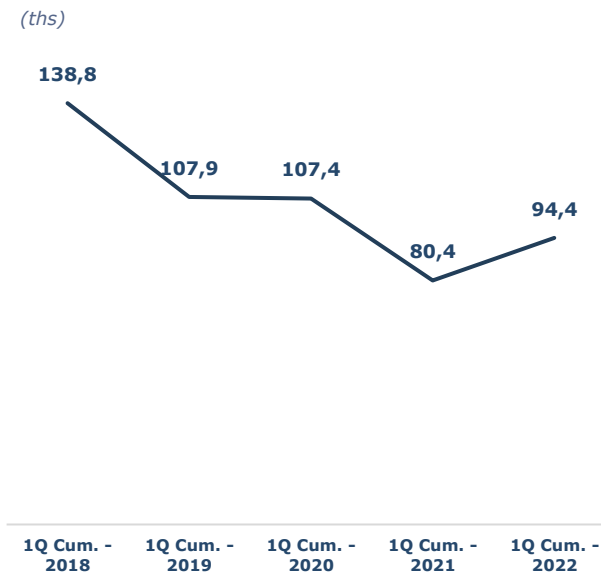
CONSTRUCTION SECTOR CONTRACTED



BUILDING PERMITS INCREASED



NEW HOUSE SALES INCREASED

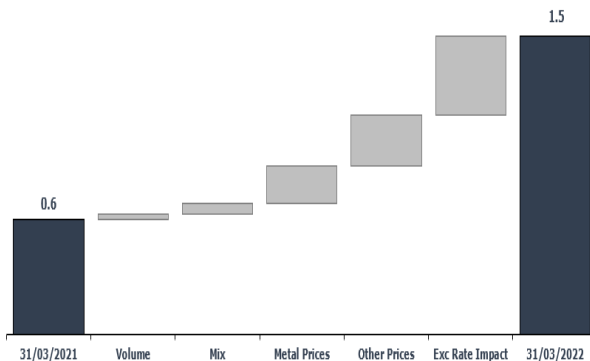


STILL NO IMMEDIATE RECOVERY FORESEEN IN CONSTRUCTION SECTOR IN Q1'22

WE GREW DOMESTIC REVENUES IN 1Q'2022

Revenue Growth Driven by Increasing RM Price and FX Rates

(TRY bln)

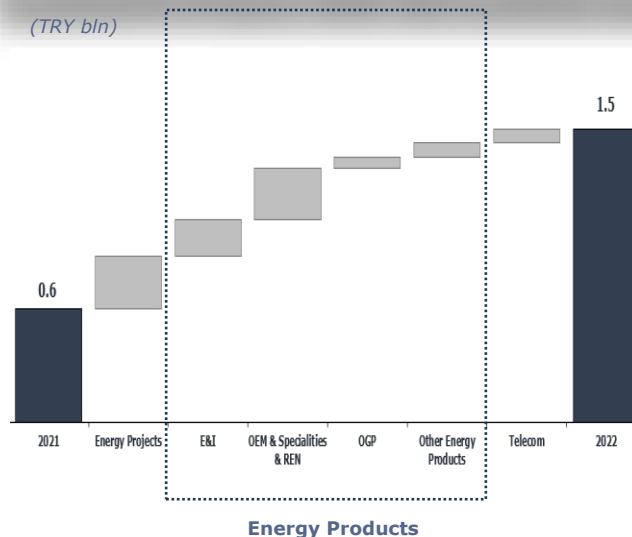


- 158% increase in 1Q 2022 vs 1Q 2021;

- ✓ Energy Projects revenues have increased more than five times in 1Q 2022 vs 1Q 2021 with the contribution of submarine projects
- ✓ Exchange rate impact (69% increase)
- ✓ Copper unit price increase impact on our sales (33%)

Strong Growth in Revenue; Thanks to Submarine Project, OEM, E&I business units

(TRY bln)



WE USED HEDGING TOOLS IN A TOUGH BUSINESS ENVIRONMENT

As of March 22

13%

Depreciation of TRY against USD

11%

Depreciation of TRY against Euro

14%

CBRT Policy Rate (revised from 15% in December)

7%

Fluctuation of copper prices (USD per ton)

Increased Forward Contract Portfolio

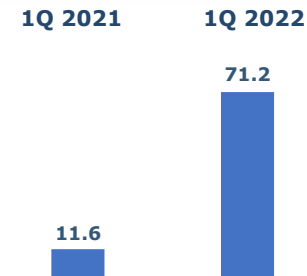
Forward Contract Portfolio



- ✓ Strong recovery in E&I business unit resulted in higher TRY denominated receivables
- ✓ This led to a rise in forward contract portfolio on average:
- ✓ 1Q 2022: 41.7 mln €
- ✓ 1Q 2021: 22.9 mln €

Higher Financial Cost

Financial Cost (TRY mln)



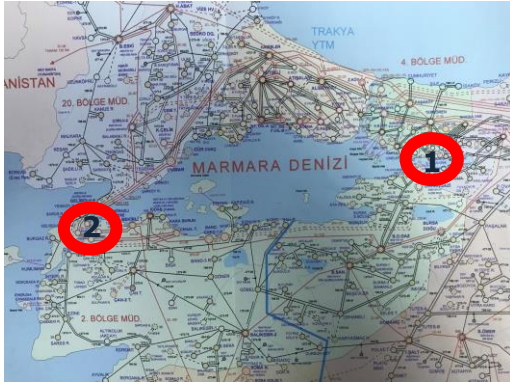
STRONG PERFORMANCE IN OPERATIONAL PROFITABILITY

	1Q 2021	EXPECTATIONS	1Q 2022	1Q 2022 vs. 1Q 2021
REVENUE	574 M'TL	150 - 160% inc	1.484 M'TL	158%
EBITDA	12.5 M'TL	TL 43-45 mln	57.3 M'TL	44.8 M'TL
EBITDA Margin	2.2%	3.0%	3.9%	1.7 p.p.

UPDATE ON SUBMARINE PROJECT

- 1 -

Izmit Gulf Project



Project 1: 400kV İzmit Gulf Submarine Cable Project

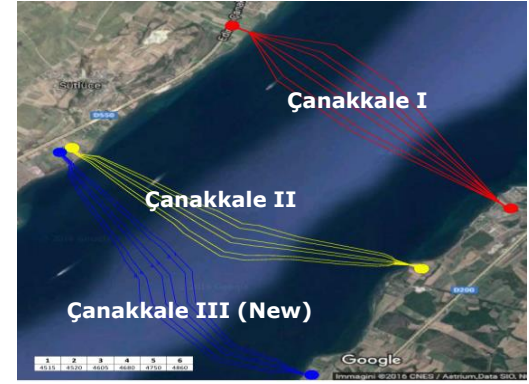
Completion: Q3 2023

Value: €84 million (excl. VAT)

COMPLETION RATIO*: 27%

- 2 -

Çanakkale III Project



Project 2: 400kV Çanakkale III Submarine Cable Project

Completion: Q3 2023

Value: €57 million (excl. VAT)

COMPLETION RATIO*: 16%

* As of 31.03.2022

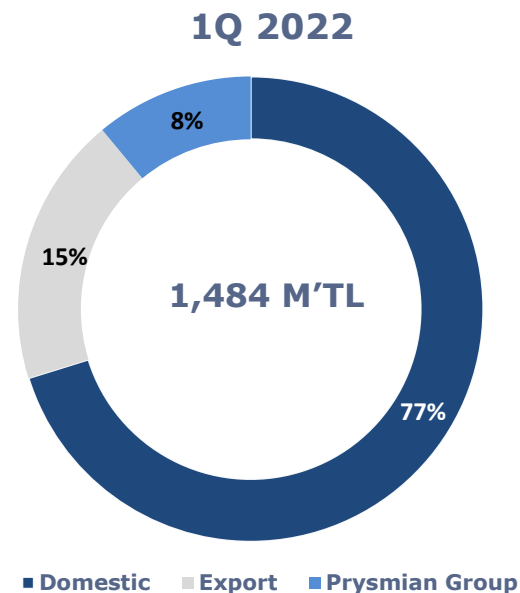
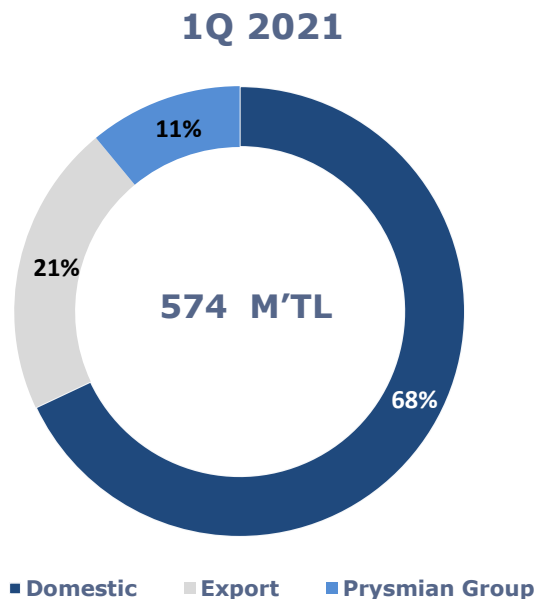


1Q 2022 Financial Results

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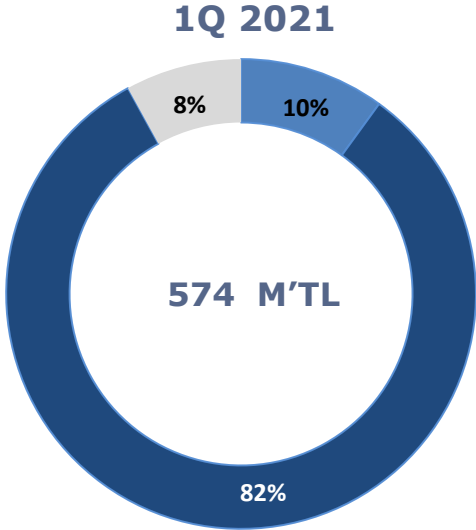
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REVENUE BY DISTRIBUTION CHANNEL

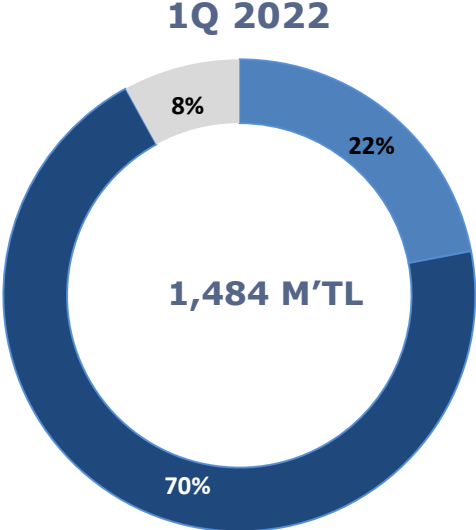


158% increase in revenues mainly driven by energy products and energy projects in domestic market.

REVENUE BY SEGMENT



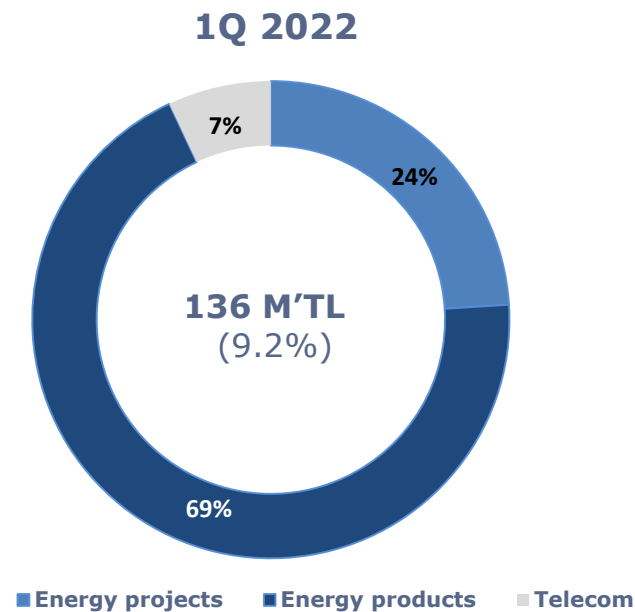
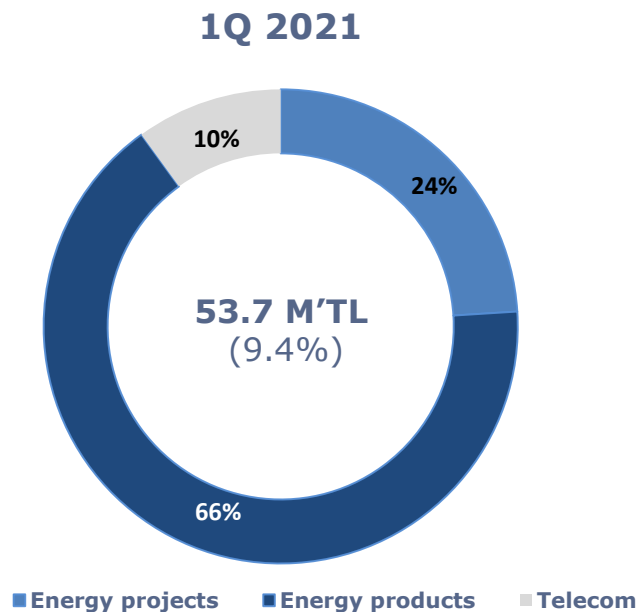
■ Energy projects ■ Energy products ■ Telecom



■ Energy projects ■ Energy products ■ Telecom

Higher energy project revenues positively contributed to total sales revenue.

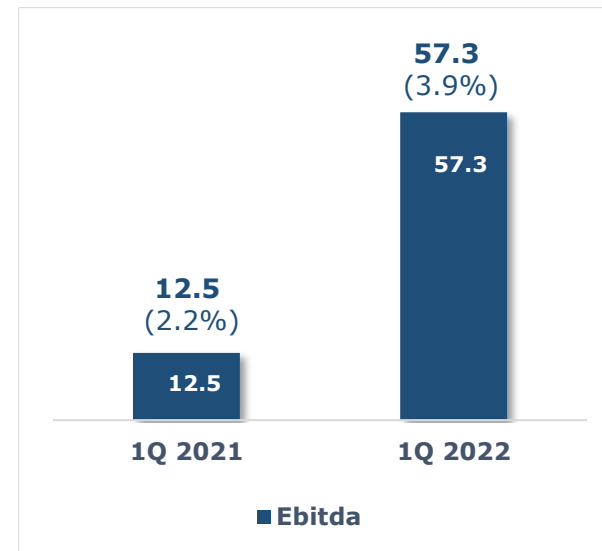
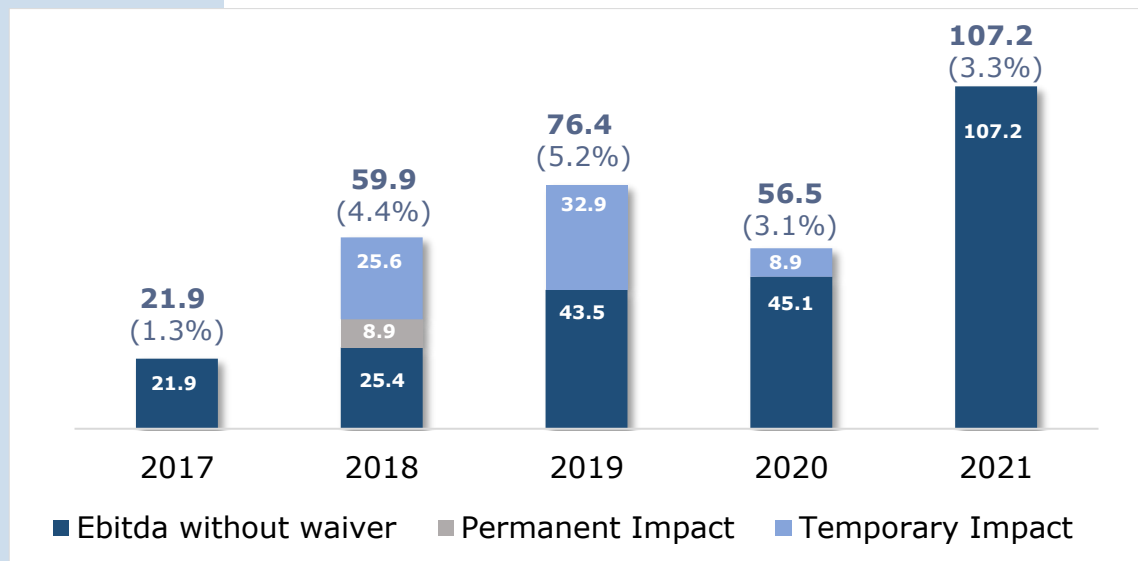
GROSS PROFIT BY SEGMENT



**Gross profit margin remained almost flat
mainly due to increase in raw material prices.**

1Q 2022 EBITDA EVALUATION (MTL)

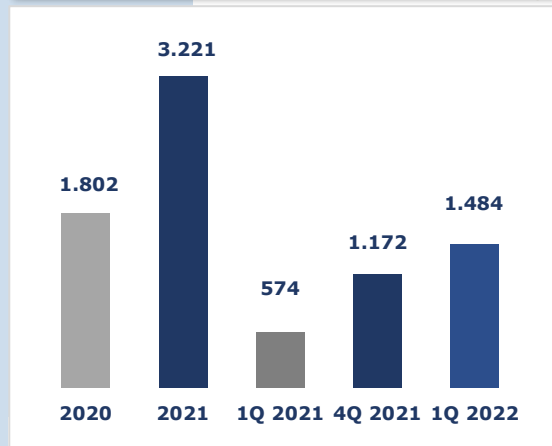
EBITDA & EBITDA MARGIN (M'TL & %)



Prysmian Group waiver not applicable since 2Q 2020

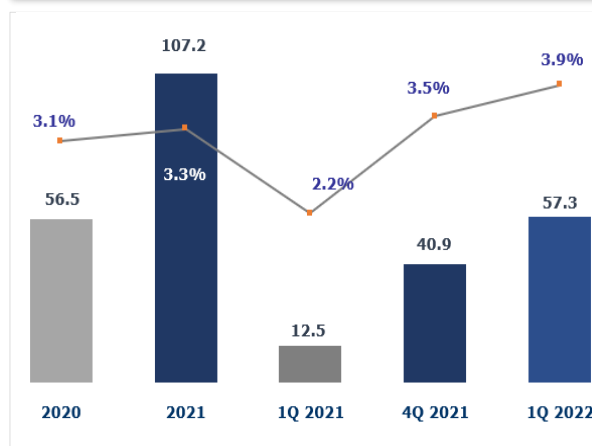
REVENUE, EBITDA & EBITDA MARGIN AND NET INCOME

REVENUE (M'TL)



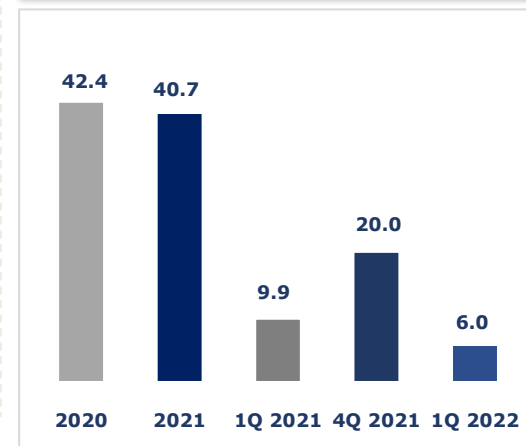
- 158% increase in 1Q 22 vs 1Q 21;
 - ✓ Energy project revenues have increased more than five times in 1Q 2022 vs 1Q 2021.
 - ✓ Exchange rate impact (69% increase)
 - ✓ Copper unit price increase impact on our sales (33%)

EBITDA & EBITDA MARGIN (M'TL)



- 358% EBITDA increase in 1Q 22 vs 1Q 21;
 - ✓ Successfully reflecting RM cost increases on sales prices
 - ✓ Significant contribution from submarine project

NET INCOME (M'TL)

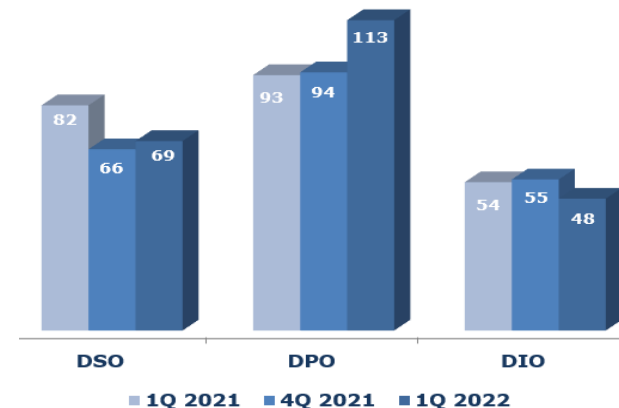


- 39% (3.9 M'TL) decrease in 1Q 22 vs 1Q 21;
 - ✓ Increased Forward Contract due to higher forward agreement. (19 mln € YoY increase)

1Q 2022 B/S & WORKING CAPITAL


(k'TL)	1Q 2021	2021	1Q 2022
Cash & Cash Equivalents	230,368	411,994	603,656
Trade Receivables	516,429	733,966	924,103
Construction Contracts	-	211,741	488,554
Inventories	290,338	452,315	655,215
Other Current Assets	102,281	216,936	192,941
Non-Current Assets	173,940	255,779	302,920
TOTAL ASSETS	1,313,356	2,282,731	3,167,389
Short Term Loans	124,907	919	325,844
Trade Payables	637,340	1,327,123	1,682,084
Construction Contracts	739	-	-
Other Short Term Liabilities	113,143	490,785	685,550
SHORT TERM LIABILITIES	876,129	1,818,827	2,693,478
LONG TERM LIABILITIES	23,713	25,940	29,923
Paid in Capital	216,734	216,734	216,734
Net result of the period	9,949	40,733	6,025
Other	186,831	180,497	221,229
TOTAL LIABILITIES & EQUITY	1,313,356	2,282,731	3,167,389
NET CASH	105,461	411,075	277,812

WORKING CAPITAL DAYS



NWC / Annualized Sales

1Q 2021	4Q 2021	1Q 2022
10.0%	-4.0%	1.2%



2Q'2022 Expectations

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MAIN ACTIONS TO SUSTAIN OUR 2022 FORECAST





Thank you

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