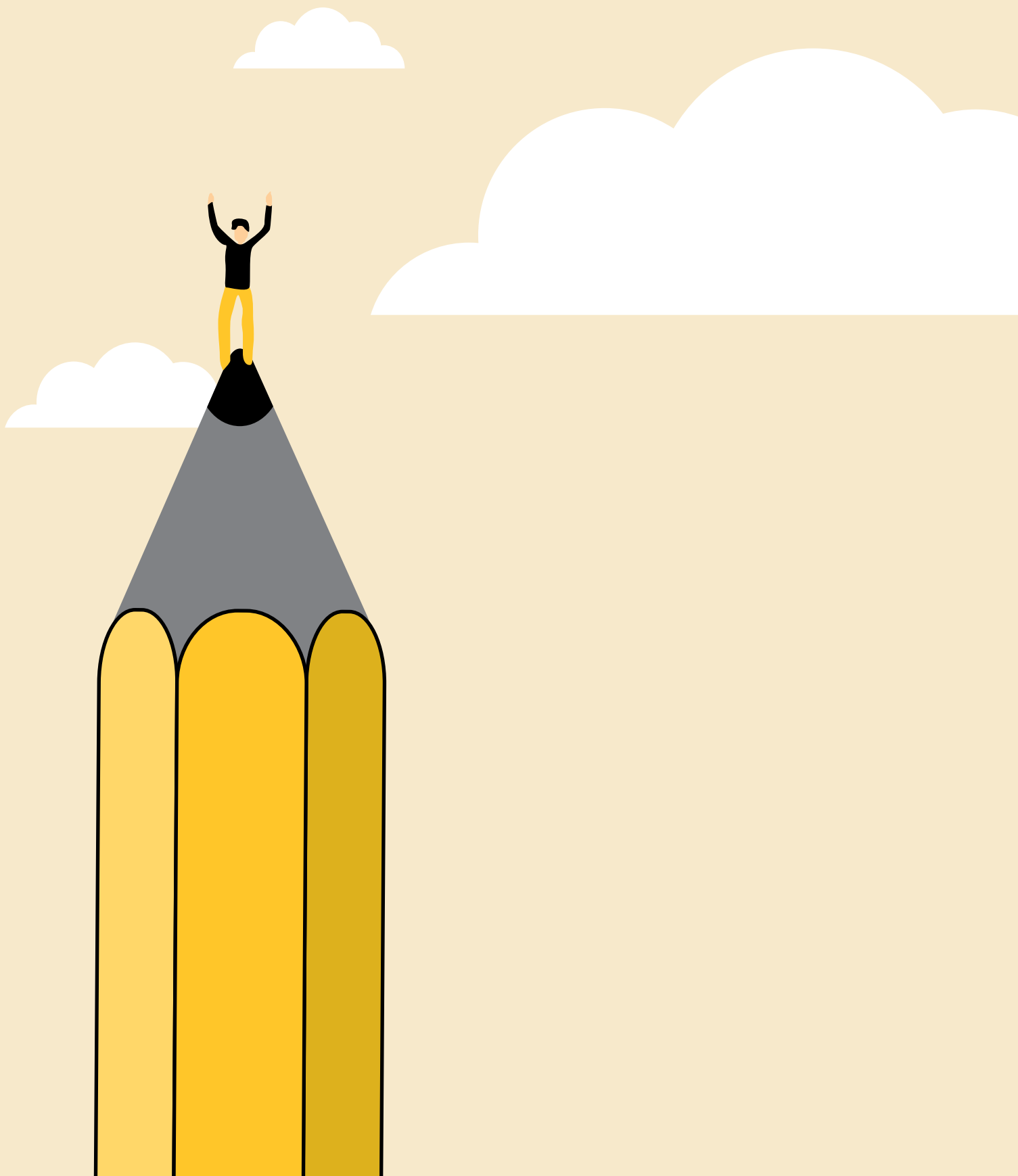




**JANUARY-MARCH 2025
EARNINGS RELEASE**



Financial Performance

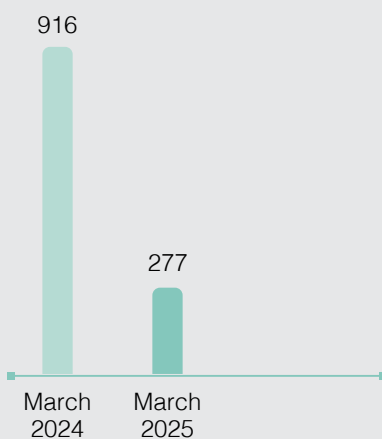
Disclaimer

As required by the Capital Markets Board, our 2025 Q1 financials have been adjusted to account for the effects of inflation pursuant to TAS 29 ("Financial Reporting in Hyperinflationary Economies"). For this reason, all financial statements presented herein, including comparative data from earlier reporting periods, have been restated in accordance with TAS 29 to account for changes in the overall purchasing power of the Turkish lira. The resulting figures are indicative of the Turkish lira's purchasing power as of 31 March 2025.

(TRL million)	1Q24	1Q25	%
Net Sales	916	277	-70%
Gross Profit	526	107	-80%
EBITDA	256	-133	n.m.
Net Profit/(Loss) before Tax	161	-218	n.m.
Net Profit/(Loss)	121	-201	n.m.
Net Working Capital	894	944	6%
Net Financial Debt	189	681	261%
Free Cash Flow	-9	-377	-4310%
Gross Profit Margin	57%	39%	
EBITDA Margin	28%	-48%	
Net Profit Margin	13%	-73%	

* All figures and tables in this report include IFRS16 impact.

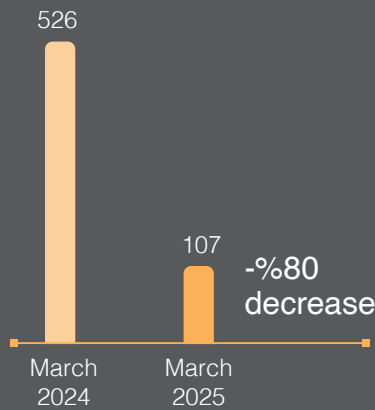
Net Sales (TRL million)



70% decrease

Weighing in at TRL 277 million, net sales were down 70%. While a reduction in shipment performance compared to the same period of 2024 contributed to this decline, the effects of the continued erosion in consumer buying power are having an increasingly greater impact as well. However if the effects of the mandatory application of TAS 29 are excluded, net sales 58% decrease and would have amounted to TRL 276 million in value.

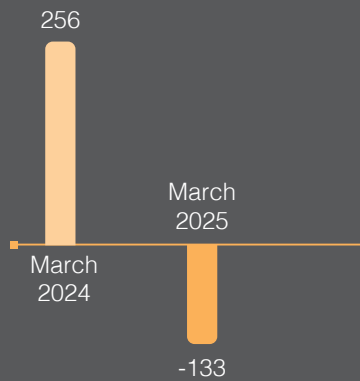
Gross Profit (TRL million)



Gross Profit Margin, %

57% → 39%

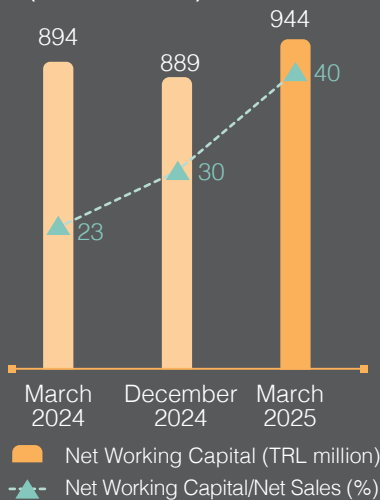
EBITDA (TRL million)



Gross profit weighed in at TRL 107 million, down 80% quarter-over-quarter due to the effects of (1) a quarter-on-quarter reduction in shipment performance and (2) discount-priced goods accounting for a bigger share of shipments this quarter than they did last year. Our gross profit margin was down by 1,800 basis points quarter-on-quarter and was 39%. When the effects of the mandatory application of TAS 29 are excluded, our gross profit and gross profit margin amount to TRL 148 million and 54% respectively.

EBITDA amounted to minus TRL 133 million owing to (1) factors depressing gross profit margin along with (2) Turkey's persistent inflationary environment and the higher input costs and operating expenditures that it gives rise to. When the effects of the mandatory application of TAS 29 are excluded, EBITDA amounts to minus TRL 102 million.

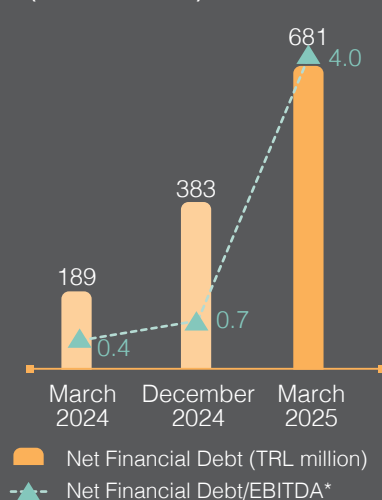
Net Working Capital (TRL million)



As of March 2025, Adel's net working capital requirement was TRL 944 million. Through effective balance sheet management, the company managed to keep the year-on-year increase in NWC to 6%, well below every posted rate of inflation.

That said, Adel's net working capital/net sales ratio, which was 23% as of March 2024, weighed in at 40% as of March 2025.

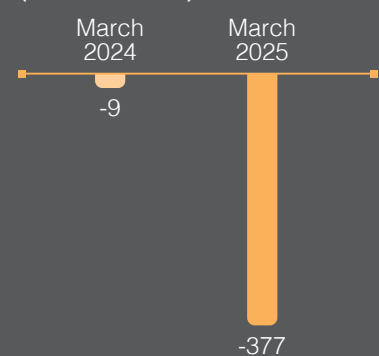
Net Financial Debt (TRL million)



The company's net financial debt was up by 261% year-on-year and weighed in at TRL 681 million as of March 2025. The increase in net financial debt is due essentially to advances received in Q1 2024. Adel's Net Debt/EBITDA ratio, which was 0.4 as of March 2024, increased to 4.0 as of March 2025.

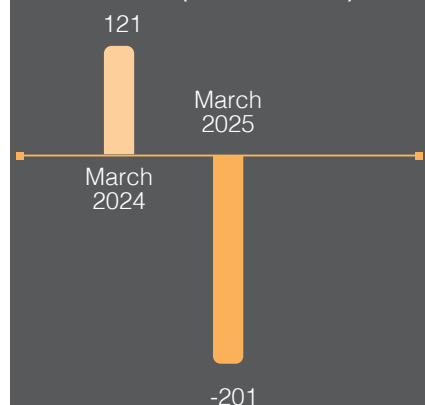
* The Net Debt/EBITDA ratio is calculated on the basis of the previous twelve months' EBITDA figures.

Free Cash Flow (TRL million)



As of March 2025, Adel showed a negative free cashflow of TRL 377 million. This is TRL 368 million less than what it was at as of March 2024.

Net Profit (TRL million)



As a result of all the contributing factors mentioned above, net profit, which was TRL 121 million in Q1 2024, was minus TRL 201 million in Q1 2025. Excluding the effects of TAS 29, net profit weighed in at minus TRL 139 million.

Financial Performance

Risks

Financial Risks: In accordance with the dynamics of the industry in which our company operates and the financial instruments it employs, our company may be subject to a variety of financial risks, including mainly interest rate risk, liquidity risk, currency risk, and receivables risk. Our company meticulously defines, assesses, and manages risks in order to mitigate the impacts of these risks, which are related to uncertainties and market fluctuations.

Within the framework of our risk management strategy, potential risks are systematically mitigated and their impacts are reduced through the implementation of established procedures and policies. In this context, our company adopts a proactive approach to ensure financial sustainability and operational assurance.

Interest Rate Risk: Aligning with the requirements of the industry in which it operates, our company operates with high working capital during the first nine months of the year, which increases its sensitivity to changes in credit interest rates. Fluctuations in interest rates may occur due to geopolitical risks and macroeconomic indicators in our country.

Our company finances its net working capital needs that may arise in the course of its operations through equity and, when necessary, loans. Measures taken against liquidity risk and interest rate risk include closely

monitoring the maturity structure of loans, extending short-term liabilities to longer terms, bond issuances, evaluating receivables through discounting methods, and diversifying funding sources with alternative financing instruments. In this context, our company maintains a dynamic approach to financial planning.

By virtue of our disciplined and effective financing policies, our operations are supported by borrowing costs below market interest rates. In the upcoming period, we will continue to prioritize efficiency in financial management to ensure the sustainability of our robust balance sheet.

Currency Risk: Our company is exposed to currency risk due to its commercial activities, as its foreign currency liabilities exceed its foreign currency assets. To mitigate the impacts of this risk and protect against cost fluctuations, derivative financial instruments are employed as a hedge against currency risk.

In line with our risk management policy, at least 50% of the currency risk is hedged, thus ensuring that the impact of exchange rate fluctuations on financial performance is effectively managed. Currency risk management contributes to our company's long-term financial sustainability and strong balance sheet goals. As of end-March 2025, 65% of our currency risk exposure was hedged against.

Receivables Risk: In the last quarter of the year, our company collects payments for orders received during the campaigns and trade fairs held at the beginning of the year. To minimize receivables risk and streamline collection processes, various payment systems, including credit cards, the Direct Debit System (DDS), Vinov, and checks, are effectively utilized upon the shipment of these orders.

The credit card and other campaigns organized in the first quarter of the year to reduce receivables risk and working capital requirements provide significant convenience in collection processes. The remaining dealer receivables are managed through other secured payment systems and open risks are mitigated by obtaining letters of guarantee. This systematic and disciplined approach of our company supports the effective management of financial risks and contributes to sustainable growth.

The diversification of payment systems not only accelerates collection processes but also plays a crucial role in maintaining the stability of our company's cash flow.

Summary Balance Sheet

(TRL million)	31.12.2024	31.03.2025
Cash and equivalents	726	476
Trade receivables	144	177
Inventories	869	958
Other current assets	234	289
Current Assets	1,973	1,900
Financial investments	1	1
Tangible assets	869	871
Right of use assets	169	199
Intangible assets	98	90
Other non-current assets	18	14
Non-Current Assets	1,155	1,175
Total Assets	3,128	3,075
Short term borrowings	429	512
Short term portion of long term borrowings	122	62
Trade payables	146	175
Other current liabilities	213	306
Current Liabilities	910	1,055
Long term borrowings	558	583
Long term provisions	39	36
Deferred tax liabilities	26	9
Non-Current Liabilities	623	628
Equity	1,595	1,392
Total Liabilities & Equity	3,128	3,075

Financial Performance

Summary Income Statement

(TRL million)	1 January - 31 March 2024	1 January - 31 March 2025
Revenues	916	277
Cost of sales (-)	-390	-170
Gross Profit	526	107
Operating expenses (-)	-285	-285
Other Operating Income /Expense (net)	-47	-2
Operating Income	194	-180
Income /(expense) from investment operations	-6	-
Financial income/(expense) (net)	-88	-89
Monetary gains / (losses)	61	51
Income/(Loss) Before Tax from Continuing Operations	161	-218
Tax income/(expense)	-40	17
Net Income/(Loss)	121	-201
EBITDA	256	-133
Profitability Ratios	1 January - 31 March 2024	1 January - 31 March 2025
Gross Profit Margin	57%	39%
Operating Profit Margin	21%	-65%
Net Profit Margin	13%	-73%
EBITDA Margin	28%	-48%
Market Capitalization as of March 31st (TRL thousand)	15,356	8,176

Forward-Looking Statements Disclaimer

This document contains forward-looking statements concerning future performance and should be regarded as the company's good faith assumptions about the future. Such forward-looking statements reflect management's expectations based on currently available information at the time they are made. Adel's actual results are subject to future events and uncertainties that may significantly affect the company's performance.

Additional Information

SUMMARY FINANCIAL INDICATORS NON-COMPLIANT WITH TMS

The financial information provided below does not include the effects of TAS 29 and is provided for analysis purposes only. These figures are not compliant with the financial report for the period 01.01.2025-31.03.2025 and have not been subject to independent audit.

(TRL million)	1Q24	1Q25	%
Net Sales	655	276	-58%
Gross Profit	449	148	-67%
EBITDA	252	-102	n.m.
Net Profit/(Loss) before Tax	164	-204	n.m.
Net Profit/(Loss)	154	-139	n.m.
Net Working Capital	441	630	43%
Net Financial Debt	137	681	398%
Free Cash Flow	10	-366	n.m.
Gross Profit Margin	68%	54%	
EBITDA Margin	38%	-37%	
Net Profit Margin	23%	-50%	

Additional Information

SUMMARY FINANCIAL INDICATORS NON-COMPLIANT WITH TMS29



Information for Investors

Investor Relations Contact Information

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