

Full Year 2024 Financial Results

January 31, 2025

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 full year 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.



2024 HIGHLIGHTS

TRY 428.5bn

Revenue

27.6%

Gross Margin

26.2%

OPEX/Sales

5.3%

Adj. EBITDA Margin*

21.0%

NWC /Sales **

3.80x

Leverage

Slowdown comes to an end in Europe, demand in Türkiye remains strong, APAC still struggles.



Consolidated revenues grew by 15.4% y/y in real terms with the contribution of Europe and MENA transactions.



Solid demand in Türkiye whereas international demand remained weak despite some improvement.



While Operating expenses have increased ≈ 1.4 points y/y, mostly due to growing personnel, marketing & selling expenses with the transactions, OPEX/Sales was 26.2%.



Adj. EBITDA margin was 5.3% in 2024, due to weaker gross profitability and growing OPEX.



Substantially improved Net Working Capital/Sales, 21.0% as of 2024YE.



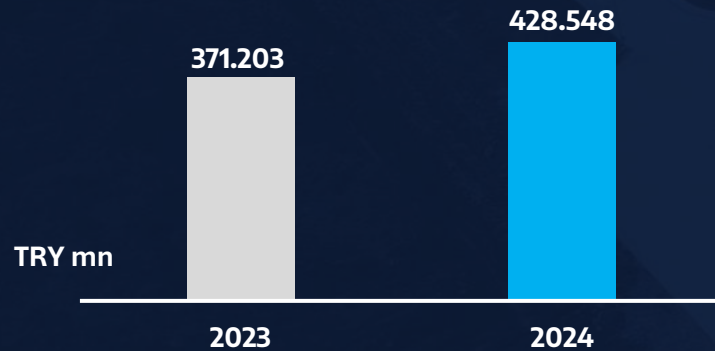
Restrained leverage thanks to increased liquidity in Q4 despite growing debt and weaker EBITDA y/y.

Key Factors / Sales & Margins



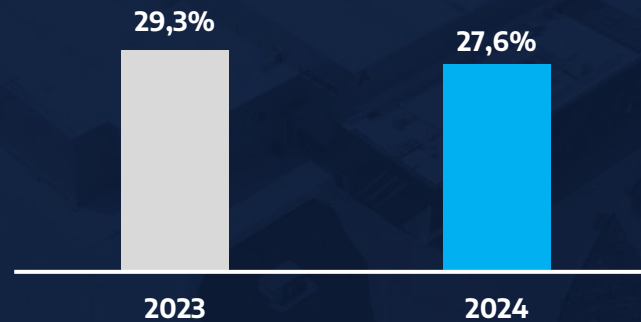
REVENUE GROWTH
15.4%

- ↑ Inorganic growth due to Europe & MENA transactions
- Flattish sales revenue in TR
- ↓ Weak international sales



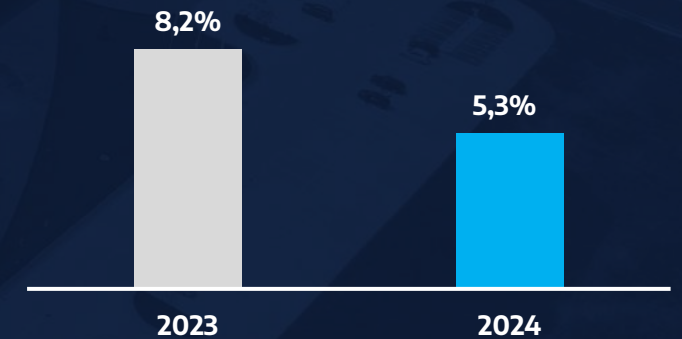
GROSS MARGIN
27.6%

- ↓ Pricing pressure and intensified competition
- ↓ Unfavorable EUR/USD parity
- ↓ Higher manufacturing costs y/y



ADJ. EBITDA MARGIN
5.3%

- ↓ Lower Gross Margin
- ↓ Growing OPEX after the transactions



**Adj. EBITDA: Operating Profit - One-off Transaction Expenses + D&A.
Adjustment amount corresponding to TRY 629mn for FY 2024 (TRY 88mn in Q4),
mainly comprises of transaction expenses regarding Europe & MENA acquisitions.*

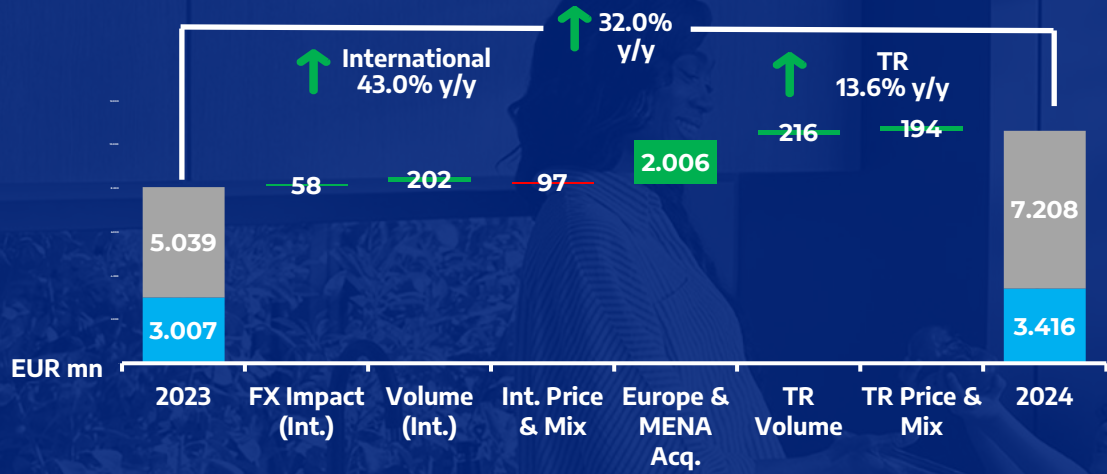


Operational Performance

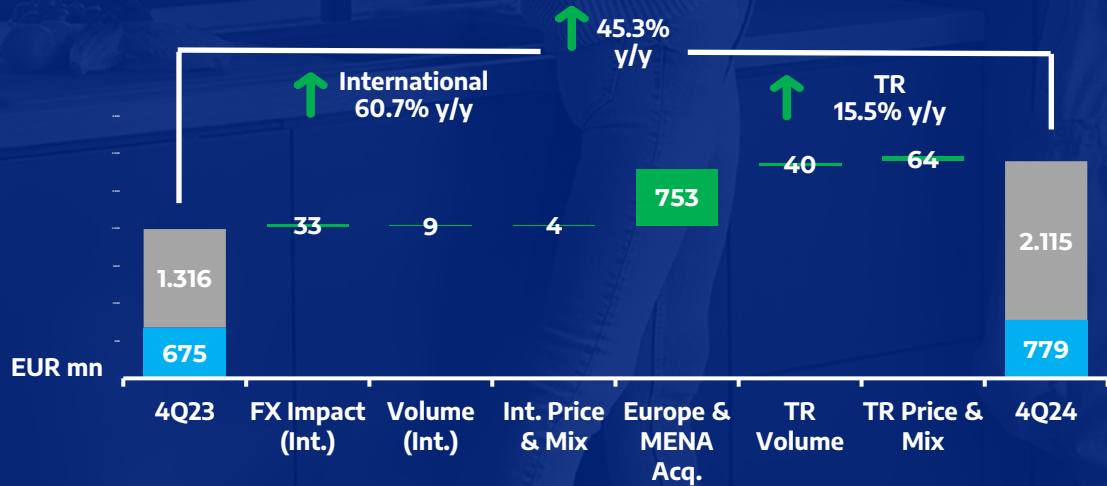
Full Year 2024 Financial Results

Sales Bridge

International Türkiye

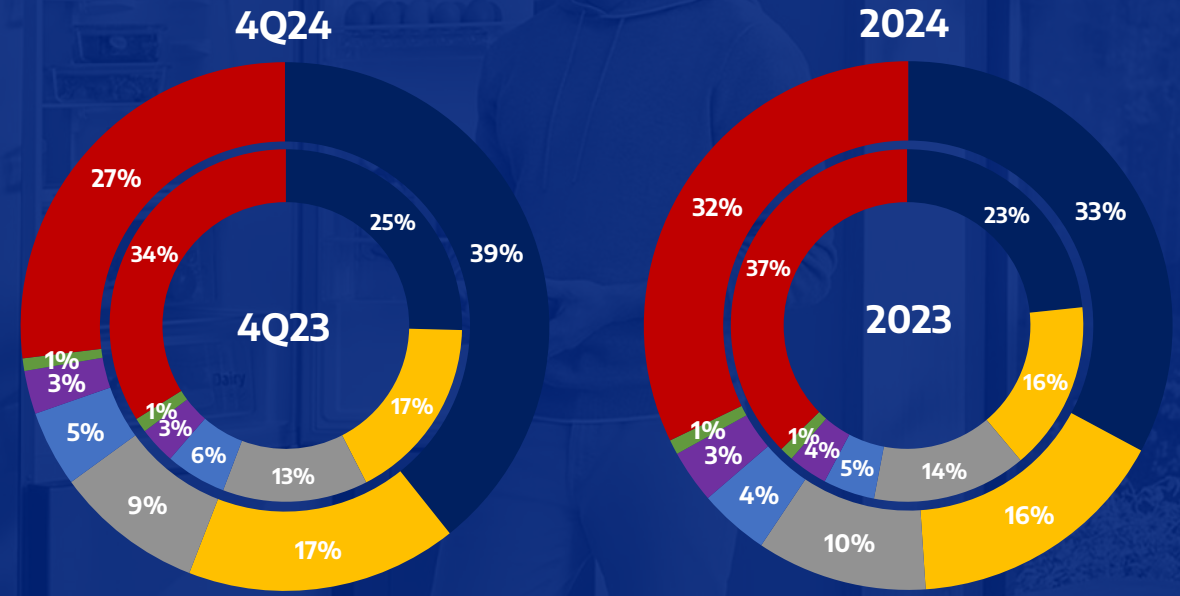


Yearly figures in TRY reflect flattish sales revenue in Türkiye in real terms and 24.7% growth in international sales in terms of inflation-adjusted prices as of 31.12.2024. Since the increase in Consumer Price Index was greater than the change in EUR/TRY FX rate for the period, figures in TRY imply a smaller growth.



Quarterly figures in TRY reflect 5.2% contraction in Türkiye in real terms and 32.1% growth in international sales in terms of inflation-adjusted prices as of 31.12.2024.

Sales Breakdown by Geography

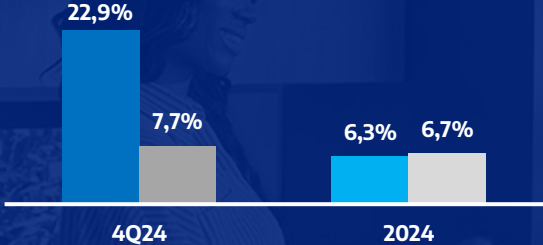


- Türkiye
- Western Europe
- CIS & Eastern Europe
- Asia-Pacific
- Africa
- Middle East
- Americas

Robust local demand despite challenging market conditions

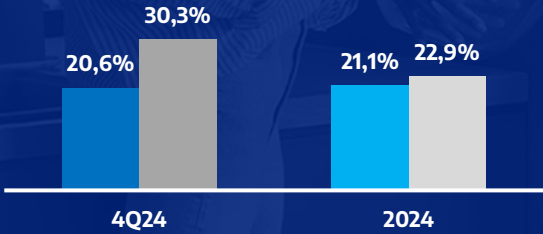
MDA6

ARÇELİK y/y growth (%)
TÜRKİYE y/y growth (%)



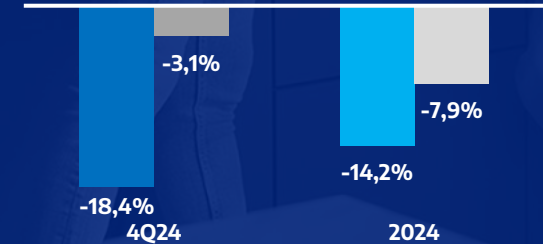
AIR CONDITIONER

ARÇELİK y/y growth (%)
TÜRKİYE y/y growth (%)

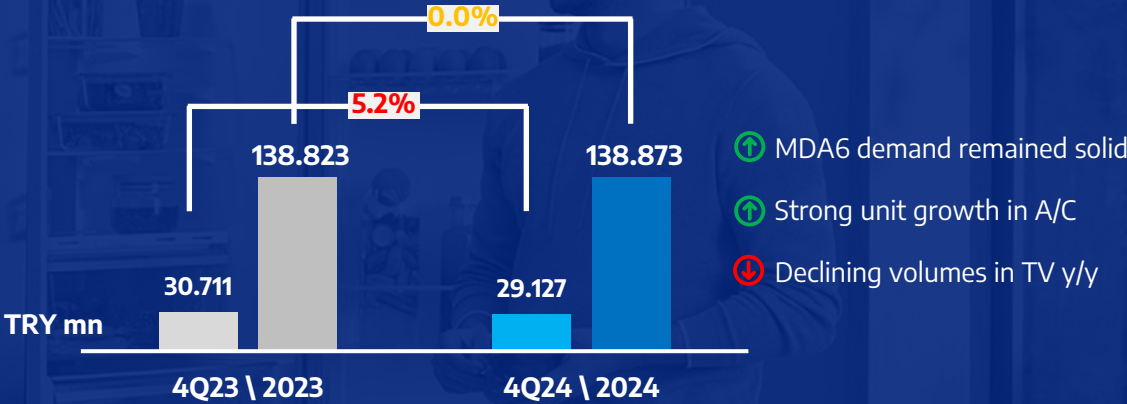


TV

ARÇELİK y/y growth (%)
TÜRKİYE y/y growth (%)

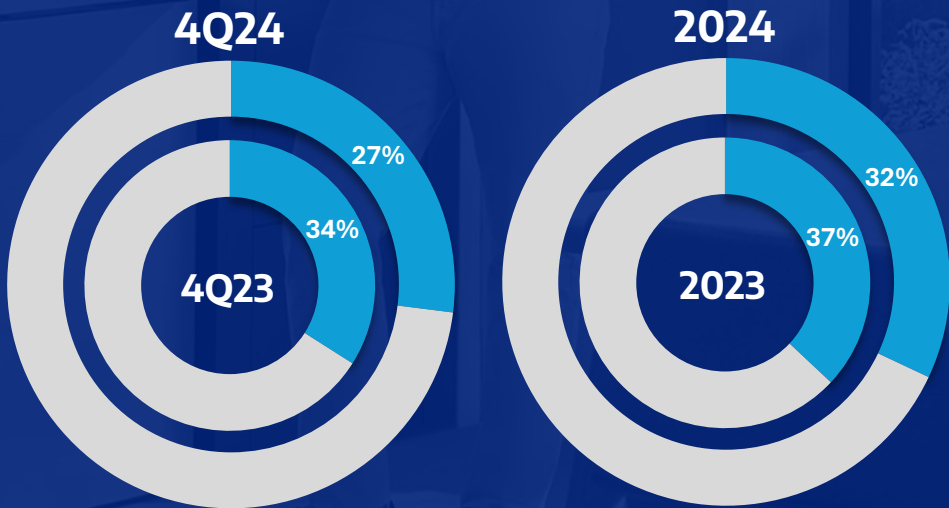


Türkiye Revenue Growth



- ↑ MDA6 demand remained solid
- ↑ Strong unit growth in A/C
- ↓ Declining volumes in TV y/y

Türkiye's Share in Total Revenues



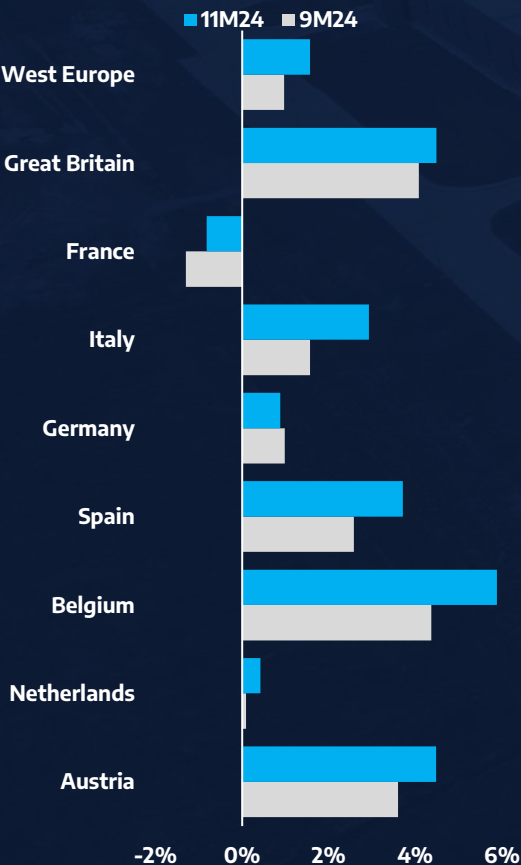
Recovery gathers momentum in Western Europe, solid demand growth in Eastern Europe



Western Europe

y/y market growth in unit terms

MDA6 Market



- Substantial recovery has been recorded in Western Europe market in sales volumes, led by Great Britain, Italy, Spain, Belgium and Austria in 11M24, whereas slowdown continues only in France.
- Sales unit grew by 1.6% in 11M24, exceeded 1% growth in 9M24.
- However, no growth yet in EUR terms as of 11M24 where the market growth was -0.8% in 9M24.

Beko in Western Europe

- Beko has managed to preserve its competitiveness in sales volume and EUR terms despite a slight underperformance in 11M24.
- Strong market leadership sustained.



Eastern Europe

y/y market growth in unit terms

MDA6 Market



- Demand growth in Eastern Europe remained strong in 11M24.
- In East Europe, market growth was over 10% in main markets in sales unit while value growth remained relatively lower in 11M24.
- In Romania, unit sales grew by roughly 12% in 11M24 both in units and EUR terms.
- Ukraine market volumes grew by almost 11.5% in 11M24, while growth in EUR remained weaker due to FX impact.

Beko in Eastern Europe

- Beko maintained its leadership position in Eastern Europe in 11M24.
- Beko underperformed the market both in units sold and value terms within the region.

Solid growth in Africa while Middle East remains challenging, slowdown decelerates in APAC



Africa & Middle East

- Revenues generated from Africa & Middle East grew by almost 20% both y/y and q/q in 2024 in EUR terms, mostly due to contribution of acquired entities in MENA region.
- In Africa region, Defy's unit sales have increased by more than 17% whereas growth in EUR terms was more than 10% in 2024. Domestic market performed slightly better than export markets.
- On quarterly basis, figures show a growth around 10% both in sales unit and EUR terms in the last quarter where domestic sales outperformed Sub-Saharan export markets.
- In Egypt, despite market instability and currency fluctuations, Beko Egypt's MDA sales grew almost %14 in unit terms, growth in USD terms was around 9% in 2024.
- Quarterly figures reflect a slowdown in demand in the last quarter. In unit terms, sales declined by more than 5% whereas USD figures show a decrease over 30% due to devaluation in the local currency.



Asia-Pacific

- Challenges continue in APAC region in home appliances landscape. Sales Revenues in APAC region has slightly decreased by over 2.5% in 2024 in EUR terms. Robust demand in Pakistan and Bangladesh has limited the slowdown.
- In Pakistan, Dawlance's net sales grew around 18% in EUR terms in 2024 despite political and economic challenges. In units, growth was roughly 14% in the same period.
- Compared to the same quarter of the last year, sales growth was more than %8 in EUR terms whereas unit growth was roughly 5% in Q4.
- In Bangladesh, Singers's net sales increased by more than 2% y/y in EUR terms. In unit terms, figures reflect slightly higher growth.
- On quarterly basis, Singer Bangladesh recorded a growth around 5% in EUR terms in the last quarter. Similarly, unit growth was larger in Q4 compared to the same quarter last year.

Lower metal raw material prices whereas plastic raw material prices remained higher on average

Average Metal Prices Index - Market



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

Average Plastic Prices Index - Market



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

- Metal raw material prices slightly decreased both y/y and compared to last quarter mostly due to weaker global demand, high policy rates and lower energy costs. However, minor fluctuations have been observed over the period. Prices are expected to increase gradually in the forthcoming quarters. However, yearly average prices expected to remain flattish.

- Plastic raw material prices increased y/y. However, weak demand, slowdown in growth and low-capacity utilization in production have caused a significant decrease in prices in the last quarters. No major price change is expected in the next quarters.



Financial Performance

Full Year 2024 Financial Results

Summary Financials

TRY mn	4Q24*	4Q23*	y/y	3Q24*	q/q
Revenue	108.290	90.630	19%	111.999	(3%)
Gross Profit	29.075	25.410	14%	29.571	(2%)
Operating Profit	490	2.353	(79%)	365	34%
Other Operating Inc./Exp.	5.702	38	14771%	(802)	(811%)
Inc./Exp. From Investment	(126)	(54)	132%	(16)	668%
Financial Income/Expense	(7.590)	(3.767)	101%	(9.214)	(18%)
Share of Profit/Loss Equity Method	71	(124)	(157%)	22	228%
Monetary Gain/Loss	7.093	10.718****	(34%)	2.584	175%
Profit Before Tax	5.640	9.163****	(38%)	(7.062)	(180%)
Net Income**	4.009	14.943****	(73%)	(5.960)	(167%)
EBITDA	4.796	5.297	(9%)	4.929	(3%)
Adj. EBITDA***	4.884	5.733	(15%)	4.970	(2%)

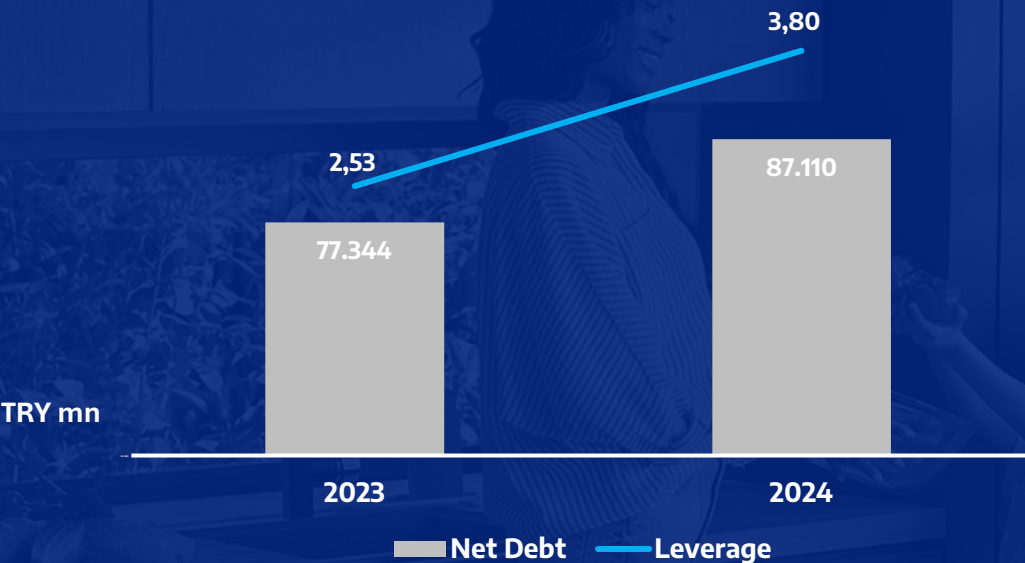
	2024*	2023*	y/y
	428.548	371.203	15%
	118.102	108.830	9%
	5.747	16.771	(66%)
	4.862	(293)	(1762%)
	881	(75)	(1281%)
	(28.735)	(19.650)	46%
	(176)	(695)	(75%)
	15.810	22.712****	(30%)
	(1.610)	18.771****	(109%)
	(2.207)	20.557****	(111%)
	22.297	29.354	(24%)
	22.927	30.586	(25%)

Gross Profit Margin	26,8%	28,0%	(119 bps)	26,4%	45 bps
Operating Profit Margin	0,5%	2,6%	(214 bps)	0,3%	13 bps
Net Income Margin	3,7%	16,5%	(1279 bps)	-5,3%	902 bps
EBITDA Margin	4,4%	5,8%	(142 bps)	4,4%	3 bps
Adj. EBITDA Margin	4,5%	6,3%	(182 bps)	4,4%	7 bps

	27,6%	29,3%	(176 bps)
	1,3%	4,5%	(318 bps)
	-0,5%	5,5%	(605 bps)
	5,2%	7,9%	(270 bps)
	5,3%	8,2%	(289 bps)

Higher leverage due to increasing net debt and weaker Adj. EBITDA

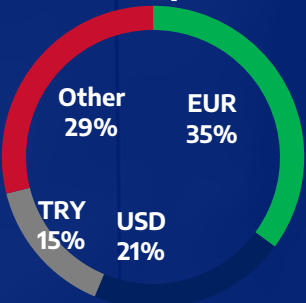
Net Debt* & Leverage**



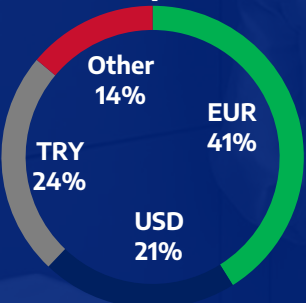
Debt Currency & Rates Breakdown

Currency	Effective Interest Rate p.a.***	Original Currency (mn)	TRY Equivalent (mn)
EUR	5,6%	1.190	43.736
TRY	41,5%	26.772	26.772
USD	8,2%	311	10.955
BDT	12,5%	14.574	4.300
PKR	17,2%	28.410	3.573
ZAR	9,4%	1.765	3.318
RUB	23,2%	4.822	1.614
RON	7,5%	173	1.273
THB	5,6%	1.168	1.209
AUD	3,3%	32	706
GBP	7,1%	14	629
NOK	6,1%	161	499
CNY	3,9%	82	392
SEK	5,4%	112	358
MAD	6,0%	101	351
PLN	8,6%	35	303
MYR	6,6%	31	248
IDR	9,5%	99.606	218
CZK	8,8%	127	186
CHF	2,3%	0	2
TOTAL LOANS			100.643
USD	8,5%	512	18.017
EUR	3,0%	356	13.024
TRY	46,4%	6.364	6.364
TOTAL BOND			37.406
TOTAL			138.043

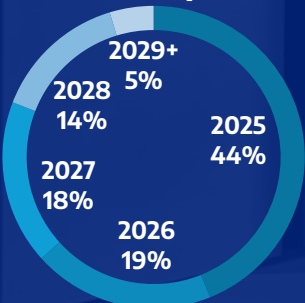
Cash Currency Breakdown
TRY50.8bn (EUR1.4bn)



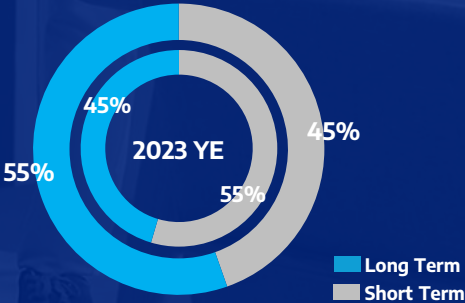
Debt Currency Breakdown
TRY138.0bn (EUR3.8bn)



Debt Maturity Profile****
TRY138.0bn (EUR3.8bn)

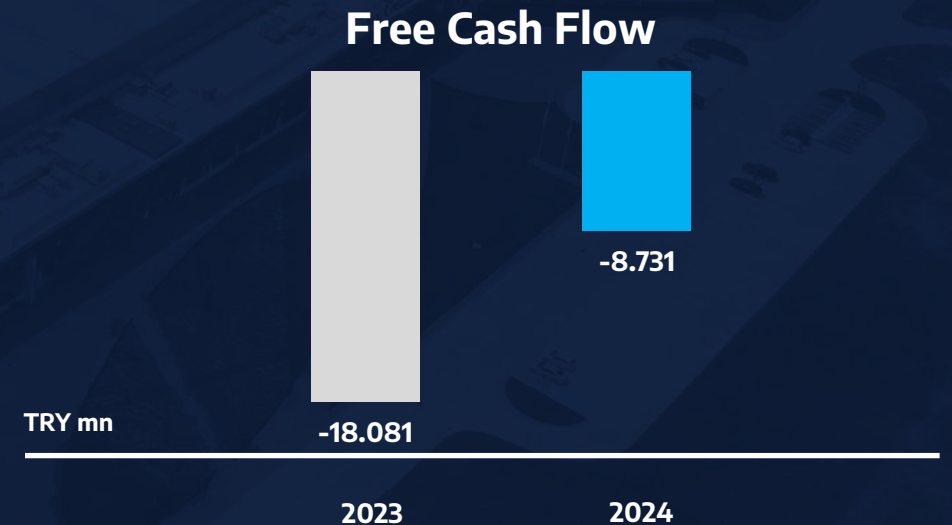
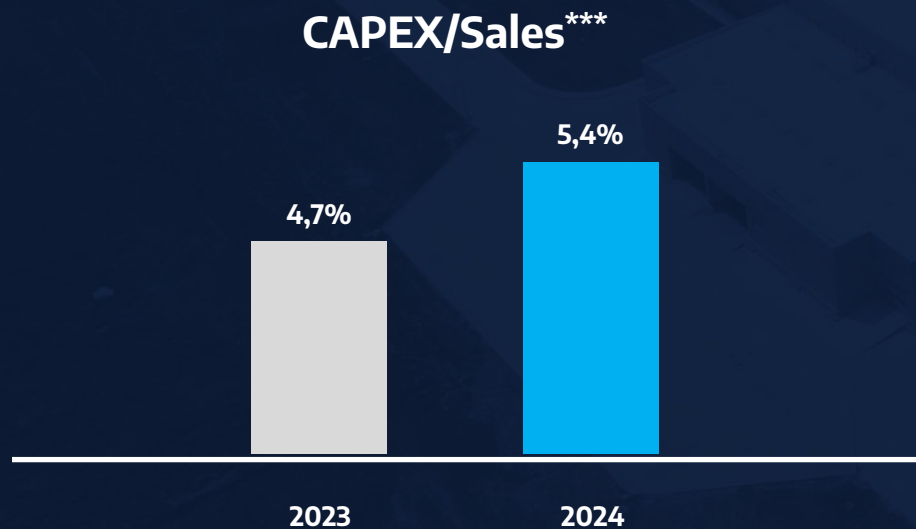
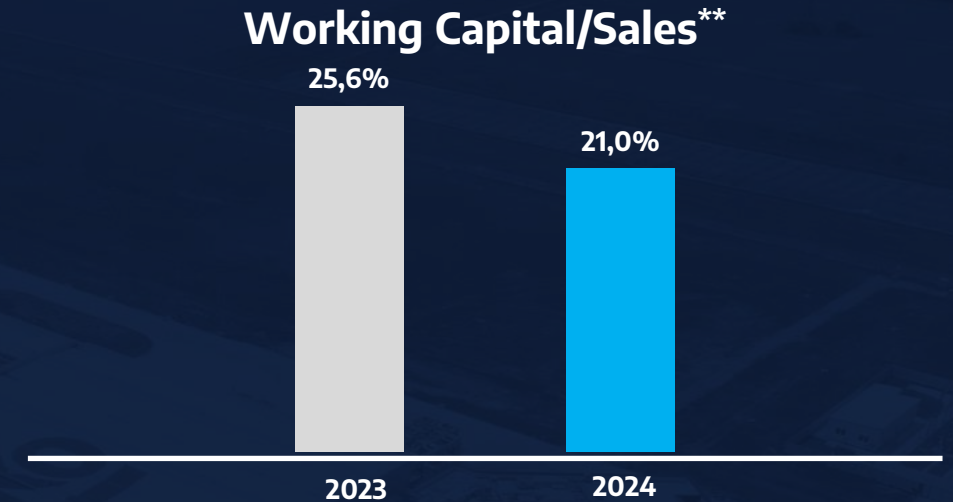
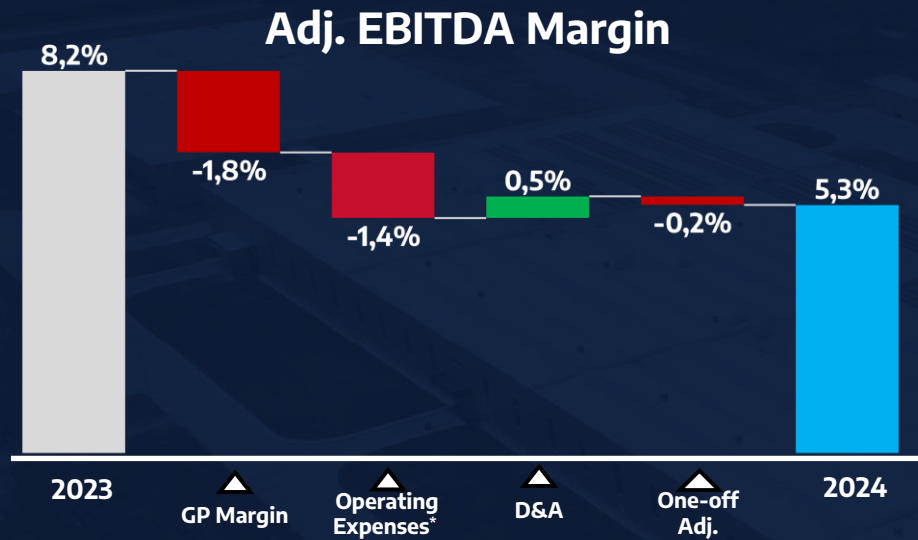


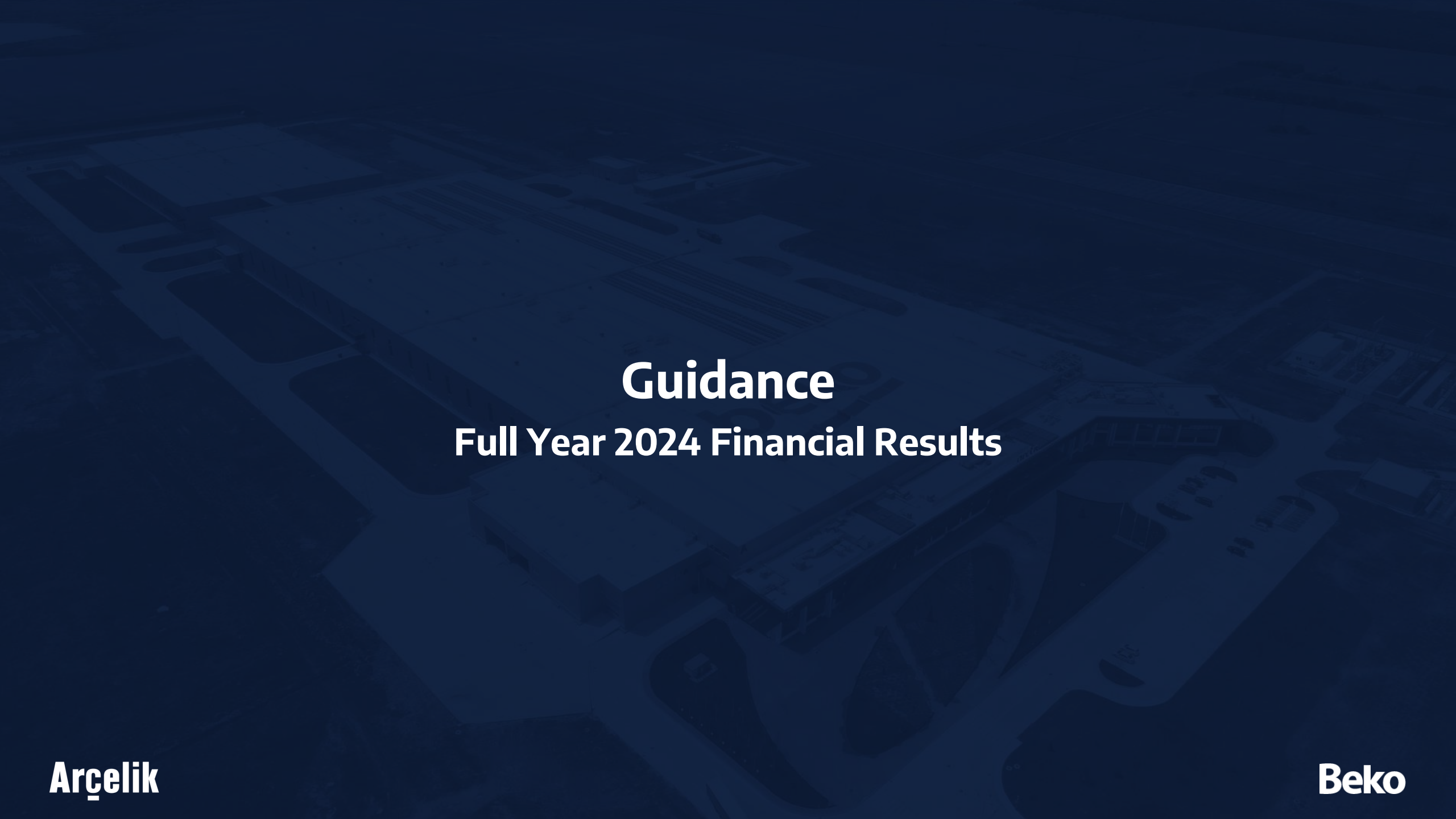
ST / LT Borrowings
2024 YE



* Net Debt = Financial Debt + Derivatives (Net) – Cash and Cash Equivalents
** Adj. EBITDA data is used in calculation of Leverage.
*** Average effective TRY, EUR, USD funding (loans + bonds) rates were 42.0%, 5.2% and 8.5%, respectively.
**** The average duration of the consolidated debt portfolio was 2 years.

Key Performance Indicators





Guidance

Full Year 2024 Financial Results

2024 Guidance v Actual Figures

	Q1 Guidance*	Q2 Guidance	Q3 Guidance	2024 Actual	
Revenue					
Türkiye (in TRY)	Flattish	Flattish	Flattish	+0%	✓
International (in FX)	≈ +2%	≈ +50%	≈ +50%	+43%	✓
EBITDA Margin	≈ 8%	≈ 6.5%**	≈ 5.8% - 6.0%**	5.3%**	✗
NWC/Sales	< 25%	≈ 22%	≈ 20%	21.0%***	✓
CAPEX	≈ EUR 300 mn	≈ EUR 350 mn****	≈ EUR 400 mn****	≈ EUR 375 mn****	✓

* Impact of Europe & MENA transactions was not included.
 ** Operating Profit - One-off Transaction Expenses + D&A
 *** NWC Average / FY Sales
 **** Including integration and optimization costs.

2025 Guidance

	2025 Guidance
<u>Revenue</u>	
Türkiye (in TRY)	Flatish
International (in FX)	≈ +15%
<u>EBITDA Margin*</u>	≈ 6.5%
<u>NWC/Sales</u>	< 20%
CAPEX	≈ EUR 300 mn

Efficiency improvements to deliver long-term sustainable growth and profitability

Investing in technology and AI tools to work in an agile manner and drive efficiency across our global operations:

- Driving productivity through organizational restructuring, process integration and optimization
- Advanced AI and automation tools to streamline operations
- Leveraging analytics for more informed, strategic decisions
- Integration of systems



Ongoing and planned investments would help to create operational efficiency after the merger, through:

- optimizing processes,
 - maximizing resource utilization,
 - executing cost saving opportunities,
 - evaluating, aligning and consolidating roles,
 - eliminating duplicate roles.
-
- Estimated EUR 140mn savings through eliminating approximately 2,000 office positions across our global operations within 3 years' time*.

Ongoing Eliminations in Office Positions

As of 2024 Year-end,

≈ 1/2 of planned eliminations in office positions within 3 years' time, have been completed.

** Realized figures would be updated in the earnings presentations.*

Q&A

Full Year 2024 Financial Results

Arçelik Investor Relations

Arçelik

Beko

Contacts

Barış Alparslan

Chief Financial Officer

(+90) 212 314 39 01

Mine Şule Yazgan

Finance & Enterprise Risk

Executive Director

(+90) 212 314 30 60

Delal Alver

Capital Markets Compliance

Senior Lead

(+90) 212 314 39 56

Sezer Ercan

Investor Relations

Senior Lead

(+90) 212 705 96 81

www.bekocorporate.com

www.arcelikglobal.com

investorrelations@arcelik.com



Thank You!