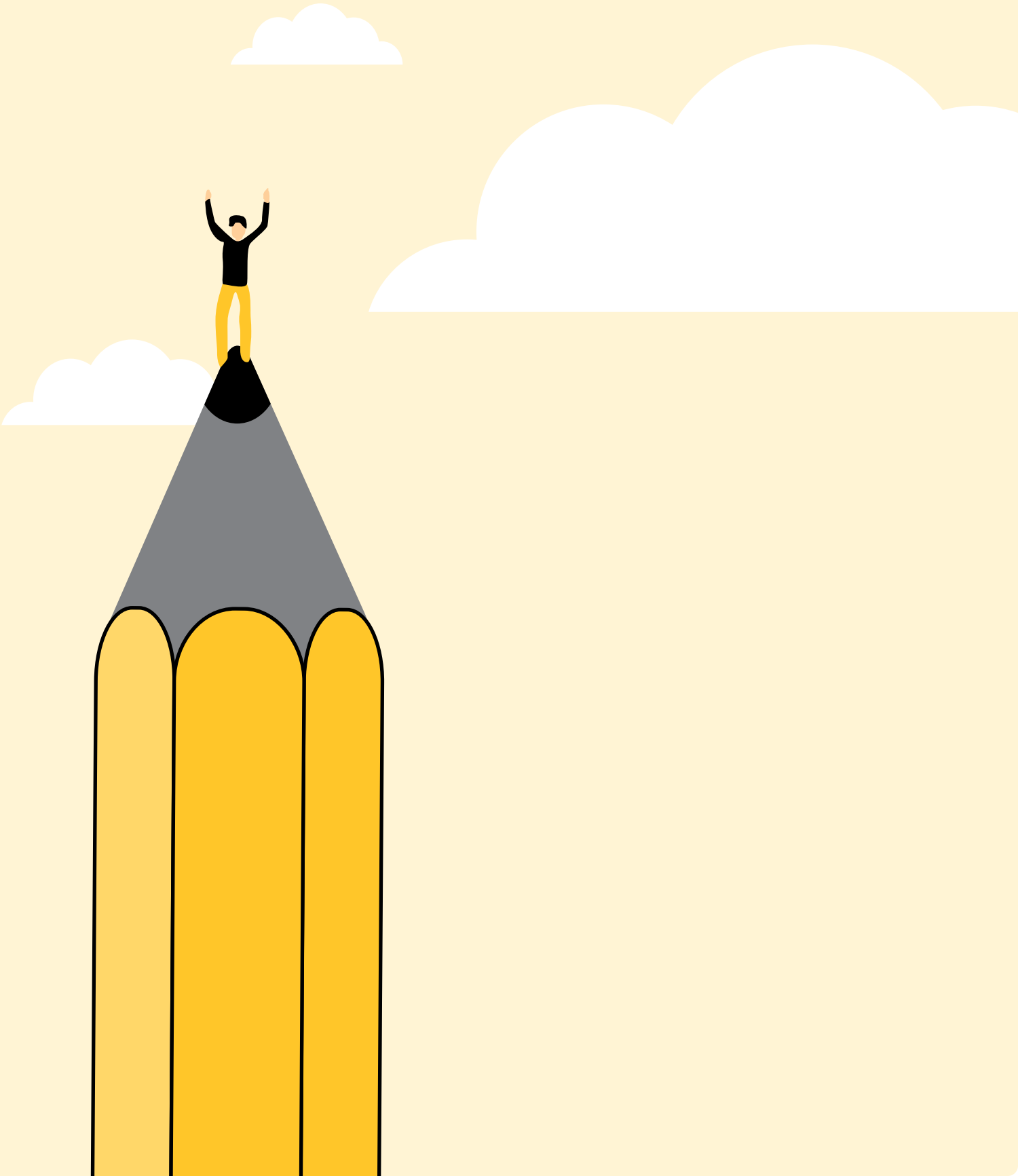




**JANUARY-MARCH 2024
EARNINGS RELEASE**



Financial Performance

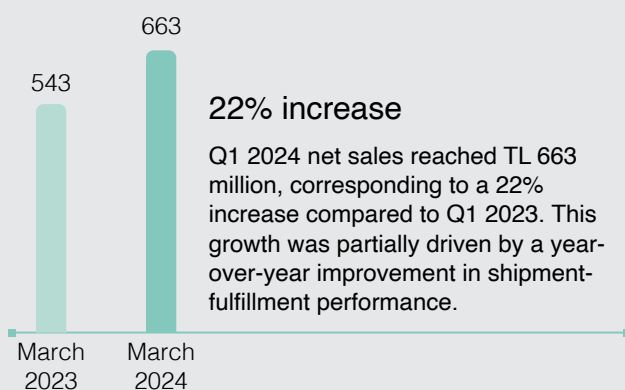
Disclaimer

As required by the Capital Markets Board, our Q1 2024 financials have been adjusted to account for the effects of inflation pursuant to TMS 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 TMS 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 2024.

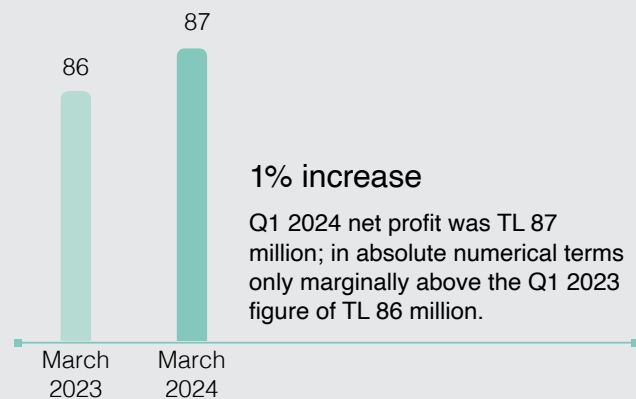
(TL million)	1Q23	1Q24	%
Net Sales	543	663	22%
Gross Profit	263	381	45%
EBITDA	113	185	64%
Net Profit/(Loss) before Tax	119	117	-2%
Net Profit/(Loss)	86	87	1%
Net Working Capital	586	647	11%
Net Financial Debt	419	137	-67%
Free Cash Flow	-149	-6	96%
Gross Profit Margin	49%	57%	
EBITDA Margin	21%	28%	
Net Profit Margin	16%	13%	

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

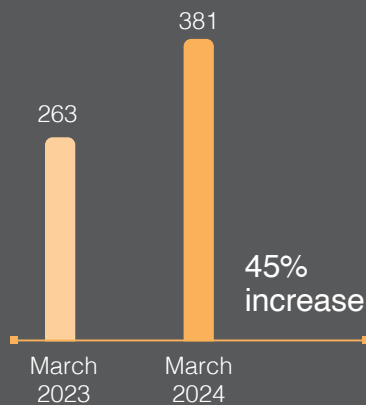
Net Sales (TL million)



Net Profit (million TL)



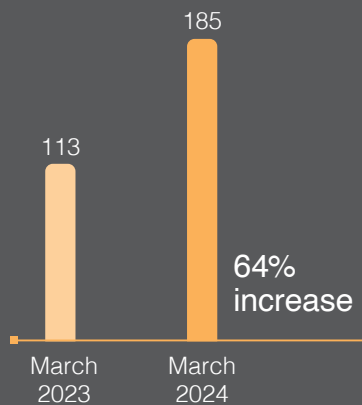
Gross Profit (TL million)



Gross Profit Margin, %



EBITDA (TL million)



EBITDA Margin, %

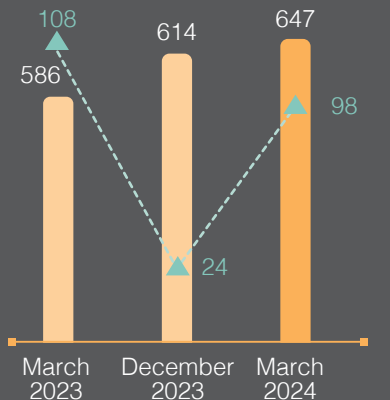


Q1 2024 gross profit was TL 381 million, 1.4-fold higher compared to that of Q1 2023; gross profit margin was 57%, 800 basis points above that of Q1 2023.

Similarly, EBITDA increased approximately 1.6-fold year-on-year (Q1 2024: TL 185 million) while at 28%, the Q1 2024 EBITDA margin was 700 basis points above that of Q1 2023.

Q1 2024 gross-profit and EBITDA growth was also driven by the same year-over-year improvement in shipment-fulfillment performance that boosted Q1 net sales.

Net Working Capital (TL million)

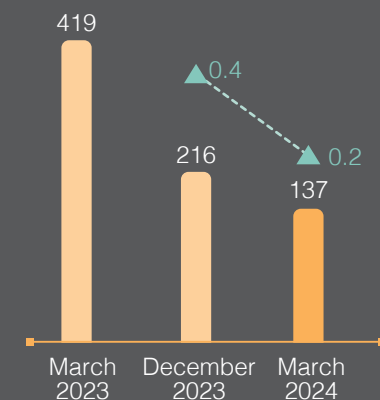


Net Working Capital (TL million)
 Net Working Capital/Net Sales (%)

As of 31 March 2024 our net working capital requirement was TL 647 million; 11% higher than what it was on 31 March 2023.

As of 31 March 2024, our NWC/Net Sales ratio was down somewhat to around 98%. (31 March 2023: 108%)

Net Financial Debt (TL million)



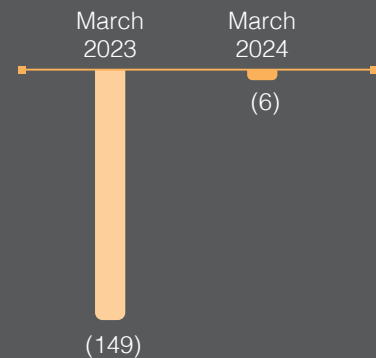
Net Financial Debt (TL million)
 Net Financial Debt/EBITDA*

The company's Q1 2024 net financial debt was down by 67% year-on-year and weighed in at TL 137 million as of end-March. When accrued interest is excluded from the analysis, the year-on-year decrease in net indebtedness was 87%; when the effects of IFRS 16 lease-accounting are excluded, it becomes 90%, or TL 35 million.

As a result of continued improvements in profit and profitability and thanks also to effective balance sheet management, our Q1 2024 net debt/EBITDA ratio was 0.2. (December 2023: 0.4) We owe much of this remarkable improvement in the ratio to the early collection of trade receivables made possible by promotional campaigns incentivizing payment by credit cards

* Net debt/EBITDA ratio calculated retroactively over the previous twelve months.

Free Cash Flow (TL million)



Our free cash flow at the end of March 2023 was TL -6 million, an improvement of TL 143 million compared to the previous year. This improvement is attributable to more effective balance sheet management.

Financial Performance

Risks

Financial risks: The risks to which the company is exposed on account of its core business activity and chosen financial instruments broadly include interest rate risk, currency risk, liquidity risk, and credit risk. The company acknowledges the inherent uncertainties and volatilities that give rise to these risks and therefore develops and adheres to policies and procedures designed to ringfence and reduce them.

Interest rate risk: Owing to the cyclical nature of its business, the company requires large amounts of working capital during the first nine months of the year and is therefore highly sensitive to movements in credit interest rates. Interest rate trajectories are influenced by the interplay of geopolitical risks and the evolving dynamics of the country's macroeconomic indicators. Financial statements reflect this. The company generally finances its net working capital requirement (NWC) from its own equity resources when possible but also by borrowing when necessary. To address its liquidity and interest rate risks,

the company closely monitors the maturity profile of its loans and takes proactive measures when needed. These measures include restructuring short-term debt into longer maturities, issuing bonds, discounting receivables to expedite their collection, and diversifying funding sources through alternative financial instruments.

The company's reputation for prudent financial management enables it to secure financing at rates that are consistently below prevailing market rates. Prudent financial management will remain the cornerstone of the company's borrowing policy as it moves forward. We will prioritize maintaining a robust balance sheet that can adequately support our ongoing operations and future growth.

Currency risk: The company's commercial operations expose it to currency risk because its FX-denominated liabilities exceed its FX-denominated assets. To reduce the impact of exchange rate movements on its costs, the company hedges its currency risk exposure through the use

of derivative contracts. The company's risk management policy mandates hedging at least 50% of FX exposure. As of 31 March 2024, the company held no unhedged FX risk.

Credit risk: Most of the orders for the company's goods are received during the first quarter of the year. These orders are generally manufactured, filled, and delivered by the fourth quarter. The company utilizes a variety of payment methods such as credit cards, direct debiting, the Vinov digital payment platform, and postdated checks to streamline collections and mitigate credit risks associated with order-fulfillment. First-quarter promotional campaigns that incentivize credit-card use significantly reduce both collection risks and NWC. Remaining dealership credit risk is covered by means of bank letters of guarantee.

Owing to its diligent trade-receivable monitoring, assessment, and management, the company is not exposed to significant credit risk.

Summary Balance Sheet

(TL million)	31 December 2023	31 March 2024
Cash and equivalents	914	725
Short-term financial investments	151	99
Trade receivables	136	207
Inventories	708	662
Other current assets	195	164
Current Assets	2.104	1.855
Financial investments	1	1
Other receivables	0,4	-
Tangible assets	641	637
Intangible assets	91	84
Other non-current assets	190	181
Non-Current Assets	924	903
Total Assets	3.028	2.758
Short term borrowings	897	831
Short term portion of long term borrowings	301	71
Trade payables	161	191
Other current liabilities	264	194
Current Liabilities	1.623	1.287
Long term borrowings	82	58
Long term provisions	44	33
Non-Current Liabilities	126	91
Equity	1.278	1.380
Total Liabilities & Equity	3.028	2.758

Financial Performance

Summary Income Statement

(milyon TL)	1 January- 31 March 2023	1 January- 31 March 2024
Revenues	543	663
Cost of sales (-)	(279)	(282)
Gross Profit	263	381
Operating expenses (-)	(192)	(207)
Other Operating Income /Expense (net)	(3)	(34)
Operating Income	68	141
Income /(expense) from investment operations	4	(5)
Financial income/(expense)	(73)	(63)
Monetary gains / (losses)	119	44
Income/(Loss) Before Tax from Continuing Operations	119	117
Tax income/(expense)	(33)	(29)
Net Income/(Loss)	86	87
EBITDA	113	185
Profitability Ratios	1 January- 31 March 2023	1 January- 31 March 2024
Gross Profit Margin	49%	57%
Operating Profit Margin	13%	21%
Net Profit Margin	16%	13%
EBITDA Margin	21%	28%
Market Capitalization as of March 31st (TL thousand)	2.409.750	15.356.250

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 Kalemciik'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 01.01.2024-31.03.2024 and have not been subject to independent audit.

(TL million)	1Q23	1Q24	%
Net Sales	302	655	117%
Gross Profit	173	449	160%
EBITDA	94	252	168%
Net Profit/(Loss) before Tax	56	164	194%
Net Profit/(Loss)	37	154	318%
Net Working Capital	258	441	71%
Net Financial Debt	249	137	-45%
Free Cash Flow	-4	10	a.d.
Gross Profit Margin	57%	68%	
EBITDA Margin	31%	38%	
Net Profit Margin	12%	23%	

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

Additional Information

SUMMARY FINANCIAL INDICATORS NON-COMPLIANT WITH TMS29



Information for Investors

Investor Relations Contact Information

Yasemen Güven Çayirezmez CFO	Pelin İslamoğlu Reporting and Investor Relations Manager	Fatih Çakıcı Accounting Manager
Investor Relations Unit Manager	Investor Relations Unit Officer	Investor Relations Unit Officer
E yasemen.cayirezmez@adel.com.tr	pelin.islamoglu@adel.com.tr	fatih.cakici@adel.com.tr
T 0 850 677 70 00	0 850 677 70 00	0 850 677 70 00
F 0 850 202 72 10	0 850 202 72 10	0 850 202 72 10

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