
# Vestel Elektronik
# 2Q26 Financial Results
# 17 August 2026

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# Disclaimer

*Pursuant to the Capital Markets Board's (CMB) decision dated 28.12.2023, No. 81/1820, issuers and capital market institutions, applying Turkish Accounting/Financial Reporting Standards and subject to financial reporting regulations of the CMB, are required to adopt inflation accounting in accordance with the provisions of IAS 29 (Financial Reporting in Hyperinflationary Economies) starting with their annual financial statements for the fiscal year ending on 31.12.2023.*

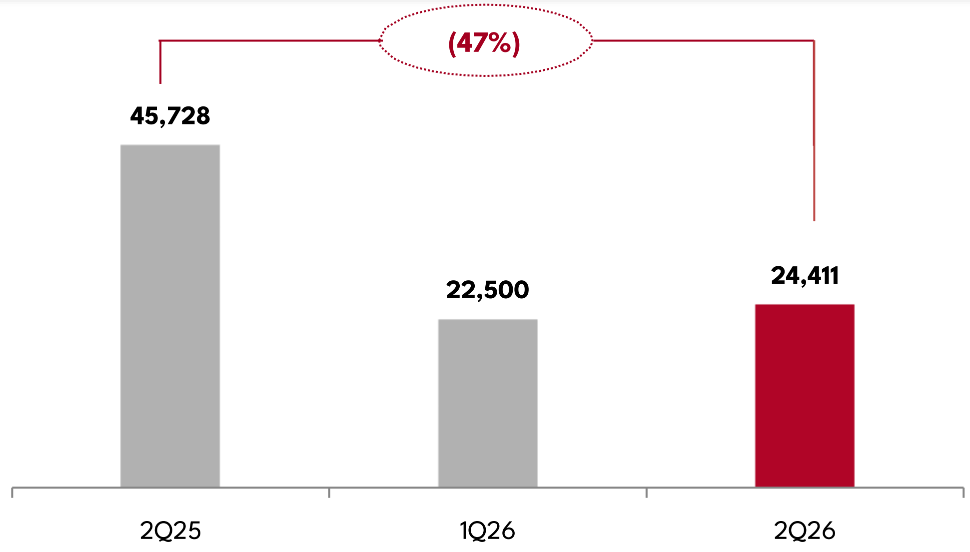
*Accordingly, Vestel Elektronik's financial statements given in this presentation have been prepared by applying inflation accounting in accordance with the provisions of IAS 29 and are expressed in terms of the purchasing power of the Turkish Lira as of June 30, 2026.*

# Highlights of 1H26

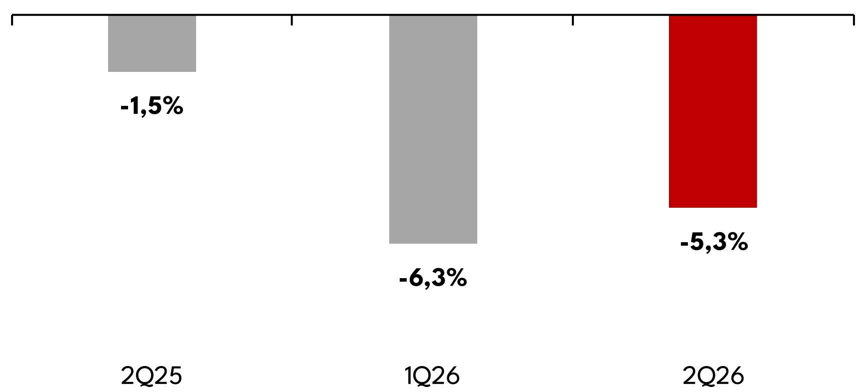
- **On an inflation-adjusted basis, revenues declined by 48% in 1H 2026 compared to 1H 2025.**
  - Domestic and export shipments decreased year-on-year, reflecting weaker market demand and intensified competition across key markets (MDA6)
  - Weak market demand in the TV segment resulted in lower unit sales; however, an improvement in gross profit margin was achieved through a profitability-focused strategy.
  - Increased competitive dynamics in white goods and TV exports resulted in lower shipment volumes
- **Operating margins remained under pressure due to rising costs and limited sales price increases**
  - With nominal currency depreciation remaining below persistently high domestic inflation, cost competitiveness weakened and pricing flexibility narrowed
  - Higher labor costs as a percentage of revenues due to annual wage increases
  - Profitability weakened raw material and logistics costs increased following shipping disruptions in the Red Sea, which also led to extended lead times
- **Working capital generated a USD 54 million cash inflow during 1H 2026**
- **Cash flow was further supported by the collection of other receivables from related parties**.
- **A slight positive contribution was recorded from the share of profit of equity-accounted investments.**

# Key Financials

## Net Sales (TL mn)




## EBITDA Margin




## Profit (TL mn)

| | 2Q26 | 2Q25 | YoY Δ% | 1Q26 | QoQ Δ% |
|---|---|---|---|---|---|
| **Operating Profit* / (Loss)** | -3,616 | -2,996 | 21% | -3,671 | -2% |
| **EBITDA*** | -1,290 | -708 | 82% | -1,410 | -9% |
| *EBITDA Margin* | *-5,3%* | *-1,5%* | | *-6,3%* | |
| **Net Profit / (Loss)** | -6,895 | -10,127 | -32% | -3,363 | 105% |

* Other operating income and expense are excluded from operating profit and EBITDA calculations

*(*) Q2 2026 results, including comparative financial statements, are presented in terms of the purchasing power as of 30 June 2026 in accordance with inflation accounting.*

# Key Financials

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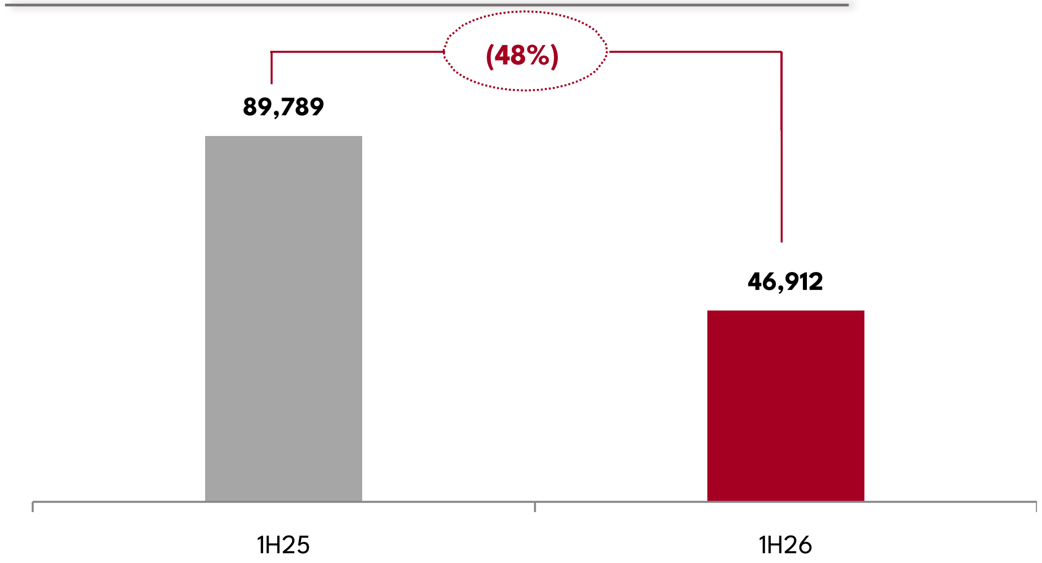
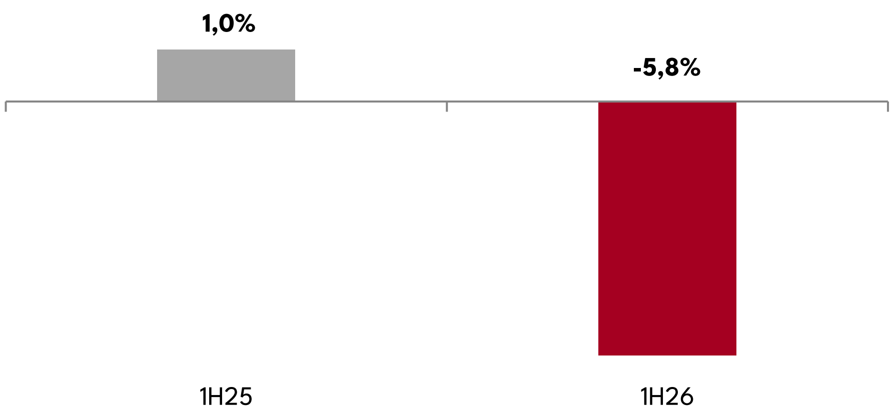



## EBITDA Margin




## Profit (TL mn)

| | 1H26 | 1H25 | YoY ∆% |
|---|---|---|---|
| **Operating Profit* / (Loss)** | -7,287 | -4,114 | 77% |
| **EBITDA*** | -2,700 | 925 | -392% |
| *EBITDA Margin* | *-5,8%* | *1,0%* | |
| **Net Profit / (Loss)** | -10,258 | -17,559 | -42% |

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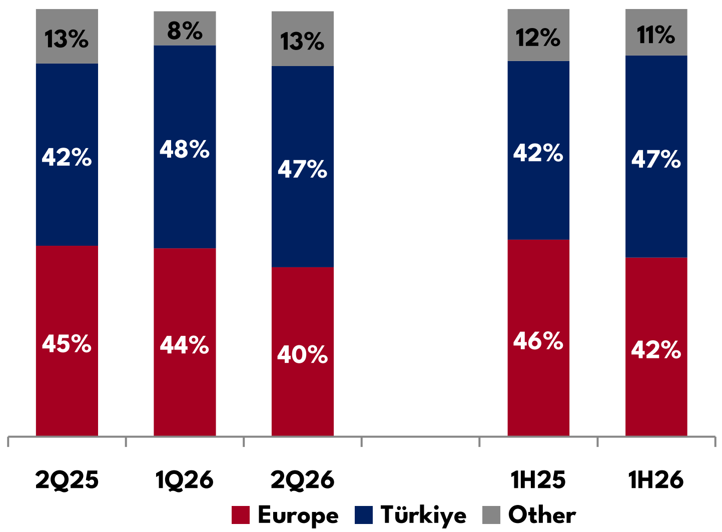
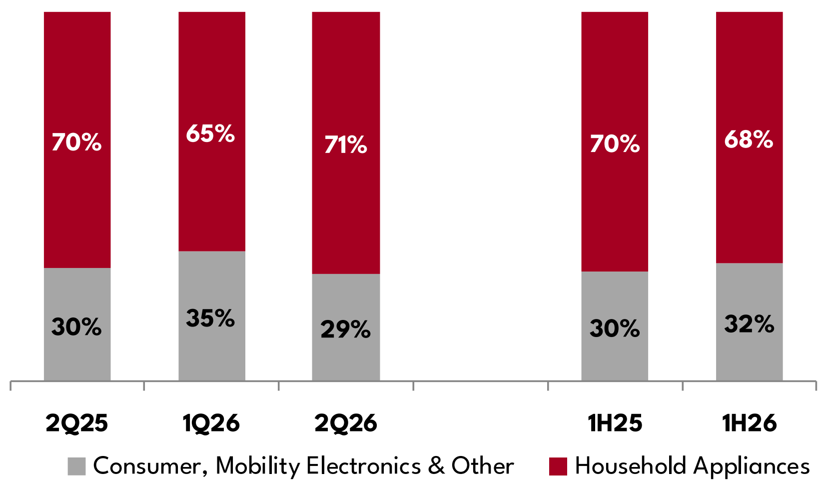
# Breakdown of Revenues

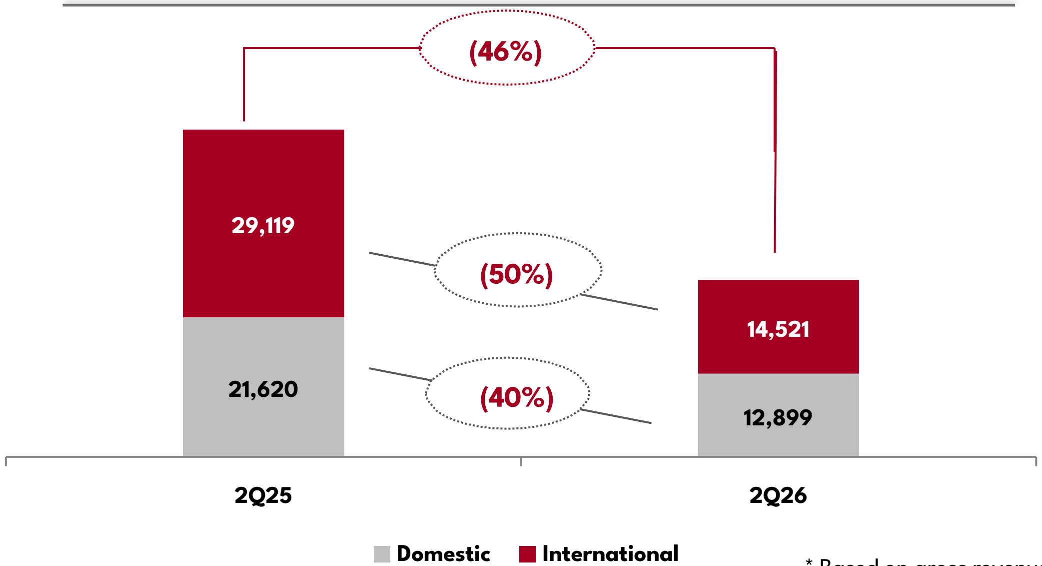
## Geographical Breakdown




## Business Segment

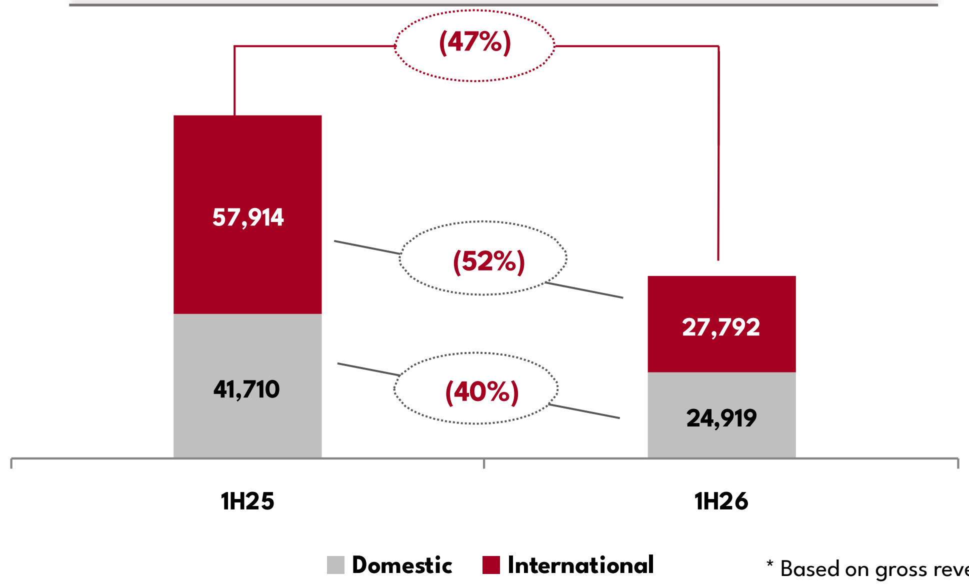



## Regional Growth (2Q)*




* Based on gross revenues

## Regional Growth (1H)*




* Based on gross revenues

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# Business Segments

| Segment | (TL mn) | 2Q26 | 2Q25 | YoY | 1Q26 | QoQ | 1H26 | 1H25 | YoY |
|---|---|---|---|---|---|---|---|---|---|
| Household Appliances | **Sales** | 17,301 | 31,788 | -46% | 14,591 | 19% | 31,892 | 63,211 | -50% |
| | **Gross Profit** | 1,712 | 6,439 | -73% | 1,619 | 6% | 3,331 | 12,933 | -74% |
| | ***Gross Margin*** | *9,9%* | *20,3%* | | *11,1%* | | *10,4%* | *20,5%* | |
| Consumer, Mobility Electronics & Other | **Sales** | 7,110 | 13,940 | -49% | 7,910 | -10% | 15,020 | 26,578 | -43% |
| | **Gross Profit** | 1,654 | 311 | 432% | 1,311 | 26% | 2,964 | 2,293 | 29% |
| | ***Gross Margin*** | *23,3%* | *2,2%* | | *16,6%* | | *19,7%* | *8,6%* | |

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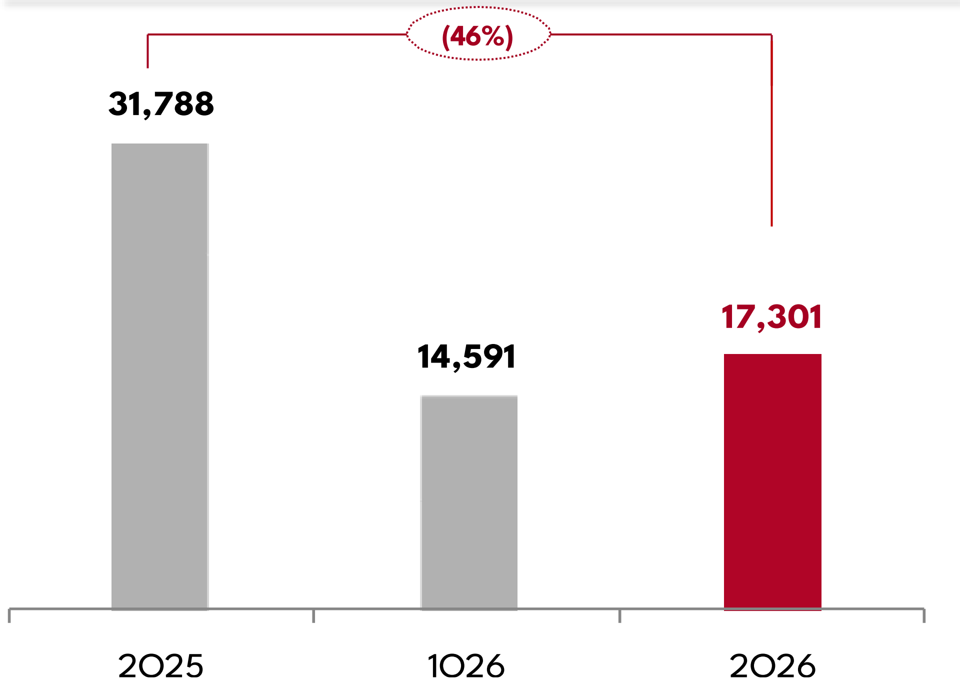
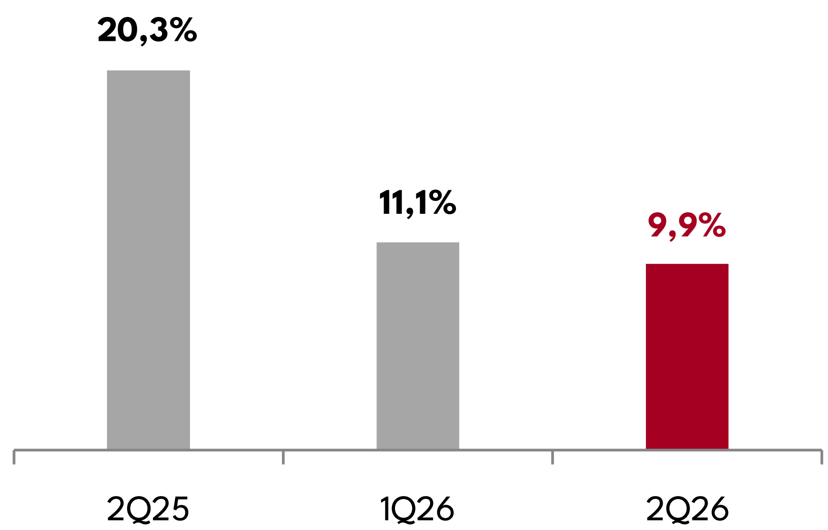
# Household Appliances Segment

**Net Sales (TL mn)**




**Gross Profit Margin**

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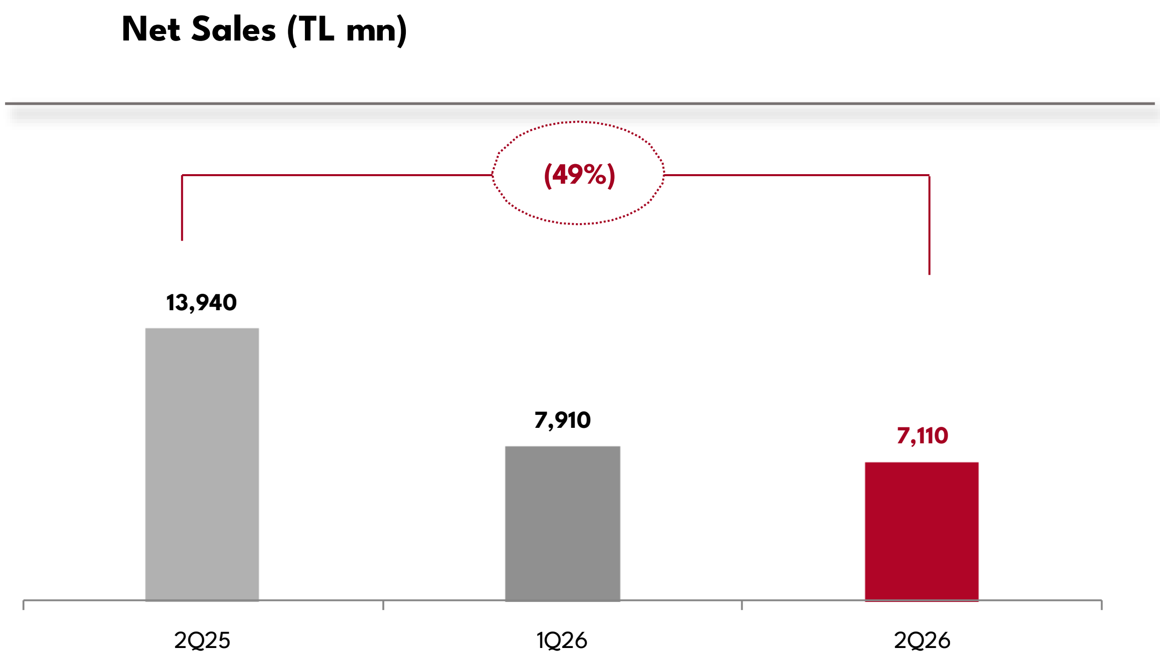
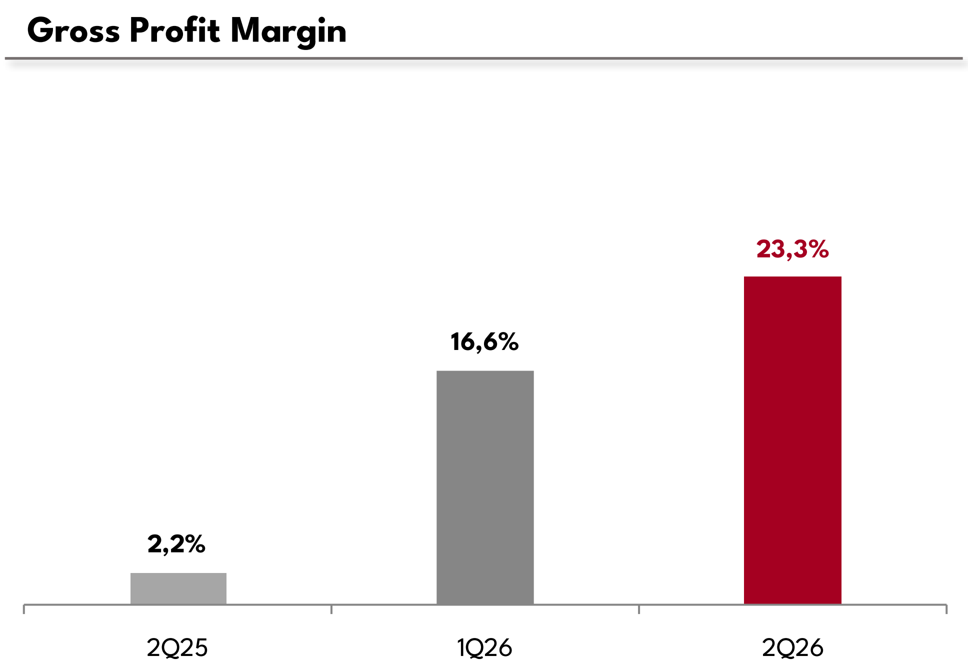
# Consumer, Mobility Electronics & Other Segment

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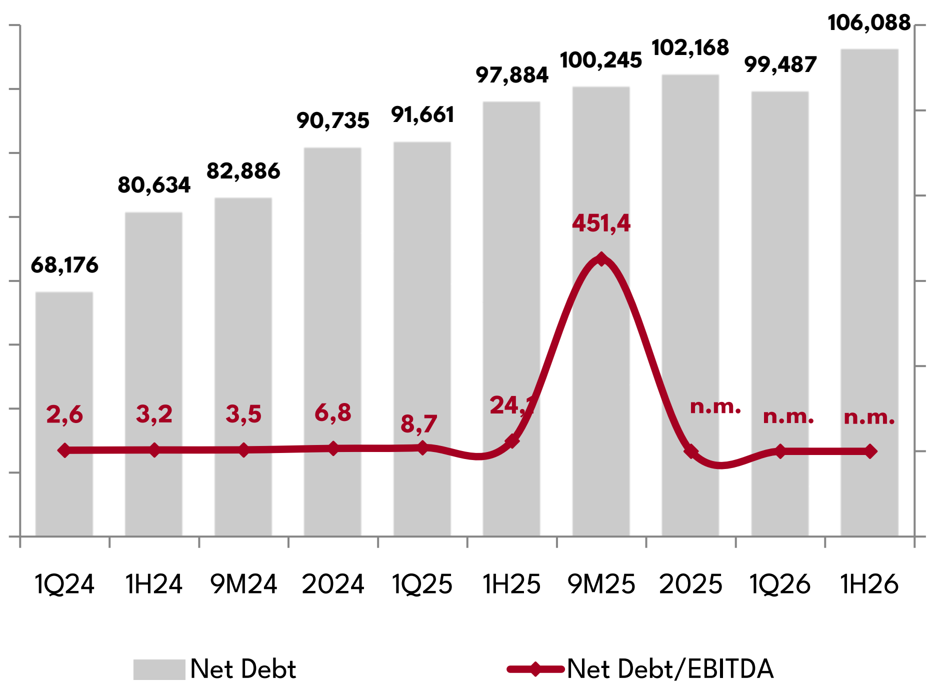
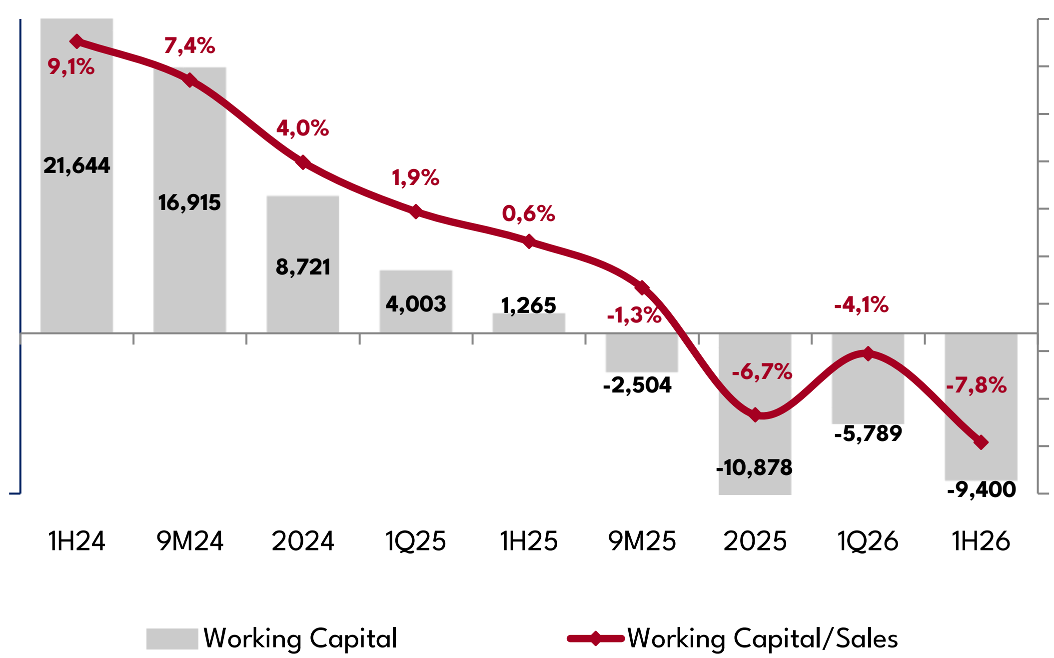
# Leverage & Net Working Capital

## Net Financial Debt*




## Net Working Capital




* Excluding other financial liabilities and blocked deposits

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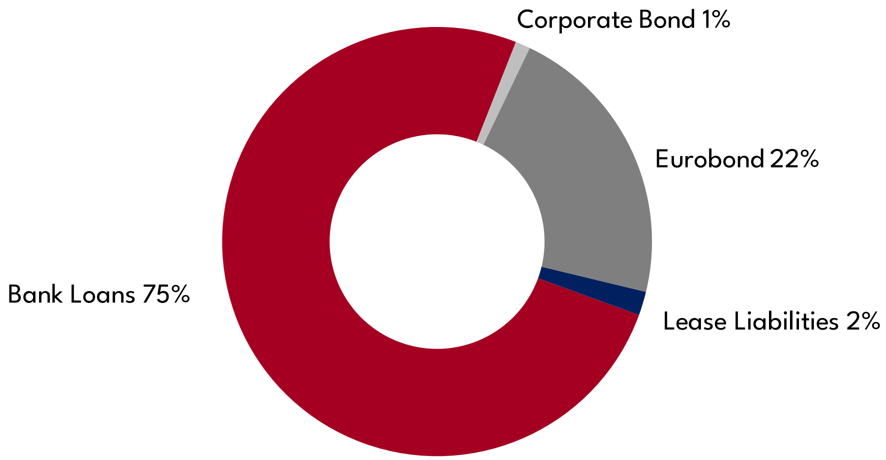
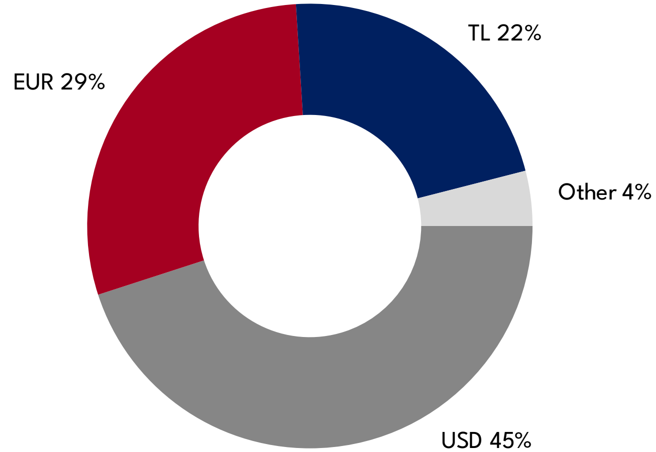
# Debt Structure

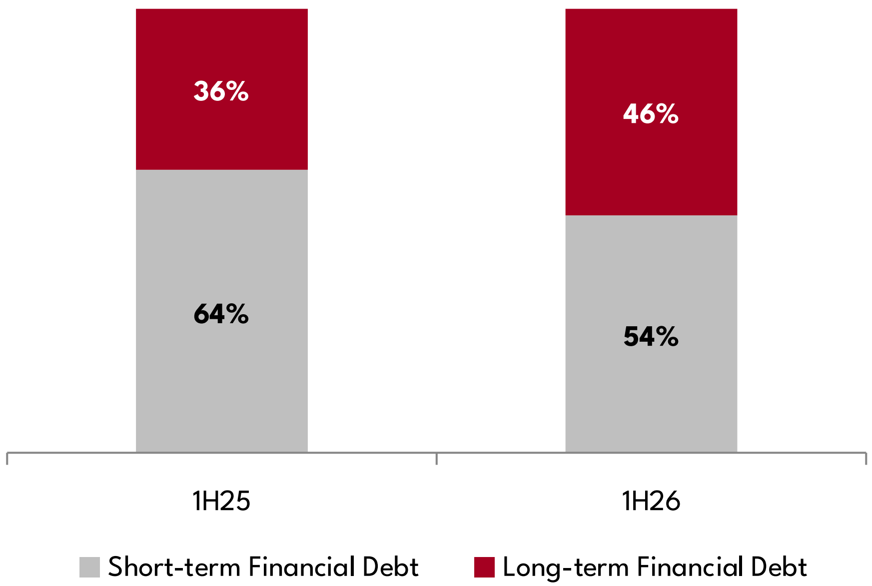
## Debt Structure




## Currency Breakdown of Financial Debt




## Financial Debt Composition (Short-Term / Long-Term)

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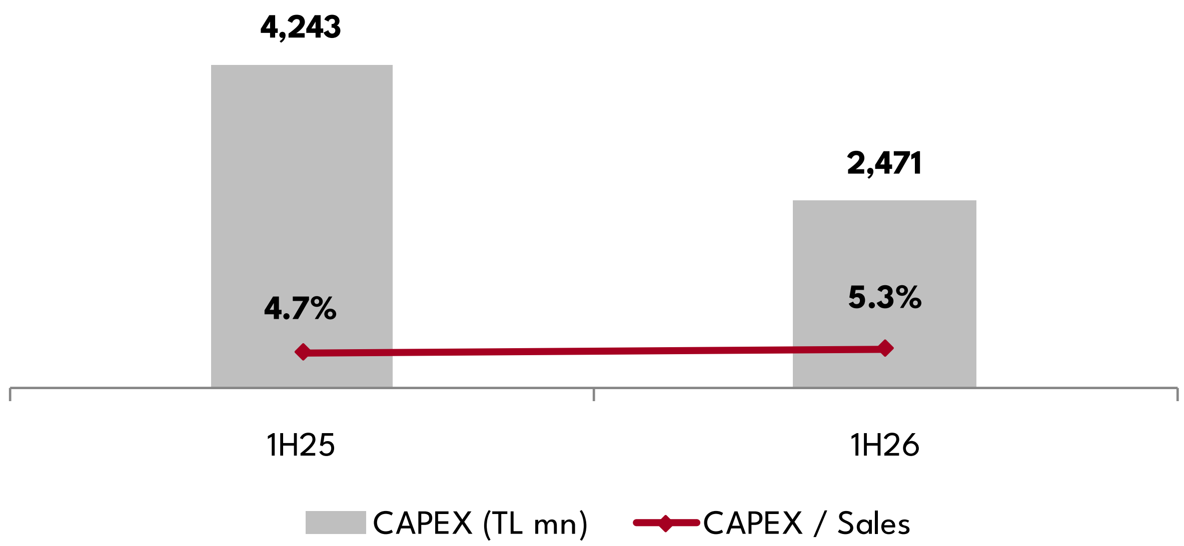
# CAPEX

## CAPEX

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# Summary Balance Sheet

| (TL mn) | 30.06.2026 | 31.12.2025 |
|---|---|---|
| **Current Assets** | **36,542** | **57,144** |
| Cash & Cash Equivalents | 2,250 | 2,420 |
| Trade Receivables | 7,847 | 17,247 |
| Inventories | 19,744 | 24,105 |
| Other | 6,701 | 13,372 |
| **Non-current Assets** | **167,124** | **174,187** |
| Other Receivables | 61,866 | 66,744 |
| Investments in Subsidiaries, Joint Ventures & Associates | 3,740 | 3,773 |
| Property, Plant & Equipment | 81,020 | 83,263 |
| Intangible Assets | 11,431 | 11,158 |
| Other | 9,067 | 9,249 |
| **TOTAL ASSETS** | **203,666** | **231,331** |
| | | |
| **Current Liabilities** | **109,812** | **124,630** |
| Short Term Financial Liabilities | 58,154 | 49,728 |
| Other Financial Liabilities | 402 | 4,118 |
| Trade Payables | 40,116 | 55,303 |
| Other | 11,140 | 15,480 |
| **Non-current Liabilities** | **62,600** | **65,259** |
| Long Term Financial Liabilities | 50,184 | 54,816 |
| Other Financial Liabilities | 305 | 337 |
| Other | 12,111 | 10,105 |
| **Shareholders' Equity** | **31,254** | **41,443** |
| **TOTAL LIABILITIES & SHAREHOLDERS' EQUITY** | **203,666** | **231,331** |

*(*) Q2 2026 results, including comparative financial statements, are presented in terms of the purchasing power as of 30 June 2026 in accordance with inflation accounting.*

# Summary Income Statement

| (TL mn) | 2Q26 | 2Q25 | YoY | 1Q26 | QoQ | 1H26 | 1H25 | YoY |
|---|---|---|---|---|---|---|---|---|
| **Net Sales** | **24,411** | **45,728** | **(47%)** | **22,500** | **8%** | **46,912** | **89,789** | **(48%)** |
| **Gross Profit** | **3,366** | **6,750** | **(50%)** | **2,929** | **15%** | **6,295** | **15,226** | **(59%)** |
| *Gross Profit Margin* | *13,8%* | *14,8%* | | *13,0%* | | *13,4%* | *17,0%* | |
| **Operating Profit*** | **(3,616)** | **(2,996)** | **21%** | **(3,671)** | **(2%)** | **(7,287)** | **(4,114)** | **77%** |
| *Operating Profit Margin* | *(14,8%)* | *(6,6%)* | | *(16,3%)* | | *(15,5%)* | *(4,6%)* | |
| **EBITDA*** | **(1,290)** | **(708)** | **82%** | **(1,410)** | **(9%)** | **(2,700)** | **925** | **n.m.** |
| *EBITDA Margin* | *(5,3%)* | *(1,5%)* | | *(6,3%)* | | *(5,8%)* | *1,0%* | |
| Share of profit/(loss) of equity-accounted investments | (323) | (1,512) | (79%) | 337 | n.m. | 14 | (2,896) | n.m. |
| Other Operating Income | 758 | 1,643 | (54%) | 972 | (22%) | 1,730 | 2,937 | (41%) |
| Other Operating Expense | (4,411) | (5,495) | (20%) | (2,888) | 53% | (7,298) | (11,116) | (34%) |
| Financial Income | 3,970 | 7,319 | (46%) | 4,364 | (9%) | 8,334 | 15,284 | (45%) |
| Financial Expense | (8,523) | (12,966) | (34%) | (8,756) | (3%) | (17,279) | (25,482) | (32%) |
| Monetary Gain | 5,217 | 4,623 | 13% | 7,345 | (29%) | 12,562 | 9,070 | 38% |
| Taxes | 33 | (742) | (105%) | (1,067) | n.m. | (1,034) | (1,243) | (17%) |
| **Net Profit /(Loss)** | **(6,895)** | **(10,127)** | **(32%)** | **(3,363)** | **105%** | **(10,258)** | **(17,559)** | (42%) |
| Net Profit Margin | *(28,2%)* | *(22,1%)* | | *(14,9%)* | | *(21,9%)* | *(19,6%)* | |

* Other operating income and expense are excluded from operating profit and EBITDA calculations

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# Summary Cash Flow Statement

| (TL mn) | 1H26 | 1H25 |
|---|---|---|
| **Cash Flows from Operating Activities** | **(10,365)** | **5,334** |
| Net income | (10,258) | (17,559) |
| **Adjustments to reconcile net income for the period** | **(2,390)** | **7,718** |
| Depreciation | 4,587 | 5,038 |
| Other | (6,978) | 2,679 |
| **Changes in Working Capital** | **2,493** | **15,970** |
| Decrease/(Increase) in trade receivables | 6,749 | 3,963 |
| Decrease/(Increase) in inventory | 4,649 | 2,253 |
| Increase/(Decrease) in trade payables | (9,278) | 7,194 |
| Other | 373 | 2,560 |
| **Other** | **(210)** | **(794)** |
| **Cash Flows from Investing Activities** | **5,440** | **(6,136)** |
| Capex for tangible & intangible assets | (2,471) | (4,243) |
| Cash advances and loans | 7,850 | (1,931) |
| Other | 61 | 39 |
| **Cash Flows from Financing Activities** | **5,163** | **(64)** |
| Proceeds from bank borrowings & issuances of debt instruments | 44,544 | 48,042 |
| Repayment of bank borrowings & debt instruments | (32,687) | (37,942) |
| Net interest payments | (6,158) | (9,590) |
| Other | (536) | (575) |
| **Inflation Effect on Cash & Cash Equivalents** | **(382)** | **(680)** |
| **Effect of Exchange Rates** | **18** | **80** |
| **Net Increase/(Decrease) in Cash & Cash Equivalents** | **(127)** | **(1,465)** |
| **Cash & Cash Equivalents at the End of the Period** | **2,249** | **2,728** |

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# FX Position & Hedging

| | 30.06.2026 | | 31.12.2025 | |
|---|---|---|---|---|
| | TL mn | US$ mn | TL mn | US$ mn |
| Total FX Assets | 70,288 | 1,509 | 86,856 | 1,865 |
| Total FX Liabilities | (117,440) | (2,522) | (123,617) | (2,654) |
| **Off-Balance Sheet Derivative Instruments** | **(333)** | **(7)** | **(65)** | **(1)** |
| **Net FX Position** | **(47,485)** | **(1,020)** | **(36,826)** | **(791)** |
| Inventory Adjustment | 17,213 | 370 | 20,382 | 438 |
| **Adjusted FX Position** | **(30,272)** | **(650)** | **(16,444)** | **(353)** |

**Balance Sheet Hedging:** The net FX position on the balance sheet is hedged with financial derivative instruments.

Inventories that are kept in TL until sold are treated as FX-denominated and included in the net FX position, as they will be converted into hard currencies upon sale.

Remaining net short and mid term FX position (after this adjustment) is also hedged through financial derivatives; while the FX position related to long-term financial liabilities is not included within the hedge coverage.

**Strategic Hedging:** Applied in the pricing of FX-denominated sales and purchases to protect against exchange rate fluctuations.

**Cash Flow Hedging:** Conducted for daily FX transactions.

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# Contact & Disclaimer


## Vestel Elektronik Investor Relations

https://vestelinternational.com/investor-relations

yatirimci@vestel.com.tr

Gülşah Beşikçioğlu

Deputy General Manager – Financial Affairs (Financial Reporting and Investor Relations)