

1Q24 Financial Results

April 26, 2024

Arçelik Investor Relations

Arçelik

Beko

Disclaimer

With the Capital Markets Board of Turkey's Bulletin dated 28.12.2023 numbered 2023/81, CMB announced that issuers and capital market institutions shall prepare their annual financial statements ending on 31.12.2023 or later, in accordance with IAS 29 inflationary accounting provisions.

Accordingly, this presentation on the first quarter 2024 financial results contain the Company's financial information prepared according to Turkish Accounting / Financial Reporting Standards by application of IAS 29 inflation accounting provisions, in accordance with CMB's decision dated 28.12.2023.

This presentation does contain forward-looking statements and figures that reflect the Company management's current views with respect to certain future events based on the base-case assumptions. Although it is believed that the expectations reflected in these statements are reasonable under current conditions, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ. Neither Arçelik nor any of its directors, managers, or employees nor any other person shall have any liability whatsoever for any loss arising from the use of this presentation.



1Q24 HIGHLIGHTS

TRY72.3bn

Revenue

8.0%

EBITDA Margin

25.3%

OPEX/Sales

23.4%

NWC/Sales

2.65x

Leverage

April 1st

Whirlpool Transaction

**Resilient demand in Türkiye, slight recovery in international markets.
Margin expansion thanks to eased costs in 1Q24.**



Consolidated revenues grew by 4.8% y/y in real terms.



Wholesale & retail demand in Türkiye has grown substantially y/y, while the demand in international markets has shown recovery signs.



EBITDA margin was 8.0% in 1Q24, up by 64 bps y/y thanks to declining raw material costs.



Net Working Capital/Sales was 23.4% as of 1Q24.



Leverage was 2.65x as of 1Q24.



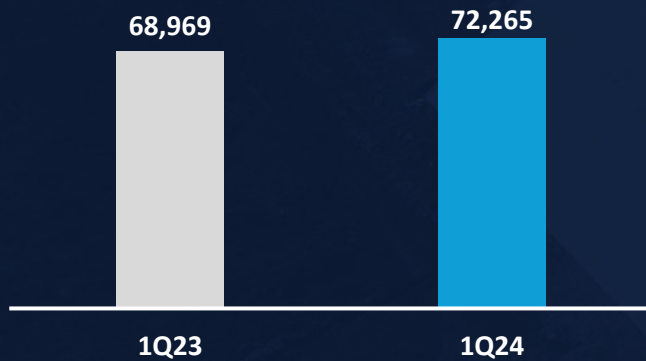
Beko Europe; transaction with Whirlpool completed on April 1, 2024 and MENA companies are acquired.

Key Factors Sales/Margins



REVENUE GROWTH
4.8%

- ↑ Strong unit growth in Türkiye
- ↑ Strategic pricing initiatives
- ↑ Slight unit growth in international MDA6 sales

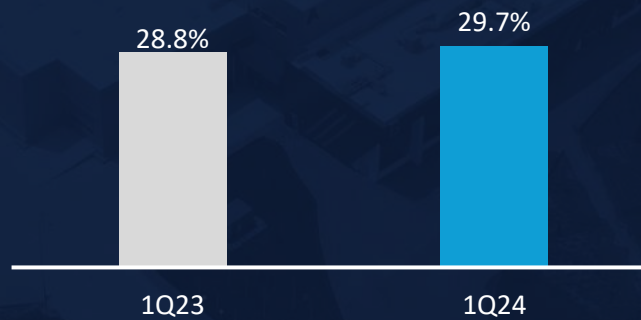


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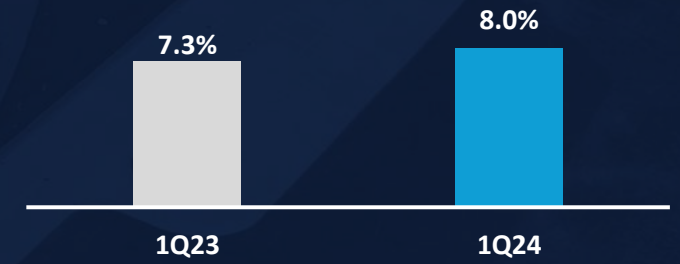
GROSS MARGIN
29.7%

- ↑ Lower raw material costs
- ↑ Higher capacity utilisation



EBITDA MARGIN
8.0%

- ↑ Better gross profitability



Beko



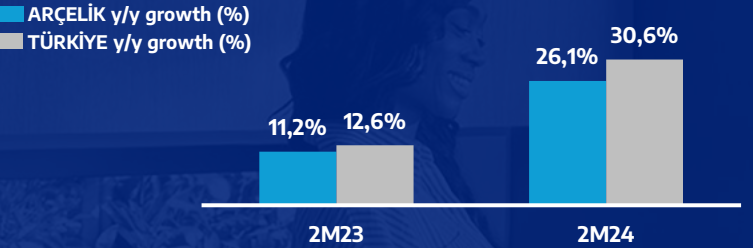
Operational Performance

1Q24 Financial Results

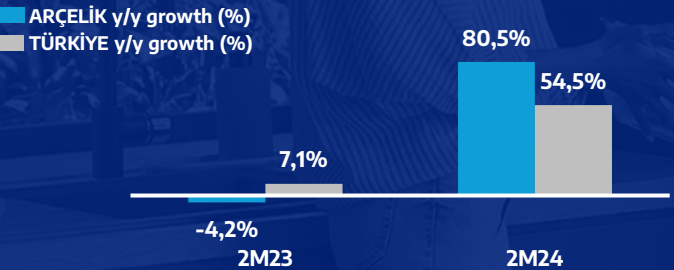
Robust growth in consumer demand and sustained strong leadership in Türkiye



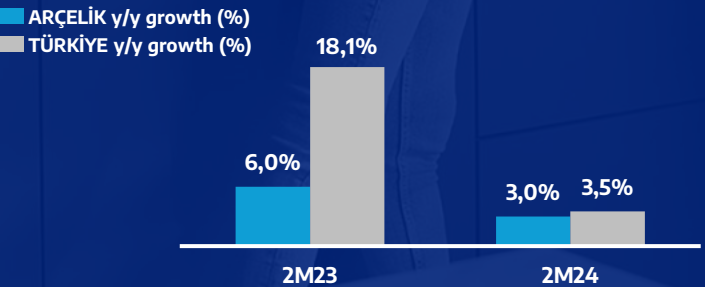
MDA6*



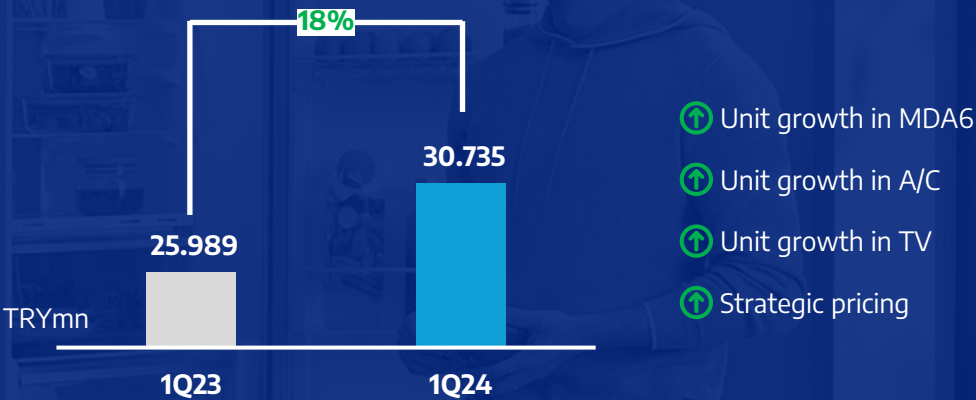
AIR CONDITIONER*



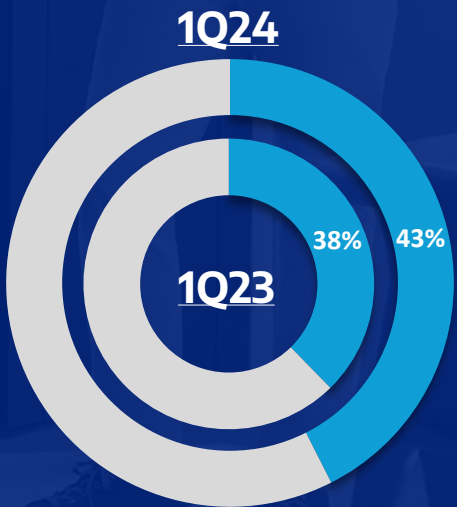
TELEVISION**



Türkiye Revenue Growth



Türkiye Share in Total Revenue

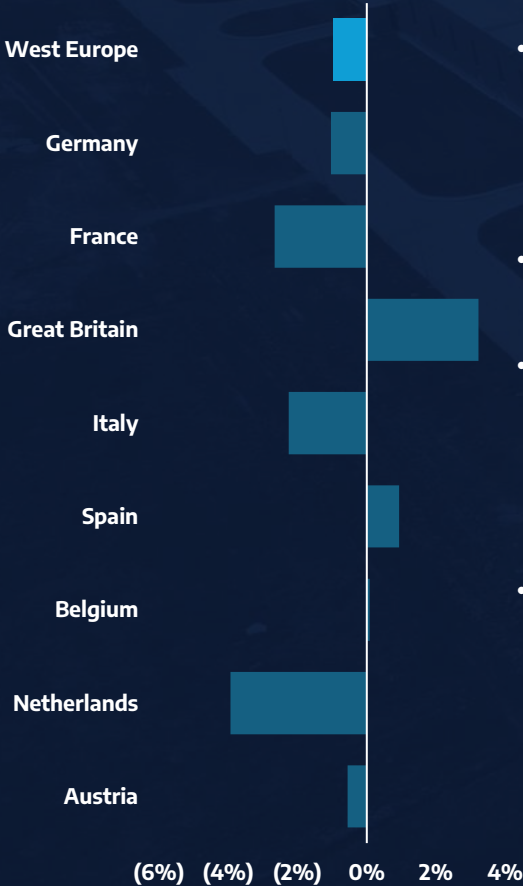


Contraction slows down in Western Europe whereas demand continues to grow in Eastern Europe



Western Europe

y/y market growth in unit terms



MDA6 Market

- Negative consumer sentiment continued resulting in lower demand across Western European countries. However, the level of contraction gradually decreased in the last months.
- In unit terms, consumer demand declined by 1% y/y in 2M24 in Western Europe.
- In value terms, consumer demand declined by 2.5% y/y in 2M24.

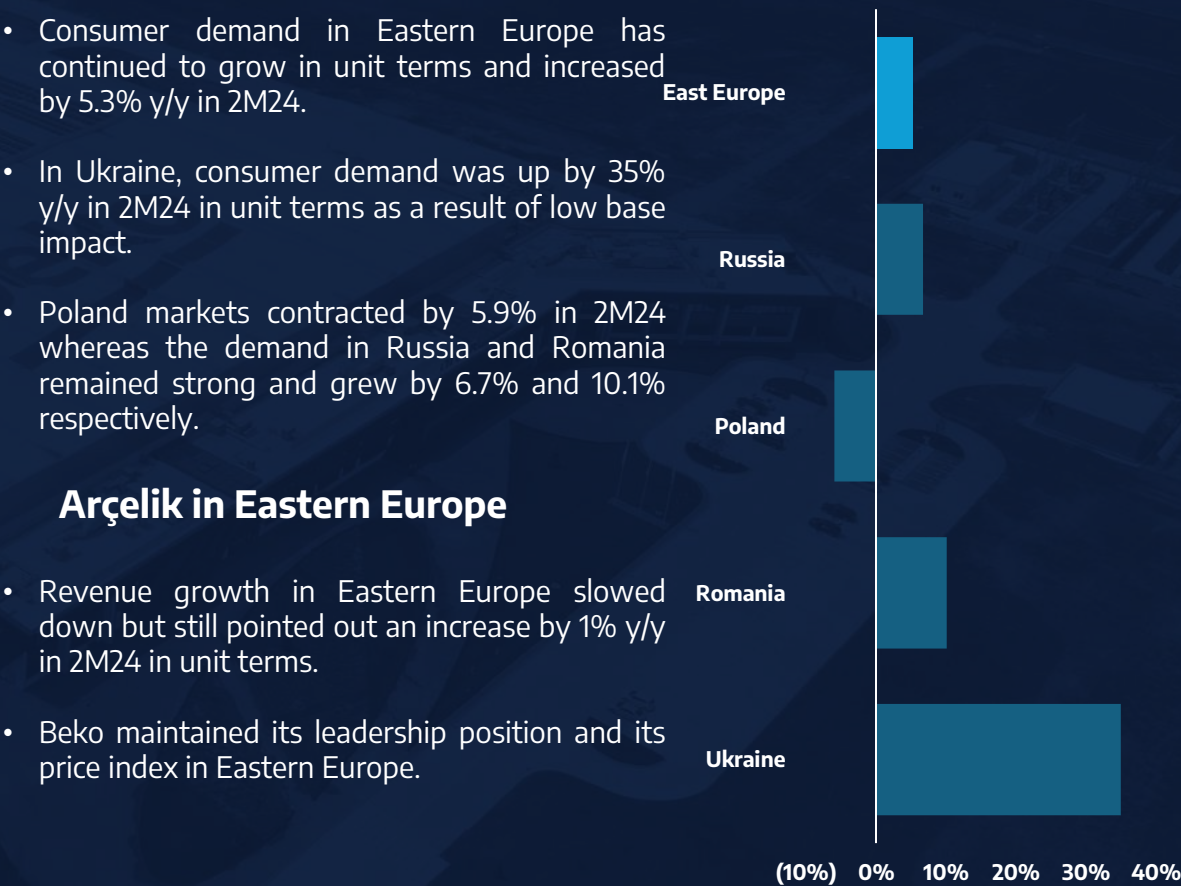
Arçelik in Western Europe

- Arçelik has managed to remain flattish y/y both in units sold and value terms in spite of slightly declining market demand in 2M24.



Eastern Europe

y/y market growth in unit terms



MDA6 Market

- Consumer demand in Eastern Europe has continued to grow in unit terms and increased by 5.3% y/y in 2M24.
- In Ukraine, consumer demand was up by 35% y/y in 2M24 in unit terms as a result of low base impact.
- Poland markets contracted by 5.9% in 2M24 whereas the demand in Russia and Romania remained strong and grew by 6.7% and 10.1% respectively.

Arçelik in Eastern Europe

- Revenue growth in Eastern Europe slowed down but still pointed out an increase by 1% y/y in 2M24 in unit terms.
- Beko maintained its leadership position and its price index in Eastern Europe.

Demand was growing in Africa & Middle East region whereas it was still weak in Asia-Pacific y/y



Africa & Middle East

- Revenues generated from Africa & Middle East grew by 11% y/y in 1Q24 in EUR terms which is majorly caused by the solid revenue growth in Middle East.
- Defy's both domestic unit sales and exports increased substantially y/y by 44% and 24% respectively, whereas sales reflects contraction by 16% compared to previous quarter in units for both domestic sales and exports.
- Defy's net sales increased by 16% in ZAR terms in 1Q24 y/y contrary to decrease of 21% in quarterly basis. In EUR terms, net sales growth was 7.6% y/y as a result of depreciated ZAR against EUR.
- South African MDA6 market has grown by 10.5% y/y in 2M24 where Defy maintained its strong market leadership.
- In Egypt, MDA6 market demand seemed flattish y/y in 2M24 in unit terms, however the growth was substantial in EUR terms, 43.4%. Beko Egypt has continued to outperform the market and gained market share in unit terms y/y in 1Q24.
- Beko Egypt posted a solid revenue growth of %125 in EUR terms y/y in 1Q24.



Asia-Pacific

- Revenues generated from APAC were down by 4.4% in EUR terms in 1Q24 y/y. The contraction was primarily as a result of ongoing weak demand environment.
- In Pakistan, net sales remained flattish y/y in 1Q24 in EUR terms inspite the growth around 10% in PKR terms due to the depreciation of the local currency against EUR. However, net sales have grown by 18% in EUR terms compared to previous quarter, reflecting the growing trend in demand.
- In Bangladesh, limited growth in EUR terms has been observed y/y in 1Q24.

Average Metal Prices Index - Market



- Metal raw material prices contracted substantially y/y mainly due to declined global demand, increased policy rates and decreased energy & input costs whereas the change of prices deaccelerated for the last quarters.

Source: Steel BB, Steel Orbis
Index includes: CRC, HRC, Galvanized Steel, Stainless Steel, Copper, Aluminium

Average Plastic Prices Index - Market



- Plastic raw material prices remained flattish y/y. However, there is a slight increase in the last quarter.

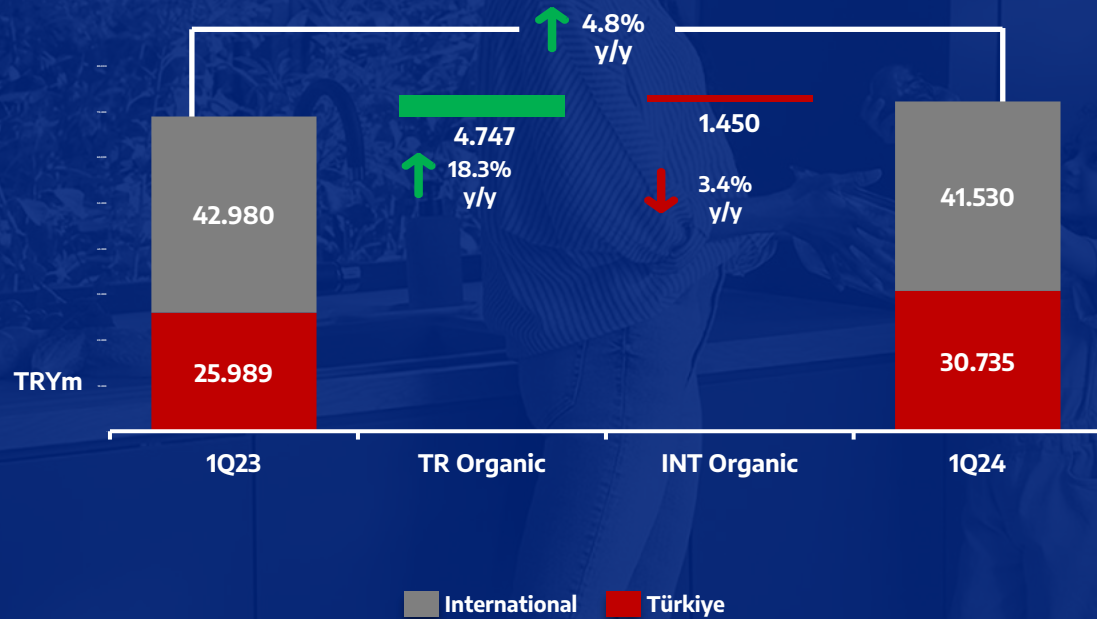
Source: ICIS - Chemical Industry News & Chemical Market Intelligence
Index includes: ABS, Polystyrene, Polyurethane, Polypropylene



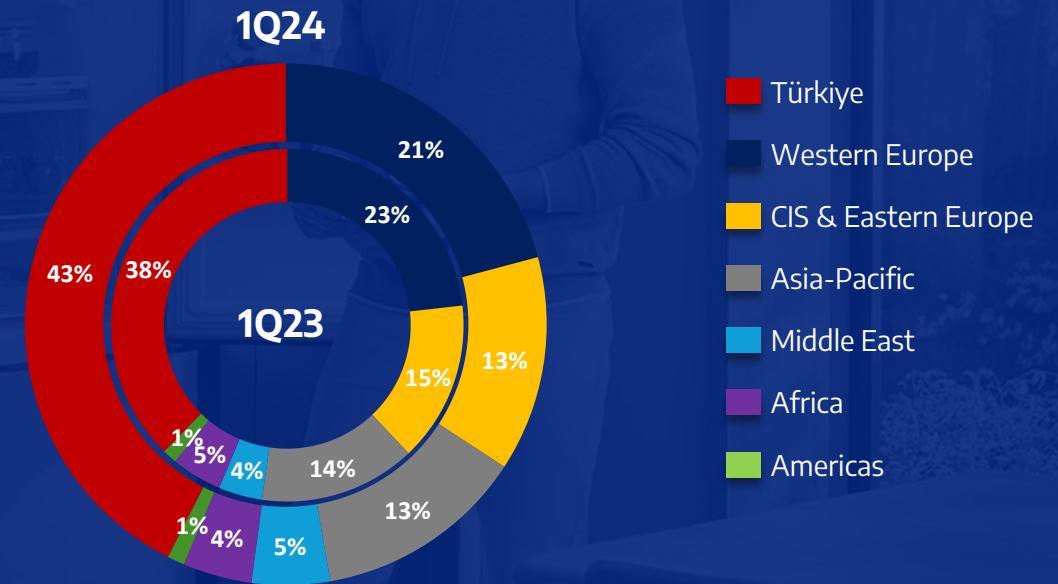
Sales Performance

1Q24 Financial Results

Sales Bridge



Sales Breakdown by Geograpy





Financial Performance

1Q24 Financial Results

Summary Financials

TRYmn	1Q23*	1Q24	y/y
Revenue	68.969	72.265	5%
Gross Profit	19.842	21.447	8%
EBIT**	2.460	3.153	28%
Net Financial Income/Expense	(3.399)	(5.052)	49%
Monetary Gain/Loss	2.810	3.241	15%
Profit Before Tax	1.677	1.281	(24%)
Net Income***	1.435	538	(62%)
EBITDA	5.049	5.751	14%

Gross Profit Margin	28,8%	29,7%	91 bps
EBIT Margin	3,6%	4,4%	80 bps
Monetary Gain(Loss)/Sales	4,1%	4,5%	41 bps
Net Income Margin	2,1%	0,7%	(134 bps)
EBITDA Margin	7,3%	8,0%	64 bps

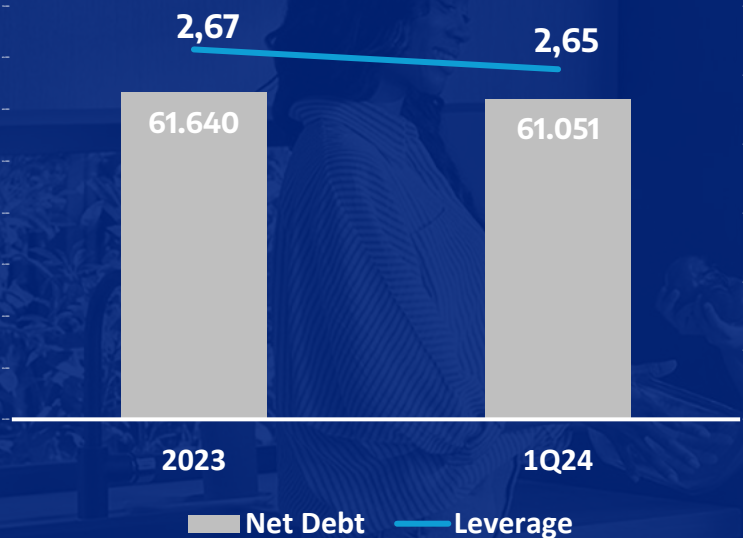
* 1Q23 results are indexed by roughly 1,685 for inflation adjustment.

** EBIT was calculated by deducting the impact of FX gains and losses arising from trade receivables & payables, credit finance income and charges and cash discount expense and adding income & expenses from sale of property plant and equipment.

*** Net income before minority.

Leverage maintained at healthy levels

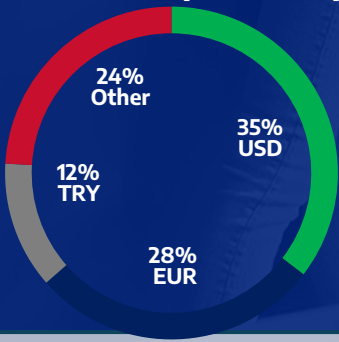
Net Debt & Leverage*



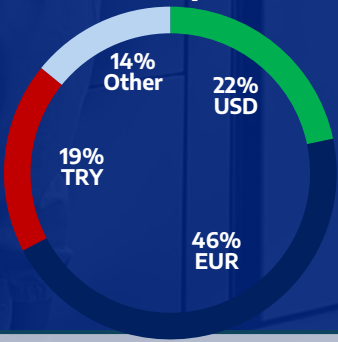
Debt Currency & Rates Breakdown

Currency	Effective Interest Rate p.a.	Original Currency (mn)	TRY Equivalent (mn)
TRY	48,5%	14.976	14.976
EUR	4,4%	1.053	36.630
USD	8,3%	223	7.200
GBP	7,6%	23	925
ZAR	9,3%	1.557	2.663
AUD	6,1%	31	645
PKR	22,3%	25.192	2.910
BDT	10,1%	10.682	3.145
RUB	18,3%	1.521	528
RON	7,4%	133	924
PLN	7,0%	97	786
NOK	5,4%	77	230
DKK	5,0%	2	9
CNY	3,2%	13	59
SEK	5,2%	134	404
IDR	9,5%	101.330	207
MYR	6,0%	33	222
CZK	7,5%	55	75
THB	5,7%	643	571
TOTAL LOANS			73,113
EUR	3,0%	359	12.490
USD	8,5%	501	16.169
TRY	45,5%	4.993	4.993
TOTAL BOND			33,652
TOTAL			106,765

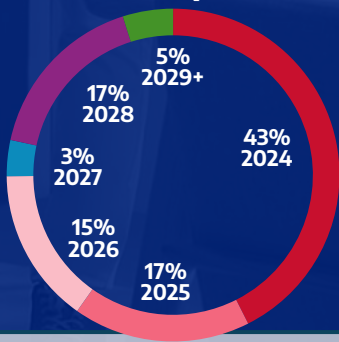
Cash Currency Breakdown
TRY46.4bn (EUR1.3bn)



Debt Currency Breakdown
TRY106.8bn (EUR3.1bn)



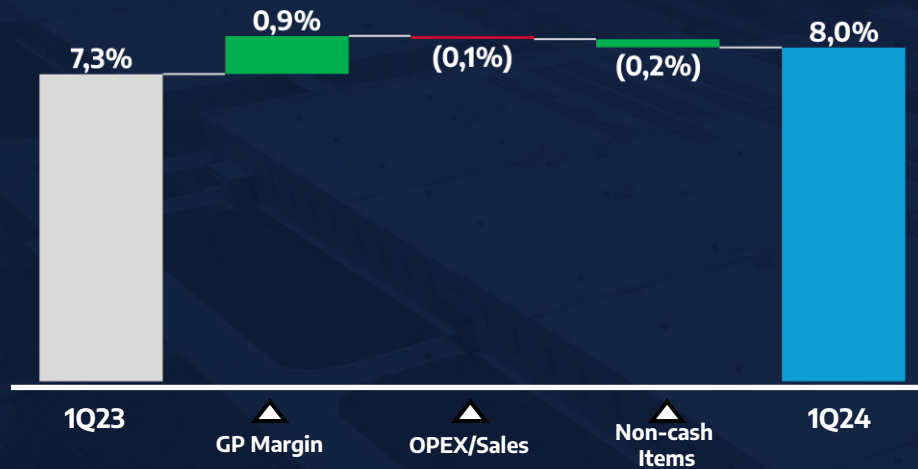
Debt Maturity Profile***
TRY106.8bn (EUR3.1bn)



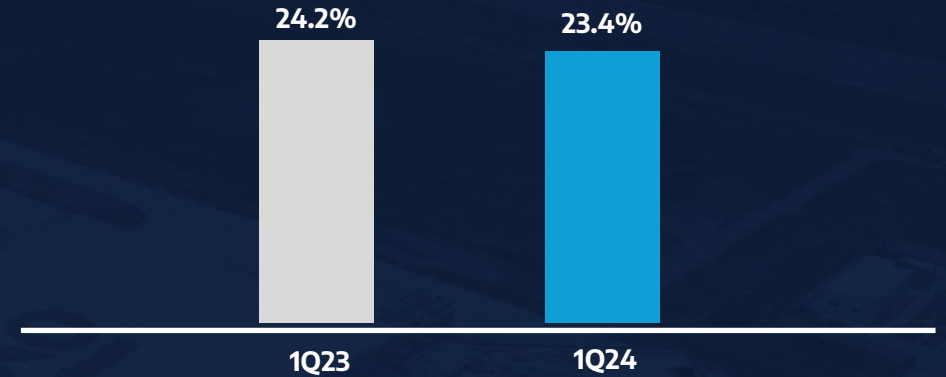
* Quarterly EBITDA data is annualized in calculation of Leverage.
** Average effective TRY, EUR, USD funding (loans + bonds) rate was 47.9%, 3.9% and 8.5%, respectively.
*** The average duration of the consolidated debt portfolio was 2 years.

Key Performance Indicators

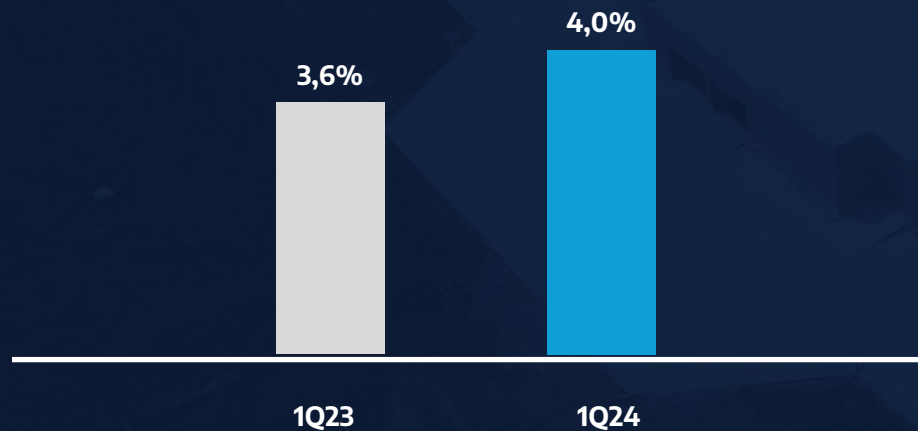
EBITDA Margin



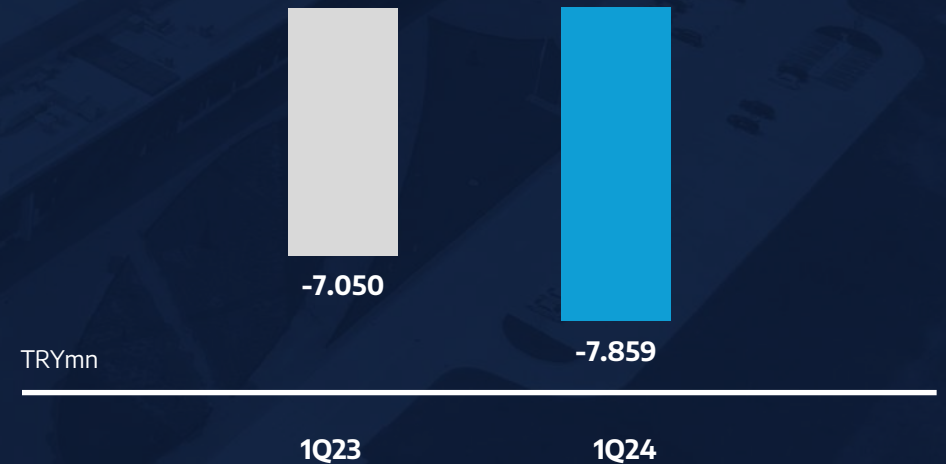
Working Capital/Sales*



CAPEX/Sales**



Free Cash Flow





Guidance

1Q24 Financial Results

2024 Guidance

	Guidance*
<u>Revenue</u>	
Türkiye (in TRY)	Flattish
International (in FX)	c.2%
<u>EBITDA Margin</u>	c.8%
<u>NWC/Sales</u>	<25%
<u>CAPEX</u>	c.300 EUR mio

Q&A

1Q24 Financial Results

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Thank You!