



## **3Q 2025 Financial & Operational Results Conference Call**

November 7, 2025, 16:00 (TR Time)

### **Hosts:**

**Mr. Çağlar Göğüş – CEO**

**Mr. Bora Yalınay - CFO**

**Mrs. Melda Öztoprak - Investor Relations Director**

### **Moderator:**

Ladies and gentlemen, thank you for standing by. Now I'd like to welcome you to Dogan Holding's conference call and live webcast to present and discuss the 2025 third-quarter financial and operational results. We're here with the management team, and after the call, there will be an opportunity to ask questions. I would now like to turn the call over to Mrs. Melda Oztoprak, Investor Relations Director. Madam, the floor is yours. Please go ahead.

### **Melda Oztoprak:**

Good morning and good afternoon, ladies and gentlemen, and thank you for joining our 2025 third-quarter results webcast. As the operator said, I'm here with our CEO, Çağlar Gogus, and CFO, Bora Yalınay. Today's remarks will be accompanied by a slide deck, which can be downloaded from our IR website. We will then turn the call over to your questions. Before we begin, please kindly be advised of our cautionary statement. The conference call may contain forward-looking management comments, including projections. These should be considered in conjunction with the cautionary language contained in our earnings release. A copy of our earnings release, webcast presentation, and financials are available on our website, both in Turkish and English. Now, let me turn the call over to Mr. Çağlar Gogus.

### **Caglar Gogus:**

Thank you, Melda. Good morning and good afternoon, everyone. Thank you for joining Doğan Holding's 2025 third-quarter results webcast. I want to start with our balance sheet. We continue to maintain a solid net cash position, standing at \$617 million at the end of the quarter. During the period, we received \$9 million from our Ditas stake sale, with the remaining \$5.5 million expected to be collected in the fourth quarter. We also received \$3.5 million USD in dividends from our subsidiaries. On the outflow side, we distributed \$20 million in dividends in September and made a \$20 million capital contribution for Doğan Trend's balance sheet optimization, along with \$16 million advance payment related to Karel's upcoming restricted rights issue, which we will mention more in the second part of the call. Overall, we remain in a strong and flexible financial position, giving us room to continue investing selectively and efficiently. On the portfolio side, our net asset value improved by 2% quarter on quarter, reflecting continued portfolio

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optimization and operational strength. We completed the sale of Ditaş in line with the portfolio simplification targets. Our listed assets valuations increased by \$7 million quarter over quarter, and unlisted assets appreciated by \$126 million, driven mainly by strong performance at Hepiyi Insurance and EBITDA improvement at Gümüştaş, our mining subsidiary. Lastly, on share performance, our shares continued to outperform the market, delivering a 20% return in the first nine months, versus 12% for the BIS 100, a 7% outperformance. Institutional investor ownership also rose notably, from 56% a year ago to 60% as of September, demonstrating growing confidence in our strategy and execution. In summary, the quarter reflects resilient financials, disciplined capital allocation and solid value creation across our portfolio. Next slide, please.

Let me walk you through our reported financial performance for the third quarter of 2025. Starting with revenue, we reported 21.8 billion TL in consolidated revenue, reflecting a 24% year-on-year decline. However, it is important to note that, excluding Doğan Trend Automotive, which was heavily affected by the regulatory headwinds with the heavy import tax on Chinese vehicles, our top line was flat year-on-year. Beyond the automotive impact, we continue to see a healthy underlying growth across several areas. Our digital insurance business, Hepiyi Insurance, delivered 60% year-on-year asset under management growth, and our financial operations in total, including Dogan Investment Bank and Doruk Factoring, recorded 25% year-over-year revenue growth, excluding TAS 29. In our renewable energy segment, revenue increased by 15% year-over-year, driven by higher electricity production and new capacity additions at Galata. Meanwhile, Doğan Trend passenger car sales dropped by 63% due to regulations and heavy competitive environment, but we are confident in the brand's recovery momentum once market normalization begins, especially following the new tax regime on Chinese cars, which started last month. Moving to profitability. EBITDA came in at 2.8 billion TL, translating into 13% margin, which significantly recovered from a 455 million TL loss realized in the third quarter of 2024, driven by stronger subsidiary performance and disciplined cost management. Excluding Doğan Trend Automotive, consolidated EBITDA growth in third quarter would have been 182% year-over-year with 16% margin. So, both EBITDA growth and margin improvement are very healthy. A few highlights worth to mention for this quarter are Karel. Obviously, Karel continues to deliver its restructuring process, which took a little bit longer and more costly than what we initially anticipated, but it also lays the groundwork for margin improvement in 2026 with 10% EBITDA margin recorded in third quarter of 2025, unlike the negative reading same period last year. This is very good news for Karel. Sesa posted a 10-point EBITDA margin improvement in third quarter, supported by price optimization and higher margin product mix, and finally Doğan Trend EBITDA improved meaningfully from minus 1.5 billion TL to minus 95 million TL thanks to tighter stock and OPEX discipline. On the bottom line, we reported 127 million TL net profit for the quarter. Net financial expenses declined year-on-year from 2.8 billion to 2.2 billion TL in the third quarter. This quarter also included a one-off gain of 0.6 billion TL from Ditaş exit compared to 1 billion TL proceeds from the DMC sale in the same period last year. Important to note also that unlike third quarter of 2024, where we recorded 212 million TL net monetary gain, we have now posted 3 billion TL net monetary loss mainly due to TAS-29 inflation accounting application on Hepiyi insurance's outstanding claims. There we booked claims based

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on the sector average for the mandatory insurance as a regulatory norm. While this reflects higher financial expenses due to IFRS-related classification and monetary losses, it is worth noting that these are non-operational in nature. So overall, despite the regulatory and competitive pressure in automotive business, our core operations deliver outstanding and resilient growth and performance with improving margins, robust cash generation, and clear progress across turnaround assets. Next slide, please.

As we have shared in the previous webcasts, we now group our businesses under two main categories. Strategic focus areas, the first one, and dynamic focus areas as the second one. Our strategic focus areas are long-term value drivers, contributing mainly to NAV and position to deliver recurring dividend income over time. In contrast, our dynamic focus areas are where we actively pursue value creation opportunities, whether through rapid growth, strategic partnerships, or core protections such as new market entries, exits, or IPOs. We have defined 2025 and to some extent 2026 as years of portfolio simplification and digestion. Following a period of intense M&A activity, we see this phase as a critical window to fully integrate, optimize, and scale the businesses we recently acquired or launched. All of this in service of a clear long-term goal, reaching \$4 billion of NAV by 2030, to support this ambition, we will continue to streamline our portfolio and sharpen our strategic focus. Most recently, we fully exited our positions in Ditaş and Boyabat Hydro Power Plant, which also allowed us to relieve certain financial liabilities and further strengthen our balance sheet. Now, our CFO, Bora Yalinay, will cover the 2025 third quarter details of these business plans. Thank you.

**Bora Yalinay:**

Thank you, Caglar Bey. Let's start with Galata Wind, which publicly announced its results a few days ago. In the third quarter, revenue increased 15% year-over-year, 947 million TL, with EBITDA of 664 million TL, maintaining a strong margin of 70%. Net profit increased to 292 million TL from 202 million TL last year. Operationally, we saw a robust 44% year-over-year increase in the electricity generation, supported by new capacity additions and better climate. While the TL-based market clearing price improved by 14% year-over-year, it remained below inflation. On the growth side, our total installed capacity stands at 354 MW, thanks to the additions in Turkey earlier this year. Importantly, our European expansion is moving at full speed, with projects in Italy and Germany reaching the ready-to-build stage and further pipeline growth underway in Turkey. Looking ahead, we are targeting 577 MW by the end of 2027, with significant contributions from our new wind and solar projects, including storage. By 2030, our ambition is to reach over 1 GB of capacity. Overall, Galata Wind remains a core strategic asset for us, combining stable cash generation with strong, visible growth, both domestically and internationally. Next slide, please.

Let's turn to Gümüştaş, one of the top three lead and zinc producers in Turkey. We began consulting this business in the last quarter of 2024, so a year-on-year comparison for Q3 is not yet available. In the third quarter, Gümüştaş delivered 1.4 billion TL in revenue and 538 million TL in EBITDA. For the first nine months, EBITDA margin came in at 39%, well ahead of our two-year guidance of 25-30%, driven by strong commodity prices and ore extraction efficiencies realized. With 12 million tons of reserves, two mineral



processing facilities and 80 research licenses, we see substantial growth potential ahead. To unlock this value, we have committed 90 million in CAPEX between 2025 and 2027, aimed at both utilizing our licenses to expand potential reserves and doubling the capacity of our existing facilities, opening new revenue streams. In the last nine months alone, we invested 24 million, while also keeping net debt contained at low, 1x net debt to EBITDA.

Let's now take a closer look at the digital financial services, starting with Hepiyi Insurance, Turkey's first fully digital end-to-end insurer. Hepiyi continues to deliver exceptional growth and market momentum, demonstrating how our digital strategy translates into tangible performance. In the third quarter, assets under management grew by 60% year-on-year, reaching nearly 700 million USD. This reflects both strong customer acquisition and high retention rates, supported by the platform's seamless digital experience. On the market side, Hepiyi made significant progress in both of its core product lines. In the motor-owned insurance, market share increased by 143 basis points year-on-year, reaching 4.2%, positioning Hepiyi as the 8th largest player up from 11th place last year. In motor third-party liability, Hepiyi ranks 6th position with solid pricing discipline and an expanding policy base. Today, Hepiyi's portfolio is well-diversified, with MTPL accounting for about 69% and MOD for 21% of total retained premiums, a healthy balance that supports sustainable profitability. Overall, Hepiyi is a true success story in digital insurance, combining technology, agility and data-driven underwriting to win market share in one of the most competitive segments of the financial sector. Next slide, please.

Moving on to Hepiyi insurance financial performance, we continue to see strong and profitable growth across all metrics. Note that all figures are without TAS-29 inflation accounting, as insurance sector is not subject to this regulation. In the third quarter, gross return premiums increased by 19% year-on-year, reaching 7.2 billion TL. This growth came despite our underwriting policies, as we prioritized capital adequacy over volume. At the same time, technical profits rose to 1.5 billion TL, up from 1.3 billion TL a year ago, driven by distinct risk management and improved pricing efficiency. This translated into a net profit of 1.2 billion TL, a solid 51% increase year-on-year. Operational efficiency remains one of Hepiyi's strongest differentiators. Our opex-to-sales ratios stood at just 3%, well below the sector average of 7%, a clear reflection of Hepiyi's full-digital, low-cost operating model. On the claims side, MTPL claims ratio and combined ratio remained below the industry average, highlighting the effectiveness of our data-driven pricing and risk selection. We continue to maintain a prudent balance between growth, profitability and capital strength, exactly what we wanted to see in a sustainable digital insurance model. So, overall, Hepiyi continues to set new standards in operational efficiency and digital scalability, positioning itself as one of the most profitable and innovative insurers in the Turkish market today.

Moving on to D-Investment Bank. As of September 2025, D-Investment Bank recorded 25 DCM issuances and 1 M&A closure, contributing positively to both top-line and net profits. Note also that, since its initiation, the bank led 109 DCM issuances, ranking amongst the leaders by transaction volume among



investment banks in Turkey. In addition, Doruk Factoring continues its profitable growth via recording a generous 63% ROE in trading 12 months. Next slide, please.

After a challenging 2024, Karel entered 2025 on firmer ground, demonstrating resilience and agility. Karel operates across five business lines, corporate projects, serving telecom operators, accounts for 55% of our revenues. This statement's profit margin improved to 12% year-over-year thanks to renewed contracts, unlike the negative GP performance last year. Automotive electronics, mainly through our Daiichi subsidiary, make up 18% of revenues. While sales slightly decline year-on-year due to lower OEM orders, gross profit is well-maintained at 22% during the quarter. Electronic car production represents 17% of revenues, down from 24% last year, reflecting weaker demands from key customers. Note that operational streamlining is underway, with benefits expected by next year, considering one of restructuring and downsizing costs. Telecom systems now contribute 7% of revenues versus 11% last year, as prior year's results were boosted by special projects. Finally, defense remains stable at around 4% of the revenues. While we have a stronger set of results in the corporate project segment, which is a lion's share in Karel's operations, the other business lines yet to pause for improvement and we expect them to be materialized mostly in the upcoming year. Thanks to the operational streamlining efforts and prudent cost control, EBITDA margins improved from negative reading last year to 10% in Q3 2025. Lastly, as Dogan Holding, we acquired 21% stake of Daiichi from Karel, thereby investing 12.6 million USD cash to Karel. This supported Karel's liquidity position in the short term, yet now we have applied to CMB for 1.7 billion TL restricted rights issue in order to sustainably protect and improve the balance sheet. Our purpose is to ensure that Karel can reflect the turnaround in business segments and operational profitability onto its bottom line. Next slide, please.

Our niche scalable and premium flexible packaging business, Sesa Packaging, continues to deliver strong growth in high margin premium segments supported by successful product launches. Premium products now account for 30% of our revenues as of September. Among our export markets, USA's contribution grew from 15% to 19%, benefiting from the new tariff structure. Sesa revenues declined by 5% year-over-year to 1.2 billion TL in Q3 2025. Despite the softer top line, EBITDA surged by 135% year-on-year to TL 185 million, with the margin improving from 6% to 16%. This strong profitability recovery was driven by efficiency initiatives, improved pricing discipline, and effective cost management. With the bulk of CAPEX projects behind us, Sesa shifted its focus to efficiency, improving networking capital through faster inventory turnover and targeted operational management. Moving on to the next slide, please.

While the majority of our business lines performed in line with the plan, and some even performed better, Doğan Trend Automotive is the only challenging business that suffered from the adverse impacts of the regulation and the repercussions on our competitiveness. As a reminder, Doğan Trend started 2025 with approximately 60% tax burden on MG-branded Chinese passenger cars, along with the service requirement for EV cars. Accordingly, the number of passenger cars sold in Q3 2025 reduced by 63% year-over-year, weighing heavily on the financials. Although the partial tax relief of Chinese passenger cars



imports provided some relief to the market, MG sales remained subdued as supply limitations under the strategic minimum stock policy continued to constrain delivery volumes aimed slightly uptick in demand. On the flip side, Suzuki passenger car sales delivered strong growth momentum with 77% year-over-year growth in Q3 2025, fueled by a timely and effective promotional campaign. As we have informed previously, we have adopted strategic minimum stock policy at Doğan Trend, reducing inventory tax load across motorcycles, rental fleet, and second-hand vehicles, supporting liquidity, cash flow, and debt management. In addition to the successful implementation of this plan, we have also injected US\$20 million capital to the company during the quarter. Thanks to this prudent approach, net debt reduced from US\$162 million of 2024 to US\$75 million as of September 2025.

Kanal D Romania remained a strong presence in the media landscape, consistently ranking as the second-most watched television channel in the country. The company continued to deliver steady returns during the quarter with robots, 43% EBITDA margin.

Hepsiemlak continues to be the leader in its own vertical as an online real estate platform. During the quarter, recorded 32% real revenue growth with a robot 15% EBITDA margin, a significant achievement among the online real estate listing platforms.

As a reminder, our real estates are independently valued once a year and hence the total value remains stable at US\$349 million while stakes correspond to US\$260 million. Among our flagship assets, both Trump Tower and Milta Marina continue to perform strongly with a 96% occupancy rate. Looking ahead, we will take an opportunistic and value-driven approach to our real estate holdings ready to unmask value when the right opportunities present themselves.

Now let's take a look at our dynamic cash management approach. The holding-only net cash position decreased to US\$617 million as of Q3 2025 from US\$662 million in Q2 2025 mainly reflecting a dividend payment and capital injections to certain subsidiaries. During the quarter, we have received US\$9 million from the Ditaş stake sale. We also benefited from US\$3.5 million in dividend inflows from some of our subsidiaries. On the outflow side, we distributed US\$20 million in dividends in September and provided a US\$20 million capital injection to Doğan Trend to support its balance sheet optimization. In addition, we made a US\$16 million advance payment to Karel's upcoming restricted-rights issue. Looking at consolidated net cash, even when we exclude the insurance-related cash, we still see a healthy uptick from US\$126 million to US\$193 million reinforcing our strong liquidity position at both the holding and the group levels. On the currency allocation front, we continue to maintain a dynamic and yield-driven allocation strategy. The FX breakdown of holding-only solo cash shows that USD is holding slightly up to 69%, while TL shares declined slightly from 20% to 14% and EUR remained stable, reflecting adjustments made in line with the market conditions. All in all, our approach means conservative but responsive, enabling us to preserve cash strength while actively optimizing returns. Going forward, we will continue



to be prudent and opportunistic to grow the solo cash position so that Doğan Holding can foster further value-enhancing acquisitions. Now, back to Caglar for his closing remarks and thank you.

**Caglar Gogus:**

Thank you, Bora. We are proud to see that all of our businesses under strategic focus areas delivered strong set of results in the first nine months of the year, and hence we are on track with their full-year expectations. As a reminder, for Galata Wind, we plan to add more than 50 MW to install generation capacity and already delivered 57 MW growth. For our mining business, we aim to grow our TL revenues by more than 50% and expect EBITDA margin to be within 25-30% interval in 2025. Recall that as of September 2025 we delivered 39% EBITDA margin. Lastly, our digital insurance business is set to add another \$250-300M further to its asset-under-management backlog, and hence we aim to grow total financial services revenues, including Doğan Investment Bank and growth factoring by more than 70% in 2025, thanks to relentless focus on innovative financial solutions. We are happy to see that our nine-month performance is fully on track with the guidance for our strategic assets. In addition, on a Doğan Holding consolidated basis, we are keeping our guidance unchanged and expect consolidated revenues and EBITDA growth to be similar to the inflation in the country. Note that our revenue and EBITDA growth would have been 9% and 52% year-on-year, respectively in the nine periods, excluding automotive business. Next slide, please.

Let's move on to our 2030 roadmap, and I am pleased to say that we are very much on track. Back in 2020, we had an asset value of \$1.5B. Today, I am happy to share that we have reached \$2.7B, reflecting a strong 12% compounded annual growth rate in the last five years. Our journey has been carefully structured, where we were initially heavily focusing on acquisitions and portfolio growth. Now we are at a stage to digest and create further value opportunities for the upcoming period. From 2020 to 2024, we were in an acquisition-heavy phase and with exits, completing eight acquisitions and two greenfield investments. This included significant names like Galata Wind, which we successfully made an IPO, along with Hepiyi Insurance, D Investment Bank, SESA Packaging, Karel, Daiichi and Gümüştaş Mining, amongst others. These investments have strengthened our portfolio and built a foundation for sustainable long-term growth. Now, as we stand today, we are in the simplification and optimization phase. We have streamlined our portfolio by exiting non-core assets such as Ditas and Boyabat Hydropower Plant, and we are further sharpening our focus on the growth potential of our strategic areas, namely renewable energy, mining and financial services. This phase is all about extracting value and operational efficiency from our core businesses along with portfolio streamlining. Looking ahead to 2030, our next step is value enhancement. We will be unlocking value through IPOs, potentially with Daiichi, our packaging business and maybe our insurance business identified as candidates. And continuing M&A activities selectively and particularly in technology and fintech sectors. We can expect an 8% compounded annual growth rate going forward. We are confident we will reach our target of 4 billion US dollars of NAV by 2030, driven by ongoing disciplined execution, strategic focus and our commitment to sustainable value creation. In short, we have built the foundation. We are optimizing our portfolio today and we are well positioned to deliver

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enhanced value over the next five years. With this now, I would like to thank all of you and also hand over the call to Closir Agent to open up the Q&A session. Thank you for listening.

**Moderator:**

Thank you. We'll now move to the Q&A part of the call. If you'd like to ask a question, please press star 2 on your phone. That is star 2. And if you're connected from the web, you can also ask a voice or send a text question. We'll give it a few moments for the questions to come in. Just a reminder, it's star 2 if you're connected from the phone. And if you're connected from the web, you can also ask a voice question or send a text question. We'll give it a few moments. Okay. It seems like the presentation was comprehensive enough. We would like to thank everyone for attending today. And we will now be concluding the call. Thank you and have a nice day.