

aselsan

2021

Earnings Release

March 01, 2022

ASELSAN Continues Its Growth

ASELSAN's turnover in 2021 increased by 25% compared to the same period of the previous year and reached 20.1 billion TL. Continuing its sustainable growth with its investments, the net profit of the company was 7.1 billion TL.

While ASELSAN's Earnings Before Interests, Taxes, Depreciation and Amortization (EBITDA) rose to 5.5 billion TL, its net profit reached 7.1 billion TL. The company's equity to assets ratio was 56%, while cash flows from its operations increased by 42% compared to the same period of the previous year and reached 2.4 billion TL.

We Continued Growth

ASELSAN Chairman, President and CEO Prof. Dr. Haluk Görgün said the following in his evaluation of the 2021 financial results as follows: "Leaving behind 46 years as a leader in the field of defense industry, our company received more than 2 billion USD of new business in 2021, when uncertainties showed itself too much. ASELSAN's backlog stood at 8.5 billion USD by the end of 2021.

We have continued to rapidly expand our global activity with our sales and production network. In 2021, we have sold ASELSAN products to 6 new countries where no sales have been made so far. In the last 3 years, we have added 15 new countries to the number of our users, increasing this number to 78.

In order to ensure our stable growth, we continued our R&D activities with more than 5,000 R&D personnel in 2021 and we spent a total of 610 million USD on R&D. In 2021, our company won the first place in the research of R&D 250 - Turkey's Top R&D Spending Companies.

Leaving another year behind on the path we are walking with the goal of independent national technologies under the leadership of our Presidency of Defense Industry, we spent every day working to make Turkey stronger. In the second year of the pandemic, ASELSAN continued to grow with its investments. While offering our high technologies to the service of the world, we have progressed in line with our export-oriented growth target. While fulfilling our responsibility towards our country, we continued to contribute to our economy by increasing our total sales by 25% and exceeding 20 billion TL.

Our Priority is Nationalization

As ASELSAN, we have worked continuously to develop our products and systems with national means, to reduce foreign dependency in the defense industry, to invest in the products of the future, and to support our country's defense industry ecosystem in terms of supply chain management. In the past year, we placed purchase orders of 1.5 billion USD to over 5,500 suppliers, of which 3,300 are domestic. The rest of these orders, over 1 billion USD, was the orders given to our domestic suppliers. We continued to strongly support our suppliers financially in 2021 as well. Despite the negative effects of the pandemic in 2021, we transferred an amount exceeding 1 billion USD to our domestic suppliers.

We mobilize all possibilities for a fully independent supply chain ecosystem. In 2021, we successfully completed the nationalization of 197 products. In this way, we have increased the number of products

we have nationalized in the last three years to over 500 and ensured that a size close to 200 million USD remains in our country.”

Our Goal is Complete Independence in the Defense Industry

ASELSAN Chairman, President and CEO Prof. Dr. Haluk Görgün continued his statements with the following words; “We continue our work without slowing down with the aim of meeting the needs of our security forces with national resources and becoming a reliable business partner at the global level. ASELSAN is not limited to the field of defense; it also continues its nationalization efforts in transportation, security, energy, health and financial technologies. In addition, with the mission load and equipment we have developed in satellite and space, we have seriously eliminated our country's foreign dependency in line with the goal of full independence in the defense industry. In this context, with TÜRKSAT-5B satellite, which was put into orbit on December 19, 2021, our company once again proved its reliability at the global level. With the systems developed within the scope of TÜRKSAT-6A and TUMSİS X-Band Payload, ASELSAN continued to develop competent products in the field of space.

Address of Employment ASELSAN

ASELSAN has always been a center of attraction for professionals. In 2021, we implemented human resources practices that will improve business continuity. We have increased the number of our employees to 9,460 people by adding 1,176 people in our family.

We Work for a Sustainable Future

The priorities of our country are guiding for our company. Sustainability is at the top of our focus. We have presented our holistic sustainability approach, which our company prioritizes in its operations and strategy, to the information of both our investors and all our stakeholders, with the international success achieved through Carbon Emission Reporting. We continued our work on climate change by getting a score above the global average of ASELSAN. In 2021, our Company added a new one to its Climate Leader title, which it has maintained for years, and became a Green World Ambassador, and we received the silver award at the International Green Apple Environment Awards. In line with the responsible and effective management of the resources we use, we continued to successfully manage the implementation process of the ISO 50001:2018 Energy Management System, which is a management approach that considers the conscious and efficient use of energy in our activities.

ASELSAN Chairman, President and CEO Prof. Dr. Haluk Görgün concluded by saying “We ran to these achievements together with our competent human assets and suppliers. I would like to thank all our stakeholders for their trust in us and for always being there for us, and I wish our success to continue.”



2021 Financial Highlights

(Million TL)

Balance Sheet Items	Dec'21	Dec'20	Δ%	Balance Sheet Items	Dec'21	Dec'20	Δ%
Current Assets	23.175	19.594	18	Liabilities	20.578	15.996	29
Non-Current Assets	23.238	14.500	60	Equity	25.836	18.098	43
Total Assets	46.413	34.094	36	Liabilities & Equity	46.413	34.094	36

(Million TL)

Income Statement Items	December'21	December'20	Δ%
Revenue	20.139	16.104	25
Gross Profit	6.649	4.605	44
<i>Gross Profit Margin</i>	<i>%33,0</i>	<i>%28,6</i>	-
Operating Profit (EBIT)	5.070	3.642	39
<i>Operating Profit Margin (EBIT)</i>	<i>%25,2</i>	<i>%22,6</i>	-
EBITDA	5.502	3.927	40
<i>EBITDA Margin</i>	<i>%27,3</i>	<i>%24,4</i>	-
Net Profit	7.127	4.461	60
<i>Net Profit Margin</i>	<i>%35,4</i>	<i>%27,7</i>	-

- ✓ Revenues are 20.139 million TL and increased by 25% compared to the same period of the previous year.
- ✓ The newly signed contracts reached 2.02 billion USD and the backlog is 8.5 billion USD.
- ✓ Total assets increased by 36% compared to the year-end and reached 46.413 Million TL.
- ✓ EBITDA is 5.502 Million TL and increased by 40% compared to the same period of the previous year.
- ✓ Gross profit margin was 33% and increased by 440 bp compared to the same period of the previous year.
- ✓ Return on Assets (ROA) is 18% (December 2020: 15%).

2022 Guidance

	2022 Guidance
Increase in Revenues (TL)	>25%
EBITDA Margin	>22%
CAPEX	5.000 Million TL

ASELSAN financial reports can be accessed through the link:

<https://www.aselsan.com.tr/en/investor-relations/financial-data/financial-reports>

ASELSAN investor presentations can be accessed through the link:

<https://www.aselsan.com.tr/en/investor-relations/financial-data/investor-presentations>

CONTACT

Address

ASELSAN Elektronik Sanayi ve Ticaret A.Ş.
Mehmet Akif Ersoy Mah. İstiklal Marşı No:16
06200 Yenimahalle, Ankara
Phone: +90 850 828 1 828

E-Mail

aselsan.ir@aselsan.com.tr

FORWARD LOOKING STATEMENTS

These materials contain statements about future events and expectations that are forward-looking statements. Any statement in these materials that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except to the extent required by law, we assume no obligations to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

This release does not constitute an offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever. No reliance may be placed for any purposes whatsoever on the information contained in this release or on its completeness, accuracy or fairness. None of the Company nor any of its shareholders, directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of this release or its contents or otherwise arising in connection therewith.