Earnings Release

Q2 2026 Financial Results

Continuing Our Investments with Solid Volume and a Strong Balance Sheet

From Türkiye to the World
Confidently into the Future

www.lilakagit.com

2Q 2026 Earnings Release

Comment by Lila Kağıt General Manager Alp Öğücü:

A Bold Step, Driven by Volume Growth and the Erzurum Investment

We began 2026 amid heightened uncertainty shaped by global trade policies, geopolitical developments and persistent volatility in commodity prices. In the second quarter, geopolitical tensions and pressures on energy and freight costs continued, while demand partially recovered in certain export markets. By maintaining our discipline in cost controls, cash flow and operational efficiency, we converted this gradual demand improvement into quarterly sales volume growth on a year-on-year basis.

In 2Q 2026, total sales volume across our jumbo roll and converting businesses reached 52.6 thousand tons, while net sales amounted to TRY 3.9 billion. Quarterly sales volume increased by 6.3% year on year and 9.0% quarter on quarter. We therefore sustained the volume recovery that began in 1Q 2026. This performance reflects the contribution of partly normalizing global trade conditions, strong customer relationships, a diversified product portfolio and solid execution capabilities. Our second-quarter results support our 2026 guidance and reinforce our commitment to achieve our targets for the remainder of the year.

Following fragile demand in the first quarter, we achieved growth in the jumbo roll business, supported particularly by higher export volumes. We expect this momentum, backed by our product development capabilities, diversified customer base and partial recovery in export demand, to continue in the second half. Meanwhile, our converting business maintained its strong momentum, recording 13.5% growth in total sales volume, led by a 35.4% year-on-year increase in the export channel. While retaining our focus on branded and value-added products, we strengthened our presence in existing export markets, continued to acquire customers in new markets and delivered balanced sales performance through growth in Türkiye branded products category.

In 2Q 2026, the uncertain geopolitical environment, flat foreign-currency sales prices, exchange rate appreciation below inflation in Türkiye and a higher operating expenses-to-net sales ratio impacted profitability. Nevertheless, effective supply chain management, disciplined raw-material procurement, operational efficiency initiatives and our value-added product mix supported generation of TRY 1.1 billion gross profit, TRY 641.8 million EBITDA and 16.6% EBITDA margin. Adjusted EBITDA margin was 19.6%, while net profit for the period was TRY 484,1 million and net profit margin was 12.5%. Net profit was supported by the positive impact of deferred tax restatement following the corporate tax regulation applicable to manufacturing exporters. From 2027 onward, we expect this incentive-oriented regulation to structurally support our cash generation and sustainable profitability by reducing our effective tax burden.

With the commencement of the Phase I converting facility operations in June 2026, Erzurum became a strategic pillar on our operational network and growth roadmap. We believe the facility will contribute to our medium- and long-term growth through a gradual capacity ramp-up, production proximity for customers in Eastern Anatolia and the Black Sea region, greater logistics efficiency in domestic distribution and improved logistics access to nearby export markets. During the remainder of the year, we will manage the gradual ramp-up in Erzurum while continuing our investments in the Ergene smart warehouse, automation and renewable energy projects. Despite challenging economic conditions, our strong balance sheet and cash-generation capacity enable us to focus on investments that will expand production capacity and competitiveness without losing momentum.

The inclusion of our export brand NUA in the TURQUALITY® Program in the second quarter marked an important milestone in our international branding journey. With the support provided by the program, we aim to increase NUA's awareness in target markets, expand its distribution network and accelerate entry into new countries. In the second half, we aim to preserve the renewed volume momentum in jumbo rolls and grow the converting business through our strong domestic sales organization, expanding export footprint, the logistics contribution of the Erzurum facility and our branded-product strategy. We will continue to manage volatility in pulp, energy and freight markets through proactive procurement and operational efficiency initiatives.

In the first half of 2026, our resilient operational performance, stronger cash generation and the commissioning of our Erzurum facility were key highlights. For the remainder of the year, we will focus on turning the recovery in our jumbo reel business into sustainable growth, increasing the share of branded and value-added converting products, expanding in new export markets and strengthening our profitable, cash-generative operations. In doing so, we will further enhance Lila Kağıt's competitive position and continue creating sustainable, long-term value for all stakeholders. I would like to thank our colleagues, customers, business partners and investors for their contributions and continued trust.

2Q 2026 Earnings Release

Operational Performance:

(kTon)	1H 2026	1H 2025	2Q 2026	2Q 2025
Total production tonnage	**108.5**	**106.6**	**55.9**	**51.2**
Capacity utilization rate	**89%**	**87%**	**92%**	**84%**
Total sales tonnage	**100.9**	**101.8**	**52.6**	**49.5**
Domestic sales ratio	*24%*	*25%*	*23%*	*25%*
Export sales ratio	*76%*	*75%*	*77%*	*75%*

In 2Q 2026:

- In Q2 2026, total production tonnage amounted to 55.9 thousand tons, while the figure was 108.5 thousand tons in 1H 2026. Lila Kağıt's capacity utilization rate was 92% in Q2 2026, 12 percentage points above the Türkiye average of 80%[1]. In 1H 2026, the rates were 89% for Lila Kağıt and 78%[1] for Türkiye, respectively.

- Total paper sales tonnage was 49.5 thousand tons in Q2 2025 and increased by 6.3% year on year to 52.6 thousand tons in Q2 2026. In 1H 2026, total paper sales tonnage was 100.9 thousand tons, broadly in line with the prior-year period (1H 2025: 101.8 thousand tons).

- In 2Q 2026, international sales accounted for 77% of total sales volume, while this ratio stood at 76% in 1H 2026. During 1H 2026, 97% of paper roll sales by volume were made to export markets, compared to 32% for converting products.

- Following a decline in the first quarter due to weak demand conditions and the high base of the previous year, the paper roll business recorded 3.4% volume growth in 2Q 2026 compared to 2Q 2025, supported by the partial normalization in export markets.

- Converting sales volume grew by 13.5% year on year in Q2 2026. Growth was mainly driven by continued momentum in branded products and strong performance from new customer acquisition in export markets. The converting export channel grew by 35.4% year on year, with Denmark, Estonia, Azerbaijan, Georgia, Malta and Morocco contributing positively.

- The branded converting export channel achieved an all-time sales record in June 2026, while the share of value-added products within the converting product portfolio increased by 124 basis points to 12.7% in 2Q 2026. Compared to 1H 2025, in 1H 2026 this share rose by 87 basis points to 10.6%.

- In 1H 2026, the jumbo roll, converting and other segments accounted for 57%, 38% and 5% of total revenues, respectively.

- In 1H 2026, export and domestic markets accounted for 76% and 24% of total paper sales volume, respectively.

[1] SKSV 1H 2026 Report

2Q 2026 Earnings Release

Financial Performance:

The financial results have been prepared in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies. The financial information as of 31 December 2025 and 30 June 2025 has been restated in terms of the purchasing power as of 30 June 2026.

Comprehensive Income or Loss ('000 TRY)	1 January-30 June 2026	1 January-30 June 2025	1 April-30 June 2026	1 April-30 June 2025
Net Sales	7,271,495	8,492,877	3,858,057	4,270,654
Gross Profit	2,183,303	2,586,586	1,096,572	1,302,143
Operating Profit	**990,966**	**1,643,699**	**444,839**	**746,874**
Net Profit	331,739	1,228,885	484,124	1,230,175
EBITDA	1,321,956	1,668,607	641,770	839,335
Adj. EBITDA	**1,538,746**	**2,098,663**	**754,258**	**967,954**

Key Ratios	1 January-30 June 2026	1 January-30 June 2025	1 April-30 June 2026	1 April-30 June 2025
Gross Profit Margin	30.0%	30.5%	28.4%	30.5%
Operating Profit Margin	13.6%	19.4%	11.5%	17.5%
EBITDA Margin	18.2%	19.6%	16.6%	19.7%
Adj. EBITDA Margin	21.2%	24.7%	19.6%	22.7%
Net Profit Margin	**4.6%**	**14.5%**	**12.5%**	**28.8%**

Net Sales:

- The uncertainty created by rising customs tariffs and protectionist policies in international trade since Q2 2025 was compounded by the effects of the conflict involving the United States, Israel and Iran in the Middle East during Q1 2026. These developments caused volatility in global trade flows, energy, petroleum-based inputs and logistics costs throughout the second quarter, prolonging uncertainty in the sector's operating environment.

- In 1H 2026, consumer inflation was 18%[2], while the U.S. dollar and euro appreciated against the Turkish lira by 9% and 5%[3], respectively. As foreign-currency sales prices did not increase materially and exchange rates rose below inflation, the Company's inflation-adjusted net sales under TAS 29 were pressured in real terms due to the high share of exports in total sales. Consequently, nominal TRY sales growth does not translate into an equivalent increase in inflation-adjusted financial statements.

- Increasing price competition in export and domestic markets pressured sales prices, while exchange rates rising below inflation continued to weigh on the TRY value of export revenues. Consequently, despite strong operating performance driven mainly by momentum in export markets and new customer and channel wins, Q2 2026 net sales declined by 9.7% year on year to TRY 3.9 billion due to global price competition and the inflation/FX impact (Q2 2025: TRY 4.3 billion).

- Pulp prices fell to their lowest levels in five years during 2025 and stabilized from the final quarter. The limited increase observed in early 2026 was not sustained because of weak demand in China, high inventory levels, regional price differences and rising local supply, and prices declined again toward the end of the second quarter. Given competitive pricing conditions in global end-product markets, the temporary movement in raw-material prices was not reflected as an increase in the Company's Q2 2026 end-product sales prices.

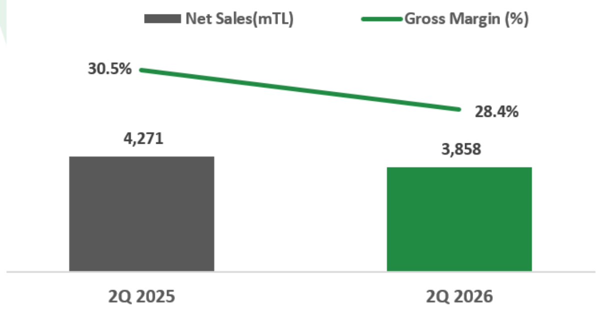
[2] TURKSTAT data

[3] CBRT official foreign-exchange buying rates

2Q 2026 Earnings Release

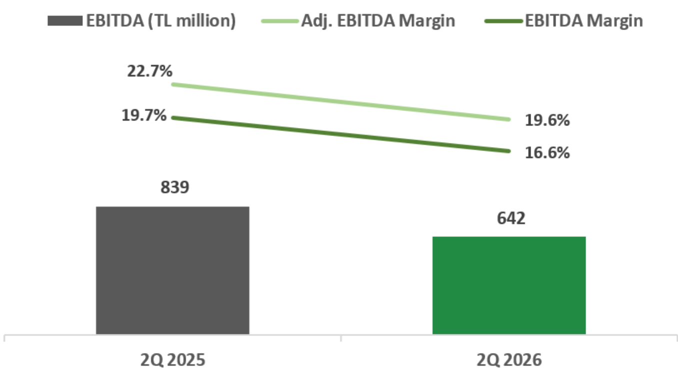
Gross Profit and Gross Profit Margin:

- Gross profit amounted to TRY 1.1 billion in Q2 2026 (Q2 2025: TRY 1.3 billion).
- Gross profit margin was 28.4% in Q2 2026.
- Despite volatility in energy markets caused by the conflict in the Middle East, Türkiye maintained a relatively advantageous position in energy costs compared with Europe and other international markets. This helped manage the impact of energy expenses on production costs but did not fully offset the real-revenue pressure from flat foreign-currency sales prices and exchange rates rising below inflation.
- Despite the focus on profitable growth, the increasing share of value-added products, proactive raw-material procurement and relatively manageable energy costs, gross profit margin decreased by 207 basis points compared with Q2 2025. The decline primarily reflected the inability to achieve a meaningful increase in foreign-currency sales prices amid competitive international market conditions and the fact that exchange rates rose below inflation in Türkiye, leaving sales prices behind inflation in real terms under TAS 29. Higher TRY-based labour and manufacturing overheads also created additional margin pressure.
- In 1H 2026, gross profit was TRY 2.2 billion and gross profit margin was 30.0%.



EBITDA & EBITDA Margin:

- EBITDA amounted to TRY 642 million in Q2 2026 (Q2 2025: TRY 839 million).
- EBITDA margin decreased by 302 basis points to 16.6% (Q2 2025: 19.7%), reflecting the contraction in gross profit margin and the increase in operating expenses as a percentage of net sales. Marketing, selling, distribution and general administrative expenses rose due to inflationary increases in TRY-based costs and the impact of developments in the Middle East on transportation and freight costs through energy prices. Meanwhile, net sales did not rise at the same pace as operating expenses because foreign-currency sales prices remained flat and exchange rates increased below inflation, creating further pressure on the operating expenses/net sales ratio and EBITDA margin.
- Adjusted EBITDA margin, including foreign-exchange income and expenses on trade receivables and payables directly related to the Company's operations, was 19.6% in Q2 2026 (Q2 2025: 22.7%; down 312 basis points).
- In 1H 2026, EBITDA amounted to TRY 1.3 billion and EBITDA margin was 18.2%.



2Q 2026 Earnings Release

EBITDA Reconciliation:

The Company calculates Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) by adding depreciation and amortization expenses to Operating Profit Excluding Other Income/(Expenses). Adjusted EBITDA additionally includes foreign-exchange differences arising from trade receivables and payables. The reconciliation between operating profit and EBITDA as of 30 June 2026 and 30 June 2025 is presented below:

('000 TRY)	2Q 2026	2Q 2025
Operating Income Exc. Other Income/(Expense)	400,677	605,587
Depreciation and Amotization	241,093	233,748
EBITDA	**641,770**	**839,335**
Foreign exchange differences arising from trade receivables and trade payables	112,488	128,619
Adj. EBITDA	754,258	967,954

Net Profit & Net Profit Margin:

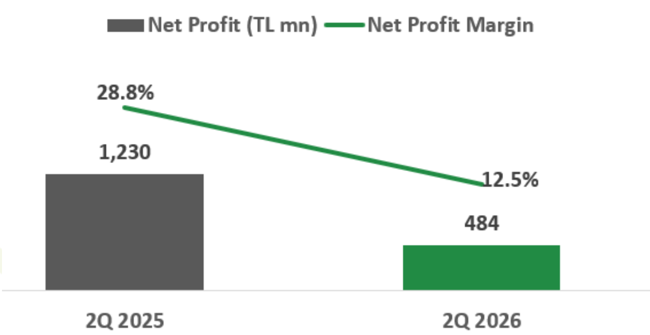
- Despite price pressure in global markets and inflationary conditions in Türkiye, the Company increased sales tonnage by 6.3% in Q2 2026, maintained its operational resilience and continued to generate strong cash flow. Net profit for the period was also supported by the positive impact of remeasuring deferred taxes in line with the favourable corporate tax rate applicable to manufacturing income from 2027 onward.

- While exchange rates rising below inflation pressured the TRY value of export revenues, global price competition and fragile demand conditions limited profitability indicators.

- Net profit for the period was TRY 484.1 million in 2Q 2026, with a net profit margin of 12.5%. Following the determination of a 12.5% corporate tax rate applicable to income from manufacturing activities from 2027 onward, the Company remeasured its deferred tax assets and liabilities using the tax rates expected to apply when the relevant assets and liabilities are realized. This tax rate revision increased 2Q 2026 net profit by TRY 308 million through deferred tax income and had a positive impact on net profit margin. Although this is a non-cash accounting effect, the new tax rate is expected to provide a lasting positive contribution to the Company's future effective tax burden and cash flows once applied to qualifying manufacturing income from 2027 onward.

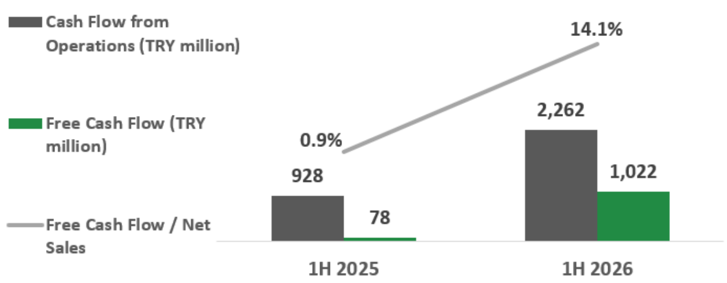
- In 1H 2026, net profit for the period was TRY 331.7 million and net profit margin was 4.6%.

- 2Q 2025 net profit included TRY 538.3 million of gain on the sale of property, plant and equipment; normalized net profit margin for Q2 2025 was 16.2%.



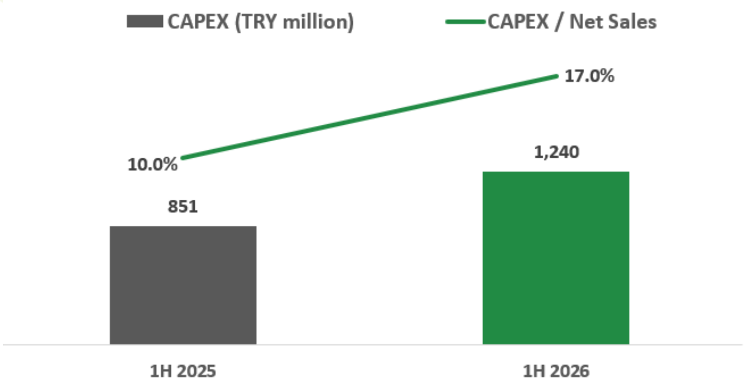
Free Cash Flow:

- In 1H 2026, when net sales were pressured in real terms by inflation, exchange rates and pricing conditions, the Company maintained strong cash generation through effective working capital management and financial discipline. Cash flow from operations increased from TRY 928 million in 1H 2025 to TRY 2,262 million, while free cash flow rose from TRY 78 million to TRY 1,022 million.
- Free cash flow as a percentage of net sales increased from 0.9% to 14.1%. This improvement in an inflationary environment demonstrates the Company's ability to convert operations into cash and its balance-sheet resilience. Low leverage and high liquidity also provide significant financial flexibility to fund ongoing investments.



Capital Expenditures:

- Capital expenditures amounted to TRY 1,240 million in 1H 2026, of which TRY 1,206 million was allocated to the Erzurum production facility and TRY 33.7 million to efficiency and solar power investments at the Ergene facility.
- The converting facility constituting Phase I of the Erzurum Factory investment was completed and commenced production and sales activities on 8 June 2026. As the first heavy industrial facility in the tissue paper sector in Eastern Anatolia and the Black Sea region, the investment is expected to support more effective fulfilment of regional demand, optimize logistics costs and enhance the Company's competitiveness in nearby export markets. Under Phase II, the fifth paper production line, with annual gross production capacity of 70 thousand tons, is targeted to become operational in 2027. Upon completion of all phases, the Company's annual gross jumbo roll production capacity is expected to increase from 271 thousand tons to 341 thousand tons, supporting growth in domestic and international markets.
- Within the scope of the intensive investment program, capital expenditures/net sales was 17.0% in 1H 2026 (1H 2025: 10.0%). Despite challenging economic and market conditions, the Company continues its strategic investments as planned, supported by its strong balance sheet and cash-generation capacity, and remains committed to projects that will underpin long-term growth, production capacity and competitiveness.



2Q 2026 Earnings Release

Net Cash Position and Currency Risk:

- Despite challenging macroeconomic conditions and the ongoing intensive investment program, the Company maintained its net cash position as of 30 June 2026 through strong cash flow from operations and effective working capital management. Net financial debt/EBITDA (last 12 months) was (1.48), with leverage maintained at an optimal level supporting financial flexibility and long-term growth.

- According to 1H 2026 financial results, the export/import coverage ratio was 1.87 and the Company maintained its net exporter position. This structure supports foreign-currency liquidity and contributes to the management of currency risk arising from foreign-trade transactions.

- Although all pulp raw material is imported, approximately 70% of sales on average over the last three years were generated in export markets and export revenues were denominated in U.S. Dollars and Euros, providing a significant natural hedge against currency risk arising from raw-material purchases. Supported by a strong balance sheet, low leverage, effective working capital management and sustainable cash generation, the Company preserves financial stability while continuing strategic investments without interruption and within a disciplined financial framework.

Key Financial Ratios:

Key Ratios	30 June 2026	31 December 2025
Cash Ratio	1.65	3.19
Current Ratio	3.12	5.89
Acid- Test Ratio	2.63	5.01
Leverage Ratio	0.25	0.16
Total Equity/ Total Assets	74.5%	84.4%
Net Debt / Total Equity	-29.4%	-25.9%
Net Debt / EBITDA (Yearly)	(1.48)	(1.61)
Working Capital / Net Sales (Yearly)	22.2%	29.1%

- As of 30 June 2026, the cash ratio, current ratio and acid-test ratio were 1.65, 3.12 and 2.63, respectively. Cash and cash equivalents were 1.65 times short-term liabilities, while current assets excluding inventories comfortably covered short-term obligations, demonstrating the Company's strong repayment capacity. The decline in ratios compared with year-end reflects more efficient deployment of high cash balances toward working capital and strategic investments, rather than weaker liquidity.
- The Company maintained its net cash position through prudent balance-sheet management and cash flow from operations, with net financial debt/EBITDA at (1.48). This structure enables the Company to sustain operations and investments without high dependence on external financing and to remain resilient against financial-market volatility.
- Supported by the contribution of profitability to equity and low financial leverage, equity represented 74.5% of total assets. The strong equity base provides a meaningful buffer against potential changes in costs, exchange rates, demand and financing conditions.
- Working capital as a percentage of net sales declined to 22.2%, marking a significant improvement compared with FY 2025. Driven by improvements in inventory days and trade payables days, this development reduced the amount of funds tied up in working capital and contributed to stronger operating cash flow.
- Taken together, strong liquidity, a net cash position, a high equity ratio and effective working capital management preserve the Company's capacity to finance its intensive investment program, meet obligations on time and respond rapidly and flexibly to potential market volatility.

2Q 2026 Earnings Release

2026 GUIDANCE:

	Initial	Revised
Sales Tonnage Growth	7%-10%	7%-10%
Türkiye Market	*High double-digit growth*	*Mid-to-high single-digit growth*
Export Markets	*Low-to-mid single-digit growth*	*High single-digit growth*
EBITDA Margin	**>20%**	**>19%**
Adjusted EBITDA Margin(*)	***>22%***	***>21%***
Net Working Capital / Net Revenue	<30%	<25%
Capital Expenditures / (USD '000)	50,000	40,000
Net Leverage Ratio	<1x	<1x

(*) EBITDA include foreign-exchange differences arising from trade receivables and trade payables

Summary Consolidated Statement of Financial Position as of 30 June 2026

(Unless otherwise stated, amounts are expressed in thousands of Turkish lira (TRY) in terms of the purchasing power as of 30 June 2026.)

	US Dollar (*)		
	Current Period	Current Period	Prior Period
	30 June	30 June	31 December
ASSETS	2026	2026	2025
Current Assets			
Cash and cash equivalents	151,519	7,053,999	6,694,496
Financial assets	10,781	501,907	290,556
Trade receivables	81,436	3,791,254	3,528,454
Other receivables	5,738	267,121	20,384
Inventories	48,145	2,241,392	1,933,844
Prepaid expenses	7,662	356,724	199,694
Assets raleted to current tax	471	21,927	147,230
Other current assets	1,278	59,359	79,486
Total Current Assets	**307,030**	**14,293,683**	**12,894,144**
Non-Current Assets			
Other receivables	503	23,397	12,489
Property, plant and equipment	202,367	9,421,221	8,660,101
Intangible assets	1,467	68,311	70,730
Rights of use assets	3,653	170,057	180,260
Prepaid expenses	18,744	872,634	830,591
Total Non-Current Assets	**226,734**	**10,555,620**	**9,754,171**
TOTAL ASSETS	**533,764**	**24,849,303**	**22,648,315**

(*) US Dollar (“USD”) amounts presented above have been translated from Turkish Lira (“TL”) for convenience purposes only, at the official TL bid rate announced by the Central Bank of the Republic of Turkey (“CBRT”) effective as of 30 June 2026.

2Q 2026 Earnings Release

Summary Consolidated Statement of Financial Position as of 30 June 2026

(Unless otherwise stated, amounts are expressed in thousands of Turkish lira (TRY) in terms of the purchasing power as of 30 June 2026.)

LIABILITIES	US Dollar (*) Current Period 30 June 2026	Current Period 30 June 2026	Prior Period 31 December 2025
Short-Term Liabilities			
Short-term borrowings	5,910	275,126	282,679
Current portion of long-term borrowings	6,143	285,985	767,203
Trade payables	58,997	2,746,622	802,133
Payables related to employee benefits	4,637	215,878	158,671
Payables related to shareholders	19,332	900,025	-
Deferred incomes	928	43,189	53,561
Short term provisions	1,221	56,823	49,697
Other current liabilities	1,131	52,670	74,500
Total Short-Term Liabilities	**98,299**	**4,576,318**	**2,188,444**
Long-Term Liabilities			
Long-term borrowings	33,370	1,553,541	979,047
Deferred tax liabilities	1,188	55,318	208,814
Long term provisions	2,756	128,312	128,761
Deferred incomes	427	19,892	35,283
Total Long-Term Liabilities	**37,741**	**1,757,063**	**1,351,905**
Total Equity			
Share capital	12,673	590,000	590,000
Share capital adjustments	110,290	5,134,561	5,134,561
Premiums on shares	116,291	5,413,942	5,413,942
Restricted reserves appropriated from profit	14,808	689,370	585,859
Other comprehensive income or expenses that will not be reclassified subsequently to profit or loss	(1,358)	(63,238)	(63,684)
- Actuarial losses from defined pension plans	*(1,358)*	*(63,238)*	*(63,684)*
Other comprehensive income or expenses that will be reclassified subsequently to profit or loss	(7)	(313)	(572)
- Foreign currency translation differences	*(7)*	*(313)*	*(572)*
Retained earnings	137,898	6,419,861	5,441,254
Net profit for the period	7,129	331,739	2,006,606
Total Equity	**397,724**	**18,515,922**	**19,107,966**
TOTAL LIABILITIES	**533,764**	**24,849,303**	**22,648,315**

(*) US Dollar ("USD") amounts presented above have been translated from Turkish Lira ("TL") for convenience purposes only, at the official TL bid rate announced by the Central Bank of the Republic of Turkey ("CBRT") effective as of 30 June 2026.

Summary Consolidated Statement of Profit or Loss for the Six-Month Period Ended 30 June 2026

(Unless otherwise stated, amounts are expressed in thousands of Turkish lira (TRY) in terms of the purchasing power as of 30 June 2026.)

Statement of Profit or Loss	US Dollar (*) Current Period 1 January-30 June 2026	Current Period 1 January-30 June 2026	Prior Period 1 January-30 June 2025	Current Period 1 April-30 June 2026	Prior Period 1 April-30 June 2025
Revenue	156,191	7,271,495	8,492,877	3,858,057	4,270,654
Cost of Sales (-)	(109,294)	(5,088,192)	(5,906,291)	(2,761,485)	(2,968,511)
Gross Profit	**46,897**	**2,183,303**	**2,586,586**	**1,096,572**	**1,302,143**
Marketing and sales expenses (-)	(22,890)	(1,065,656)	(1,118,519)	(559,699)	(562,889)
General administrative expenses (-)	(5,946)	(276,838)	(269,304)	(136,196)	(133,667)
Other income from operating activity	4,966	231,047	469,828	117,947	152,270
Other expenses from operating activity (-)	(1,738)	(80,890)	(24,892)	(73,785)	(10,983)
Operating Profit	**21,289**	**990,966**	**1,643,699**	**444,839**	**746,874**
Income from investment activities	1,044	48,617	578,429	26,996	507,364
Operating Profit Before Finance Income	**22,333**	**1,039,583**	**2,222,128**	**471,835**	**1,254,238**
Finance incomes	13,709	638,202	883,386	346,490	447,750
Finance expenses (-)	(4,640)	(216,028)	(591,408)	(110,060)	(256,874)
Monetary (loss)/gain	(26,752)	(1,245,465)	(1,245,396)	(367,244)	(318,345)
Profit Before Tax	**4,650**	**216,292**	**1,268,710**	**341,021**	**1,126,769**
Tax (expense)/income	**2,479**	**115,447**	**(39,825)**	**143,103**	**103,406**
Current tax (expense) /income	(820)	(38,198)	(109,762)	(16,455)	108,110
Deferred tax income/(expense)	3,299	153,645	69,937	159,558	(4,704)
Net Profit For The Period	**7,129**	**331,739**	**1,228,885**	**484,124**	**1,230,175**

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About the Company

The foundations of Lila Kağıt were laid with the cotton ginning and weaving trading business established by the Öğücü family in 1930. In the 1990s, operating as Marmara Pamuklu Mensucat, it became one of Türkiye's largest integrated cotton yarn and dyeing facilities and continued its operations mainly in yarn production under various names until the 2000s. In 2005, in line with its objective of becoming a sustainable facility capable of generating its own resources, the Company invested in energy and established its own power plant on campus. Lila Kağıt was established in 2006 with 100% Turkish capital to meet the rapidly growing demand in Türkiye's hygienic tissue paper market. In addition to its fully integrated production campus in Ergene, Tekirdağ, the Phase I Converting Production Facility of the two-phase investment program in Erzurum Merkez II OSB in Aziziye, Erzurum was completed and commenced production and sales in June 2026. Reaching consumers at more than 80,000 points through the Sofia, Maylo, Ultra Berrak and Nua brands and products such as toilet paper, paper towels, handkerchiefs and napkins, Lila Kağıt contributes added value to the national economy by exporting semi-finished and finished products to more than 80 countries across five continents.

For further information: www.lilakagit.com

Disclaimer

This information note regarding the Q2 2026 financial results uses financial data adjusted for the effects of inflation in accordance with the relevant accounting principles set out in Turkish Accounting Standard 29 Financial Reporting in Hyperinflationary Economies (TAS 29), pursuant to the Capital Markets Board decision dated 28 December 2023 and numbered 81/1820.

The information in this note is derived largely from the summary consolidated financial statements as of 30 June 2026 published on the Public Disclosure Platform (KAP). The report published on 5 August 2026 is available at https://www.kap.org.tr/tr/ and https://lilakagit.com/yatirimci-iliskileri/.

This document contains statements regarding the Company's performance. These statements are based on currently available data. Whether the Company's future performance develops as expected depends on uncertainties and/or unforeseeable future events that may materially affect performance, including, but not limited to, changes in macroeconomic and geopolitical conditions, potential increases in tax rates, unexpected climate events and natural disasters. Such uncertainties and/or unforeseeable events may cause the Company's future performance to differ materially from the assessments presented in this document.

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