



2021 Q2 Operational Results

August 10, 2021



Contents

HIGHLIGHTS

SALES GROWTH

EFFECTIVE COST MANAGEMENT

CAPEX PLANS

EXPECTATIONS FOR 2021 H2

APPENDIX

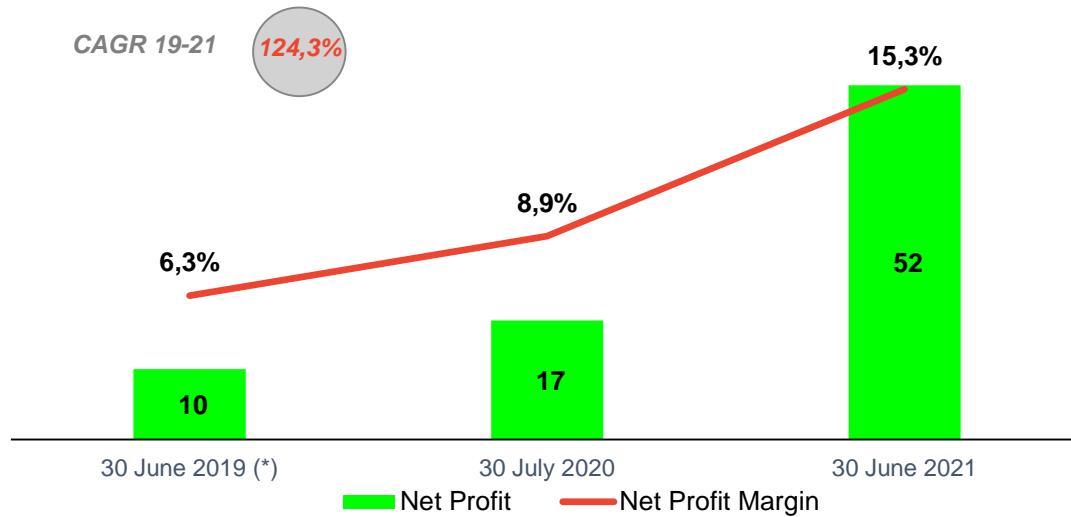
HIGHLIGHTS

The background features several overlapping, semi-transparent geometric shapes in shades of orange and red. A large, light orange shape is in the top right corner. Below it, a darker orange shape overlaps. In the bottom left, there are two overlapping shapes, one in a medium orange and one in a darker red. The overall composition is modern and minimalist.

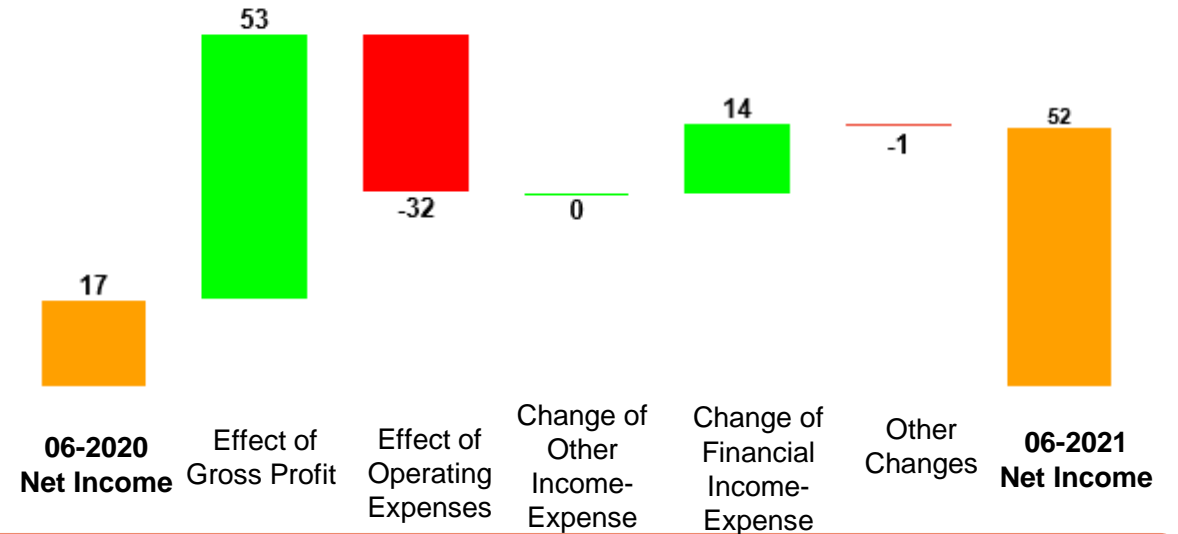
Highlights

Solid Increase in 6 Months Net Profit

Rapid Growth in Net Profit



Net Profit Improvement



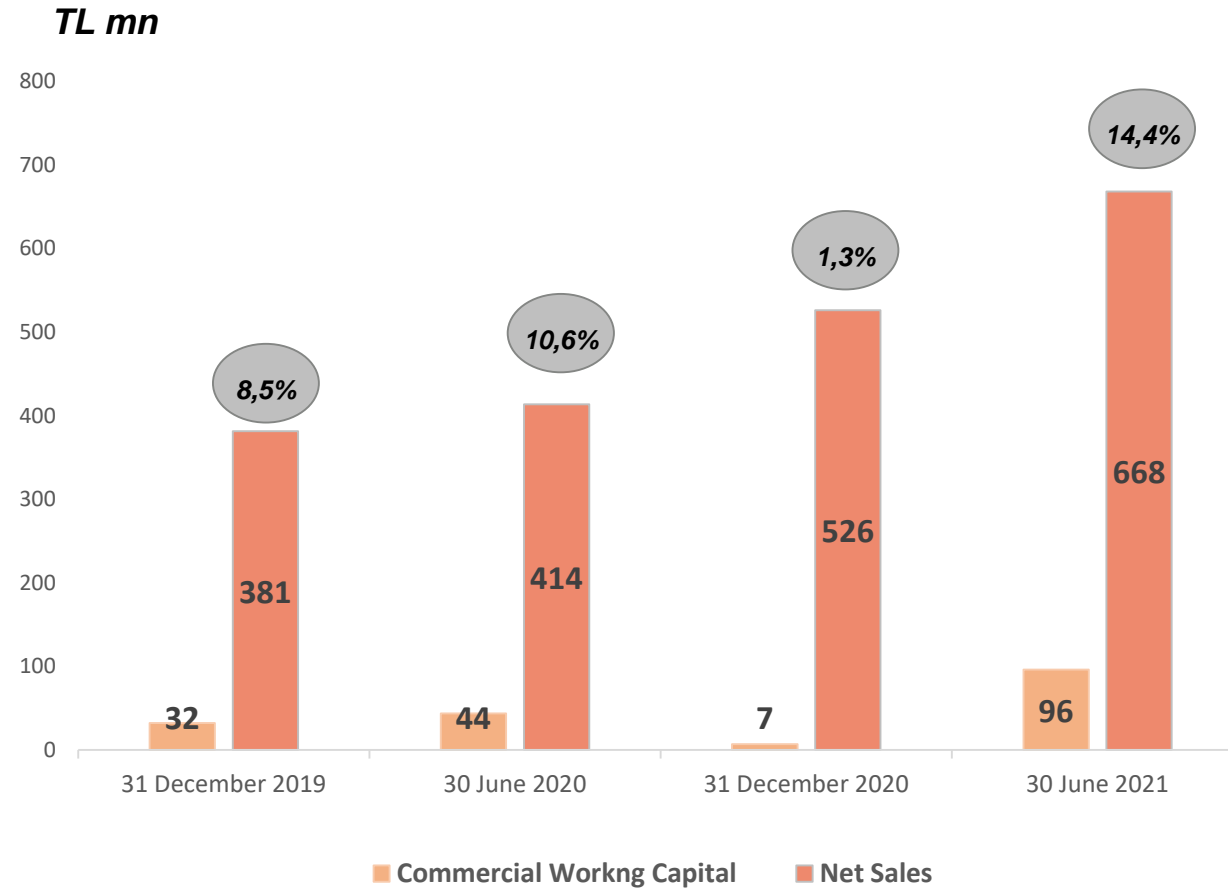
Debt-free Strong Financial Structure

- Cash of TL 289 million
- No bank loans

Highlights



Commercial Working Capital / Net Sales*



Days	December 31 2019	June 30 2020	December 31 2020	June 30 2021
Trade receivables	85	96	68	68
Inventory	33	34	29	33
Trade payables	136	144	133	110

(*) 30 June 2020 Net Sales data consists of net sales between January-June 2020 + July-December 2019
 30 June 2021 Net Sales data consists of net sales January-June 2021+ July-December 2020

Sales Growth

The background features several overlapping geometric shapes in various shades of orange and red. A large, light orange shape is in the top right corner. Below it, a darker orange shape extends towards the center. In the bottom left, there's a medium orange shape. A dark red shape is positioned in the bottom center, overlapping the medium orange one. Another dark red shape is in the bottom right, overlapping the dark orange one. The overall composition is modern and minimalist.

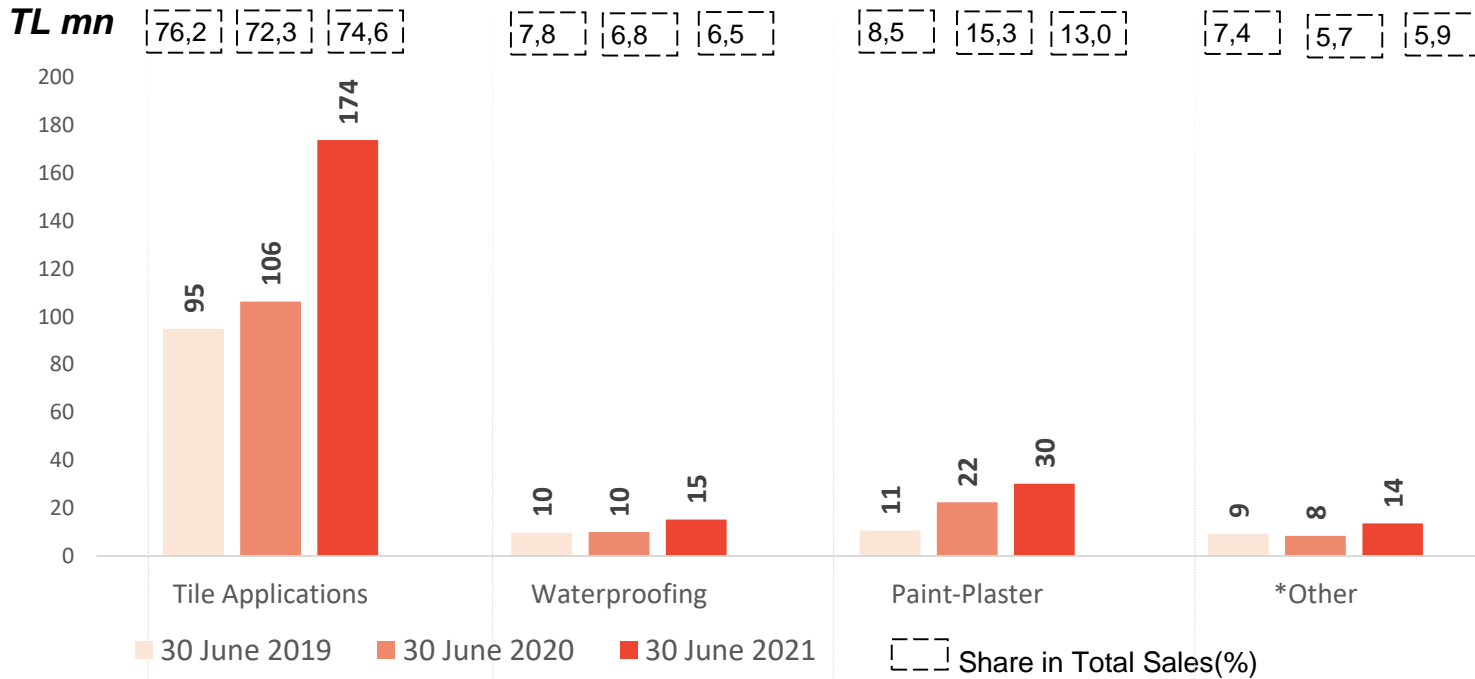


Sales Growth



Rapid Growth in Domestic Sales

Domestic Net Sales by Product Group



DOMESTIC SALES Y-ON-Y GROWTH BY PRODUCT GROUPS

- Tile Applications **63,5%**
- Paint and Plaster **34,4%**
- Waterproofing **53,1%**
- Other **62,3%**
- **TOTAL 58,3%**

SHARE OF DOMESTIC SALES WITHIN TOTAL SALES

- June 30, 2021 **69,1%**
- June 30, 2020 **75,3%**
- June 30, 2019 **76,3%**

(*) Consists of thermal insulation and other various sales



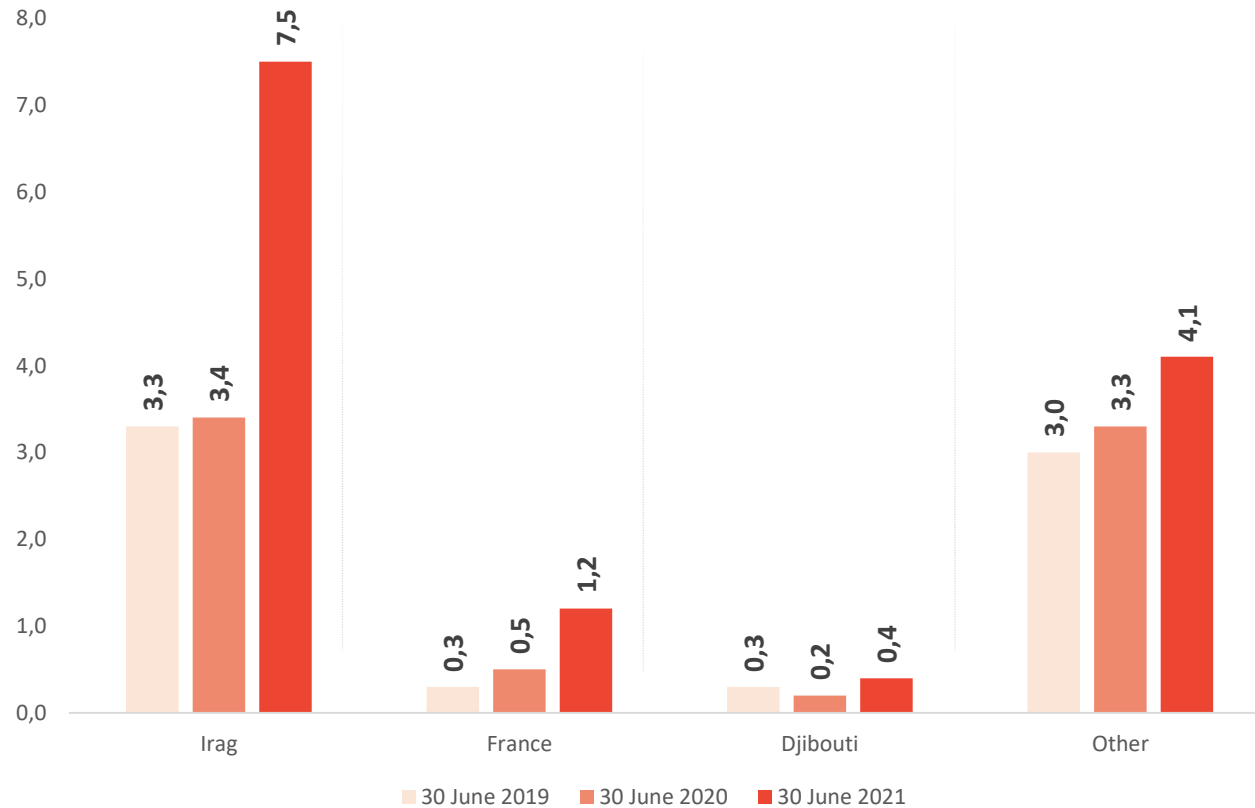
Sales Growth



Rapid Growth in International Sales

International Net Sales by Country

USD mn



DOMESTIC SALES Y-ON-Y GROWTH BY COUNTRY (in USD)

➤ Iraq	118,0%
➤ France	137,4%
➤ Djibouti	73,6%
➤ Other	27,0%
➤ TOTAL	78,1%

SHARE OF INTERNATIONAL SALES WITHIN TOTAL SALES

➤ June 30, 2021	30,9%
➤ June 30, 2020	24,7%
➤ June 30, 2019	23,7%

Effective Cost Management

The background features several overlapping, semi-transparent geometric shapes in shades of orange and red. These shapes are primarily triangles and quadrilaterals, creating a dynamic, layered effect. The colors range from a light, pale orange to a deep, dark red. The shapes are positioned in the lower half and right side of the frame, leaving the upper left quadrant mostly white.



Effective Cost Management

Main Raw Materials Used

Dry Mortar Production

Paint-Plaster Production

Import

Methyl Celluloses

Dust Polymers

Starch Ethers

%60 of total input costs are foreign currency based.

Titanium Dioxides

Hydroxyethyl Cellulose

Colorants

%90 of total input costs are foreign currency based.

Local

Cement

Filling Materials

Packing Materials

Polymer Emulsions

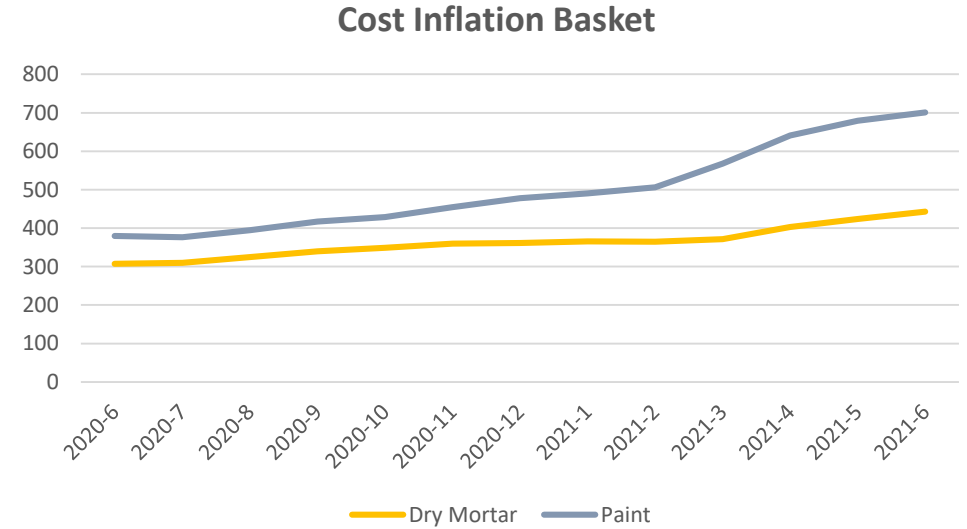
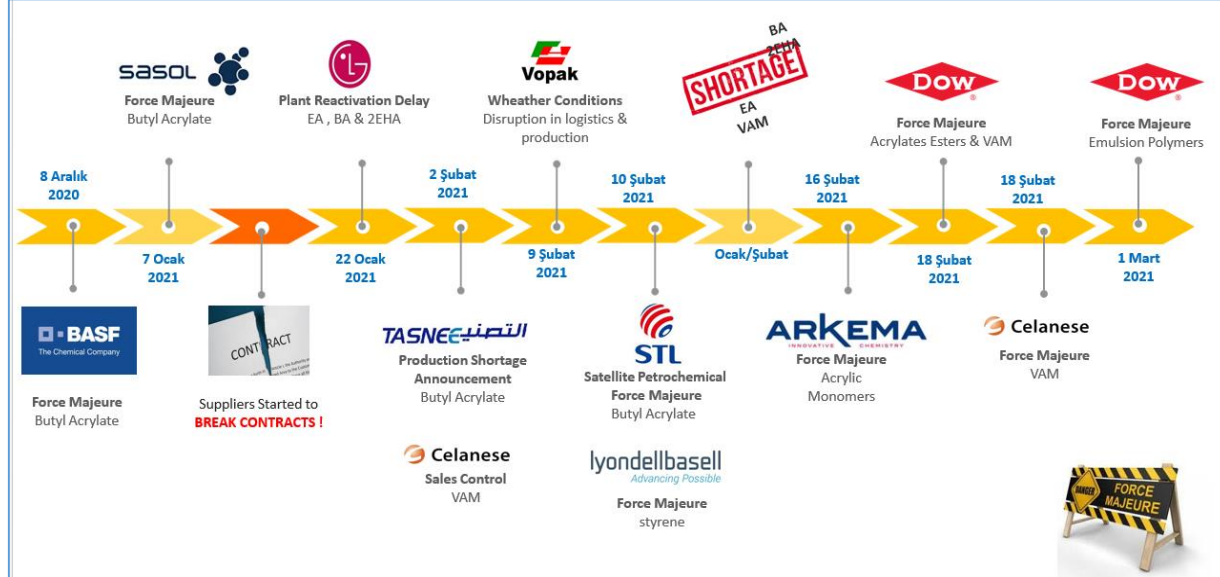
Filling Materials

Packing Materials

Effective Cost Management



Considerable Increase in Raw Material Prices



- Force majeure, price increases and supply problems have occurred due to the pandemic and the problems in supply chain in chemical markets!
- As of June 2021, compared to the same period of the previous year; dry mortars cost index increased by 44%, paint group cost index increased by 85%!
- Precautions have been taken like increasing the stock level for critical raw materials, making long term connections, alternative supplier multiplexing, establishing Far East-Europe balance in supply etc.
- Both supply chain management and correlation of costs and pricing has been managed successfully and dynamically.



Summary of Income Statement

<i>TL million</i>	June 30, 2019	June 30, 2020	June 30, 2021
Net Sales	163	195	337
<i>Growth Rate</i>		19,6%	72,7%
Cost of Sales (-)	(105)	(121)	(210)
Gross Profit	58	74	127
<i>Gross Profit Margin</i>	35,6%	37,9%	37,7%
Operating Expenses (-)	(42)	(46)	(78)
Other Income/Expenses from Operating Activities	6	(2)	(2)
Operating Profit/Loss	22	26	47
<i>Operating Profit/Loss Margin</i>	13,3%	13,3%	14,0%
Income/Expenses from Investment Activities, (Net)	0	0	0
Finance Income/Expenses, (Net)	(9)	(2)	12
Profit Before Tax	13	24	59
Net Income	10	17	52
<i>Net Income Margin</i>	6,3%	8,9%	15,3%
EBITDA(*)	28	40	67
<i>EBITDA Margin</i>	17,0%	20,7%	20,0%

* FX income and loss from FX deposits are included. As of June 30, 2019, 2020 and 2021 FX incomes were TL 0,2 mn., TL 4,1 mn. and TL 8,4 mn., respectively.



Summary of Balance Sheet

<i>TL million</i>	31.12.2019	30.06.2020	31.12.2020	30.06.2021	<i>TL million</i>	31.12.2019	30.06.2020	31.12.2020	30.06.2021
Assets					Current Liabilities				
Current Assets					Financial Liabilities	3	44	25	5
Cash and cash equivalents	72	72	124	289	Short Term Portion of Long Term Financial Liabilities	56	0	0	0
Trade Receivables	106	115	119	199	Trade Payables	98	100	148	171
Inventories	24	29	35	68	Deferred Incomes	24	19	22	44
Other Current Assets	10	13	16	24	Provisions	7	4	11	23
Total Current Assets	212	229	295	580	Other Current Liabilities	2	20	3	17
Non-Current Assets					Total Current Liabilities	191	187	209	260
Properties for Investment Purpose	18	18	28	28	Non-Current Liabilities				
Property, Plant and Equipment	95	96	107	114	Financial Liabilities	6	6	13	11
Intangible Assets	7	9	14	13	Provisions	7	8	10	12
Right of Use Assets	8	8	16	15	Total Non-Current Liabilities	14	14	23	24
Other Non-Current Assets	20	16	10	14	Total Equity	157	175	239	480
Total Non-Current Assets	149	147	175	184	Paid in Capital	100	100	100	115
Total Assets	361	376	470	764	Total Liabilities and Equity	361	376	470	764

CAPEX Plans

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CAPEX Plans (Articulated in our public offering)





CAPEX Plans

Domestic CAPEX



- Organic or inorganic growth opportunities in concrete additives, paint, polyurethane and epoxy

International CAPEX



- Supporting export sales with the investment for concentrated products in Mardin plant
- In Algeria, approval of government loan subsidy for Sarl Ha Building Co., a subsidiary of Kalekim

Expectations for 2021 H2

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Second Half Expectations of 2021

Macro Economic



- Inflation (PPI & CPI) remains high
- It has become apparent that interest rates will remain high until the end of the year
- Continued volatility in the foreign exchange market

Sectoral Expectations



- Raw material price increases continue in the construction chemicals sector
- International logistics crises

Comparison by Peers*

Kalekim *TL mio.*

Market Cap.	1.448
Net Debt	-289
Enterp. Value (EV)	1.159
L12M EBITDA	142
L12M Net Profit	117
EV/EBITDA	8,2
P/E	12,4

Peer Companies	Market Cap (TL million)	Net Debt (TL million)	Enterprise Value (EV) (TL million)	L12M EBITDA (TL million)	L12M Net Profit (TL million)	EV/EBITDA (L12M)	P/E (L12M)
Akçansa	2.862	138	3.000	441	200	6,8	14,3
Bursa Çimento	1.690	-433	1.257	170	135	7,4	12,5
Çimsa	3.404	1.061	4.465	534	345	8,4	9,9
Göлтаş Çimento	716	536	1.253	80	9,2	15,7	78,2
Nuh Çimento	5.717	-592	5.125	464	583	11,0	9,8
Oyak Çimento	8.153	179	8.332	661	510	12,6	16,0
Afyon Çimento	1.536	67	1.603	51	62,9	31,3	24,4
Batiçim	2.257	1.728	3.985	139	-302	28,7	-7,5
Batisöke	904	1.080	1.984	37	-348	53,0	-2,6
Çimentaş	2.655	2	2.657	45	-23,5	58,5	-112,8
Konya Çimento	4.371	-52	4.320	27	23,3	160,3	187,8
MEDIAN						15,7	12,5
AVERAGE (*)						23,3	23,6

(*) Baticim, Bati Söke, Cimentas ve Konya Cement are excluded in average P/E calculation.

Konya Cement is excluded in average EV/EBITDA calculation.

Appendix

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Appendix

Turkey Construction Chemicals Sector Data for the year 2020 (*)

Year	Production (Tons)	Number of Companies	Export (Tons)	Import (Tons)	Domestic Market Consumption (Tons)
2016	4.307.036	333	706.156	306.116	3.906.996
2017	4.962.972	323	662.552	330.958	4.631.378
2018	5.530.426	330	736.412	308.129	5.102.143
2019	4.586.113	316	872.403	300.598	4.014.308
2020	5.594.290	320	937.848	325.475	4.981.917

- Significant growth was experienced in the domestic construction chemicals sector in 2020.
- Domestic market consumption increased by 24.0% and was realized as 4.98 million tons.
- Demand in the domestic market arose from "renewal" and "new markets".
- %25 of production increases were realized in ready-mixed concrete and ceramic coating sectors where construction chemicals are being used.
- With the demand from these sectors, the domestic market of construction chemicals has shown significant growth.

*Source: http://www.imsad.org/files/fileman/Uploads/Files/195473dd-35b7-4924-bfde-f36c33f12709_Turkiye_IMSAD_Yapi_Sektoru_Raporu_2020.pdf



Appendix



Commercial Working Capital / Net Sales

<i>TL mio.</i>	Dec. 31, 2019	June 30, 2020 (*)	Dec. 31, 2020	June 30, 2021 (**)
Trade Receivables	106	115	119	199
Inventories	24	29	35	68
Trade Payables (-)	98	100	148	171
Commercial Working Capital	32	44	7	96
Net Sales	381	414	526	668
Commercial Working Capital / Net Sales	8,5%	10,6%	1,3%	14,4%

(*) Net sales figure includes January-June 2020 and July-December 2019 sales..

(**) Net sales figure includes January-June 2021 and July-December 2020 sales.



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