2Q 2026 Financial & Operational Results Conference Call

August 12, 2026, 16:00 (TR Time)

Hosts:
Mr. Çağlar Göğüş – CEO
Mr. Bora Yalınay - CFO
Mrs. Melda Öztoprak - IR Director

Moderator:
Ladies and gentlemen, thank you for standing by and I'd like to welcome you to Doğan Holding's conference call and live webcast to present and discuss the 2026 second 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 Öztoprak, Investor Relations Director. Madam, the floor is yours. Please go ahead.

Melda Öztoprak:
Good afternoon, ladies and gentlemen, and thank you for joining our 2026 second quarter results webcast. As the operator said, I'm here with our CEO, Çağlar Göğüş, 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 statements. 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 Göğüş.

Çağlar Göğüş:
Thank you Melda. Good morning and good afternoon everyone, and thank you for joining Doğan Holding's second quarter 2026 results webcast.
Our Net Asset Value reached 3.2 billion USD, up 14% year-to-date and 23% year-on-year. The main contributors were our finance segment, adding 253 million USD, and Gümüştaş, adding 116 million USD. Importantly, the share of our strategic focus areas within NAV increased to 57%, compared with 44% a year ago, which paves the way for a healthier, more balanced and more resilient portfolio to cyclical shifts.

At the holding level, our solo net cash position improved by 3% quarter-on-quarter to USD 649 million. No capital injection was required for any subsidiary during the quarter, and our TL weighting increased from 20% at year-end to 24% as of June-end.

From a market performance perspective, DOHOL outperformed the Holding index in the first half, delivering 21% return versus 9% of the holding index, while foreign investor ownership improved from 20% to 28% year-on-year. Our shares nevertheless still trade at an unjust 64% discount to NAV, and narrowing this discount remains one of our priorities.
Overall, we entered the second half with a stronger balance sheet, improved portfolio quality and increasing earnings resilience.

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Let me briefly walk you through our reported performance for the second quarter.
Consolidated revenues declined by 11% year-on-year to 26.2 billion TL. Almost the entire decline came from two businesses: Galata Wind, where revenues fell 54% as TL market clearing prices dropped 61%, and mobility, down by 39% y/y on softer demand. Elsewhere the picture was robust, with Karel growing 9% and Hepiyi's gross written premiums improving 32% y/y.
Beneath the topline, the quality of earnings improved significantly. EBITDA increased by 18% to 7.0 billion TL, with the margin expanding from 20% to 27%. Gümüştaş lifted its EBITDA margin by 14 percentage points to 42%, Karel delivered 10%, and Hepiyi continued to benefit from disciplined cost management.
I would highlight the cost side in particular, as I believe it is the most under-appreciated part of this quarter. Revenues declined by 11%, while cost of goods sold declined by 16%. Our cost base contracted faster than our topline, and that is precisely what turned an 11% revenue decline into an 18% increase in EBITDA. Gross profit rose 17% and the gross margin widened from 16% to 21%. Operating expenses came down a further 3% in real terms — and we achieved this while scaling Hepiyi and lifting mining production by 75%. For the first half the pattern is clearer still: revenues down by 7%, cost of goods sold down by 14%, and gross profit up by 33%.
When prices move against us, we cannot control the revenue line. What we can control is what it costs us to earn it, and that is where the work has been done financing expenses improved by 20%, and the new corporate tax regime effective in 2027 led to the reversal of approximately 2 billion TL of deferred tax liabilities, supporting bottom line even further.

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As we have been communicating over the last several quarters, we continue to manage our portfolio under two categories: Strategic Focus Areas and Dynamic Focus Areas.

Our strategic focus areas — mining, financial services and renewable energy — are increasingly the core earnings and NAV contributors of the group and now make up 57% of NAV vs 44% a year ago. Looking at our M&As over the past five years, we see that we have exited investments generating low single-digit IRRs, while companies delivering double-digit IRRs have been added to the holding portfolio. In other words, we have been selectively reallocating our portfolio toward businesses with higher return potential.

Meanwhile, our dynamic focus areas remain under active portfolio management, where we focus on value creation through operational transformation, strategic partnerships and selective corporate actions.
This quarter illustrates why the structure matters. Renewable energy came under severe short-term pricing pressure, yet mining and financial services carried group profitability comfortably.
Now, Bora will walk you through the operational details of our businesses.

Bora Yalınay:
Thank you Çağlar.

Mining continues to be one of the strongest value creation engines within our portfolio.

In the second quarter, mining production increased by 75% year-on-year in line with our growth plans.

Profitability is where the quarter stands out. EBITDA increased by 31% to 551 million TL and the EBITDA margin expanded by 14 percentage points to 42%, in line with our full-year guidance range, supported by a favourable product mix and effective hedging actions. Net profit rose to 261 million TL.

We also continued to invest. We completed 30 million USD of capex in the first half, in Dense Media Separation, flotation processing capacity and production area expansion, and remain on track with our approximately 70 million USD investment programme for 2026.

As you will recall, approximately 75% of our cost base is TL-denominated while all revenues are USD denominated, which creates a natural hedge and supports margin resilience. Our target of reaching one million tonnes of production by 2030 remains unchanged.

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Let’s now move to financial services, starting with Hepiyi Insurance.
Hepiyi continues to combine strong growth with an improving competitive position. Assets under management increased by 44% year-on-year, reaching USD 902 million.

In Motor Third Party Liability, market share improved by 58 basis points year-on-year to 6.7%, making Hepiyi the fourth-largest MTPL insurer in Türkiye, up from fifth. In Motor Own Damage, share improved from 4.1% to 4.3%, taking us to seventh position from eighth.
Hepiyi is also now the fastest claims payer in the MTPL segment — a meaningful competitive differentiator, supported by its fully digital operating model and AI-driven capabilities.

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Financially, Hepiyi continued to deliver strong and profitable growth. Gross written premiums increased by 32% year-on-year to 9.2 billion TL. Technical profit rose by 56% to 2.5 billion TL, and net profit more than doubled, up 104% to 2.3 billion TL.
The opex-to-sales ratio stood at 5.3%. This is above the 3.0% of a year ago, as we deliberately invested in scale, technology and distribution, but it remains almost four percentage points below the industry average of 9.3%.
Underwriting quality improved further. The MTPL claims ratio fell from 129.9% to 93.5%, against a sector average of 121.5%, while the combined ratio improved from 147.1% to 110.6%, against 144.0% for the sector.
Overall, Hepiyi continues to prove that profitable growth and disciplined risk management can coexist successfully in digital insurance.

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Our financial services platform continued to perform strongly in the second quarter.
D Investment Bank was recognised as Turkey's Best Investment Bank for Financing Solutions at the Euromoney Awards for Excellence 2026. Gross operating income increased by 14% year-on-year to 277 million TL and net profit was stable at 81 million TL, while total assets grew by 82% to 11.6 billion TL. The Bank completed five debt issuances during the quarter and secured USD 15 million of new foreign funding.
Doruk Factoring grew revenues by 57% to 1.6 billion TL and net profit by 57% to 354 million TL, with 60% ROE.
Financing and investing now accounts for 46% of consolidated revenues and 74% of consolidated EBITDA. Financial services remain one of our highest-return and fastest-growing verticals.

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Let's continue with Galata Wind, which had a difficult quarter.
Exceptional rainfall in Türkiye lifted hydroelectric generation and collapsed spot electricity prices. Galata Wind's own generation declined by 11% year-on-year, while the average USD-based market clearing price fell by 67% to 20 USD, and the TL-based price fell by 61%.

As a result, revenues declined by 54% to 367 million TL. Given the high share of fixed costs, EBITDA fell to 120 million TL and the margin narrowed by 36 percentage points to 33%. Reported net profit of 1.6 billion TL includes the reversal of approximately 1.6 billion TL of deferred tax liabilities related to new corporate tax regime to be enacted next year.
Encouragingly, prices have already recovered. As of July we are seeing levels of around 60 USD, roughly three times the second quarter average.

On the growth side, construction and permitting activities continue at full speed across Türkiye, Germany and Italy. We remain committed to our capacity targets of more than 550 MW by 2027 and more than 1 GW over the 2030 to 2035 horizon.

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Let me now turn to our dynamic focus areas, beginning with Karel.
The transformation programme continued to deliver. Karel recorded 9% real growth year-on-year, with revenues of 5.4 billion TL, supported by higher Daiichi orders and a better segment mix.
EBITDA increased from 284 to 516 million TL, and the consolidated EBITDA margin reached 10%, up from 6% a year ago. This is the third consecutive quarter of improvement of a similar order, which gives us confidence that the change is structural.
Importantly, Karel returned to profit, recording net income of 88 million TL against a net loss of 649 million TL in the same period last year. Note that 309 million TL worth of deferred tax liability reversal also included in 2Q26 net profit.
Net working capital declined further to 2.6 billion TL, at 17% of last twelve months revenues, compared with 62% in 2022. Overall, we believe the turnaround story at Karel is progressing in line with expectations.

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Sesa Packaging delivered a solid quarter commercially. Revenues increased slightly to 1.5 billion TL, supported by customers building safety stock amid supply-chain challenges in the region. Premium products reached 26% of revenues.
Exports represented 51% of revenues, and the share of the United Kingdom within exports increased from 23% to 28% year-on-year following the addition of new customers.
EBITDA was 197 million TL, with the margin at 14% against 20% a year ago, reflecting product & customer mix and repercussions of inflation accounting. Net profit was 215 million TL.
Sesa continues to focus on premiumisation, export diversification and operational efficiency improvements.

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Let me also briefly touch upon Doğan Trend Otomotiv, which operated in a difficult market.
Revenues declined by 39% year-on-year to 3.9 billion TL. MG sales were resilient, up 1% to 775 units, helped by competitive pricing and the models launched in the first quarter. Suzuki declined by 24% to 1,257 units, mainly due to the discontinuation of the Swift following higher customs duties on imports from Japan, together with limited access to consumer financing. Motorcycle sales declined by 31%.
At the bottom line, however, the net loss narrowed by 57%, from 866 to 370 million TL, supported by last year's capital increase and lower financing costs.

We continue to manage this business delicately and looking for opportunities to bounce back.

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Kanal D Romania maintained its position as the second most-watched television channel in Romania. Revenues were 717 million TL and EBITDA 319 million TL. Although both were lower in absolute terms, the EBITDA margin improved from 42% to 44%, and regular dividends were maintained.
Hepsiemlak remains second in online real estate listings. Revenues grew by 24% to 223 million TL, while the company recorded an EBITDA loss of 15 million TL, reflecting deliberate marketing investment.

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Our real estate portfolio continues to maintain strong occupancy and stable value generation. Trump Towers maintained 96% occupancy, while Milta Marina sustained approximately 89% during the quarter. As independent expert valuation studies are conducted at only year-ends, there has been no change in Turkish Lira valuations year-to-date. The only difference compared to the figures in the FY2025 presentation is solely due to exchange rate movements.
The total value of our real estate investments stands at approximately 294 million USD, of which 257 million USD is attributable to Doğan Holding.
As always, we continue to adopt an opportunistic and value-driven approach toward our real estate assets.

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Let me also briefly touch upon our cash position and capital allocation strategy.
As of the end of the second quarter, our standalone net cash position stood at USD 649 million, up from USD 633 million at the end of March. On a consolidated basis, net cash increased to USD 960 million from USD 932 million.
Strategic capital deployment continued within our core subsidiaries. Accordingly, 30 million USD of mining capex completed in the first half, Galata Wind continued its power plant battery storage constructions, and rapid balance sheet growth at D Investment Bank and Doruk Factoring maintained— all funded within the operating companies.
Importantly, no capital injections were required for any of our subsidiaries during the quarter.
From an asset allocation perspective, the holding-only position at the end of June was 59% USD, 24% TL, 16% EUR and 1% Sterling, with the TL share up from 20% at year-end as we continue to benefit from attractive local currency yields.

Overall, our strong liquidity position continues to provide substantial flexibility for future growth investments and value-enhancing opportunities.

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Now back to Çağlar for the closing remarks.

Çağlar Göğüş:
Thank you Bora.

Let me set out where we stand on guidance, as we are making two revisions this quarter.

For Galata Wind, we continue to expect electricity generation between 950 and 1,000 GWh, but we are revising our EBITDA margin guidance to approximately 60%, from 65 to 70% previously, reflecting the decline in market clearing prices during the quarter.

Within financial services, we are raising our guidance for AUM addition at Hepiyi to 200 to 250 million USD, from 100 to 130 million USD previously — effectively doubling our expectation for the year thanks to strong operational performance of the company and favorable market dynamics.

For mining, we maintain our expectation of above 40% revenue growth, 40 to 50% EBITDA margin, and approximately 70 million USD capex during 2026.

And we remain firmly committed to our long-term 2030 NAV target of 4.5 billion USD as have now proudly improved our NAV by 14% ytd, reaching 3.2 billion USD by June-end.

To summarise the quarter: a difficult environment for two of our businesses, absorbed by the strength of the rest, with prudent cost and opex management.

With that, thank you very much for joining us today. **We can now move to the Q&A session.**

Moderator:
Yes, exactly. Thank you. Thank you very much for the presentation. So we are now moving to the question and answer section of the call. If you would like to ask a voice question and you are connected via the phone, please press star 2 on your phone keypad and wait for your name to be prompted. If you are connected via the web, you can also request to ask a voice question or send your question as a text.

So our first text question is from **Ibrahim Şişman, Kuzey Menkul.** The capital increase process for Karel Electronic has not been completed. Why did you not participate in the private placement capital increase? How will the process proceed now?

Çağlar Göğüş:
Thank you. Karel applied to the Capital Market Boards of Türkiye for a unique private placement, a capital increase model distinct from traditional restricted rights issue involving only the main or controlling shareholder. The structure was designed to increase the share of institutional investors in this shareholder base, broaden its investor base, and enhance corporate governance effectiveness with participation not only from the controlling shareholder, but also from qualified institutional and foreign investors. Following the CMB approval process, political, geopolitical, economic, and global developments led to changes in the structure and parameters of the proposed model. As a result, the final application submitted to CMB in this context was not approved, and the capital increase process was unfortunately terminated. Importantly, this does not change our strategic objectives for Karel. We continue to support the company and its long-term growth plans. At this stage, we are evaluating alternative financing solutions at the strategic level, taking into account Karel's exact funding requirements, balance sheet structure, and our broader capital allocation priorities. It would be early to comment on a specific alternative and date before that evaluation is completed. Once we have a clear and concrete financing structure, and which we are working intensively nowadays, we will, of course, communicate it to the market in line with our disclosure requirements.

Moderator:
Our next question comes from **Orkun Godek, Deniz Yatırım**. Congratulations on the financial results. The Gümüştaş site is delivering a strong performance. Would you consider revising the production targets upward here?

Çağlar Göğüş:
Yes, thank you. When we acquired Gümüştaş, our capacity was around 350,000. We initially increased it to 500,000. This year, we are increasing it to around 800,000 tons, and we are heavily working on it, and it's going fairly well. And in the next 2 years, in 2027 and 2028, we plan to increase it first to 900 and then a 1 million tons. So yes, we are working on it. This is the plan of the capacity increases, but we are making a major jump by the end of this year to 800,000 tons.

Moderator
Thank you very much. Just once again, a reminder, star two for any additional questions. That's star two for any additional questions. Thank you. Okay, it looks like the presentation was comprehensive enough. No further questions at this point. I'll be passing the line back to the management team of Dogan Holdings for the concluding remarks.

Melda Oztoprak:
Thank you very much for joining our call. Hope to see you soon, again in the next quarter. Goodbye.

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