

# 2Q25

# Financial Results

July 25, 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 second quarter 2025 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.**



## 2Q25 HIGHLIGHTS

TRY 121.4bn

Consolidated Revenues

28.4%

Gross Margin

27.0%

OPEX/Sales

5.9%

Adj. EBITDA Margin\*

20.9%

NWC /Sales\*\*

5.86x

Leverage

4.50x

MGL-Adj. Leverage\*\*\*

**Demand is steady in Türkiye, weak in international markets.  
Poor performance in Europe.**



Consolidated revenues decreased by 11.5% y/y in real terms due to decreasing sales volume and pricing challenges in international markets.



Domestic demand remains steady whereas international demand is still weak except in Africa, Middle East, and Pakistan.



OPEX/Sales is around 27.0% due to growing personnel, marketing & selling expenses after Europe and MENA transactions besides lower sales y/y.



5.9% Adj. EBITDA margin reflects 1.0 ppt improvement due to larger gross margin and restructuring efforts.



Net Working Capital/Sales ratio is 20.9%, at year-end level. Improvement to be delivered by the end of the year in line with synergies.



Higher leverage due to changes in working capital and financing activities.



With the adjustment for the net monetary position, leverage would have been 4.50x.

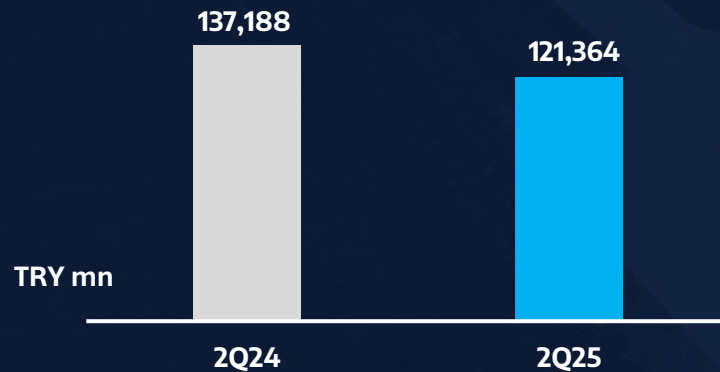
# Key Factors / Sales & Margins



## CHANGE IN REVENUE

**-11.5%**

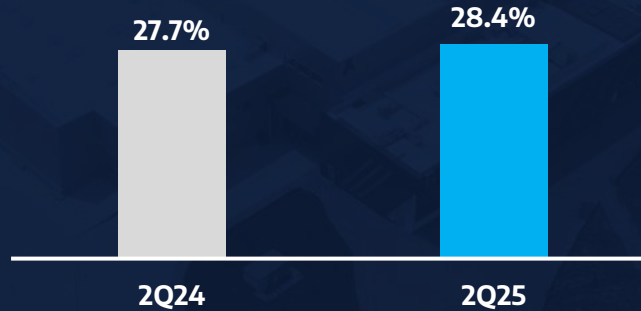
- ⬇️ Unfavorable price & product mix in TR
- ⬇️ Underperformance in Europe
- ⬇️ Not strong demand from other international markets



## GROSS MARGIN

**28.4%**

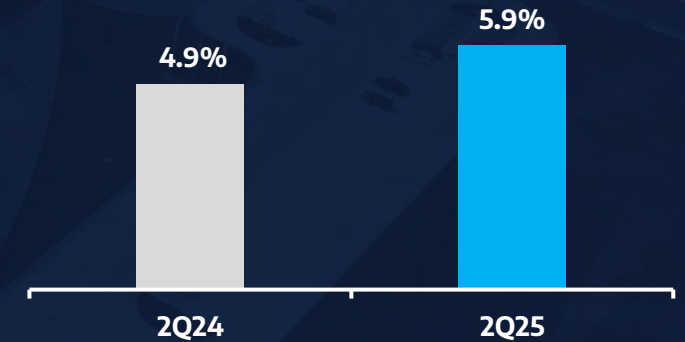
- ⬆️ Lower raw material costs y/y
- ⬆️ Favorable EUR/USD parity
- ⬇️ Pricing pressure and intensified competition



## ADJ. EBITDA MARGIN\*

**5.9%**

- ⬆️ Higher Gross Margin
- ⬆️ Synergy & cost saving



\*Adj. EBITDA: GP – OPEX (excluding one-off transaction expenses) + D&A. Adjustment amount corresponds to TRY 70mn for 2025 (TRY 465mn in 2024), comprises of transaction expenses regarding Europe and MENA transactions.

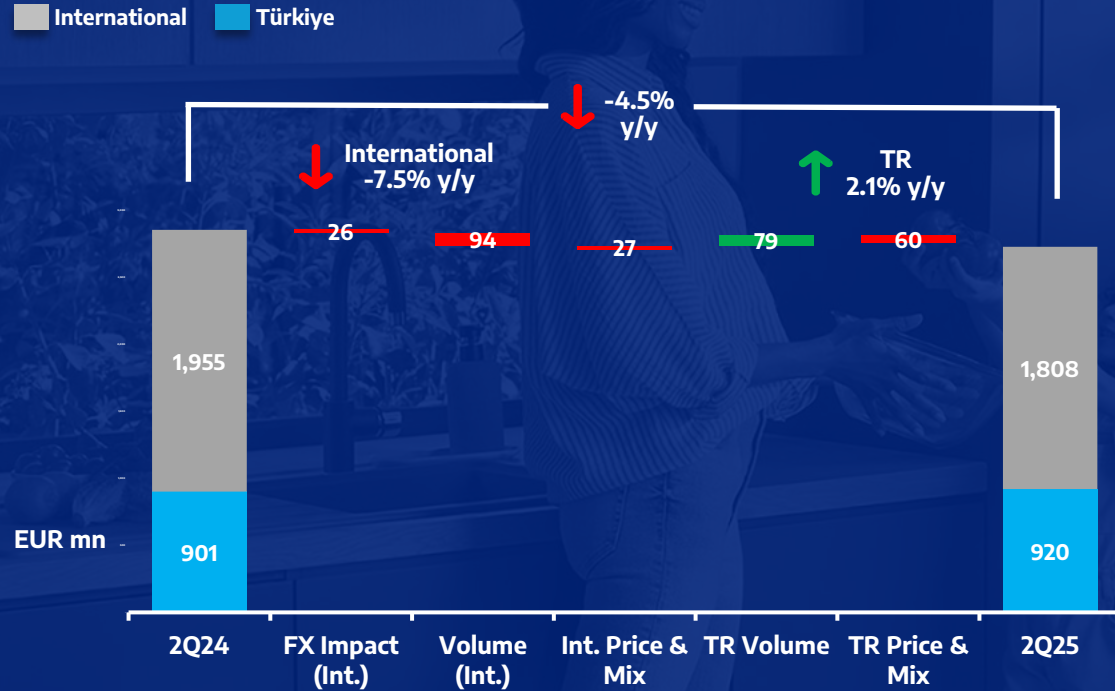


# **Operational Performance**

## **2Q25 Financial Results**

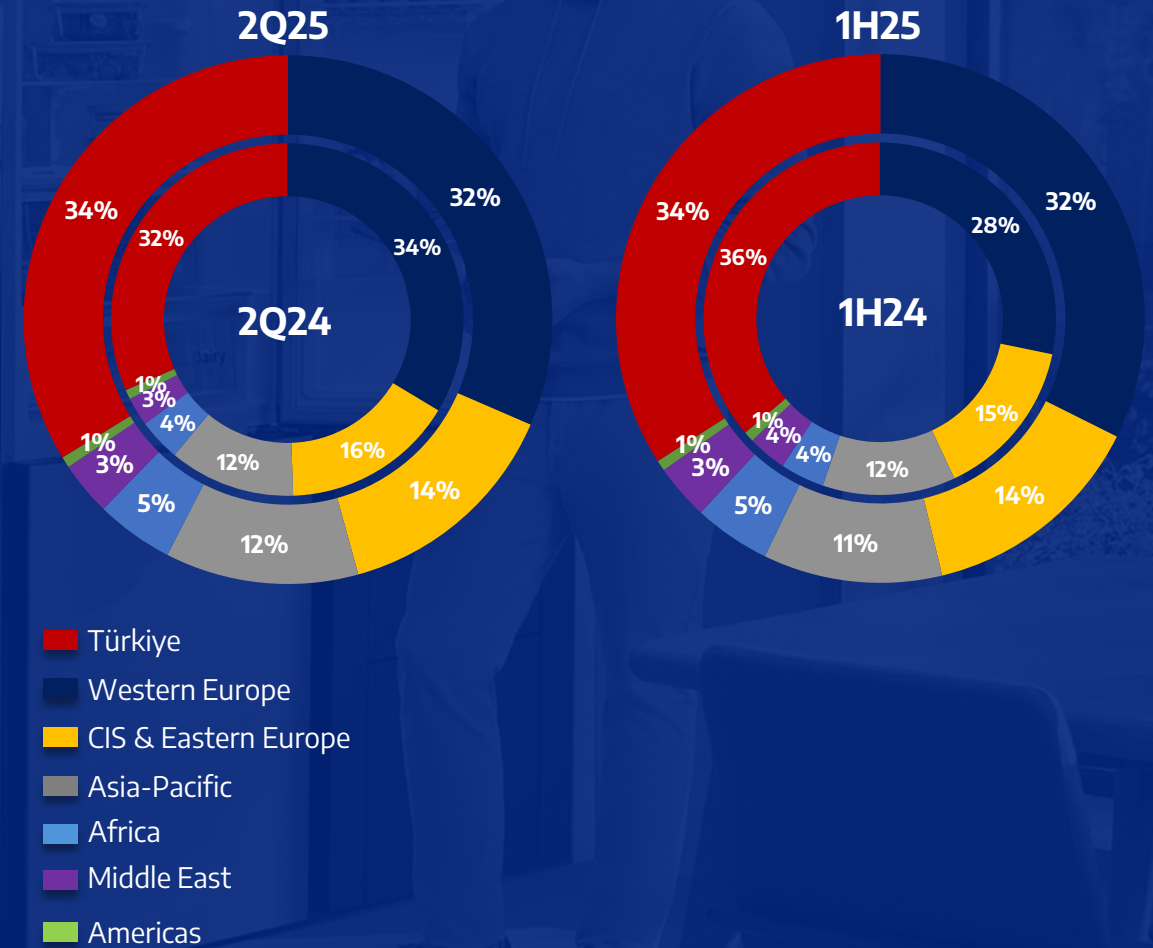


## Revenue Bridge\*



\* Figures in TRY reflect a 5.4% decrease in domestic sales in real terms, and 14.4% decrease in international sales in terms of inflation-adjusted prices as of 30.06.2025. 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 larger decline.

## Revenue Breakdown by Geography

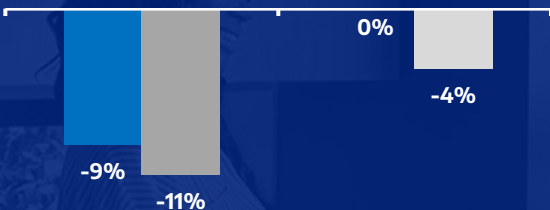


# Increasing market share in MDA despite the challenging macro environment

## MDA6\*



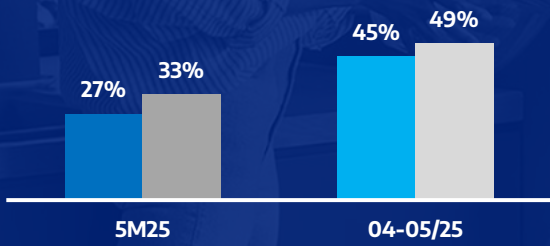
ARÇELİK y/y growth (%)  
TÜRKİYE y/y growth (%)



## A/C\*\*



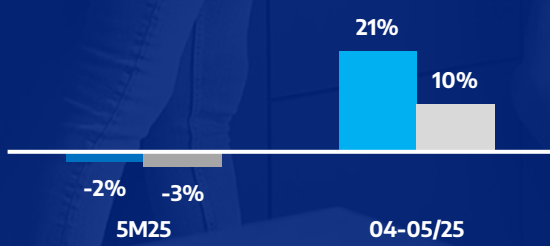
ARÇELİK y/y growth (%)  
TÜRKİYE y/y growth (%)



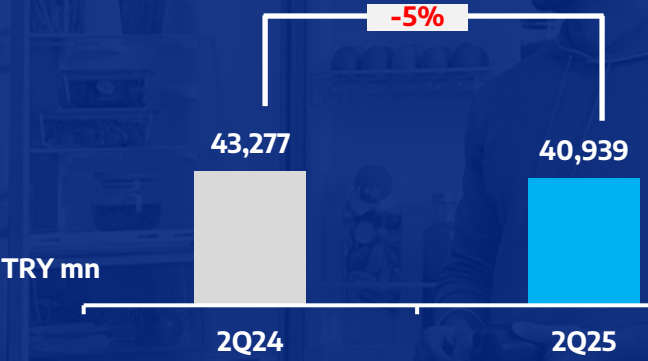
## TV\*\*



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

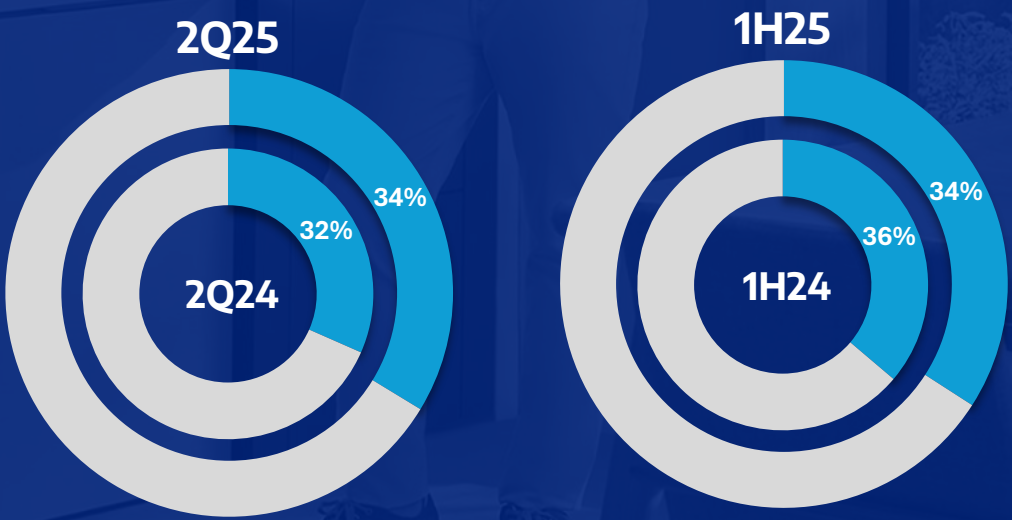


## Türkiye Revenue Growth



- ↑ Improving MDA6 demand
- ↑ Strong growth in A/C
- ↑ Increasing volumes in TV
- ↓ Unfavorable price & product mix

## Türkiye's Share in Total Revenues





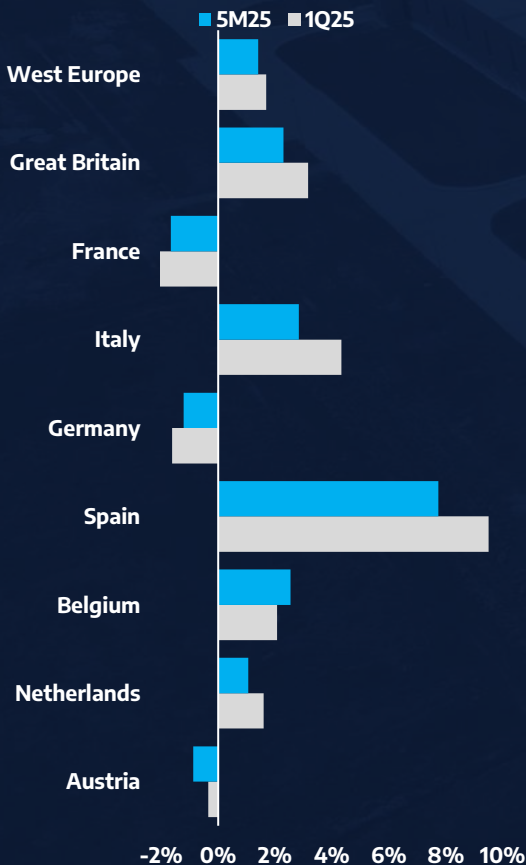
# Recovery slowdown in the key markets in Europe, Beko underperforms the market



## Western Europe

y/y market growth in unit terms

### MDA6 Market



- Sales volume recovery slowed down in 2Q25 in Western European market.
- Growth continues in Great Britain, Italy, Spain, Belgium and Netherlands in 5M25, whereas slowdown continues in France, Germany and Austria.
- Sales units grew by 1.4% in 5M25, versus 1.7% growth in the first quarter. Growth in EUR terms was smaller in the same period.

### Beko in Western Europe

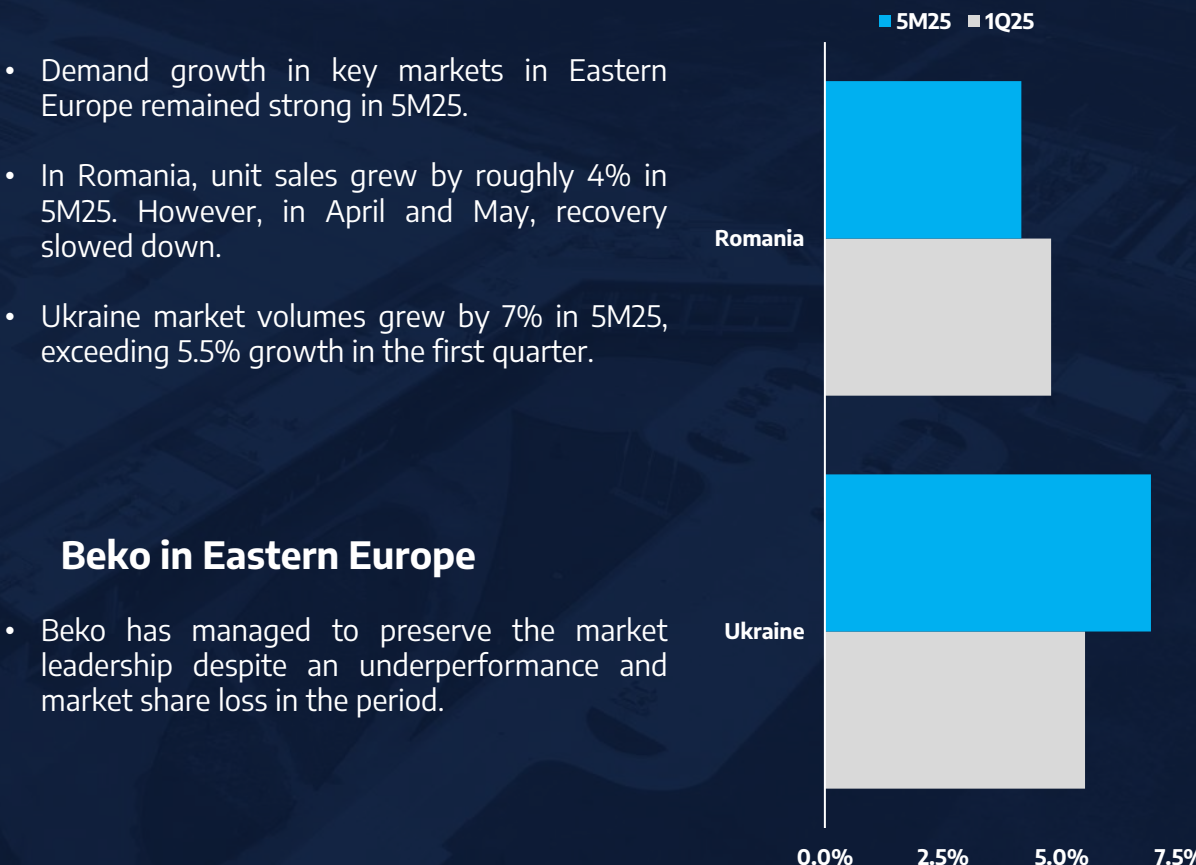
- Beko has managed to preserve the market leadership despite an underperformance and market share loss in the period.



## Eastern Europe

### MDA6 Market

y/y market growth in unit terms



- Demand growth in key markets in Eastern Europe remained strong in 5M25.
- In Romania, unit sales grew by roughly 4% in 5M25. However, in April and May, recovery slowed down.
- Ukraine market volumes grew by 7% in 5M25, exceeding 5.5% growth in the first quarter.

### Beko in Eastern Europe

- Beko has managed to preserve the market leadership despite an underperformance and market share loss in the period.



# Solid growth in Africa & Middle East, ongoing challenges in APAC



## Africa & Middle East

- Revenues generated in Africa & Middle East grew by 18% y/y in the second quarter in EUR terms, thanks to strong growth in both the Middle East and Africa regions.
- In Africa region, Defy's sales volume has increased by almost 25% whereas growth in EUR terms is almost 13% in the second quarter. There has been a significant decline in the price across several major categories.
- South Africa market has led the growth whereas export volumes increased slightly. Exports to Customs Union overperformed the Sub-Saharan markets where demand was relatively poor compared to same period last year.
- Despite the geopolitical instability in the Middle East region, Arçelik-Hitachi's sales growth was around 11% in the second quarter in USD terms.
- In Egypt, after an era with market instability and currency fluctuations, market conditions have started to improve. Beko Egypt's sales growth exceeded 80% in MDA volume, whereas increase in USD terms was over 20% in the second quarter.

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## Asia-Pacific

- Due to ongoing challenges in home appliances landscape in APAC, sales revenue in the region slightly decreased by 2% in EUR terms in the second quarter. Influx from Chinese brands is heating up the competition.
- Despite the robust growth in Pakistan, Taiwan and Hong Kong, demand was weak in some key markets in the region such as Bangladesh, Thailand, Japan and China.
- In Pakistan, Dawlance's net sales growth was roughly 23% both in sales volume and EUR terms in the second quarter.
- In Bangladesh, Singer's net sales decreased almost 9% y/y in EUR terms due to depreciation in local currency where Singer outperformed the market, gaining market share. Sales volume in MDA and TV segments grew around 15% in Q2, whereas SDA and A/C volumes declined.

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# Raw material prices are lower y/y, and flattish q/q

## Average Metal Prices Index - Market



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

- Metal raw material prices continued to decrease y/y in 2Q25 mostly due to weaker global demand, ample capacities and China’s increasing exports. Slightly lower prices are expected in the next quarters.

## Average Plastic Prices Index - Market



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

- Plastic raw material prices significantly decreased y/y and q/q in the same period. Weak demand, slowdown in global growth and low-capacity utilization in production are expected to cause a further decline in Q3.
- Despite the expectation of a slight increase in the last quarter, prices are expected to remain substantially lower than the last year’s average.





# **Financial Performance**

## **2Q25 Financial Results**

# Summary Financials

TRY mn	2Q25	2Q24**	y/y (%)	1Q25*	q/q (%)
<b>Revenue</b>	<b>121,364</b>	<b>137,188</b>	<b>-12</b>	<b>115,672</b>	<b>5</b>
Gross Profit	34,472	37,972	-9	33,154	4
<b>Operating Profit</b>	<b>1,707</b>	<b>1,092</b>	<b>56</b>	<b>1,063</b>	<b>61</b>
Other Inc. / (Exp.)	(343)	20,787	-102	157	-319
Financial Income / (Exp.)	(7,072)	(6,524)	8	(6,833)	3
Net Monetary Position	3,433	3,438	0	4,603	-25
<b>Profit / (Loss) Before Tax</b>	<b>(2,275)</b>	<b>18,793</b>	<b>-112</b>	<b>(1,010)</b>	<b>125</b>
<b>Net Income / (Loss)***</b>	<b>(2,954)</b>	<b>19,800</b>	<b>-115</b>	<b>(2,069)</b>	<b>43</b>
EBITDA	7,075	6,307	12	6,067	17
<b>Adj. EBITDA****</b>	<b>7,145</b>	<b>6,773</b>	<b>6</b>	<b>6,132</b>	<b>17</b>

	(%)	(%)	y/y (bps)	(%)	q/q (bps)
Gross Profit Margin	28.4	27.7	73	28.7	(26)
Operating Profit Margin	1.4	0.8	61	0.9	49
Net Income Margin	-2.4	14.4	(1867)	-1.8	(65)
EBITDA Margin	5.8	4.6	123	5.2	58
Adj. EBITDA Margin	5.9	4.9	95	5.3	59

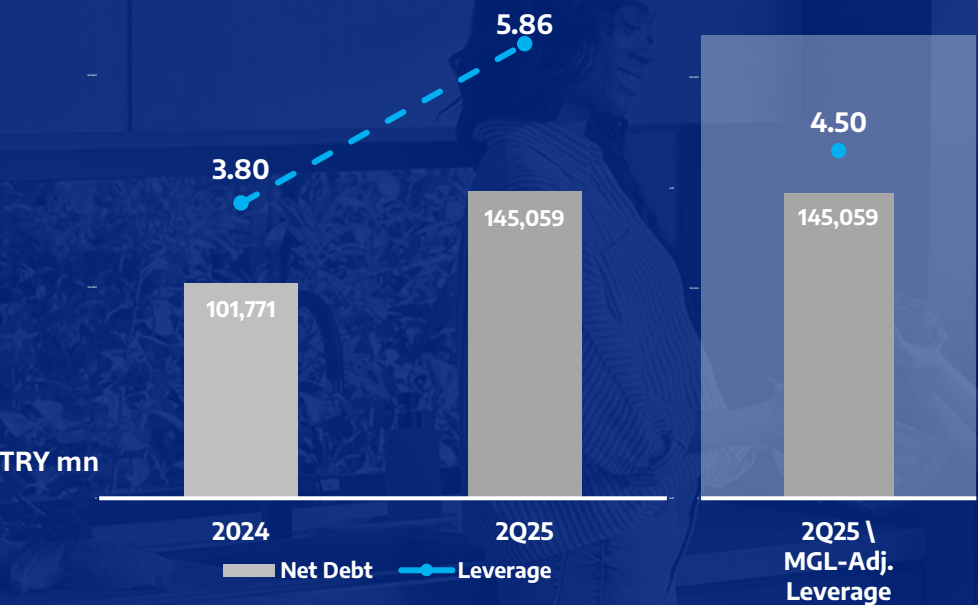
	1H25*	1H24**	y/y (%)
	<b>237,036</b>	<b>242,984</b>	<b>-2</b>
	67,626	69,370	-3
	<b>2,770</b>	<b>5,708</b>	<b>-51</b>
	(186)	20,697	-101
	(13,905)	(13,920)	0
	8,036	10,175	-21
	<b>(3,285)</b>	<b>22,661</b>	<b>-114</b>
	<b>(5,023)</b>	<b>22,581</b>	<b>-122</b>
	13,142	14,669	-10
	<b>13,277</b>	<b>15,252</b>	<b>-13</b>

	(%)	(%)	y/y (bps)
	28.5	28.5	(2)
	1.2	2.3	(118)
	-2.1	9.3	(1141)
	5.5	6.0	(49)
	5.6	6.3	(68)



# Higher leverage due to change in NWC and financing activities

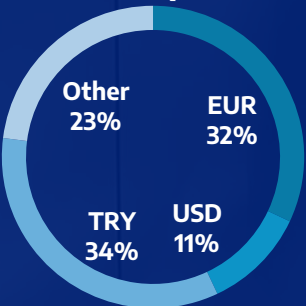
## Net Debt\* & Leverage\*\*



## Debt Currency & Rates Breakdown

Currency	Effective Interest Rate p.a.***	Original Currency (mn)	TRY Equivalent (mn)
EUR	5.2	1,828	80,910
TRY	40.0	38,121	38,121
USD	7.5	297	11,809
BDT	12.6	16,597	5,398
ZAR	9.5	1,500	3,358
PKR	13.5	23,390	3,259
RON	7.5	232	2,113
THB	5.7	1,596	1,947
RUB	22.7	2,711	1,365
CNY	4.5	218	1,201
AUD	3.3	32	840
NOK	6.1	198	781
GBP	7.4	10	565
CZK	8.8	203	381
SEK	3.5	78	328
MYR	6.6	32	305
IDR	9.5	95,479	234
MAD	6.0	37	162
PLN	7.0	5	58
Total Loans	-	-	153,129
USD	8.5	511	20,321
EUR	3.0	351	16,284
TRY	48.0	15,400	15,400
Total Bonds	-	-	52,005
TOTAL	-	-	205,134

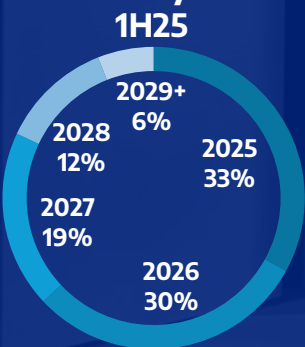
## Cash Currency Breakdown TRY 60.1bn (EUR 1.3bn)



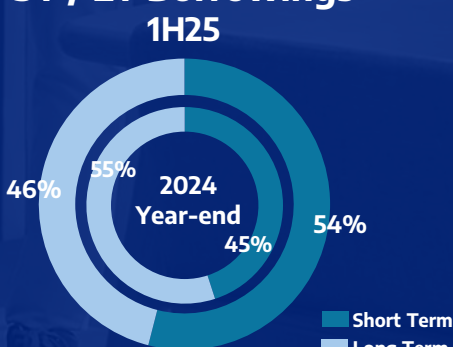
## Debt Currency Breakdown TRY 205.1bn (EUR 4.4bn)



## Debt Maturity Profile\*\*\*\*



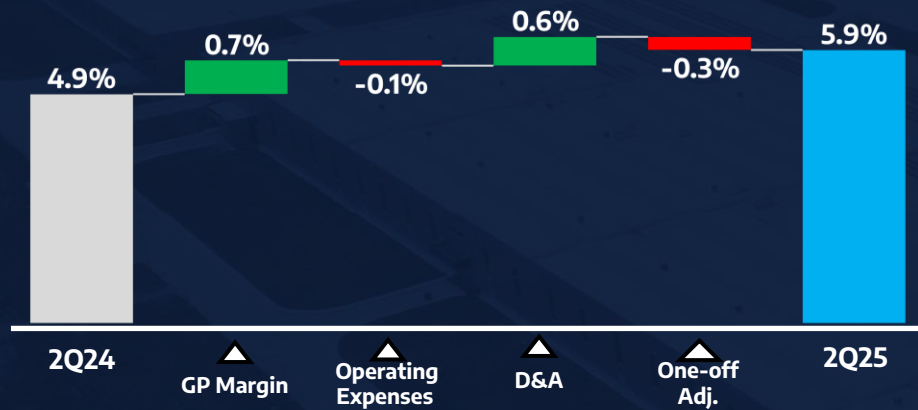
## ST / LT Borrowings



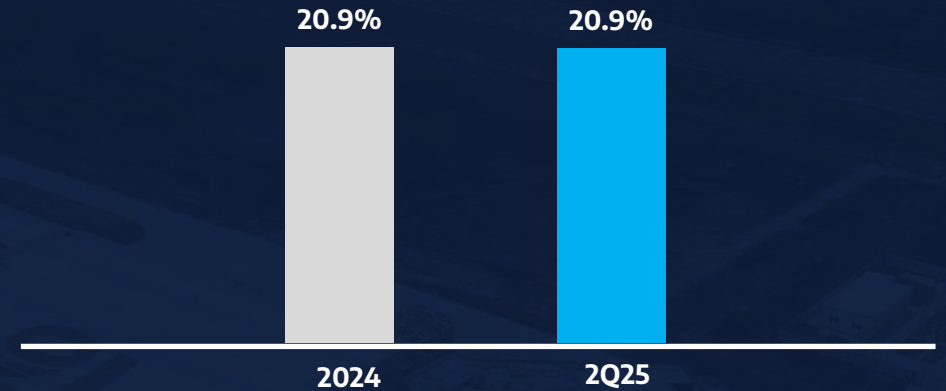
\* Net Debt: Financial Debt – Cash and Cash Equivalents.  
\*\* Adj. EBITDA and MGL-Adj. EBITDA used in calculation of Leverage.  
\*\*\* Average effective TRY, EUR, USD funding (loans + bonds) rates were 41.11%, 4.95% and 8.37%, respectively.  
\*\*\*\* The average duration of the consolidated debt portfolio was 1.4 years.

# Key Performance Indicators

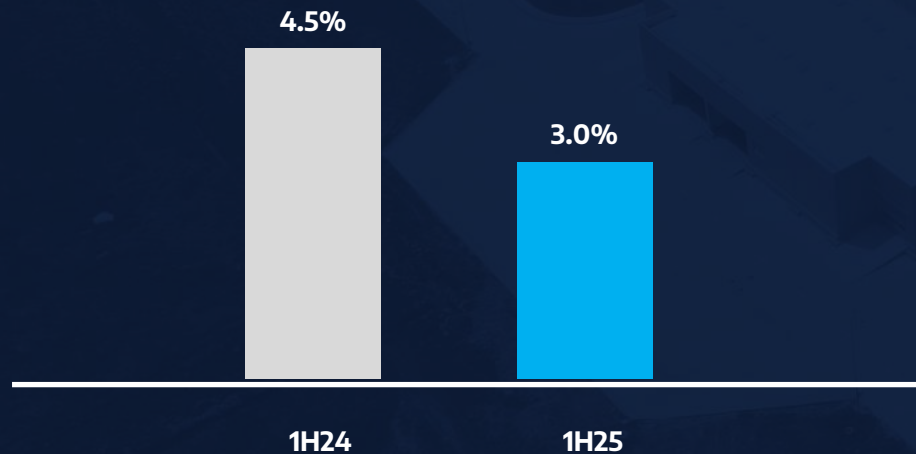
## Adj. EBITDA Margin\*



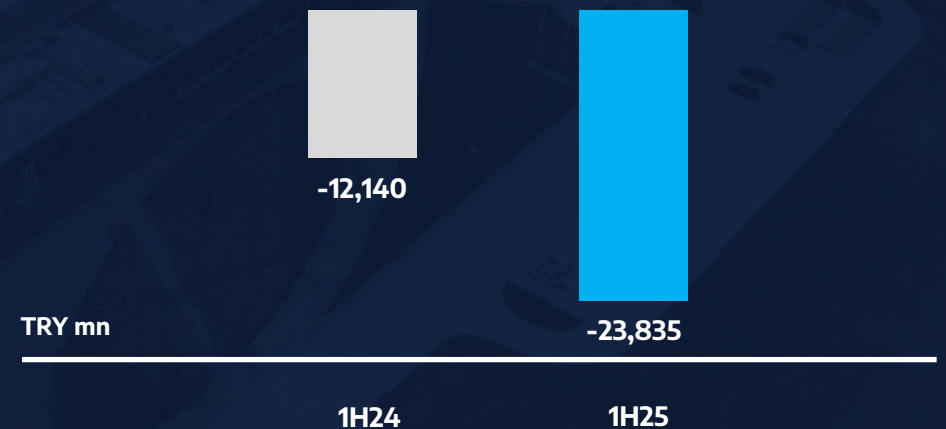
## Working Capital/Sales\*\*



## CAPEX/Sales\*\*\*



## Free Cash Flow







# Guidance

## 2Q25 Financial Results

# 2025 Guidance

We maintain our guidance for 2025.

	2025 Guidance
<u>Revenue</u>	
Türkiye (in TRY)	Flattish
International (in FX)	≈ +15%
<u>Adj. 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.

## Optimization in Office Positions:



As of 1H25,

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



Estimated EUR 140mn savings through optimization of office positions (≈2,000 roles) across our global operations within 3 years' time\*\*

## Footprint Optimization:



As of 1H25,

- ✓ The factory in the UK was closed. (YE24)
- ✓ Termination of production completed in 3 factories in Poland. (Apr/May 2025)



Production will be terminated in 1 factory in Italy at 2025 year-end. Reindustrialization and right-sizing will be continued in Italian operations throughout 2026.

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

\*\* Starting in July 2024

# Q&A

2Q25 Financial Results

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# Thank You!