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Sisecam

Results exceed expectations

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Şişecam reported a net profit of TRY 2,652mn in 2Q25 (2Q24: TRY 3,123mn net profit), significantly above the market median expectation of TRY 413mn and our expectation of TRY 1,300mn. In addition to strengthened operational profitability thanks to cost management and efficiency-enhancing measures, net profit was supported by a TRY 1,620mn increase in other income from foreign exchange gains, increased income from investment activities driven by gains from investment property valuations, and a higher monetary position gain. However, increases in net financial expenses and period tax expenses weighed on net profit.

The company's net sales revenues in 2Q25 decreased by 6.8% year-over-year to TRY 52,580mn (2Q24: TRY 56,447mn). Şişecam's net sales revenue exceeded the market median expectations of TRY 50,056mn and our expectations of TRY 47,500mn. The Architectural Glass segment experienced a 5% volume contraction, decreasing by 4% year-on-year to TRY 11,881 million. The Glass Packaging segment saw a 14% year-on-year increase to TRY 12,514 million, with 9% volume growth. Conversely, the Energy segment saw a decline due to both a volume contraction and weak pricing. In 2Q25, Şişecam's consolidated soda ash production remained flat year-on-year due to planned maintenance work carried out at various facilities during the quarter and the comparative period. While demand decreased in Asian markets and Africa, stable demand levels were maintained in the rest of the world. In 2Q25, Şişecam's consolidated soda ash sales volume decreased by 6% year-on-year. Domestic sales volume increased by 6% year-over-year, driven primarily by an expanding customer base through new customer acquisitions aimed at capitalizing on demand trends. In contrast, international sales decreased by 7% due to lower demand in Europe and a strategic choice to avoid aggressive pricing in the Middle East and Africa region amid intense competition. Soda ash prices remained virtually flat year-over-year but increased by 2% in US dollar terms compared to the previous quarter.

EBITDA, including the impact of TAS-29, increased by 79.2% year-on-year to TRY 5,283 million in 2Q25 - a strong EBITDA figure (TRY 2,948 million) thanks to cost management and efficiency-enhancing measures. The announced EBITDA figure was well above our TRY 2,600 million expectation and the market median expectation of TRY 3,184 million. Şişecam's gross profit margin increased to 29.4% in 2Q25, while its EBITDA margin rose to 10%. The net profit margin declined to 5% (23.2%, 5.2%, and 5.5%, respectively, in 2Q24).

Net debt increased... The company's net debt rose from TRY 106,230 million at the end of 2025/03 to TRY 112,548 million. The net debt/EBITDA ratio is 8.35x. However, we anticipate that this ratio may decline in the coming periods if interest rates fall and EBITDA continues to rise.

Thanks to the company's strengthened operational performance this quarter, owing to cost management and efficiency-enhancing measures, we can say the worst is behind us. However, we foresee the above-expected profit and EBITDA figures positively impacting on share pricing in the short term. As a result, following the 2Q25 financials, we revise our 12-month target price from TRY 50.00 per share to TRY 55.00. Our target price carries a 37.6% upside potential, and we maintain our OUTPERFORM rating.

OUTPERFORM
TP: TRY 55.00

Previous: TRY 50.00

Upside: 37.6%

	TRY	US\$
Close	39,98	0,98
BIST 100	10.871	267
US\$/TRY (CB Bid Rate):	40,7313	
52 Week High:	43,44	1,27
52 Week Low:	32,08	0,81
Bloomberg/Reuters Ticker:	SISE.TI / SISE.IS	

Number of Shares (Mn):	3.063	
	(TRY Mn)	(US\$ Mn)
Current Mcap :	122.467	3.008
Free Float Mcap:	60.009	1.474

	1 M	YOY	YTD
TRY Return (%):	12	-6	-2
US\$ Return (%):	10	-23	-15
BIST 100 Relative (%):	5	-14	-11
Avg. Daily Vol. (TRY Mn):	1285		
Avg. Daily Vol. (US\$ Mn):	35,3		
Beta	1,00		
Volatility (Stock)	0,33		
Volatility (BIST 100)	0,26		

Shareholder Structure	%
Türkiye İş Bankası	52,1
Other	38,6
Efes Holding	7,0
Share buyback	2,3
Total	100,0

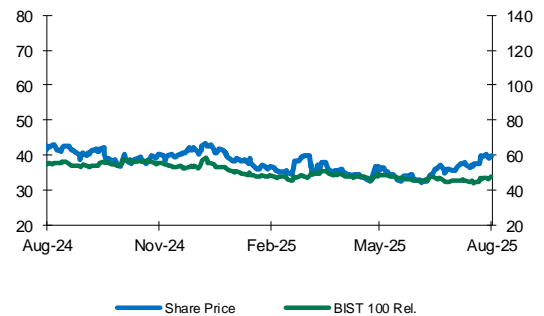


Figure 1: Financials

TRY Million	1H24	1H25	YoY	2Q24	2Q25	YoY
Revenues	115.862	100.776	-13,0%	56.447	52.580	-6,8%
Gross Profit	26.528	26.891	1,4%	13.117	15.479	18,0%
<i>Gross Profit Margin</i>	22,9%	26,7%		23,2%	29,4%	
EBIT	-2.490	292	N.M.	-1.774	2.031	N.M.
<i>EBIT Margin</i>	-2,1%	0,3%		-3,1%	3,9%	
EBITDA	7.284	8.135	11,7%	2.948	5.283	79,2%
<i>EBITDA Margin</i>	6,3%	8,1%		5,2%	10,0%	
Net Profit	6.508	3.981	-38,8%	3.123	2.652	-15,1%
<i>Net Profit Margin</i>	5,6%	4,0%		5,5%	5,0%	

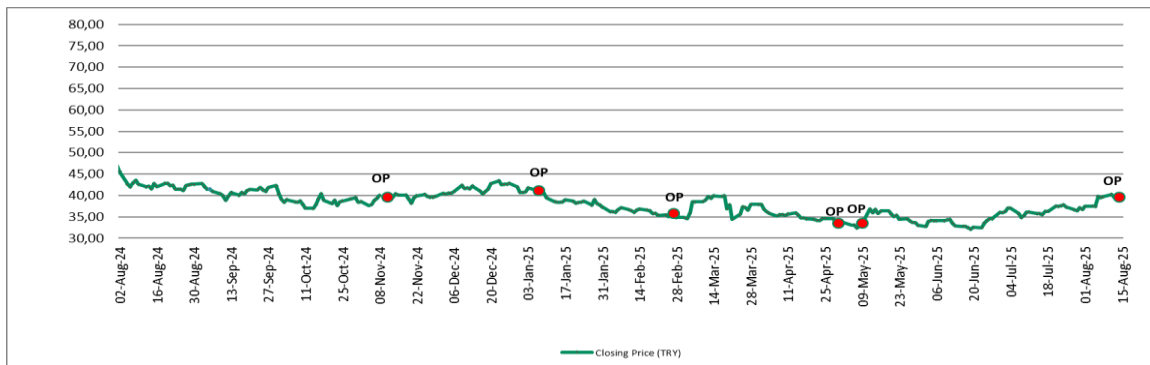
Source: Finnet, Şeker Invest

Figure 2: Key Financials

BALANCE SHEET (TRY Mn)	2024/12	2025/06	%Chg
PP&E	203.163	213.968	5,3%
Intangibles	56.944	57.863	1,6%
Other Non-Current Assets	48.868	50.450	3,2%
Trade Receivables	30.448	34.554	13,5%
Cash&Equivalents	62.606	38.735	-38,1%
Other Current Assets	63.532	59.258	-6,7%
Total Assets	465.561	454.828	-2,3%
Long Term Debt	113.445	81.095	-28,5%
Other Non current liabilities	16.466	20.816	26,4%
Short Term Debt	14.510	44.775	208,6%
Trade Payables	28.339	23.777	-16,1%
Other current liabilities	49.990	41.871	-16,2%
Total Liabilities	222.751	212.334	-4,7%
Total Equity	242.811	242.494	-0,1%
Total Equity&Liabilities	465.561	454.828	-2,3%
INCOME STATEMENT (TRY Mn)	2024/06	2025/06	%Chg
Revenues	115.862	100.776	-13,0%
COGS	89.334	73.884	-17,3%
Gross Profit (Loss)	26.528	26.891	1,4%
Operating Expenses	29.018	26.599	-8,3%
Operating Profit/(Loss)	(2.490)	292	N.M.
Net Other Ope. Rev./(Exp.)	665	2.713	308,0%
Income/(Loss) from Investing Activities	1.045	1.575	50,8%
Financial Expenses	(4.918)	(11.139)	N.M.
Gains (losses) on net monetary positions	10.311	11.613	12,6%
Profit Before Tax (Loss)	5.646	5.471	-3,1%
Tax	999	(1.392)	N.M.
Net Profit (Loss)	6.645	4.079	-38,6%
Minority Interest	137	98	-28,9%
Majority Interest	6.508	3.981	-38,8%

Source: Finnet, Şeker Invest

Historical Recommendations and target prices



Date	Recommendation	Target Price (TRY)
3-Jun-24	Outperform (OP)	78,70
5-Sep-24	Outperform (OP)	68,30
11-Nov-24	Outperform (OP)	68,30
7-Jan-25	Outperform (OP)	60,70
28-Feb-25	Outperform (OP)	54,00
2-May-25	Outperform (OP)	50,00
12-May-25	Outperform (OP)	50,00
18-Aug-25	Outperform (OP)	55,00

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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