

1Q22 Financial Results

Arçelik



1Q22 HIGHLIGHTS

TRY28.2bn

Revenue

10.6%

EBITDA Margin

22.7%

OPEX / Sales

27.7%

NWC / Sales

2.81x

Leverage

Robust revenue growth through pricing resulted in margin expansion in all lines q/q...



Robust sales growth of 117% y/y & 25% q/q, the organic growth was 84% y/y



Strong sell-out in Turkey and Eastern Europe in the first two months of 2022, while weaker sell-in in Turkey as expected



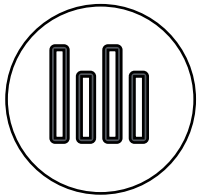
Strong EBITDA margin expansion of 127 bp (257 bps lfl) on q/q mainly thanks to effective pricing while 393 bp contraction on y/y as a result of the cost inflation and high base of 1Q21



Net Working Capital/Sales was 27.7% mainly due to higher inventories as result of higher material costs and increased receivable days



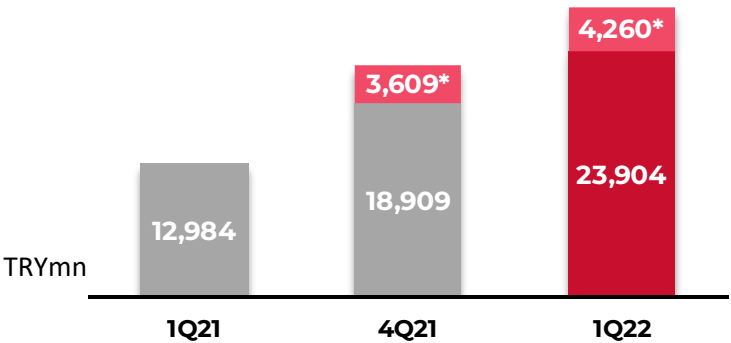
Leverage was 2.81x. Adding the value of shares bought back as of year-end (0.43x impact) and annualized EBITDA & cash contribution of acquisitions (0.15x impact), the leverage would be 2.24x.



REVENUE GROWTH

117%

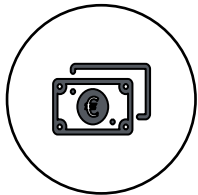
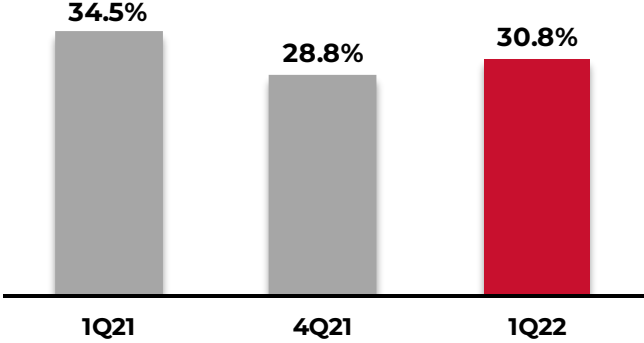
- ⬆ Price increases on both quarterly & yearly basis
- ⬆ TRY depreciation on both quarterly & yearly basis
- ⬆ Inorganic growth on a yearly basis



GROSS MARGIN

30.8%

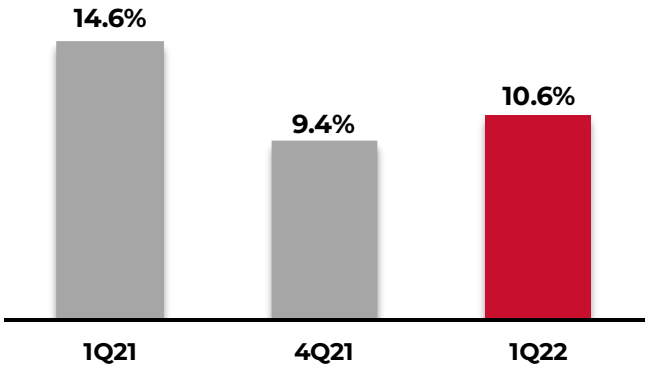
- ⬆ Price increases on a quarterly basis
- ⬆ Higher capacity utilization on a quarterly basis
- ⬇ Higher raw material prices on a yearly basis coupled with depreciated TRY
- ⬇ Lower capacity utilization on a yearly basis



EBITDA MARGIN

10.6%

- ⬆ Improved gross margin on a quarterly basis
- ⬆ 108 bps improvement in OPEX/Sales q/q
- ⬇ Negative impact of cost inflation on a yearly basis



*Total inorganic net sales contribution.

Operational Performance

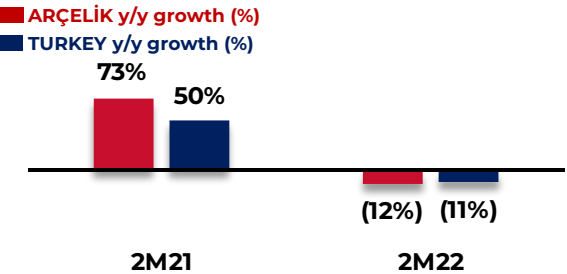


1Q22 Financial Results

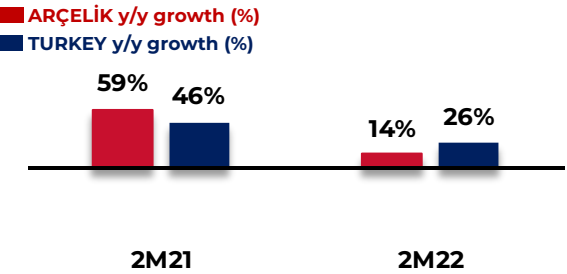
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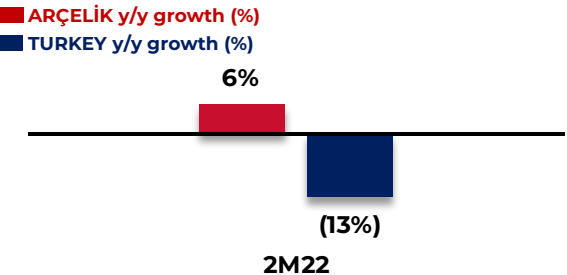
MDA6*



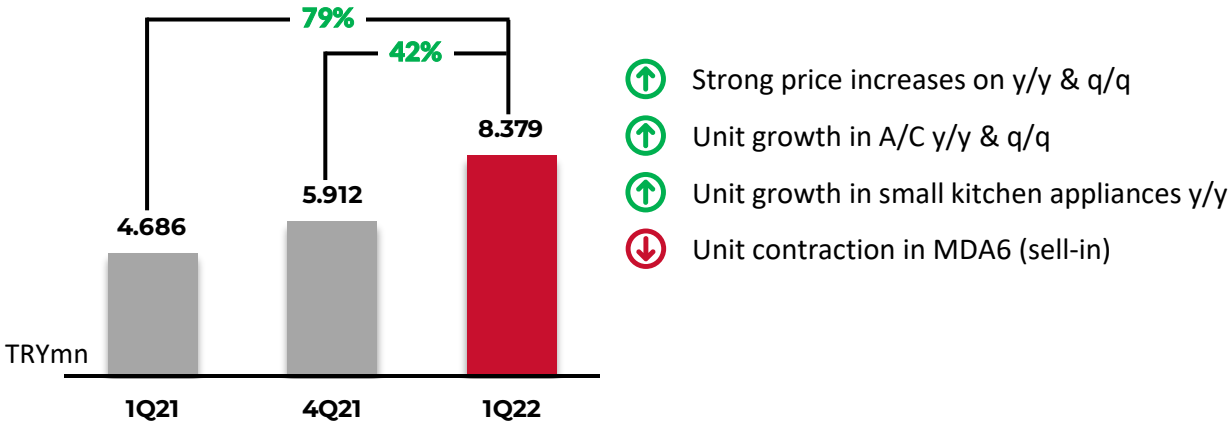
AIR CONDITIONER*



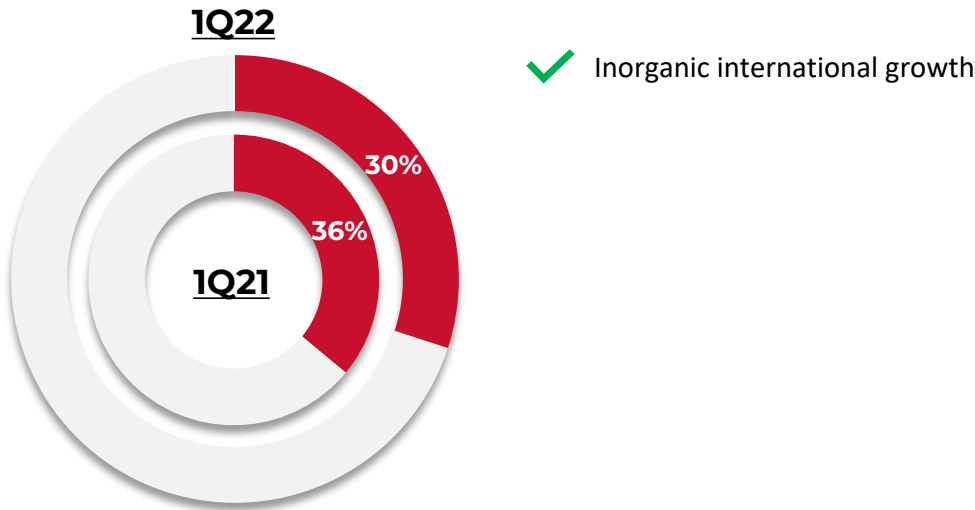
TELEVISION**



Turkey Revenue Growth



Turkey Share in Total Revenue



*MDA6 and A/C data (sell-in, in unit terms) is based on WGMA for 2M22 period on a cumulative basis.
**TV market reflects the data of a retail panel market for 2M22 period in unit terms on a cumulative basis.



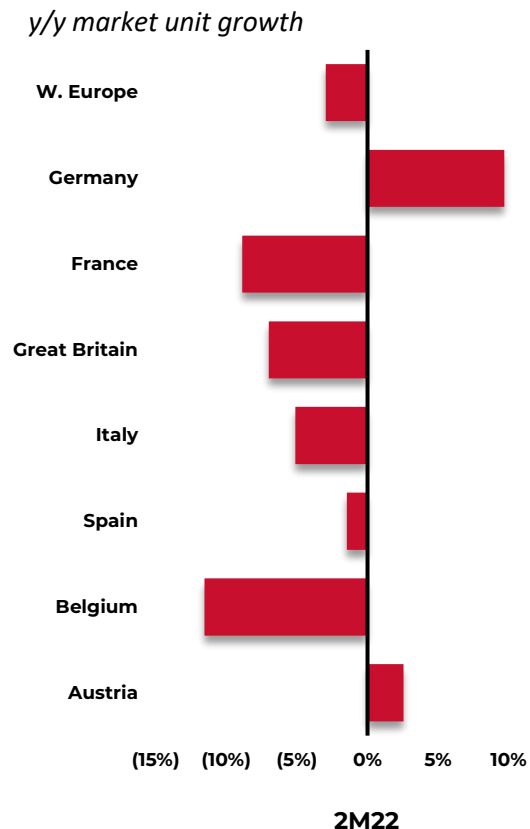
Western Europe

MDA6 Market

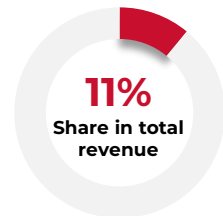
- Demand in the majority of Western European countries fell mainly due to high base impact.
- Cycling a low base, MDA6 demand grew at high single digit in Germany.
- Despite unit contraction in total Western Europe, market grew in value terms thanks to price increases and leaning towards more premium segments.

Arçelik in Western Europe

- 8% y/y revenue growth in EUR terms thanks mainly to price increases and inorganic revenue contribution.
- Beko maintained leadership in the U.K. with increased market share and moved to 1st position in Spain with improved price index in 2M22 compared to 2021 year-end.



Eastern Europe

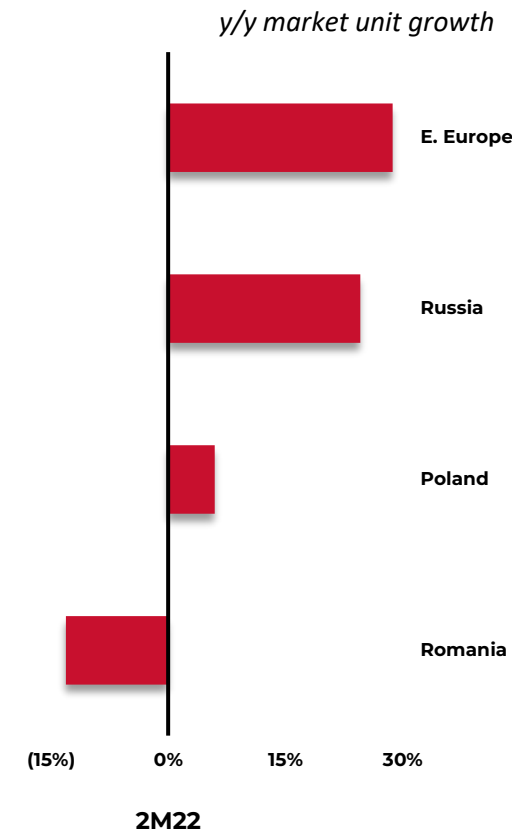


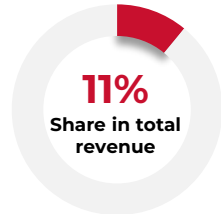
MDA6 Market

- Significant demand growth in Eastern Europe mainly driven by Russia.
- Strong sell-out in Russia due to rapid depreciation of Ruble.
- Together with unit growth, price increases and increased share of premium segments resulted in significant market growth in value terms in 2M21 y/y.

Arçelik in Eastern Europe

- 11% y/y revenue growth in EUR terms thanks mainly to price increases.
- Beko maintained leadership in Poland with increased market share in 2M22 compared to 2021 year-end.
- Beko & Arctic brands continued to lead the market in Romania in 2M22.





Africa & Middle East

- Revenues from Africa & Middle East increased by c.59% y/y in 1Q22 in EUR terms thanks to significantly higher contribution of Middle East operations.
- Defy's domestic unit sales contracted on both q/q & y/y mainly due to the logistic problems in the country, public holidays in the quarter, and high base of last year while export units grew on both q/q & y/y.
- Defy's revenue increased by mid to high single digit in EUR terms y/y in 1Q22 thanks to price increases while contracted by mid to high single digit in EUR terms q/q due to unit contraction.
- Strong market leadership of Defy in South Africa maintained.
- Beko Egypt posted c.155% y/y and c.175% q/q revenue growth in EUR terms mainly thanks to significant unit growth and price increases.

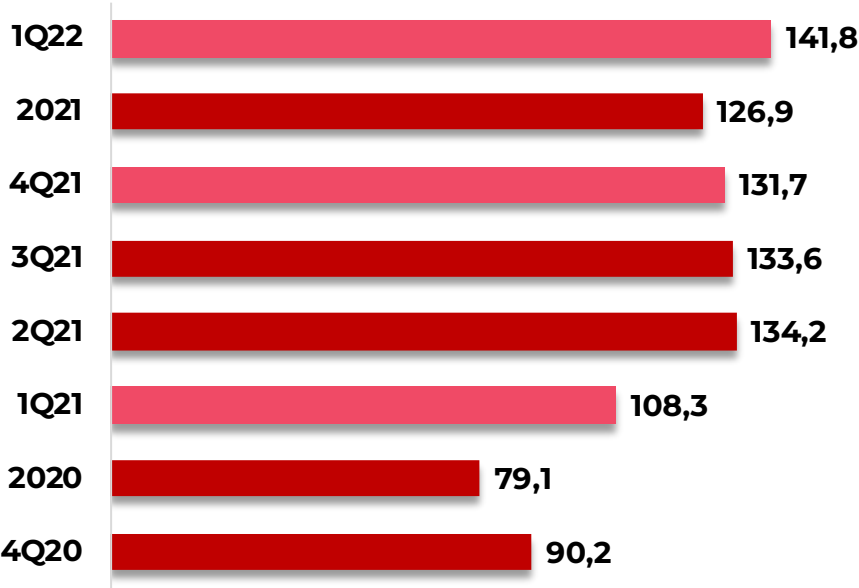


Asia-Pacific

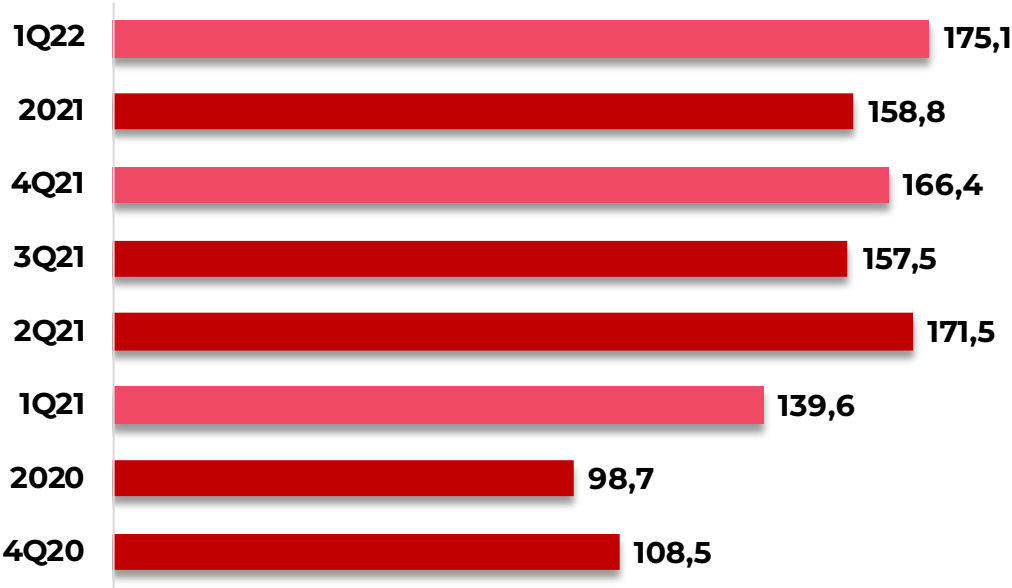
- Revenues from APAC grew by c.136% in EUR terms in 1Q22 y/y thanks to Arçelik-Hitachi contribution (c.13% share in total revenue).
- In Pakistan, unit growth thanks to declining COVID cases & opening of markets and price increases resulted in c.23% higher sales in EUR terms in 1Q22 y/y (c.28% in PKR terms).
- In Bangladesh, sales were increased by c.4% in BDT terms in 1Q22 y/y driven by higher refrigerator, washing machine, television and A/C sales.

Stable raw material prices in the market until late February, started to increase after war

Average Metal Prices Index - Market



Average Plastic Prices Index - Market



- Deterioration of supply & demand equilibrium due to the war between Russia & Ukraine impacted metal raw material prices negatively starting from March.

- Increased oil, gas and energy prices due to the war between Russia & Ukraine impacted plastic raw material prices negatively starting from March.

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

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

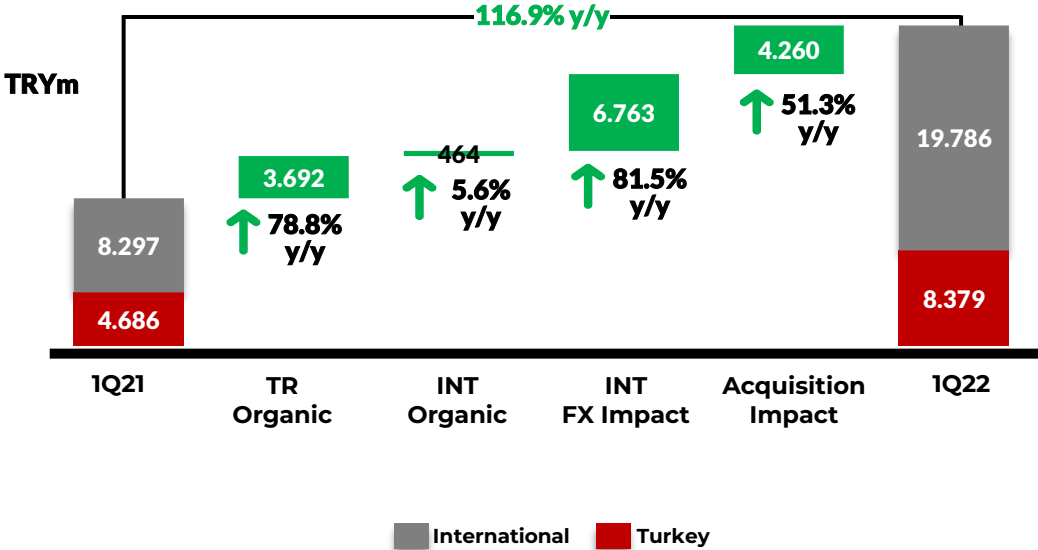
Sales Performance



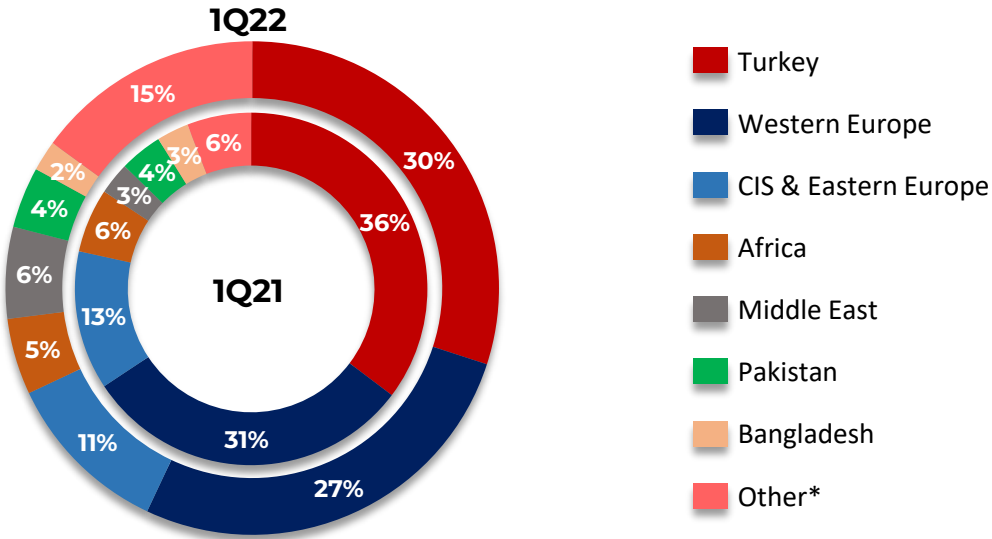
1Q22 Financial Results

Arçelik

Sales Bridge



Sales Breakdown by Geography



*The net sales of Arçelik-Hitachi Home Appliances has been shown in Other.
In 1Q22, the share of Arçelik Hitachi Home Appliances in total net sales was c.13%.

Financial Performance



1Q22 Financial Results

Arçelik

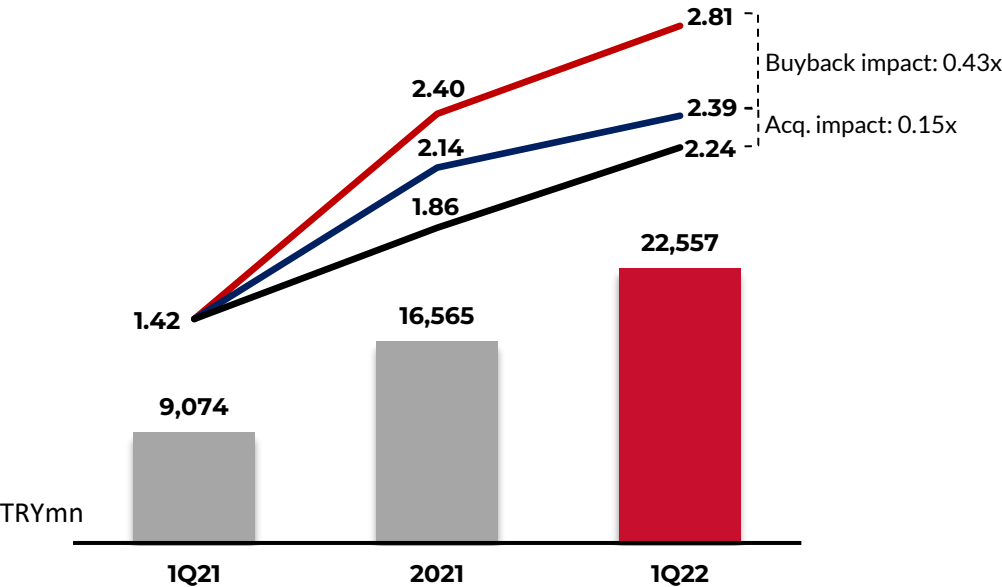
TRYmn	1Q22	1Q21	y/y	4Q21	q/q
Revenue	28.164	12.984	117%	22.519	25%
Gross Profit	8.687	4.483	94%	6.477	34%
EBIT	2.282	1.545	48%	1.156	97%
Profit Before Tax	1.451	1.294	12%	974	49%
Net Income	1.224	1.100	11%	893	37%
Net Income - exc. one-off items	1.224	1.100	11%	601	104%
EBITDA	2.993	1.890	58%	2.106	42%
EBITDA - exc. one-off items	2.993	1.890	58%	1.815	65%
Gross Profit Margin	30,8%	34,5%	(368 bps)	28,8%	208 bps
EBIT Margin	8,1%	11,9%	(379 bps)	5,1%	297 bps
Net Profit Margin	4,3%	8,5%	(413 bps)	4,0%	38 bps
Net Profit Margin - exc. one-off items	4,3%	8,5%	(413 bps)	2,7%	168 bps
EBITDA Margin	10,6%	14,6%	(393 bps)	9,4%	127 bps
EBITDA Margin - exc. one-off items	10,6%	14,6%	(393 bps)	8,1%	257 bps

*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

Increased working capital requirement and share buyback resulted in higher leverage in 1Q22

Net Debt & Leverage

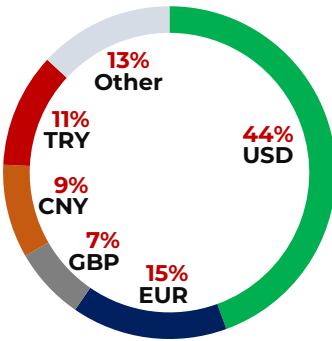


Debt Currency & Rates Breakdown

Currency	Effective Interest Rate p.a.	Original Currency (mn)	TRY Equivalent (mn)
TRY	19.2%	8,558	8,558
EUR	1.6%	446	7,271
USD	2.4%	29	423
GBP	1.5%	7	130
ZAR	5.3%	1,069	1,082
AUD	3.3%	25	279
PKR	10.9%	33,319	2,656
BDT	5.8%	6,317	1,074
RUB	14.7%	1,256	216
RON	5.1%	70	229
PLN	5.0%	17	60
TOTAL LOANS			21,977
USD	5.0%	512	7,503
EUR	3.0%	359	5,847
TRY	18.9%	2,261	2,261
TOTAL BOND			15,611
TOTAL			37,587

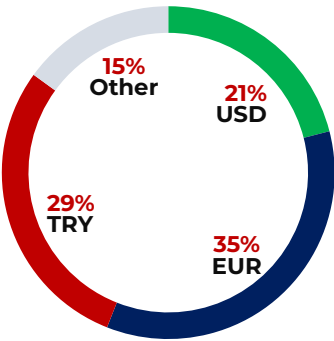
Cash Currency Breakdown

TRY16.7bn (EUR1.0bn)



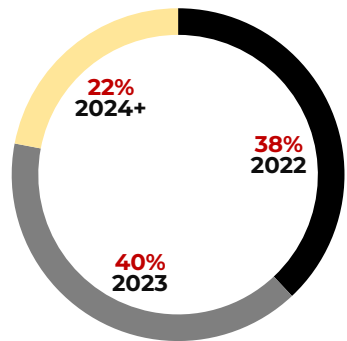
Debt Currency Breakdown

TRY37.6bn (EUR2.3bn)



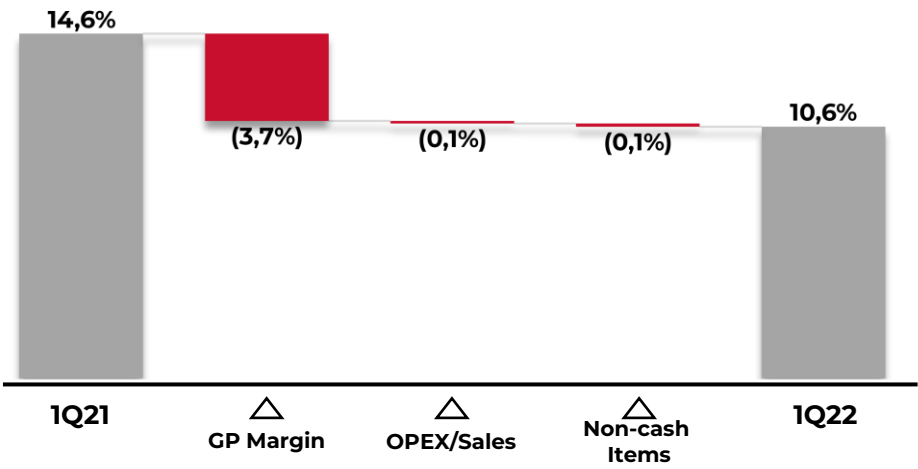
Debt Maturity Profile

TRY37.6bn (EUR2.3bn)

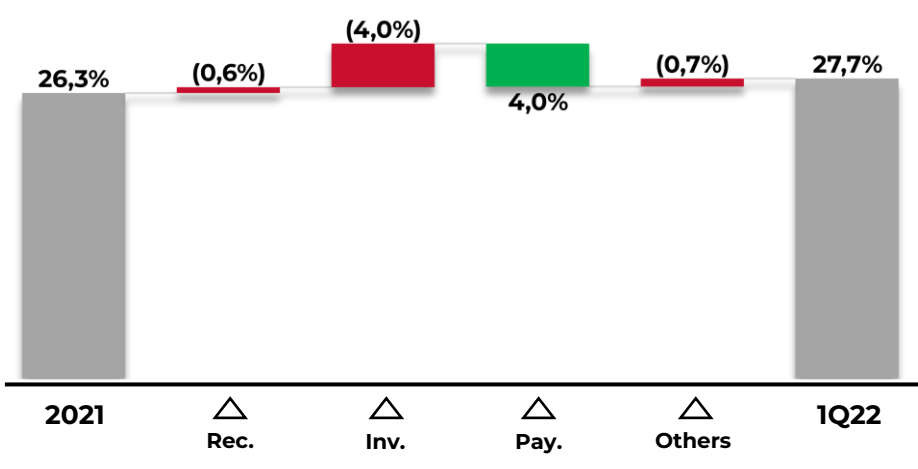


*If the value of the shares acquired as of 31.03.2022 were deducted from net debt and EBITDA & cash contributions of our recent acquisitions were annualized the leverage is calculated as 1.86x as of 2021 and as 2.24x as of 1Q22.

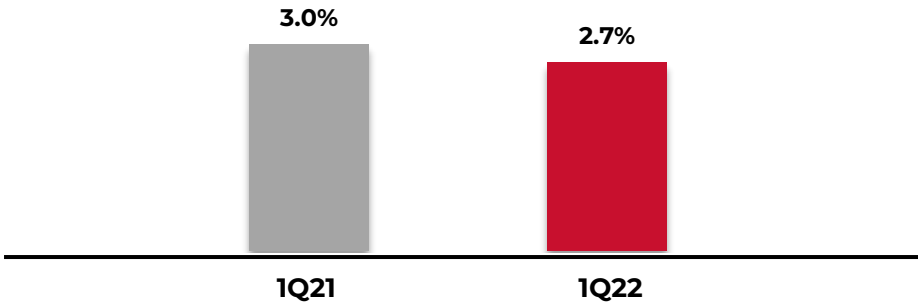
EBITDA Margin



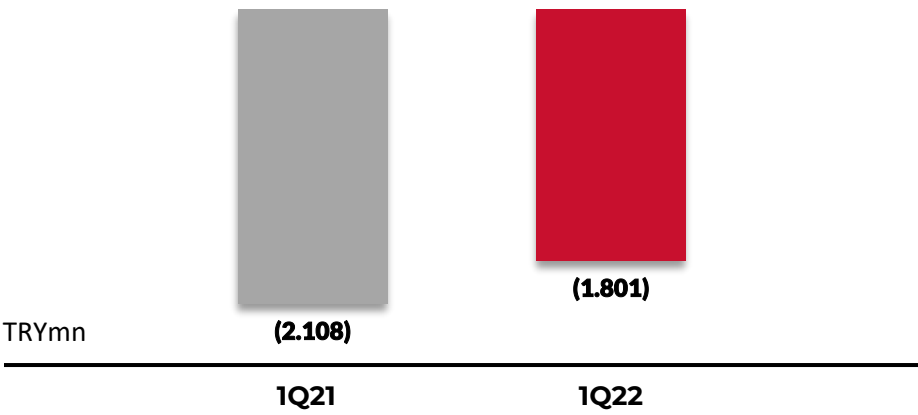
Working Capital/Sales



CAPEX/Sales



Free Cash Flow



Guidance



1Q22 Financial Results

Arçelik



Revenue

- Turkey (in TRY) c.60% growth
- International (in FX) c.25% growth
- Consolidated (in TRY) >80% growth



EBITDA Margin

c.10.5%



WC/Sales

c.25%



CAPEX

c.220 mio EUR

Q&A



1Q22 Financial Results

Arçelik

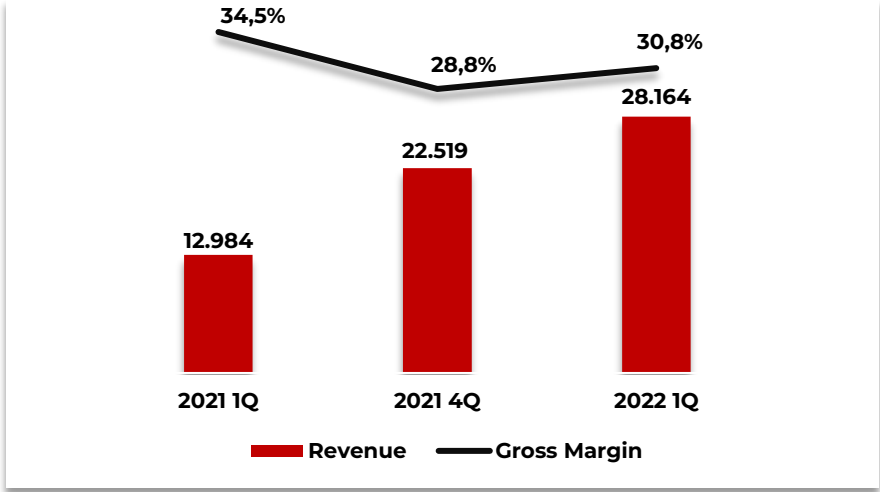
Appendix



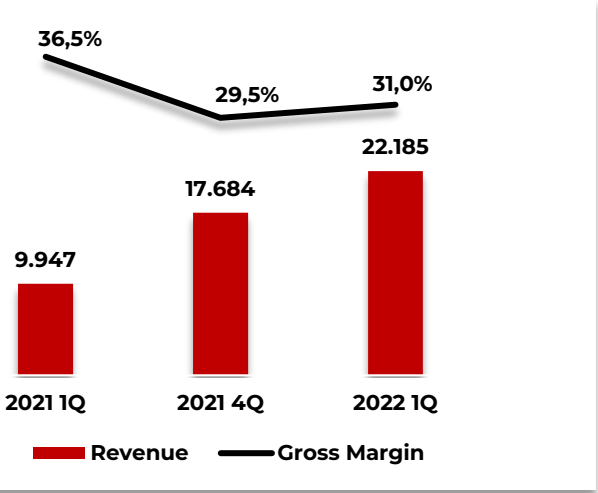
1Q22 Financial Results

Arçelik

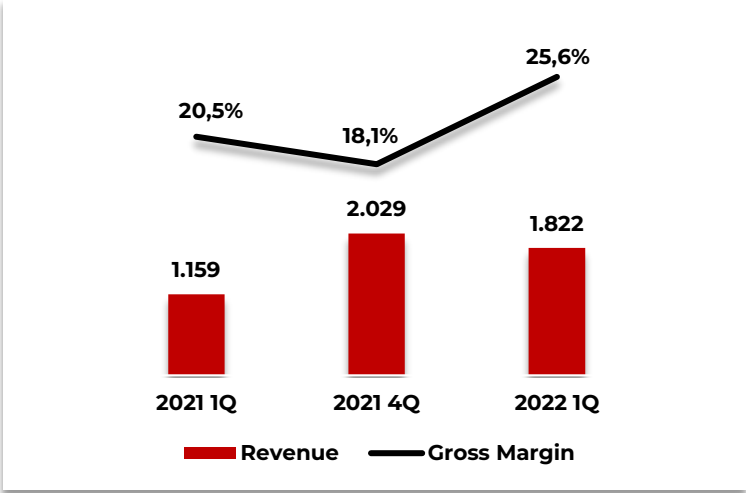
Consolidated



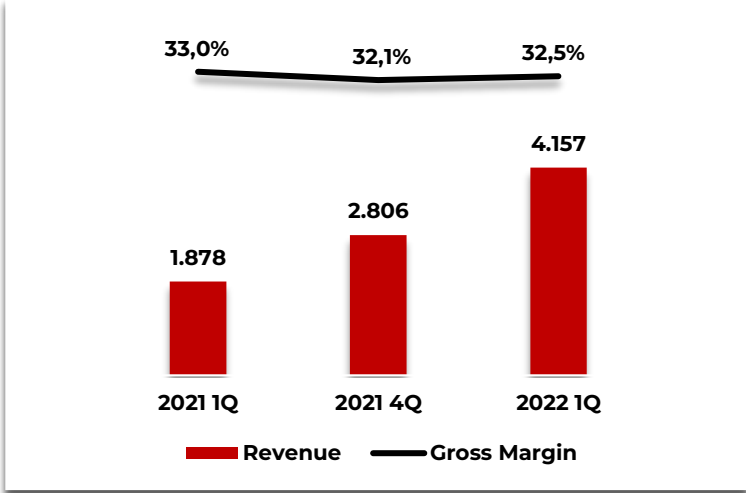
White Goods

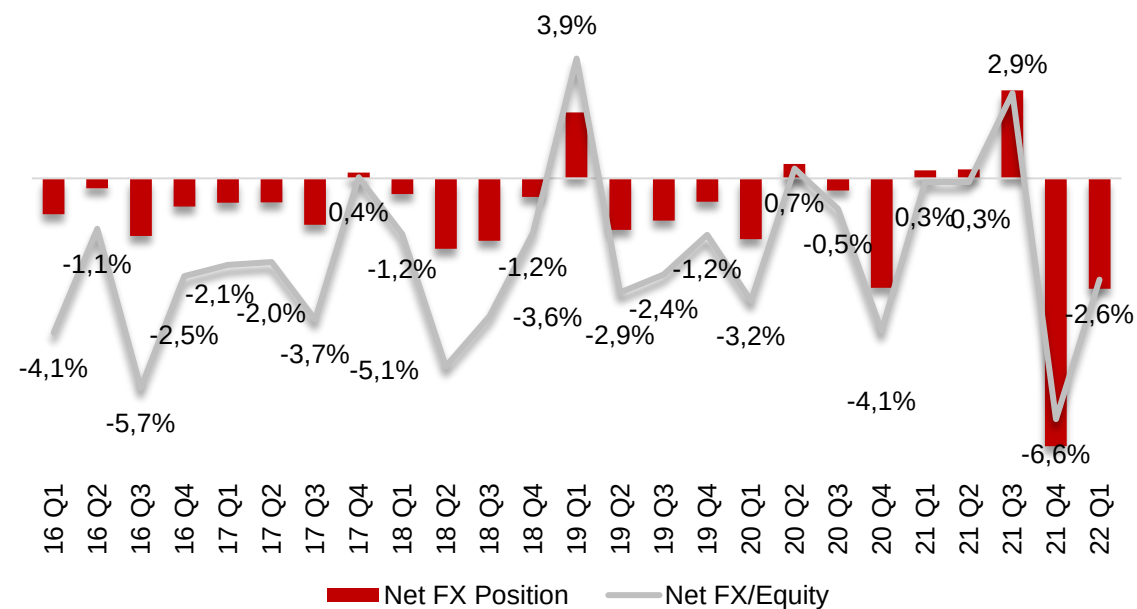


Consumer Electronics



Other





- FX hedging is a strictly pursued policy in Arçelik since more than 30 currencies are actively managed in global operations.
- It is a KPI for the company management not to have a FX exposure exceeding low single-digit % of equity.

TRYm	Before Hedge	Hedged Position	Net Position
EUR	(7,892)	7,720	(172)
USD	(3,170)	2,484	(685)
GBP	2,001	(1,839)	162
Other	1,697	(1,577)	120
TOTAL	(7,363)	6,789	(575)
Net FX Position / Equity			(2,6%)

- The primary strategy on balance sheet hedging mainly through cash, receivables, payables and financial liabilities, and the remaining part is hedged through financial derivatives.

Özkan Çimen

CFO

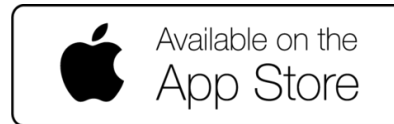
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