

Alarko Holding A.Ş. ("ALARK")

Alarko Holding A.Ş. (BIST: ALARK), one of the most respected conglomerates of the Turkish economy with its leading brands, extensive knowledge and experience in various fields, today announces its financial results for the first quarter of 2025.

Comments from the CEO of Alarko Holding

Umit Nuri Yildiz, CEO of Alarko Holding, commented:

"Dear Stakeholders,

The first quarter of 2025 has been a period in which decisive steps were taken in pursuit of economic stability in our country, and the effects of anti-inflationary policies began to be felt. With the continuation of tight monetary policy, a healthier balance between market mechanisms and implemented practices has been established; a limited but steady improvement has been observed in inflation indicators.

Despite operating in a financial environment where access to credit has become more challenging, Alarko Holding has successfully continued all its operations thanks to strong cash management and financial discipline. In line with our budget targets, we have managed our resources meticulously and shaped our investment decisions with a selective and controlled perspective.

In the first quarter of 2025, our total investment amount, including Alarko Holding's share, reached 4 billion TL. This amount constitutes a relatively limited portion of our investment plans for the entire year. The investments made during this period include not only new areas but also improvement and transformation projects aimed at increasing the effectiveness and efficiency of our existing operations.

Our approach that prioritizes sustainability in our financial structure has continued to support our profitability during this period; our low debt ratio and strong balance sheet have enabled us to maintain our stability.

As a result of our consolidated activities, our EBITDA approached 2 billion TL, and the contribution of new investment areas continued to increase during this period.

Within the scope of our sustainable business model and diversified business lines, we continue to create value in key sectors of development such as energy, industry, contracting, construction, infrastructure, tourism, modern agriculture, and aviation, while also expanding our international operations in a planned manner. As an extension of our geographic diversification strategy, our ongoing modern greenhouse investment in Kazakhstan serves as a significant example of transferring the innovative business models, effective management capacity, and technical expertise we have developed in Turkey to the international arena.

Creating value in economic, environmental, and social dimensions with a responsible investor perspective constitutes a core component of our corporate philosophy. In line with this vision, we will resolutely continue our investments that contribute meaningfully to our country's economy, as well as the projects within our digitalization, innovation, and sustainability roadmap across the Group.

As a well-established Group of Companies with a history spanning over 70 years, we will continue to carry forward our experience and expertise with future-oriented investments. I sincerely thank our colleagues, Board of Directors, business partners, and shareholders who empower us on this meaningful journey".

Summary Financials*

(TL mn)	Q1 2025	Q1 2024	Change
Revenue	8.057	9.951	(19%)
EBITDA	1.763	1.577	12%
EBITDA Margin	22%	16%	
Net Profit	(2.346)	(1.760)	

* The figures represent the combined figures with considering Alarko's stake in JV's after eliminations, while EBITDA as per company calculation.

Financial Highlights – Combined*

- Sales revenue came in at TL 8 bn, down by 19% in Q1 2025 over Q1 2024
- In Q1 2025, EBITDA came in at TL 1,8 bn, indicating an EBITDA margin of 22%
- Combined net loss came in at TL 2,3 bn in Q1 2025
- In Q1 2025, solo (holding only) net cash stands at TL 2,9 bn, whereas combined net debt stands at TL 6,5 bn

* The figures represent the combined figures with considering Alarko's stake in JV's after eliminations

In the first quarter of 2025, combined revenue reached TRY 8 billion, marking a 19% decrease compared to the same period of last year. The main reason behind the decrease in revenue compared to the previous year was that the increase in electricity prices in the energy segment remained below the inflation rate, while higher income from agricultural activities helped to limit the decline.

The primary reason for the decline in comparable revenue in the energy production segment is that, while the previous year's revenue was adjusted to present value through indexation, spot electricity prices did not increase at the same rate. On the other hand, the increase in revenue driven by higher capacity utilization in the newly invested agriculture sector had a positive impact on the combined turnover.

Combined EBITDA reached TRY 1.8 billion in the first quarter of 2025, with an EBITDA margin of 22%.

In the same period, combined net loss amounted to TRY 2.3 billion, compared to a loss of TRY 1.8 billion in the first quarter of the previous year.

In the first quarter of 2025, energy accounted for 77% of total combined revenue, up from 69% in the first quarter of 2024.

Alarko Holding's total electricity production in Q1 2025 decreased by 4% compared to the same period last year. This decline was due to lower water retention levels caused by insufficient rainfall in the region where Karakuz HEPP is located and the planned maintenance that began at the end of the quarter at the Cenal Thermal Power Plant.

Turkey's total electricity production in Q1 2025 increased by 1% compared to the same period last year.

At the Cenal Thermal Power Plant, electricity production in Q1 2025 was 2,457,244 MWh, reflecting a 3% decrease compared to the same period last year.

Karakuz HEPP generated 17,584 MWh of electricity in Q1 2025. Limited water retention due to reduced rainfall since the first half of 2024 continued into Q1 2025. At Gönen HEPP, electricity generation reached 8,789 MWh by the end of Q1 2025.

Revenue from electricity generation decreased by 20% in the first quarter of 2025 compared to the same period the previous year. In Q1 2025, the average electricity price was TRY 2,421 and USD 67 per megawatt, showing a 17% increase in TRY terms and a 2% increase in USD terms compared to the same period last year.

Revenue from the electricity distribution and retail segment reached TRY 3.4 billion in the first quarter of 2025.

Revenue from the energy business decreased by 10% in Q1 2025 compared to the comparable period in 2024.

EBITDA from the electricity generation business reached TRY 1.5 billion in Q1 2025, marking a 20% decrease compared to the same period last year.

EBITDA from the electricity distribution and retail business reached TRY 388 million in Q1 2025.

EBITDA from the energy segment overall increased by 35% in the first quarter of 2025, reaching TRY 1.8 billion.

EBITDA from the contracting business amounted to -TRY 122 million in the first quarter of 2025.

The Contracting Group recorded a loss of TRY 129 million in the first quarter of 2025.

Revenue from the land development business reached TRY 35 million in the first quarter of 2025.

EBITDA from the land development business amounted to TRY 126 million in the first quarter of 2025, representing a 31% decrease compared to the first quarter of 2024.

Net profit for the land development business was TRY 1 million in the first quarter of 2025.

Revenue from the Industry and Trade segment amounted to TRY 512 million in the first quarter of 2025, showing a 34% decrease compared to the same quarter in 2024.

EBITDA from the Industry and Trade segment was TRY 1 million in the first quarter of 2025.

Net loss in the first quarter of 2025 increased to TRY 108 million, compared to a loss of TRY 74 million in the first quarter of 2024.

Revenue from the tourism business reached TRY 43 million in the first quarter of 2025.

EBITDA from the tourism business amounted to -TRY 177 million in the first quarter of 2025, compared to -TRY 157 million in the first quarter of 2024.

Net loss in the tourism business was TRY 206 million in the first quarter of 2025, up from TRY 225 million in the same period of 2024.

Revenue from the agriculture business reached TRY 372 million in the first quarter of 2025.

EBITDA from the agriculture business was TRY 36 million in the first quarter of 2025.

A net loss of TRY 119 million was recorded in the agriculture business during this period.

Combined & Consolidated P&L *

Combined (TL mn) **	Q1 2025	Q1 2024	Change
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EBITDA	1.763	1.577	12%
EBITDA Margin	22%	16%	
Net Profit	(2.346)	(1.760)	

Consolidated (TL mn)	Q1 2025	Q1 2024	Change
Revenue	1.254	2.271	(45%)
EBITDA	135	798	(83%)
EBITDA Margin	11%	35%	
Net Profit	(2.346)	(1.760)	

* TAS – 29 Applied

** The figures represent the combined figures with considering Alarko's stake in JV's and after eliminations

Consolidated B&S *

mn TL	1Q 2025	FY 2024	1Q25/FY24
Current Assets	18.830	21.396	-12%
Cash and Cash Equivalents	5.534	9.616	-42%
Financial Investments	7.015	5.261	33%
Trade Receivables	1.479	2.067	-28%
Inventory	1.523	1.556	-2%
Other	3.279	2.896	13%
Non-Current Assets	81.718	81.994	0%
Investments Evaluated by Equity Pick-Up Method	46.949	47.385	-1%
Investment Real Estate Properties	6.861	6.684	3%
Tangible Assets	18.070	16.341	11%
Other	9.838	11.584	-15%
Total Assets	100.548	103.390	-3%
Current Liabilities	20.333	20.949	-3%
Short Term Borrowings	7.142	8.184	-13%
Short Term Portions of Long Term Borrowings	528	518	2%
Trade Payables	1.551	2.802	-45%
Payables from continuing Construction, Contracting and Service Contracts	152	492	-69%
Other	10.960	8.953	22%
Non-Current Liabilities	11.268	11.228	0%
Long Terms Borrowings	8.915	8.500	5%
Other Payables	777	797	-3%
Deferred Tax	1.362	1.396	-2%
Other	215	534	-60%
Shareholder's Equity	63.751	66.109	-4%
Total Liabilities and Shareholder Equity	100.548	103.390	-3%

* TAS – 29, all figures are carried to current period

ABOUT ALARKO HOLDING

Founded in 1954 and based in Istanbul, Alarko Holding A.Ş., together with its subsidiaries, is a prominent group of companies that contributes to Turkey's development in various sectors including energy, industry, trade, tourism, agriculture, real estate, contracting, investment, and aviation. With the aim of becoming an international portfolio company, Alarko Holding has diversified its investment areas, and all of its new investments are made with a focus on sustainability.

In the energy sector, the Holding operates in production and distribution and has recently ventured into energy storage. In addition to its contracting activities, under its Real Estate Group, the company develops commercial buildings, residential complexes, and satellite city projects. In tourism, the company operates under the Hillside brand with hotels, sports and spa centers, and movie theaters. With a long-standing partnership with American Carrier in the fields of heating, cooling, ventilation, and submersible pump manufacturing, Alarko Holding has factories in Gebze and Eskişehir. In 2023, in addition to its existing business areas, the company expanded into the agriculture, aviation, and investment sectors. In agriculture, Alarko Holding aims to become one of the leading corporate investors globally in modern greenhouse farming, utilizing geothermal energy-based, soil-less, innovative, and pesticide-free farming methods. The company is engaged in the production of micro-granular fertilizers, seeds, and dried food, and continues its activities in the agricultural sector with a 360-degree investment strategy. In the aviation sector, Alarko Holding has begun activities related to converting large-body passenger aircraft into cargo planes. Through its Investment Group, the company is making investments in venture capital (VC), private equity (PE), and publicly listed companies, aiming to reach new sectors and business areas and additionally, plans to make investments through partnerships with companies it is interested in.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document may contain certain forward-looking statements concerning our future performance and should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact the Company's actual performance.

ENQUIRIES

For financial reports and further information regarding Alarko Holding, please visit our website at

<https://www.alarko.com.tr/en/investor-relations/overview> or you may contact:

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