

**2025/Q1**

**EARNINGS PRESS RELEASE**

**ORGE<sup>®</sup>**

**ELECTRICAL CONTRACTING**

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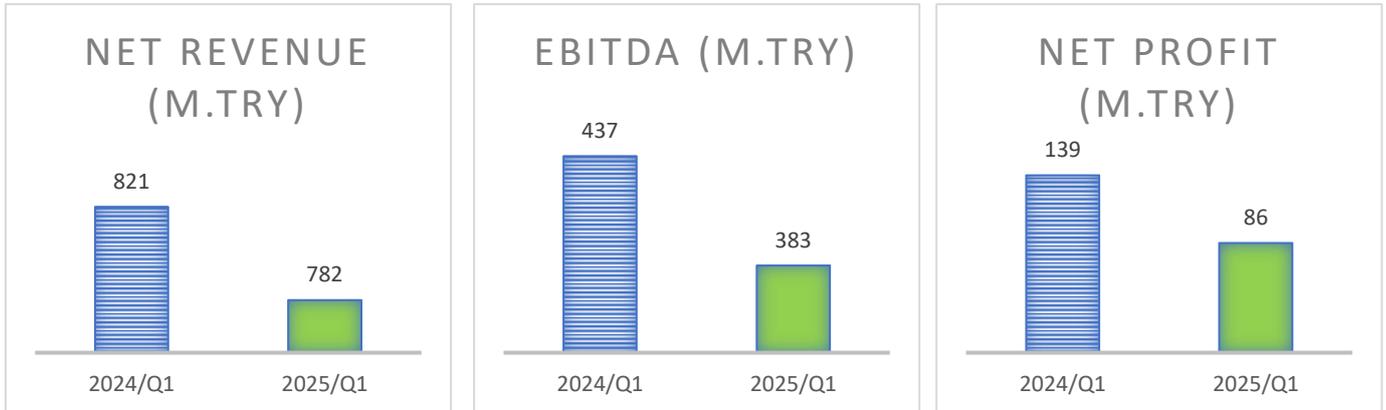
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# 1. FINANCIAL AND OPERATING HIGHLIGHTS

## 1.A. FINANCIAL HIGHLIGHTS



Revenue in 2025/Q1 decreased by 5% yearly. Decrease was mostly inflationary accounting related:

- Increase in New Work Bookings and Backlog are less than yearly inflation rate.
- Huge increase in contract value appreciation in FX contracts, unit amount and price increase in current backlog at Q1/25 caused a basis effect.
- Weight increase in revenue recognition from recent projects are below the yearly inflation increase.

EBITDA in 2025/Q1 decreased by 12% yearly. Decrease was driven by:

- Decrease in gross margin due to normalization of the weight of recently signed project in the backlog.
- Less than expected revenue recognition on particular recently signed projects since less new bookings are signed for Q1/25 on inflationary basis.
- Discounted material purchases with favorable commodity prices create extra margin for particular projects.

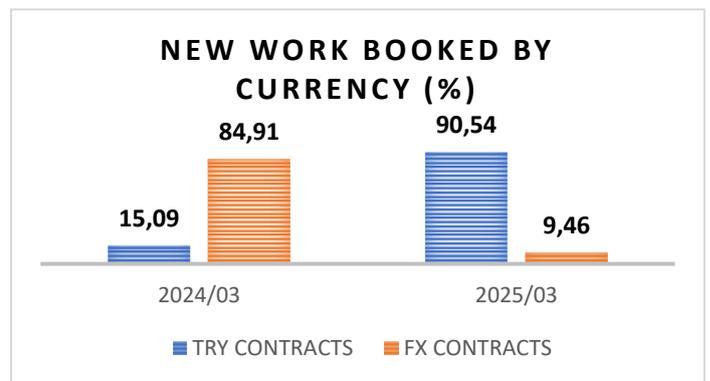
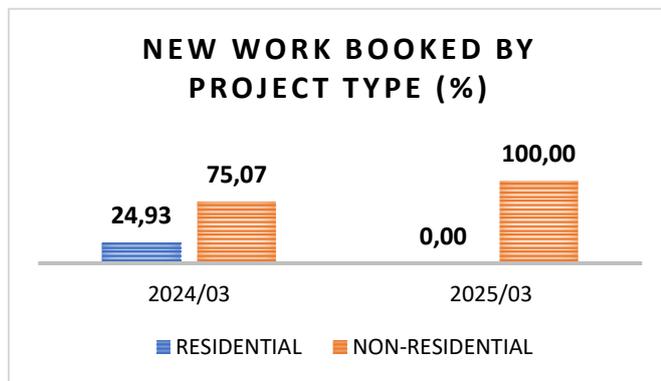
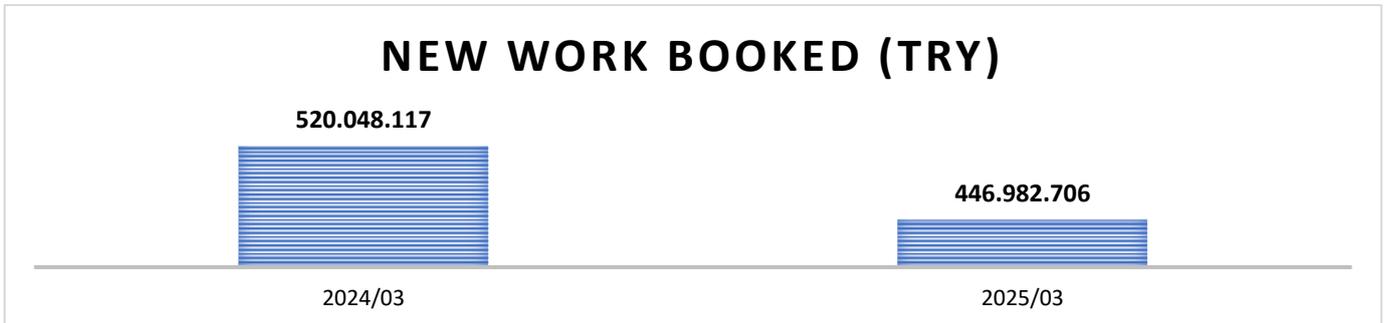
Net Profit in 2025/Q1 decreased by 38% yearly.

Factors effect Net Profit and explain difference with EBITDA change are:

- Net monetary losses arising from the application of inflationary accounting.
- Increase in effective tax margin due to deferred tax gains turned to deferred tax losses.

## 1.B. OPERATING HIGHLIGHTS

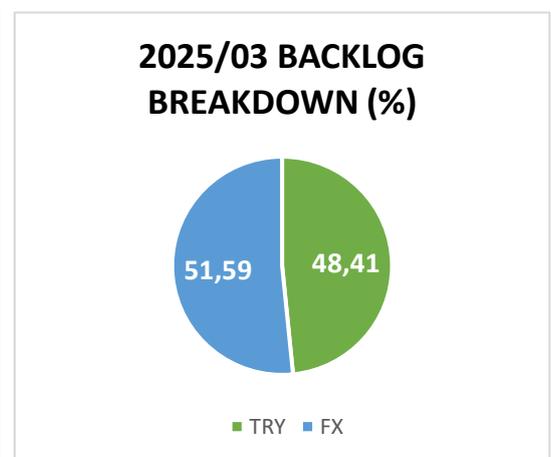
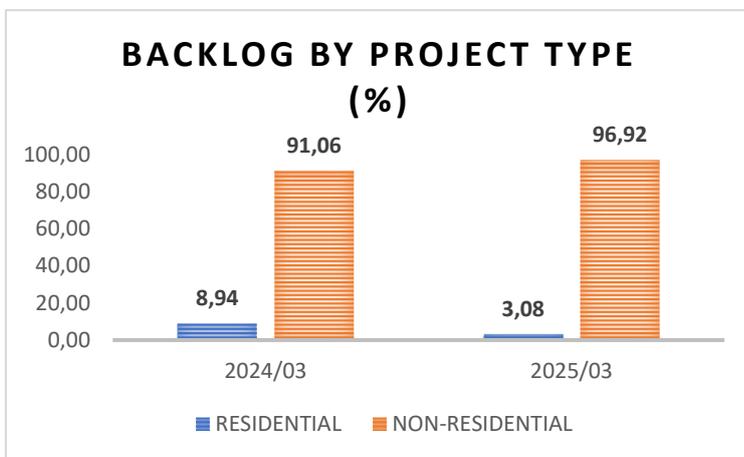
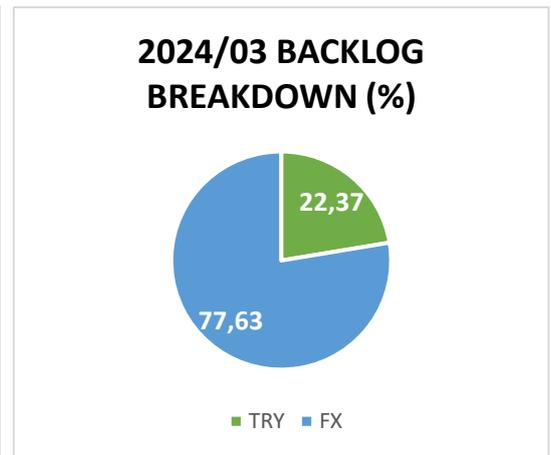
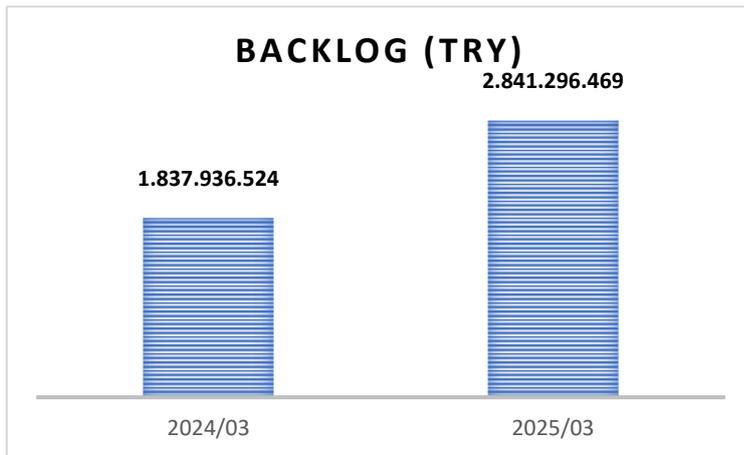
### 1.B.1. New Work Booked



New work booked in 2025/3M decreased to TRY 446,982,706 compared to TRY 520,018,117 in 2024/3M.

- 100% of new contracts are non-residential prioritized projects.
- 9% of new contracts are in FX terms. TRY-based contracts and/or TRY costs in partial FX contracts contain have escalation terms linked with commodity price and / labour inflation and/or minimum wage increases.

## 1.B.2. Backlog



Backlog increased TRY 2,841,296,469 as of 31.03.2025 compared to TRY 1,837,936,524 as of 31.03.2024.

- Non-residential/prioritized project weight in backlog increased to 97%.
- FX-based contract value decreased to 52% of backlog. Risk management is transformed and maintained with provisions regarding FX-inflation-commodity price escalations in particular partially in TRY-based contracts.

Latest ongoing projects with respective contract values are as follows:

PROJECT	CONTRACT VALUE	EST. COMPLETION	STATUS
ÜMRANİYE-ATAŞEHİR-GÖZTEPE SUBWAY	USD 9,475,337 + TRY 249,907,101	NOVEMBER 2025	ONGOING
PENDİK-FEVZİ ÇAKMAK SUBWAY	EUR 9,979,903 + TRY 133,751,712	OCTOBER 2025	ONGOING
BURSA EMEK-CITY HOSPITAL SUBWAY	EUR 6,954,845 + TRY 121,046,594	FEBRUARY 2026	ONGOING
TANAP DYNAMIC UPS SYSTEM PROJECT	USD 10,480,070	JULY 2025	ONGOING
BODRUM HILLSIDE HOTEL	TRY 360,000,000	SEPTEMBER 2025	ONGOING
MANDARIN ORIENTAL ETİLER PROJECT	TRY 335,467,161	MAY 2026	ONGOING
İSTANBUL AIRPORT AIRCRAFT HANGAR PROJECT	USD 3,900,000 + TRY 144,134,487	SEPTEMBER 2025	ONGOING
İZMİR AMERICAN HOSPITAL	EUR 3,750,500 + TRY 127,500,000	JUNE 2025	ONGOING
GEBZE-DARICA SUBWAY	EUR 2,685,000 + TRY 31,793,510	DECEMBER 2025	ONGOING
FOLKART NOVA PROJECT	EUR 725,158 + USD 1,215,674 + TRY 65,065,443	SEPTEMBER 2025	ONGOING
ISTANBUL NEW AIRPORT-HALKALI SUBWAY	EUR 2,128,149 + TRY 25,124,798	SEPTEMBER 2025	ONGOING

### 1.B.3. Other Major Developments in 2025/3M and Beyond

- Buyback in 2025/3M: 50,000 shares  
Sale of shares to institutional investors after 2025/3M: 1,000,000 shares  
Buyback balance: 6,255 shares (0,008%)
- The purchase process of shares corresponding to 15% of the capital of Lixhium Bilişim Hizmetleri A.Ş., a leading EV Routing/Payment/Market Place for EV Vehicles, for TRY 10,000,000 was completed.
- **New works booked in the period;**
  - Bodrum Hillside Hotel Project contract revision (Revision Size: TRY 146,756,067)
  - İzmir American Hospital Project contract revision (Revision Size: TRY 93,647,883)
  - Pendik-Fevzi Çakmak Subway contract revision (Revision Size: TRY 81,605,303)
  - Bursa Subway contract revision (Revision Size: TRY 55,191,952)
  - Ümraniye-Göztepe Subway contract revision (Revision Size: TRY 40,134,966)
  - İstanbul Airport Hangar Project contract revision (Revision Size: TRY 26,134,488)
- **After the end of period;**
  - Mandarin Oriental Etiler Project contract revision (Revision Size: TRY 79,467,161)
  - DenizKoru Sarıyer Project contract signing process started (Contract Size: TRY 267,000,000)

## 2. MANAGEMENT COMMENTARY ON THE RESULTS

ORGE completed 2025/Q1 putting great effort into meeting our sustainable growth and profitability commitments. Sticking to the strategy to increase market share in our focal sub-sectors. We received 1 new premium residence project after the end of period and +7 additions in our current contracts. Our first oil&gas contract received from TANAP is about to complete. We hope it will lead us through new geographies with new partners abroad. During the period, we continued our works in first investment project on production of EV chargers. We're pushing hard and thrilled to give a start to commercial sale in 2025/Q2. One of the key developments of the 2025/Q1 was completion the purchase of equity in EV routing, payment and marketplace leading company: LIXHIUM for a strategic investment, that can bring not only the value but the synergies to ORGE in EV eco-system.

Once again, one of the key elements of current quarter in financial environment is the application of inflationary accounting (TAS 29). Within this regard, Since ORGE has limited non-monetary assets in return for its non-monetary resources (equity), and non-monetary assets have already been valued; therefore, a net monetary position loss occurred as a result of the indexation of shareholders' equity originating from previous years' profits and net period profits. Due to these losses, net profit for the period was limited and the decrease in net profit margin was significant.

Since the increase in new bookings, additions to current backlog and project progresses thus the revenue recognition from the backlog at Q1/2025 was unexpectedly lower than the yearly inflation rate, due to indexation of previous year numbers to 2025/Q1 created a decrease in revenues, EBITDA and Net Profit in inflationary reporting.

When we exclude the mainly the indexation effect of inflationary accounting while judging our operations in consideration;

Our revenues keep up their growth pace thanks to new works booked and value growth in older backlog, progress increase in particular recent projects.

We managed to limit the decrease in EBITDA margin having the benefits of our FX contract base and project selection adapted to inflationist

environment and optimizing procurement timing and tender pricing taking into account trends in commodity prices.

Even experiencing net monetary loss and indexation effects derived by inflationary accounting, we maintained our bottom line positive.

Our base scenario for 2025 and beyond is: normalization in governance and economic activity, liquidity, indicators and prices; and their convergence to the expectations of the company.

When our base scenario holds; we believe the activities and financial status of the company will not be effected from the downturns and we can deliver 50% revenue growth and 50% increase in operational profit for current year.

### 3. KEY FINANCIAL DATA

<b>Financial Data (TRY)</b>	<b>2024/3M</b>	<b>2025/3M</b>
Revenue	820,927,929	781,833,837
Gross Profit	458,753,927	408,867,314
Operating Profit	425,447,649	373,386,349
Profit Before Tax	84,569,443	104,189,865
Net Profit	139,330,919	86,440,025
<b>Profitability Ratios (%)</b>	<b>2024/3M</b>	<b>2025/3M</b>
Gross Profit Margin	55.88	52.30
Operating Profit Margin	51.83	47.76
Net Profit Margin	16.97	11.06
<b>Liability Ratios (%)</b>	<b>2024/12M</b>	<b>2025/3M</b>
Total Fin. Debt / Equity	3.69	3.57
Total Debt / Equity	52.47	54.39
Total Debt / Total Assets	34.41	35.23
Equity / Total Assets	65.59	64.77
<b>Market Value as of 31.03 (TRY)</b>	<b>5.624.000.000</b>	<b>6.884.000.000</b>

### 3.A. KEY FINANCIAL RATIOS



### 3.B. MANAGEMENT EXPLANATION ON THE VARIATIONS

**EBITDA margin** in 2025/Q1 decreased by 4 pp yearly mainly due to:

- Increase in new bookings are lower than yearly inflation rate.
- Gross margin lessened due to normalization of the weight of newly signed contracts in the backlog.
- Projects progresses are lower than expected in newly signed contracts.
- Additional margin maintained by favorable material purchases.
- Increase in general administrative expenses for the projects and for the company is limited, but more than 2024/Q1

**Net Profit margin** in 2025/Q1 decreased by 6 pp yearly mainly due to:

- Net monetary losses arising from the application of inflationary accounting.
- Deferred Tax Provisions increased when there was Deferred Tax Gains in 2024/Q1

## 4. KEY FUTURE OPPORTUNITIES

### RAILWAY SYSTEMS

#### ECI – Early Contractor Involvement

- Current Lines (İstanbul): 381 KM
- Ongoing construction in İstanbul: 87 KM
- Adana, Ankara, Mersin Subway Projects
- Est. electrical scope 12-20%

### RAILWAYS IN TURKEY’S INVESTMENT PLAN FOR 2025

- Total Investments: TRY 1,444 Billion
  - Transportation Investments: TRY 440 Billion (30%)
    - Railway Investments from Ministry: TRY 20 Billion
    - Railway Investments from Municipalities: TRY 62 Billion
      - Railway Investments for Istanbul: TRY 27,8 Billion
      - Railway Investments for Izmir: TRY 12,7 Billion
      - Railway Investments for Mersin: TRY 8,5 Billion
      - Railway Investments for other cities: TRY 13,5 Billion

### RENEWABLE ENERGY

- Completed 10 MW projects in 4 contracts at +20 different places.
- We do not prefer to grow through pure price competition.
- We are looking for qualified projects/investors that will converge to the general company margins.
- We have business development efforts where we can fund, build and operate.
- We also carry out business development activities as EPC and investor operators to meet the demand in nearby geographies abroad.

### INDUSTRIAL PLANTS

- Automotive sector investments: e-mobility
- Tax incentives for chemical, petroleum plants
- Renewable energy transition for factories/plants
- Cooperation with international contractors
- Est. electrical scope 12-20%

### DATA CENTERS

- IT Complex, data center construction & renovations

- Within the scope of the Attraction Area Program (Energy, fiber communication infrastructure, investment location allocation, interest-free investment loan supports)
- Among the priority investment incentive areas
- An ideal and an alternative Disaster Recovery Center (FKM/DRC) for neighboring and Gulf Countries
- Current data center area: 100.000 sqm
- Target: 400.000 sqm in 5 years
- Est. electrical scope 15-25%

### SMART BUILDINGS/TOURISM INVESTMENTS

- Business development at elite segment residential and touristic projects at Turkey, Northern Cyprus and EMEA
- Premium segment hotel demand
- Turkey, one of top 10 most visited country.
- 2025 target: 64 million visitors, USD 64 billion revenue
- 2028 target: 90 million visitors, USD 100 billion revenue
- Ministry Guidance: visitors and revenue increase by %30-%45
- Tax incentives
- Est. electrical scope 12-20%

### INTERNATIONAL WORKS / ORGE TRADING (OTC)

- Retail supply sales/e-commerce initiatives
- Key distributor collaborations with international supplier brands
- Opportunity to follow up different country experiences of investors and main contractors
- High awareness and recognition thanks to the electrical contracting network
- OTC supply and sales transactions contribute to ORGE's revenue and profitability and cash flow optimization
- Rapid cash generation with limited risk, limited workforce and organization
- OTC activities may contribute the hedge against commodity price risk with inventory management
- The large demand expected to arise in higher quality electrical materials, especially cables, within the scope of the reconstruction of the earthquake-affected areas, the reconstruction and/or the initial construction of the regions in the possible earthquake-affected area

## ELECTRIC VEHICLE (EV) CHARGING STATIONS (CS)

- According to the International Energy Agency (IEA) data, it's aimed to have 210 million (public: 15,5 M) charging stations in 2030 and 420 million (public 23 M) in 2035.
- The Global Public Charger Market is expected to be approximately 215 Billion USD with CAGR: 30% in 2032. (Statzon)
- Türkiye is expected to own 143,000 public (Ministry of Industry and Technology) and 750,000 privately owned charging stations by 2030 (Current 28,000 public CS).
- The total public and private market size in Turkey is expected to be USD 5 billion.
- Only TOGG (Turkish EV) production (target) is 1 million
- The first investment decision came from Chinese companies, more are expected.
- Acquired 15% of Lixhium, a leading EV Routing/Payment/Market Place for EV Vehicles
- Gebze Technology Development Zone Branch was established.

## 5. EXPECTATIONS AND EARNINGS GUIDANCE

### **2025/12M**

Provided that the effects of economic, geopolitical, and political risks on new investments and sector will be minimized, with our fulfillment of our new contract expectations we project to increase our revenues by **50%** and increase our operating profit by **50%**.

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