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# Vestel Beyaz Eşya

## Weak results amid increased costs and reduced demand

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According to inflation accounting provisions (IAS-29), Vestel Beyaz has announced a net loss of TRY 1,014mn in 1Q25 (1Q24: TRY 852mn net profit). Due to elevated raw material costs and operating expenses, the company recorded an operating loss of TRY 110mn. Additionally, net other expenses of TRY 572mn, net financial expenses of TRY 1,222mn, and tax expenses of TRY 256mn further contributed to the loss. A monetary gain of TRY 1,146mn was recorded in 1Q25..

The company booked a net sales revenue of TRY 15,891mn including the IAS-29 effect, 18% down YoY. Demand weakened both in the domestic market and on the export front during the quarter. Limited pricing power in the domestic market compared to the previous year and competitive dynamics in export markets put pressure on revenue. The share of exports was at 70% this quarter (72% in 1Q24 and 74% in 4Q24).

Despite increases in raw material and labor costs, pressure on revenues led to a weakening in operational profitability. The gross profit margin came in at 7.9% (1Q24: 15.3%). Including the IAS 29 effect, EBITDA declined by 72% yearly from TRY 2,534mn in 1Q24 to TRY 701mn. The EBITDA margin stood at 4.4% (1Q24: 13.1%).

**Net debt position increased.** The company's net debt rose from TRY 11,717mn at the end of 2024 to TRY 15,010mn by the end of 03/ 2025. Due to weakening EBITDA generation and rising debt, the Net Debt/EBITDA ratio increased from 2.02x to 3.80x.

We believe that domestic demand for white goods will continue to contract amid high interest rates and weak purchasing power. The recovery observed in Europe –Vestel Beyaz Eşya's main export market–during 2A25 may continue due to a low base effect. However, the competitive environment could pose downside risks for the company's sales performance.

- In line with the financial statements, we maintain our 12-month target price for VESBE of 22.09/share and maintain our "OUTPERFORM" recommendation given the 88% return potential.

**OUTPERFORM**  
TP: TRY 22.09  
Previous TP: TRY 22.09  
Upside: 88%

	TRY	US\$	
Close	11,76	0,31	
BIST 100	9.168	239	
US\$/TRY (CB Bid Rate):	38,44		
52 Week High:	23,36	0,73	
52 Week Low:	11,62	0,30	
Bloomberg/Reuters Ticker:	VESBE.TI / VESBE.IS		
Number of Shares (Mn):	1.600,0		
	(TRY Mn)	(US\$ Mn)	
Current Mcap:	18.816	490	
Free Float Mcap:	3.575	93	
	1 M	YOY	YTD
TRY Return (%):	-7,4	-46,2	-30,6
US\$ Return (%):	-8,9	-54,7	-36,3
BIST 100 Relative (%):	-3,8	-40,1	-25,6
Avg. Daily Vol. (TRY Mn):	94,40		
Avg. Daily Vol. (US\$ Mn):	2,78		
Beta	0,80		
Volatility (Stock)	0,33		
Volatility (BIST 100)	0,25		
Shareholder Structure	%		
Vestel Elektronik	77,33		
Free Float	22,67		
Total	100		

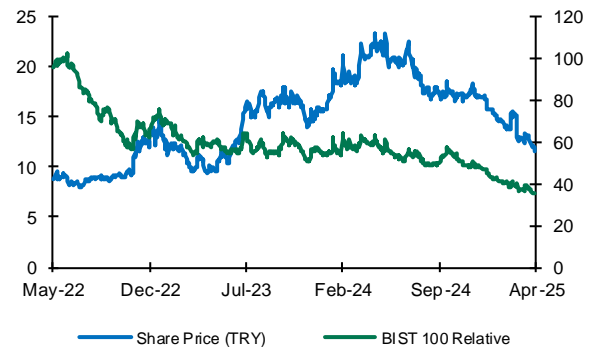


Figure 1: Financials (Including IAS-29)

TRY Million	1Q24	1Q25	YoY	4Q24	1Q25	QoQ
<b>Revenues</b>	<b>19.298</b>	<b>15.891</b>	<b>-17,7%</b>	<b>19.690</b>	<b>15.891</b>	<b>-19,3%</b>
<b>Gross Profit</b>	<b>2.952</b>	<b>1.248</b>	<b>-57,7%</b>	<b>1.666</b>	<b>1.248</b>	<b>-25,1%</b>
<i>Gross Profit Margin</i>	<i>15,3%</i>	<i>7,9%</i>		<i>8,5%</i>	<i>7,9%</i>	
<b>EBIT</b>	<b>1.583</b>	<b>-110</b>	<b>-107,0%</b>	<b>194</b>	<b>-110</b>	<b>-156,6%</b>
<i>EBIT Margin</i>	<i>8,2%</i>	<i>-0,7%</i>		<i>1,0%</i>	<i>-0,7%</i>	
<b>EBITDA</b>	<b>2.534</b>	<b>701</b>	<b>-72,4%</b>	<b>1.132</b>	<b>701</b>	<b>-38,1%</b>
<i>EBITDA Margin</i>	<i>13,1%</i>	<i>4,4%</i>		<i>5,7%</i>	<i>4,4%</i>	
<b>Net Profit</b>	<b>852</b>	<b>-1.014</b>	<b>-219,1%</b>	<b>1.497</b>	<b>-1.014</b>	<b>-167,8%</b>
<i>Net Profit Margin</i>	<i>4,4%</i>	<i>-6,4%</i>		<i>7,6%</i>	<i>-6,4%</i>	

Source: Finnet, Seker Invest Research

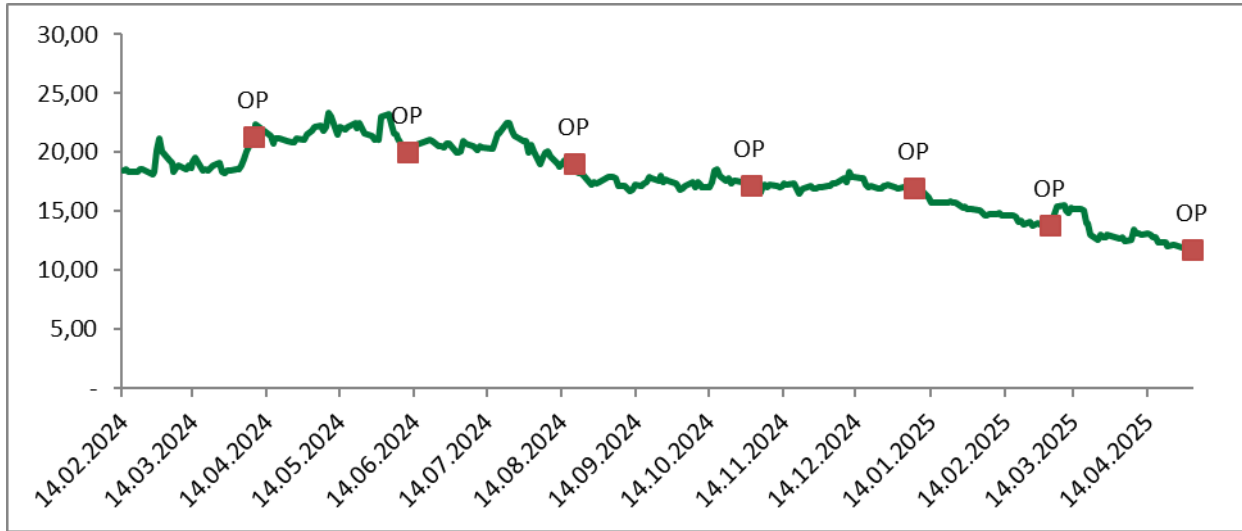
Figure 2: Key Financials

BALANCE SHEET (TRY Mn)	2024/12	2025/03	%	
PP&E	39.798	39.938	0,4%	
Intangibles	2.659	2.790	4,9%	
Other Non-Current Assets	1.743	1.920	10,1%	
Trade Receivables	16.014	12.656	-21,0%	
Cash&Equivalents	1.202	587	-51,1%	
Other Current Assets	17.358	20.618	18,8%	
<b>Total Assets</b>	<b>78.774</b>	<b>78.510</b>	-0,3%	
Long Term Debt	1.349	1.442	6,9%	
Other Non current liabilities	4.844	4.962	2,4%	
Short Term Debt	10.844	12.535	15,6%	
Trade Payables	23.061	20.788	-9,9%	
Other Current Liabilities	1.426	2.772	94,4%	
Total Liabilities	41.523	42.499	2,3%	
Total Equity	37.250	36.010	-3,3%	
<b>Total Equity&amp;Liabilities</b>	<b>78.774</b>	<b>78.510</b>	-0,3%	
INCOME STATEMENT (TRY Mn)	2024/12	2024/03	2025/03	%
Net Sales	82.907	19.298	15.891	(18)
COGS	74.204	16.346	14.643	(10)
Gross Profit/(Loss)	8.704	2.952	1.248	(58)
Operating Expenses	5.694	1.369	1.358	(1)
Operating Profit/(Loss)	3.010	1.583	(110)	N.M.
Net Other Operational Gain/(Loss)	(1.443)	(934)	(572)	N.M.
Income/(Loss) from Investing Activities	-	-	-	N.M.
Financial Income/(Expense)	(5.610)	(1.174)	(1.222)	N.M.
Monetary Gain / (Loss)	3.806	1.326	1.146	(14)
Share of profit of equity accounted investments	-	-	-	N.M.
<b>Profit Before Tax (Loss)</b>	<b>146</b>	<b>801</b>	<b>(758)</b>	<b>N.M.</b>
Tax	(147)	(51)	256	N.M.
<b>Net Profit/(Loss)</b>	<b>293</b>	<b>852</b>	<b>(1.014)</b>	<b>N.M.</b>
Minority Interest	-	-	-	N.M.
Parent Equity	293	852	(1.014)	N.M.

VESBE

Source: Seker Invest

### Historical Recommendations and Target Prices



VESBE

### Basis for 12m Equity Ratings

**Outperform:** The total return is expected to exceed the return of the BIST 100 by more than 10%.

**Underperform:** The total return is expected to fall below the return of the BIST 100 by more than 10%.

**Market Perform:** The total return is expected to be in line with the return of the BIST 100.

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