



INVESTOR PRESENTATION

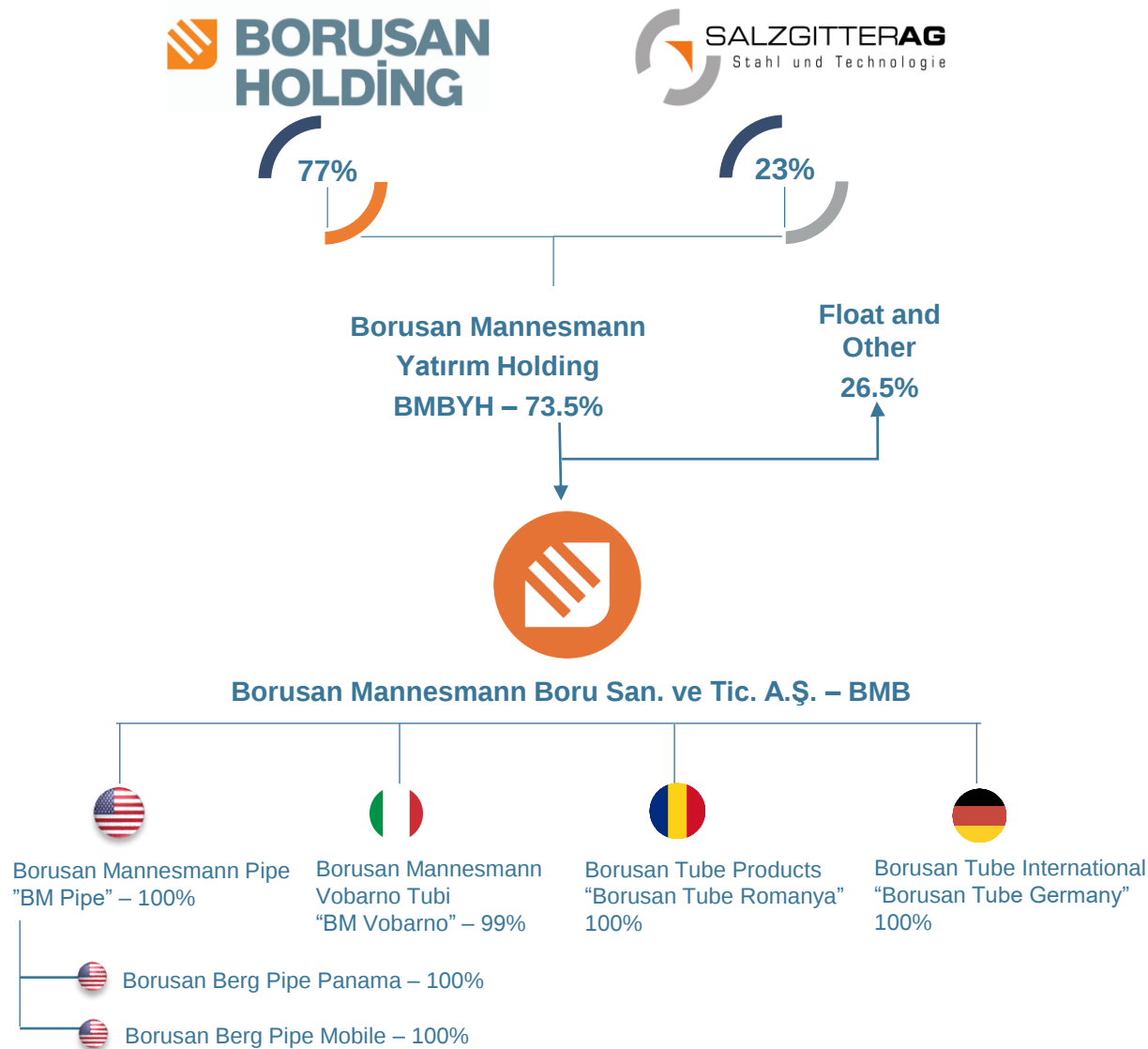
January - September 2023

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BORUSAN MANNESMANN: LOCAL PLAYER OF GLOBAL MARKETS



- Borusan Mannesman ("BMB"), is among the pioneer manufacturers in Europe's and the world's steel pipe sector.
- Founded in 1958, BMB is the first industrial company of Borusan Group.
- In 1994, the Company's shares have been quoted on Borsa İstanbul and since been trading with BRSAN ticker symbol. (Float: 19.85%)
- In 1998, BMB merged its operations in Turkey with Salzgitter Mannesmann GMBH; the leader steel company in Europe.
- In 2001, in line with its strategy to grow in global markets, BMB acquired its first company abroad in Italy, established its first company in the USA in 2014, and started an investment in Romania in 2023.
- Ultimately, in parallel to its strategy of positioning itself as the "local player of global markets", BMB acquired 100% of USA originated Berg Europeipe Holding Corp's shares in April 13, 2023, in exchange of \$162 million.*
- Berg Pipe financials have been consolidated into Borusan Mannesmann's financial tables as of April 13, 2023.
- Borusan Holding signed a share purchase agreement in June 2023 to acquire 23% share of Salzgitter Mannesmann GmbH in BMBYH's capital, for a transaction price of €52,8 million.
- Necessary permissions for the share transfer have been obtained. The Extraordinary General Assembly Meeting is to convene on November 21 for the amendment of Articles of Association.

SUSTAINABLE GROWTH IN TARGET MARKETS

3 Continents

11 Facilities

1.1 million m² Area

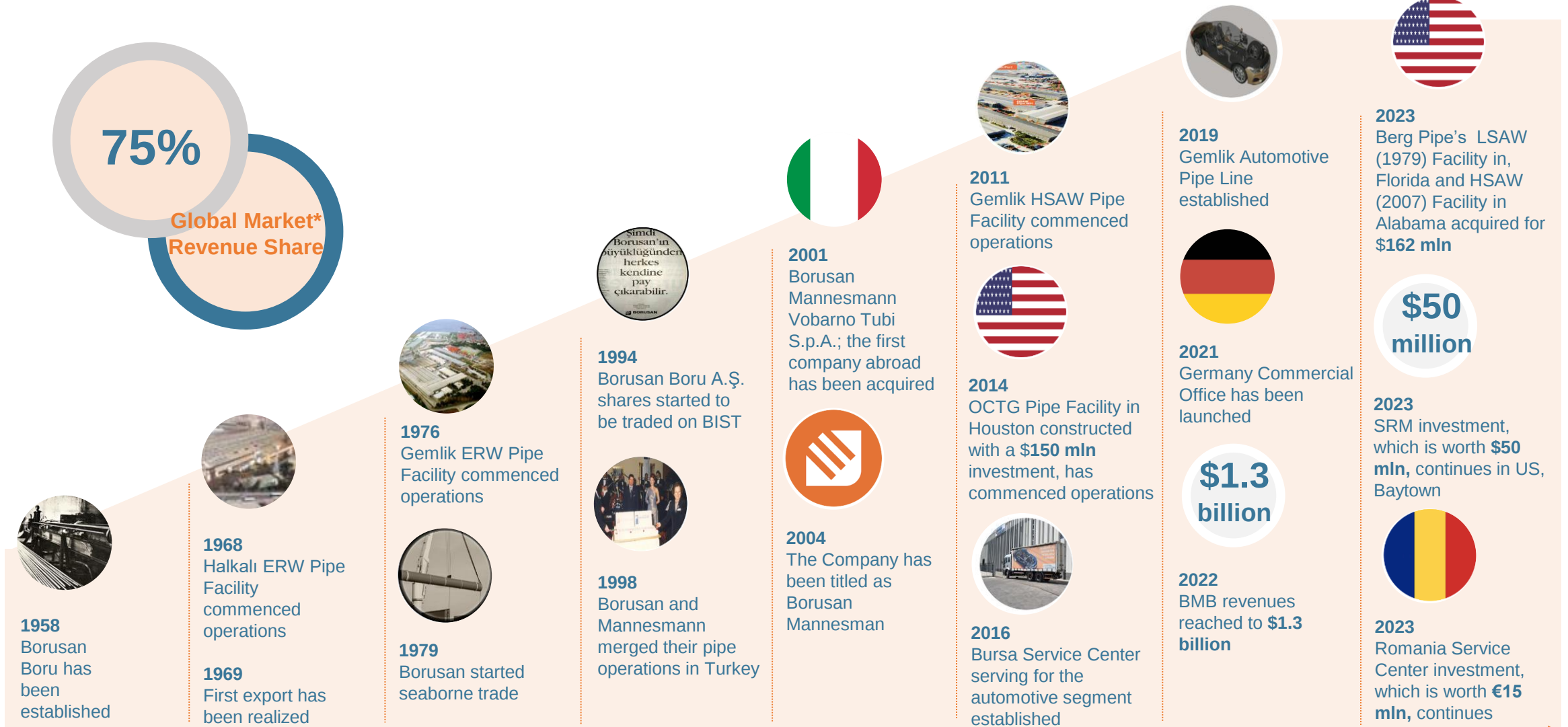
2,597 Employees

2 million ton Capacity

4,000 Product Types

FACILITY	PRODUCT	SECTOR	YEAR	CAPACITY (tons)
TR - Halkali	ERW and Cold Drawn Pipe	Industry & Construction	1958	100,000 - welded 40,000 - drawn
TR - Gemlik	ERW Pipe	Industry & Construction, Infrastructure & Project, Energy	1976	550,000
TR - Gemlik	HSAW Pipe	Infrastructure & Project	2011	300,000
TR - Bursa	Service Center	Automotive	2016	21 mln units
TR - Gemlik	Cold Drawn Pipe	Automotive	2019	60,000 - welded 50,000 - drawn
USA - Baytown	ERW Line Pipes	Energy	2014	300,000
USA - Baytown*	SRM Pipe	Industry & Construction	2023	100,000
USA - Panama City	LSAW Pipe	Infrastructure & Project	1979	330,000
USA - Mobile	HSAW Pipe	Infrastructure & Project	2007	220,000
IT - Vobarno	ERW and Cold Drawn Pipe	Automotive	2001	30,000 - drawn
RO - Romania*	Service Center*	Automotive	2023	21 mln units

INCREASING STAKEHOLDER VALUE THROUGH GROWTH ORIENTED INVESTMENTS



FOUR BUSINESS LINES MANAGING RISKS WITH THEIR POTENTIAL



INFRASTRUCTURE & PROJECT

15%



- Gemlik (TR)
- Panama City (USA)
- Mobile (USA)

- Spiral Welded Pipes
- LSAW Line Pipes
- ERW Line Pipes



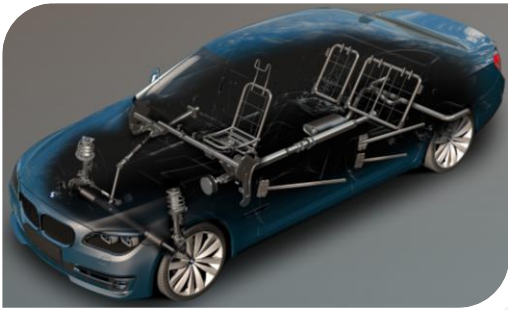
INDUSTRIAL & CONSTRUCTION

19%



- Gemlik (TR)
- Halkalı (TR)
- Houston (USA)

- ERW Natural Gas Pipes
- Industrial Pipe and Profiles
- Water Pipes
- Construction Pipe and Profiles
- SRM Installation Pipes



AUTOMOTIVE

13%



- Halkalı (TR)
- Gemlik (TR)
- Vobarno (IT)

- Hydraulic Cylinder Pipe
- Cold Drawn Pipes
- Advance Processed Pipes
- Precision Pipes and Profiles



ENERGY

53%

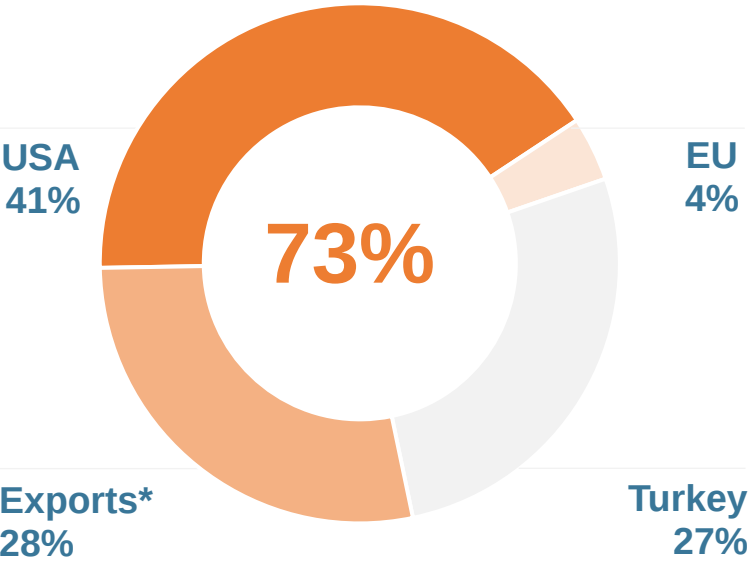


- Gemlik (TR)
- Houston (USA)

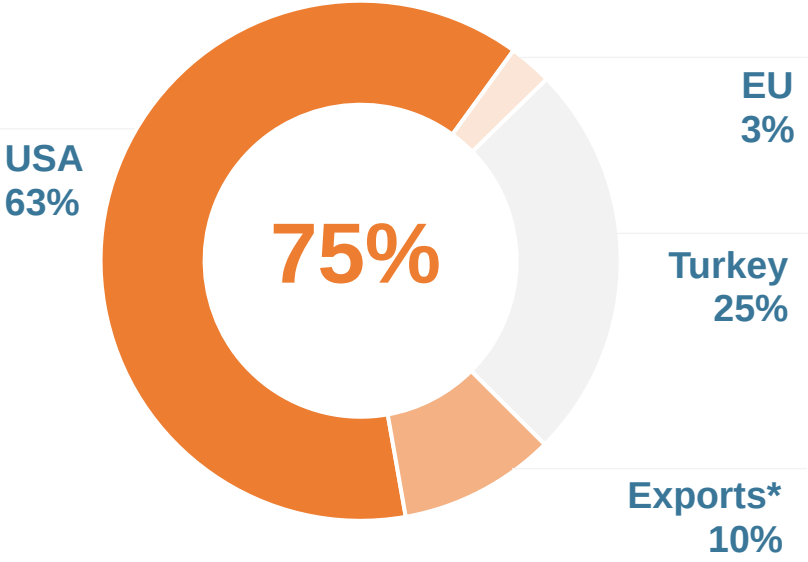
- ERW Line Pipes
- OCTG Pipes

STRONG REVENUE SHARE IN GLOBAL MARKETS

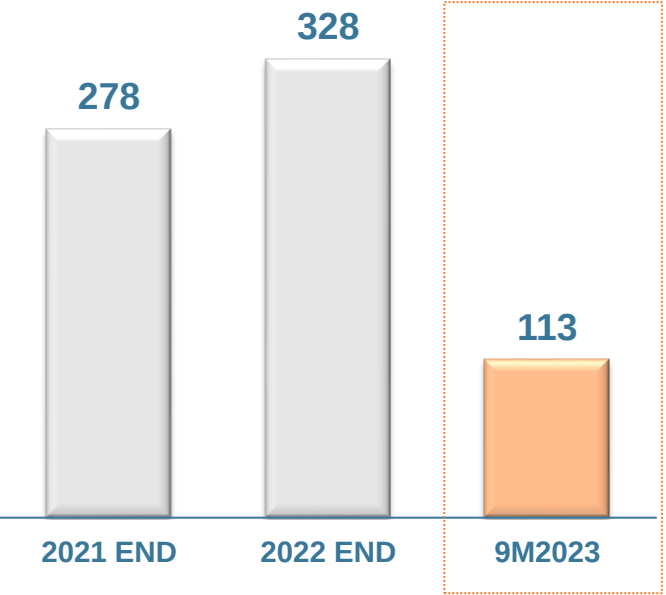
REGIONAL BREAKDOWN 9M22 (%)



REGIONAL BREAKDOWN 9M23 (%)



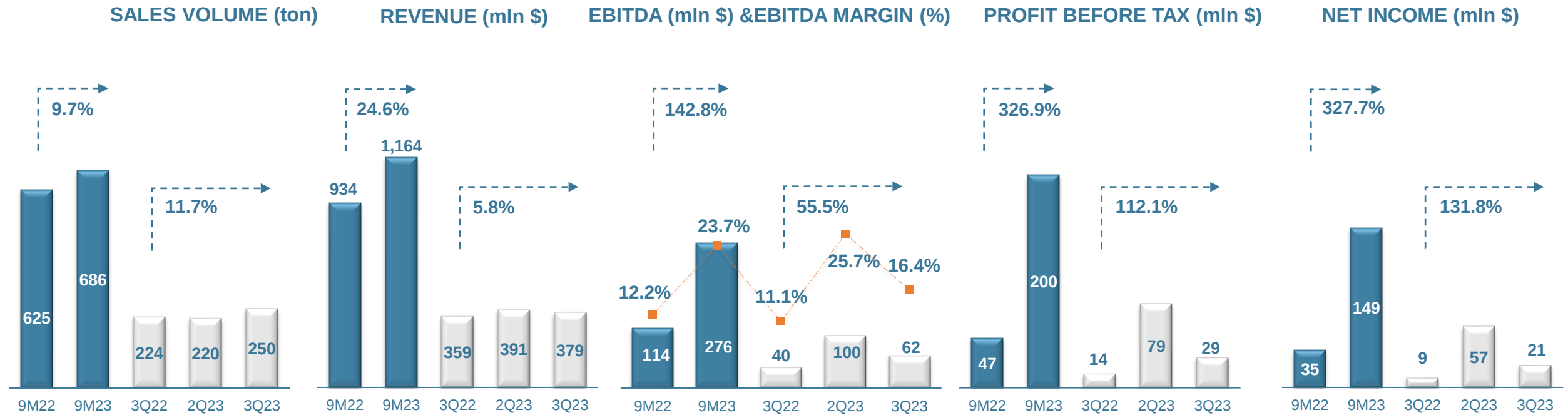
EXPORT REVENUES (\$ mln)



Revenue share of global markets increased to 75% as of 9M 2023.

* Exports from Turkey to EU and US operations are consolidated under the relevant operations.

NORMALIZATION OF REVENUE AS A RESULT OF THE SUPPLY- DEMAND BALANCE IN 3Q 2023



Annual volume change as of 3Q 2023 based on business lines:

- + Infrastructure and Project: 161.8% increase
- + Automotive: 7.2% increase
- + Industrial and Construction: 5.2% increase
- Energy: 27.2% decrease

Annual volume change as of 3Q 2023 based on business lines:

- + Infrastructure and Project: 124.6% increase
- + Automotive: 0%
- Industrial and Construction: 10.9% decrease
- Energy: 14.2% decrease

- Normalization of exceptional profitability generated in 1H23, as a result of decreasing volume and sales prices in the energy business line in 3Q
- Negative impact on profitability of the production costs affected by the fx volatility and inflation

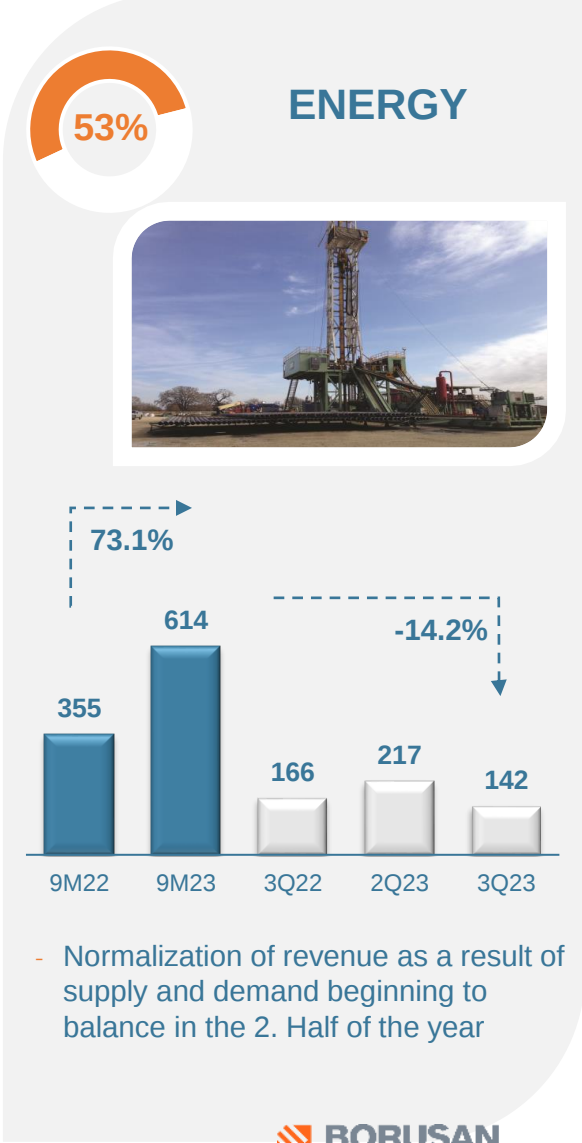
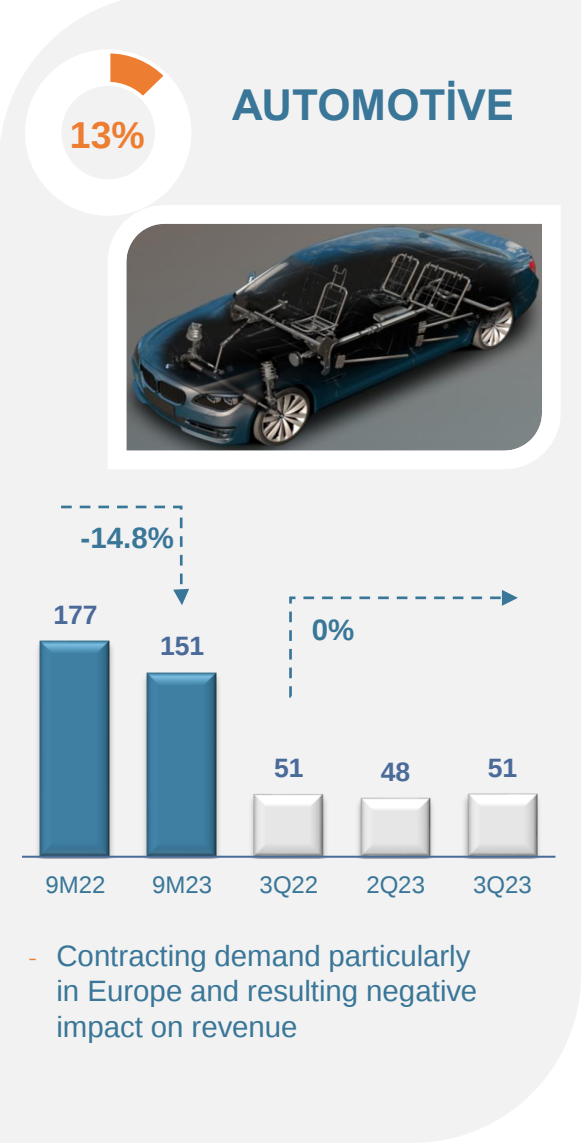
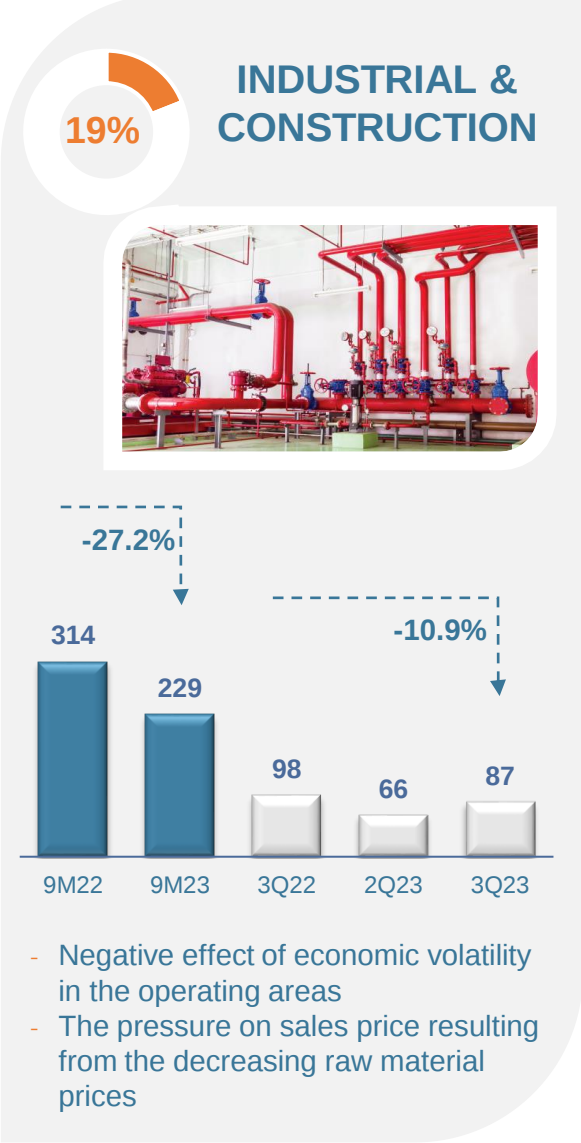
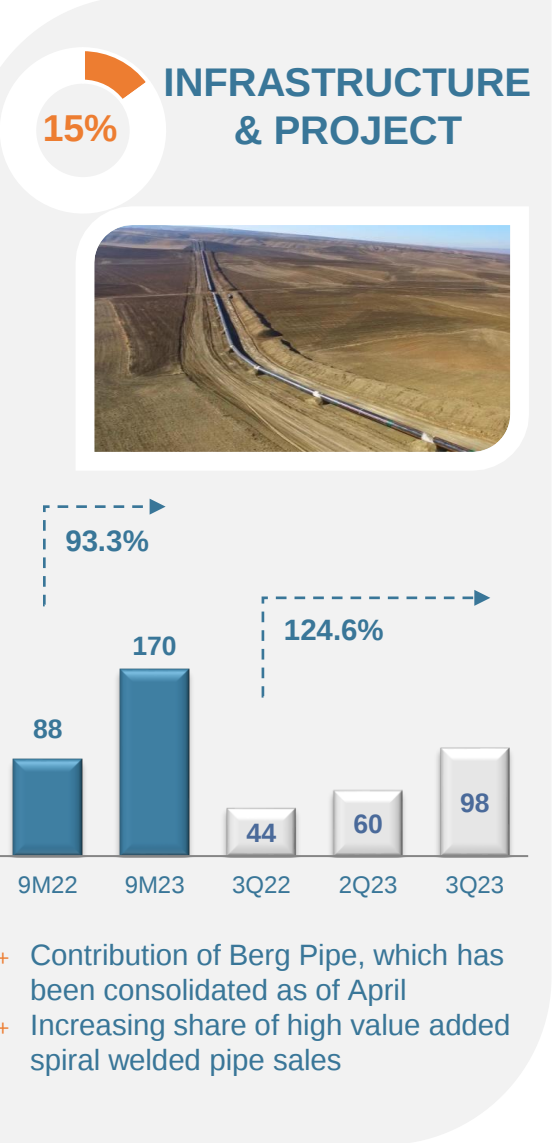
- + Diminishing financing costs with decreasing working capital and financial loans

- Diminishing net income as a result of declining gross profitability in 3Q as well as rising tax rates

BUSINESS LINES MITIGATING THE EFFECTS OF GLOBAL VOLATILITY

REVENUE SHARE

REVENUE (\$ mln)



SUMMARY INCOME STATEMENT (\$ MLN)

CONSOLIDATED (\$ mln)	9M23	9M22	Change (%)	3Q23	3Q22	Change (%)	2Q23
Revenue	1,164	934	24.6%	379	359	5.8%	391
Gross Profit	280.5	103.3	171.5%	59.5	39.1	52.4%	108
<i>Gross Profit Margin (%)</i>	<i>24.1%</i>	<i>11.1%</i>	<i>13.0 p.p.</i>	<i>15.7%</i>	<i>10.9%</i>	<i>4.8 p.p.</i>	<i>27.6%</i>
Operational Expenses	(69)	(43)	58.8%	(23)	(15)	45.9%	(27)
<i>OPEX Margin (%)</i>	<i>(5.9%)</i>	<i>(4.6%)</i>	<i>1.3 p.p.</i>	<i>(6.0%)</i>	<i>(4.3%)</i>	<i>1.7 p.p.</i>	<i>(7.0%)</i>
Other	26	27	(3.8%)	7	8	(14.6%)	9
EBIT	238	88	172.0%	44	32	38.2%	90
<i>EBIT Margin (%)</i>	<i>20.5%</i>	<i>9.4%</i>	<i>11.1 p.p.</i>	<i>11.6%</i>	<i>8.9%</i>	<i>2.7 p.p.</i>	<i>22.9%</i>
Financial Expenses	(39)	(41)	(5.2%)	(15)	(18)	(16.6%)	(10)
Profit Before Tax	200	47	326.9%	29	14	112.1%	79
<i>PBT Margin (%)</i>	<i>17.1%</i>	<i>5.0%</i>	<i>12.1 p.p.</i>	<i>7.6%</i>	<i>3.8%</i>	<i>3.8 p.p.</i>	<i>20.2%</i>
Net Income	149	35	327.7%	21	9	131.8%	57
<i>Net Income Margin (%)</i>	<i>12.8%</i>	<i>3.7%</i>	<i>9.1 p.p.</i>	<i>5.5%</i>	<i>2.5%</i>	<i>3.0 p.p.</i>	<i>14.6%</i>
Amortisation	38	26	45.2%	18	8	123.7%	11
EBITDA*	276	114	142.8%	62	40	55.5%	100
<i>EBITDA Margin (%)</i>	<i>23.7%</i>	<i>12.2%</i>	<i>11.5 p.p.</i>	<i>16.4%</i>	<i>11.1%</i>	<i>5.3 p.p.</i>	<i>25.7%</i>

SUMMARY INCOME STATEMENT (TRY MLN)

CONSOLIDATED (TRY mln)*	9M23	9M22	Change (%)	3Q23	3Q22	Change (%)	2Q23
Revenue	25,734	14,834	73.5%	10,156	6,289	61.5%	8,151
Gross Profit	5,975	1,641	264.2%	1,594	687	132.1%	2,248
Gross Profit Margin (%)	24.1%	11.1%	13.0 p.p.	15.7%	10.9%	4.8 p.p.	27.6%
Operational Expenses	(1,525)	(685)	122.6%	(605)	(274)	120.4%	(568)
OPEX Margin (%)	(5.9%)	(4.6%)	1.3 p.p.	(6.0%)	(4.3%)	(1.7 p.p.)	(7.0%)
Other	567	436	29.9%	183	151	21.4%	187
EBIT	5,017	1,392	260.4%	1,172	563	108.1%	1,867
EBIT Margin (%)	20.5%	9.4%	11.1 p.p.	11.6%	8.9%	2.7 p.p.	22.9%
Financial Expenses	(867)	(649)	33.6%	(403)	(314)	28.4%	(219)
Profit Before Tax	4,149	743	458.8%	769	249	208.4%	1,649
PBT Margin (%)	17.1%	5.0%	12.1 p.p.	7.6%	3.8%	3.8 p.p.	20.2%
Net Income	3,093	554	458.1%	556	169	228.9%	1,190
Net Income Margin (%)	12.8%	3.7%	9.1 p.p.	5.5%	2.5%	3.0 p.p.	14.6%
Amortisation	846	416	103.3%	449	147	204.8%	228
EBITDA**	5,863	1,808	224.2%	1,621	710	128.2%	2,095
EBITDA Margin (%)	23.7%	12.2%	11.5 p.p.	16.4%	11.1%	5.3 p.p.	25.7%

SUMMARY BALANCE SHEET AND FX POSITION

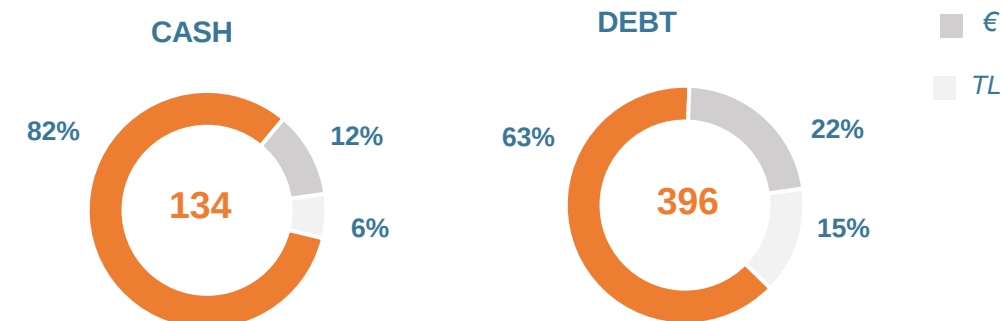
BALANCE SHEET

(\$ mln)	3Q23	2Q23	2022	3Q22
Cash and Cash Equivalents	134	178	83	77
Trade Receivables	191	224	251	204
Inventories	526	475	335	412
Current Assests	986	953	735	754
Non-Current Assets	865	857	741	665
TOTAL ASSETS	1,850	1,810	1,476	1,419
Short Term Borrowings	297	277	424	460
Trade Payables	253	229	203	249
Short Term Liabilities	846	779	681	747
Long Term Borrowings	99	139	79	66
Long Term Liabilities	235	255	161	143
Paid in Capital	69	69	69	69
Equity	769	776	634	530
TOTAL LIABILITIES	1,850	1,810	1,476	1,419

(\$ mln)	3Q23	2Q23	2022	3Q22
Net Working Capital	464	470	382	368
Net Debt	262	238	420	448

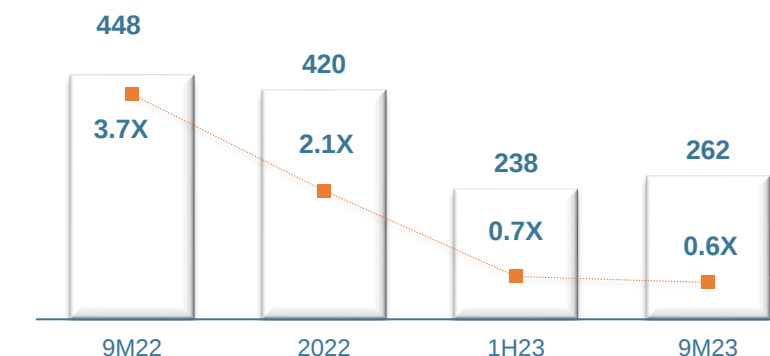
CASH – DEBT BREAKDOWN

(\$ mln)



- On October 2, 2023, TRY500 million bond with four coupon payments, 365 days of maturity, fixed interest rate of 45% and redemption date of October 1st, 2024 has been issued for the qualified investors in domestic market.

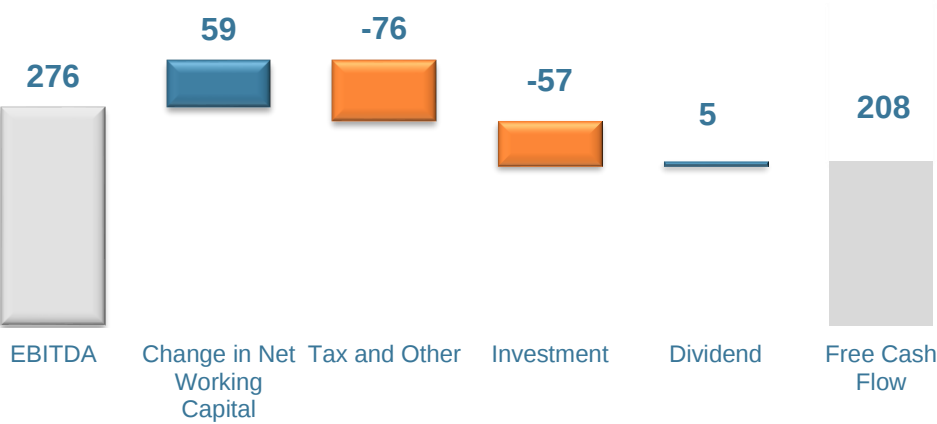
NET DEBT*/EBITDA



STRONG CASH GENERATION ABILITY THROUGH EFFECTIVE EXECUTION

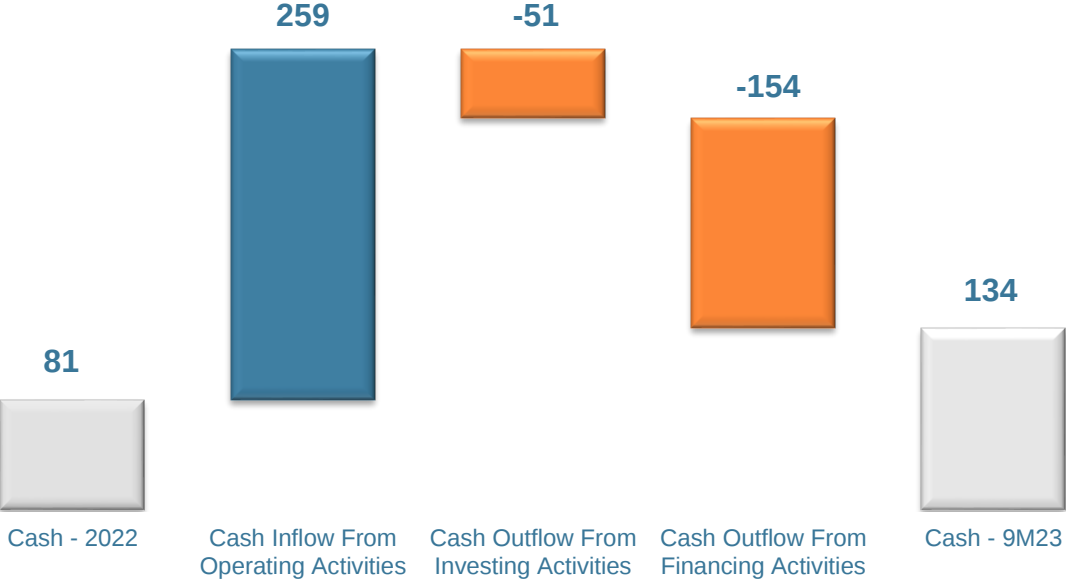
EBITDA

(\$ mln)



FREE CASH FLOW

(\$ mln)



OUR REVIZED 2023 GUIDANCE

2022 ACTUAL

CHANGING DYNAMICS

2Q 2023 - OLD

3Q 2023 - REVIZED

**Sales Volume:
853,000 Tons**

- + Contribution of Berg Pipe
- Falling volume in Energy business line
- Limited exports

1.10 – 1.30 mln tons

1.00 – 1.15 mln tons

**Revenue:
\$1.34 Billion**

- + Contribution of Berg Pipe
- Normalized sales prices
- Contracting demand

\$1.7 – 2.0 billion

\$1.5 – 1.8 billion

**EBITDA Margin:
14.9%**

- Decrease in steel prices
- Rising inflation
- FX fluctuation
- Rising production costs

-

< 20%*

OUR TARGET: POSITIONING BMB FOR THE FUTURE GROWING STAKEHOLDER VALUE

COMPETITIVE ADVANTAGES

- **Qualified human resources** with agility to take prompt action and vision to turn crises into advantage
- **Quality and leading** brand perception
- **Strong customer satisfaction** thanks to customer and solution focused approach at the maximum
- **Preferred manufacturer by suppliers** due to value-added products, continuous growth and reliable partner approach
- **Wide product portfolio** continuously supported by new investments
- **Ranked 1. in Europe** in cold drawn pipes and **leading manufacturer in the USA** in welded steel pipe market
- **Balanced portfolio approach** with presence in geographies and segments having different dynamics

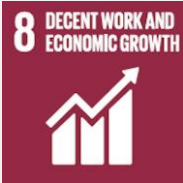
FOCUS FOR TRANSFORMATION

- ESG oriented **cultural transformation**
- **Compliance studies on CBAM** (Carbon Border Adjustment)
- **Digitalization of** processes
- **Efficiency** in operations
- **Profitability oriented sustainable growth** in business lines and geographic regions
- The integration of acquisitions and investments in **new regions** in the most efficient manner
- **Generating value add with smart pipes**, enabling customer and product communication
- **Targeting new markets** with hydrogen, carbon capture and energy storage products

STRATEGIC ACTIONS

- Infrastructure and Project: Growth in Northern America Market with **Berg Pipe acquisition in the USA**
- Industrial and Construction: Increasing the weight of new products in the portfolio through **SRM investment in the USA**
- Automotive: Penetration in Tier 1 – Tier 2 customer segments in Europe with the **Service Center investment in Romania**
- Energy: Sustaining profitable revenue growth by weighing on **automation and robotics investment** in existing lines
- Constantly evaluating **acquisition and mergers** options with a focus on efficiency

OUR ENVIRONMENT, SOCIAL, GOVERNANCE (ESG) ORIENTED ACTIONS

	PRIORITIES	RELATED KPI'S	RELATED SDG
HUMAN	- Occupational Health and Safety - Social Contribution - Effective People Management	- Decrease in Frequency and Weight of Accident - Female Employee Rate - Employee Loyalty - Talent Retention Rate	  
CLIMATE	- Waste Management - Circular Economy - Combating Climate Crisis - Transition to Zero Carbon Economy	- Reduction of Scope 1 and 2 Emission - Reduction of Waste - Reduction of Water Consumption - Increase of Recycled Water	  
GOVERNANCE	- Sustainability in Supply Chain - Effective Risk ve Crisis Management - Excellence in Customer Relations - Adopting Innovative Business Models	- Compliance with Corporate Governance Principles - All Sustainability KPI's - Green Purchase at Supply Chain	  
INNOVATION	- New Product and Innovation - Digital Transformation - Artificial Intelligence - Operational efficiency	- Revenue Generated from Innovative Business Models - Implementation of Circular Business Model (Product or Service)	 



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