

Brisa

2024 FY Financial Results

Earnings Release

February 26, 2025

New products, strong steps in mobility transformation and global leadership

Brisa, a subsidiary of Sabancı Holding and Bridgestone Corporation, and the mobility leader of the Turkish tire industry, reinforced its leading position in the market with operational efficiency, strategic investments, innovative products and services in 2024, a year marked by challenging market conditions. Brisa continued to grow in international markets with the Lassa brand.

Maintaining its financial resilience with increasing efficiency practices, the Company's operating profit increased by 14% y/y to TL 3.4 billion.

In 2024, Brisa continued its investments and innovation-oriented efforts and took strong steps in its sustainable growth strategy with mobility transformation. While the Company's 2024 sales revenue was realized at TL 34.5 billion, gross profit margin was maintained at 23.6% thanks to disciplined cost management and operational efficiency gains. Operating profit margin increased to 9.7% from 7.7% in the previous year.

Brisa CEO Haluk Kürkçü made the following statement regarding Brisa's 2024 performance:

"In 2024, we reinforced our strength with the support of our widespread dealer and distribution network in all segments we focused on in the tire business. With our Lassa brand, we further expanded our global footprint by becoming the market leader in five countries. With our operational excellence approach, we continued our R&D and smart technology investments in our factories without slowing down. While realizing all our investments, we did not compromise on our sustainability focus. Taking concrete steps forward on our decarbonization roadmap, we became the global leader in the Carbon Disclosure Project (CDP) 2024 rating. We achieved results in both the Climate Change and Water Security categories that few companies can achieve, demonstrating an exemplary performance in sustainable growth.

In doing so, we also maintained our financial strength and resilience. With our cash generation ability, we kept our balance sheet intact and positioned our Net Debt/EBITDA ratio at a low level of 0.6x."

148 new products and strategic investments for the future of mobility:

Brisa continued to expand its high value-added and high-performance product portfolio in 2024. Product development efforts for electric and hybrid vehicles were accelerated in line with the mobility leadership target.

Kürkçü said, “Our goal is to lead the market with new generation mobility products. We are strengthening our collaborations with domestic and foreign automotive manufacturers for our tires compatible with electric and hybrid vehicles. In this context, we completed the first phase of the USD 34 million additional investment we planned in our Aksaray plant and reached a production capacity of 3.6 million tires. We also successfully developed 148 new products in our R&D studies.

As one of the most important outputs of these efforts, we launched Lassa Revola, Türkiye's first domestic tire compatible with electric and hybrid vehicles.”

Strong synergies in mobility services: Growth with Arvento and expansion in fast maintenance services

Brisa further diversified its mobility services thanks to the synergy it created with Arvento, Türkiye's vehicle tracking systems leader, which Brisa acquired in 2022.

Kürkçü: “We developed pioneering services aimed at facilitating the operations of our fleet customers. While the number of active devices of Arvento exceeded 830 thousand, we increased the number of Otopratik and Propratik, our holistic service points for vehicle owners and fleets, to cover 77 percent of Türkiye. Vehicle traffic at Otopratik points doubled compared to last year.

We aim to always be a pioneer by continuing to develop products and services compatible with the future of mobility. I would like to thank all my colleagues and shareholders who contributed to this success.”

Summary Financial Results:

Summary Income Statement (MTL)	IAS 29 Unadjusted/Unaudited			IAS 29 Adjusted/Unaudited		
	Oct. 1- Dec. 31, 2024	Oct. 1- Dec. 31, 2023	Change, %	Oct. 1- Dec. 31, 2024	Oct. 1- Dec. 31, 2023	Change, %
Net Sales	8,908	6,544	36%	9,057	9,761	-7%
Gross Profit	2,823	2,216	27%	2,248	2,465	-9%
Operating Profit	2,420	770	214%	1,721	238	622%
EBITDA	1,936	1,332	45%	1,693	1,436	18%
Net Profit	1,386	637	117%	973	3,375	-71%
Profitability Ratios:						
Gross Profit Margin	31.7%	33.9%	-2%	24.8%	25.3%	0%
Operating Margin	27.2%	11.8%	15%	19.0%	2.4%	17%
EBITDA Margin	21.7%	20.4%	1%	18.7%	14.7%	4%
Net Profit Margin	15.6%	9.7%	6%	10.7%	34.6%	-24%

Summary Income Statement (MTL)	IAS 29 Unadjusted/Unaudited			IAS 29 Adjusted/Audited		
	Jan. 1- Dec. 31, 2024	Jan. 1- Dec. 31, 2023	Change, %	Jan. 1- Dec. 31, 2024	Jan. 1- Dec. 31, 2023	Change, %
Net Sales	30,283	21,175	43%	34,547	38,258	-10%
Gross Profit	9,366	6,997	34%	8,137	9,383	-13%
Operating Profit	5,626	3,495	61%	3,361	2,943	14%
EBITDA	5,968	4,587	30%	5,560	6,226	-11%
Net Profit	2,989	2,792	7%	1,513	5,736	-74%
Profitability Ratios:						
Gross Profit Margin	30.9%	33.0%	-2%	23.6%	24.5%	-1%
Operating Margin	18.6%	16.5%	2%	9.7%	7.7%	2%
EBITDA Margin	19.7%	21.7%	-2%	16.1%	16.3%	0%
Net Profit Margin	9.9%	13.2%	-3%	4.4%	15.0%	-11%

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Our Company's financial statements dated 31.12.2024, which were disclosed to the public on February 26, 2025, have been subject to inflation accounting within the framework of the "Financial Reporting in Hyperinflationary Economies Standard" (IAS 29). Financial figures given in this financial report are not comparable with the financial figures that were not subject to inflation adjustment which were disclosed to public by the Company in its financial statements and various investor information materials for 2023 and prior periods.

For this reason, selected financial figures are also presented without adjusting for inflation accounting and disclosed through investor presentations and earnings releases on our Company's corporate website as well as via the Public Disclosure Platform, in order for investors and analysts to conduct a full-fledged analysis for our Company's financial performance.

The financial figures that are not subject to inflation adjustment have not been independently audited and are not included in our Company's audited financial reports dated 31.12.2024. Such financial figures have been prepared and disclosed to public for providing the investors and market participants consistent and comparable assessment of our financial performance, under the responsibility of our Company's Board of Directors and executives who are responsible for financial reporting.