

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 fourth quarter of 2024.

Comments from the CEO of Alarko Holding

Umit Nuri Yildiz, CEO of Alarko Holding, commented:

“Dear Stakeholders,

As Alarko Holding, we are delighted to successfully conclude 2024, a year in which we celebrated our 70th anniversary. It was a meaningful year in which we diversified and strengthened our portfolio with new investments focused on sustainability, enhanced our operational efficiency through technological and process transformations across our operations, and took firm steps toward the future.

The global economy faced significant challenges in 2024. It was a year where market uncertainties intertwined with opportunities. The Turkish economy once again proved its resilience against these fluctuations, thanks to its strong financial infrastructure and dynamic business environment. During this period, we remained steadfast in our strategic goals, continuing to grow. In an environment where high interest rates prevailed, our equity capital and effective cash management approach continued to be our strong suit. Thanks to the confidence provided by our high cash-generating defensive business lines and our robust balance sheet capacity, we maintained our investment appetite despite changing market conditions, continuing to invest in both the future of Alarko Holding and our country.

Our combined sales revenue reached 44 billion TL in 2024, while our net consolidated profit amounted to 2 billion TL. Our equity, which grew by 17% in 2023, continued to increase in 2024, reaching 60 billion TL at the end of 2024. As a group, we are proud to have completed 2024 with strong financial, environmental, and social performance aligned with our responsible investment strategy. Our results demonstrate that Alarko Holding can successfully manage all its activities even under challenging conditions, thanks to its dynamic management capacity and effective systems. The principles that Alarko has upheld since its founding remain the cornerstone of our stable growth, while our proven strategic strength and flexible business model are the guarantees of our long-term success.

As you know, we have rapidly begun to see the positive outcomes of our transformation and change process, which we initiated in 2021. By repositioning Alarko Holding as a portfolio management company, we developed a dynamic and innovative investment strategy. As part of this approach, we evaluated opportunities across different sectors and made strategic investment decisions. In 2023, we gained strong momentum in the agriculture and investment sectors, achieving tangible results. By the end of 2024, we reached 1 million square meters of greenhouse space in Turkey and also started our greenhouse construction project in Kazakhstan. Under our vision to have a 360-degree presence in agriculture, we launched Turkey’s first and Europe’s largest hybrid microgranule fertilizer factory in September 2024. While strengthening our existing business lines with new investments, we prioritized investing in innovative companies of interest through Alarko Yatırım, reaching a portfolio value of 90 million USD in this segment by year-end.

In the coming years, we will continue to develop innovative and exemplary practices in all our business areas, further contributing to sustainable economic growth and societal welfare. By enhancing our organizational capabilities, we will continue to invest in our employees, infrastructure, technology, and the future of our planet. As we consistently improve our operations,

we will further strengthen our financial position and resolutely advance toward increasing long-term shareholder value.

As we move confidently toward the future with our strong human capital, visionary approach, and innovative strategies, we see the trust and support of our stakeholders as our greatest asset. In the upcoming period, we will continue our journey with a focus on sustainable growth, innovation, and societal benefit.

I sincerely thank all Alarko employees for their contributions to our success, our Board of Directors for their support and encouragement, and all our stakeholders with whom we create value together. I wish that 2025 brings health, peace, and prosperity to our country and the world”.

Summary Financials*

(TL mn)	Q4 2024	Q4 2023	Change	12M 2024	12M 2023	Change
Revenue	10.483	14.663	(29%)	43.916	60.953	(28%)
EBITDA	3.493	6.161	(43%)	14.275	24.267	(41%)
EBITDA Margin	33%	42%		33%	40%	
Net Profit	1.835	5.399		2.093	9.972	

* 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 10 bn, down by 29% in Q4 2024 over Q4 2023
- In Q4 2024, EBITDA came in at TL 3,5 bn, indicating an EBITDA margin of 33%
- Combined net profit came in at TL 1,8 bn in Q4 2024
- In Q4 2024, solo (holding only) net cash stands at TL 2,7 bn, whereas combined net debt stands at TL 3,3 bn

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

In the fourth quarter of 2024, our combined revenue reached 10 billion TL, marking a 29% decline compared to the same period of last year. The primary reasons behind the lower revenue were decreased income from both the energy segment and construction activities.

The primary reason for the decline in comparable revenue in the energy generation segment is that, while last year's revenues were updated through indexation, spot electricity prices did not increase at the same rate.

Combined EBITDA reached 3.5 billion TL in the fourth quarter of 2024, with an EBITDA margin of 33%.

In the fourth quarter of 2024, combined net profit was recorded at 1.8 billion TL, compared to 5.4 billion TL in the fourth quarter of the previous year.

In the fourth quarter of 2024, energy accounted for 89% of total combined revenue, compared to 81% in the fourth quarter of 2023.

In Q4 2024, Alarko Holding's total electricity production increased by 12% compared to the same period last year.

This growth in electricity production was primarily driven by the full-capacity operation of the Cenal Thermal Power Plant, which continued to increase output despite the limited expansion in renewable energy production domestically.

The total electricity generated in Turkey during Q4 2024 saw a 5% increase compared to the same period last year.

At the Cenal Thermal Power Plant, 2,835,305 MWh of electricity was produced in Q4 2024, marking a 13% increase compared to the same period in the previous year. By the end of 2024, overall electricity production had risen by 5% year-on-year.

At Karakuz HPP (Hydropower Plant), electricity production in Q4 2024 stood at 14,941 MWh. Despite water retention challenges experienced in the first half of the year, limited progress was achieved in production during the final quarter.

Gönen Hydroelectric Power Plant produced 331 MWh of electricity by the end of Q4 2024. In 2024, the production of energy achieving 10% increase compared to the previous year.

Revenue from electricity production in Q4 2024 decreased by 19% compared to the previous year. The average electricity price in Q4 2024 was recorded at 2,449 TL per megawatt and 71 USD per megawatt, reflecting a 13% increase in TL terms and a 5% decrease in USD terms compared to the same period last year.

Revenue from the electricity distribution and retail business segment reached 6.1 billion TL in Q4 2024, reflecting a 22% decrease.

Revenue from the power business decreased by 21% in Q4 2024 compared to the comparable period in 2023.

EBITDA from electricity generation in Q4 2024 was 1.8 billion TL, reflecting a 22% decrease compared to the same period last year.

EBITDA from electricity distribution and retail business was 3.0 billion TL in Q4 2024.

EBITDA from the energy segment decreased by 30% to 4.8 billion TL in Q4 2024.

EBITDA from the contracting business segment amounted to -1.096 million TL in Q4 2024.

In Q4 2024, a loss of 740 million TL was recorded.

Revenue from land development reached 18 million TL in Q4 2024.

EBITDA from the land development business amounted to 40 million TL in Q4 2024, marking a 62% decrease compared to the fourth quarter of 2023.

Net profit in Q4 2024 came in at 1.1 billion TL.

Revenue from the Industry and Trade segment amounted to 617 million TL in Q4 2024, reflecting a 37% decrease compared to the fourth quarter of 2023.

EBITDA from the Industry and Trade segment was -82 million TL in Q4 2024.

In Q4 2024, the net loss elevated to 31 million TL, compared to a net loss of 7 million TL in Q4 2023.

Revenue from the tourism business reached 232 million TL in the fourth quarter of 2024.

EBITDA from the tourism business was -23 million TL in the fourth quarter of 2024, compared to 48 million TL in the fourth quarter of 2023.

Net loss in the fourth quarter of 2024 was 29 million TL versus 30 million TL loss in the fourth quarter of 2023.

Revenue from the agriculture business reached 365 million TL in the fourth quarter of 2024.

EBITDA from the agriculture business was -186 million TL in the fourth quarter of 2024.

In the fourth quarter of 2024, a net profit of 59 million TL was recorded compared to 77 million TL in the previous year.

Combined & Consolidated P&L *

Combined (TL mn) **	Q4 2024	Q4 2023	Change	12M 2024	12M 2023	Change
Revenue	10.483	14.663	(29%)	43.916	60.953	(28%)
EBITDA	3.493	6.161	(43%)	14.275	24.267	(41%)
EBITDA Margin	33%	42%		33%	40%	
Net Profit	1.835	5.399		2.093	9.972	

Consolidated (TL mn)	12M 2024	12M 2023	Change
Revenue	7.598	11.978	(37%)
EBITDA	672	4.679	(86%)
EBITDA Margin	9%	39%	
Net Profit	2.093	9.972	

* 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	2023	2024	FY24/FY23
Current Assets	22.675	19.440	-14%
Cash and Cash Equivalents	4.727	8.736	85%
Financial Investments	9.317	4.780	-49%
Trade Receivables	4.229	1.878	-56%
Inventory	1.594	1.414	-11%
Other	2.809	2.631	-6%
Non-Current Assets	63.027	74.497	18%
Investments Evaluated by Equity Pick-Up Method	41.310	43.053	4%
Investment Real Estate Properties	4.184	6.073	45%
Tangible Assets	9.502	14.847	56%
Other	8.030	10.525	31%
Total Assets	85.702	93.937	10%
Current Liabilities	19.008	19.033	0%
Short Term Borrowings	7.158	7.436	4%
Short Term Portions of Long Term Borrowings	229	470	106%
Trade Payables	2.807	2.546	-9%
Payables from continuing Construction, Contracting and Service Contracts	1.108	442	-60%
Other	7.707	8.140	6%
Non-Current Liabilities	3.243	10.201	215%
Long Terms Borrowings	825	7.723	836%
Other Payables	846	724	-14%
Deferred Tax	661	1.269	92%
Other	911	485	-47%
Shareholder's Equity	59.194	60.065	1%
Total Liabilities and Shareholder Equity	85.702	93.937	10%

* All figures carried to current period

* TAS – 29, all figures 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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