YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND IT'S SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY - 30 JUNE 2026 AND THE REVIEW REPORT

(CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

ATA ULUSLARARASI BAĞIMSIZ DENETİM VE SMMM A.Ş.
Chartered Accountants and Management Consultants
A Member Firm of Kreston International

KRESTON ATA

REVIEW REPORT RELATED TO THE INTERIM CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors of
Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi

Introduction

1. We have audited the accompanying consolidated balance sheets, consolidated statements of income, consolidated changes in shareholders' equity, consolidated cash flows and a summary of significant accounting policies and other explanatory notes of Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi and its subsidiaries (together "The Group") as of 30 June 2026. Management of the company is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with financial reporting standards by Turkish Accounting Standards. Our responsibility is to express an opinion on these consolidated financial statements based on our reviewed independent audits.

Scope of Review

2. Our reviewed independent audit is performed compatible with the Reviewed Independent Audit Standards (RIAS) 2410 "Financial Informations for Interim Period, Reviewed Independent Audit by the Company Who Performs Audit of Annual Financial Statements of Company". Our review essentially based on applying analytical audit procedures, in order to collect the related proof and understand the entries and notes in the financial statements. Reviewed audit of financial information for interim period is substantially less in scope than an audit which is aim is publish a opinion about financial statements conducted in accordance with auditing standards published. Consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Opinion

3. According to our reviewed audit the accompanying consolidated financial informations for interim period of Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi and its Subsidiaries as of 30 June 2026, in all material respects, there was no issue to call attention to led us to the reach a conclusion that is not prepared in accordance with the financial reporting standards endorsed by the Turkish Accounting Standards.

ATA Uluslararası Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
Member Firm of Kreston International

Seyfettin Erol
Managing Partner

Istanbul 19 August 2026

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INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2026
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

ASSETS	Note	Reviewed 30 June 2026	Audited 31 December 2025
CURRENT ASSETS			
Cash And Cash Equivalents		964.541.901	1.804.340.551
Financial Investments		--	--
Trade Receivables		2.621.094.814	2.727.286.922
Due From Related Parties	*3-4*	--	--
Trade Receivables, Third Parties	*4*	*2.621.094.814*	*2.727.286.922*
Other Receivables		16.339.753	39.571.459
Due From Related Parties		--	--
Other Receivables, Third Parties		*16.339.753*	*39.571.459*
Inventories	6	5.034.441.468	4.467.402.050
Prepaid Expenses		929.844.822	634.660.761
Due From Related Parties	3-7	*6.513.420*	*7.208.274*
Prepaid Expenses*, Third Parties*	7	*923.331.402*	*627.452.487*
Current Income Tax Assets		--	6.107.647
Other Current Assets	5	1.596.265.916	1.627.874.415
TOTAL CURRENT ASSETS		**11.162.528.674**	**11.307.243.805**
NON-CURRENT ASSETS			
Financial Investments		20.661.107	11.619.938
Other Receivables		4.237.664	4.547.525
Due From Related Parties		--	--
Other Receivables, Third Parties		*4.237.664*	*4.547.525*
Right of Use Assets		1.464.936.106	1.850.270.375
Investment Properties		388.602.955	388.602.955
Tangible Fixed Assets	8	13.378.027.085	13.374.890.200
Intangible Fixed Assets		1.162.762.050	1.061.322.058
Prepaid Expenses	7	188.249.735	216.010.537
TOTAL NON-CURRENT ASSETS		**16.607.476.702**	**16.907.263.588**
TOTAL ASSETS		**27.770.005.376**	**28.214.507.393**

The accompanying notes form an integral part of these condensed consolidated financial statements.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2026
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

LIABILITIES	Note	Reviewed 30 June 2026	Audited 31 December 2025
CURRENT LIABILITIES			
Financial Liabilities	9	2.344.386.864	2.295.448.897
Short Term Portion Of Long Term Financial Liabilities	9	1.357.207.322	984.734.612
Lease Payables	9	312.094.781	412.669.716
Trade Payables		2.796.890.793	3.807.918.850
Due To Related Parties	*3-4*	--	--
Trade Payables, Third Parties	*4*	*2.796.890.793*	*3.807.918.850*
Employee Benefit Obligations	10	331.588.318	328.777.483
Other Payables		1.345.871	2.841.226
Due To Related Parties		--	--
Other Payables, Third Parties		*1.345.871*	*2.841.226*
Deferred Income	7	592.658.894	887.047.839
Current Income Tax Liability		21.266.423	--
Provisions		24.917.866	13.250.356
Short-Term Provisions for Employee Benefits	*3-4*	*24.512.337*	--
Other Short-Term Provisions	*4*	*405.529*	*13.250.356*
Other Current Liabilities	5	163.029.996	58.569.572
TOTAL CURRENT LIABILITIES		**7.945.387.128**	**8.791.258.551**
NON-CURRENT LIABILITIES			
Financial Liabilities	9	4.831.503.332	4.308.927.763
Lease Payables	9	238.453.026	453.557.689
Deferred Income	7	79.446.180	137.048.953
Provisions		278.865.707	217.784.129
Provision For Employee Benefits		*278.865.707*	*217.784.129*
Deferred Tax Liabilities	18	1.249.164.907	1.630.145.718
TOTAL NON-CURRENT LIABILITIES		**6.677.433.152**	**6.747.464.252**
EQUITY			
Paid-In Capital	12	149.798.932	149.798.932
Inflation Adjustment on Capital	12	2.338.000.823	2.338.000.823
Buy-Back Shares (-)	12	(368.659.491)	(368.659.491)
Other Comprehensive Income Not To Be Reclassified To Profit Or Loss		1.952.271.414	2.013.112.445
Revaluation and Remeasurement Gains/Losses		*2.094.805.375*	*2.094.805.375*
Actuarial Gain/Loss Arising From Defined Benefit Plans		*(142.533.961)*	*(81.692.930)*
Other Comprehensive Income To Be Reclassified To Profit Or Loss		(209.528.743)	(166.701.631)
Currency Translation Differences		*(209.528.743)*	*(166.701.631)*
Restricted Reserves		1.870.237.587	646.999.986
Retained Earnings		6.839.995.925	7.929.855.331
Net Income For The Period		575.068.649	133.378.195
EQUITY HOLDERS OF THE PARENT		**13.147.185.096**	**12.675.784.590**
TOTAL EQUITY AND LIABILITIES		**27.770.005.376**	**28.214.507.393**

The accompanying notes form an integral part of these condensed consolidated financial statements.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED AT 1 JANUARY - 30 JUNE 2026
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

INCOME/LOSS	Note	Reviewed 1 January – 30 June 2026	Reviewed 1 January – 30 June 2025	Reviewed 1 April – 30 June 2026	Reviewed 1 April – 30 June 2025
Revenue	13	13.033.039.750	12.382.415.350	6.572.317.167	5.988.562.545
Cost Of Sales (-)	14	(8.401.685.518)	(8.073.131.870)	(4.137.720.159)	(3.859.631.713)
Gross profit		**4.631.354.232**	**4.309.283.480**	**2.434.597.008**	**2.128.930.832**
Research And Development Expenses (-)	15	(59.906.327)	(66.336.226)	(30.523.134)	(32.984.738)
Marketing, Selling And Distribution Expenses (-)	15	(3.738.582.376)	(3.122.371.720)	(1.912.649.178)	(1.516.387.565)
General Administrative Expenses (-)	15	(644.565.943)	(532.010.685)	(334.192.056)	(230.465.693)
Other Income From Operating Activities	16	600.930.062	900.388.171	228.831.824	308.686.188
Other Expenses From Operating Activities (-)	16	(432.835.384)	(359.998.238)	(46.519.330)	(62.012.239)
Operating Profit / Loss		**356.394.264**	**1.128.954.782**	**339.545.134**	**595.766.785**
Income From Investment Activities		6.100.097	11.291.185	3.173.305	(1.271.378)
Expenses From Investment Activities (-)		(4.709.445)	(1.354.114)	(656.578)	(1.354.114)
OPERATING INCOME BEFORE FINANCIAL INCOME		**357.784.916**	**1.138.891.853**	**342.061.861**	**593.141.293**
Financial Expenses (-)	17	124.665.817	74.963.252	34.596.665	41.027.655
Financial Income	17	(1.214.844.732)	(1.821.555.378)	(662.881.097)	(878.621.854)
Monetary Gain / (Loss)		1.000.672.440	1.001.939.683	358.677.834	363.512.239
PROFIT BEFORE TAX		**268.278.441**	**394.239.410**	**72.455.263**	**119.059.333**
Tax income/(expense)		**306.790.208**	**(515.055.637)**	**479.470.706**	**(185.970.636)**
Taxes On Income		(77.266.485)	(4.982.832)	(15.349.927)	1.735.330
Deferred Tax Income/(Expense)	18	384.056.693	(510.072.805)	494.820.633	(187.705.966)
Profit/Loss for the Period from Discontinued Operations		--	--	--	--
PERIOD PROFIT / LOSS		**575.068.649**	**(120.816.227)**	**551.925.969**	**(66.911.303)**
Earnings Per Share					
Earnings Per Share		3,84	(0,81)	3,68	(,45)
OTHER COMPREHENSIVE INCOME					
Other Comprehensive Income/Expense Not To Be Reclassified To Profit Or Loss		**(60.841.031)**	**346.834.840**	**(60.841.031)**	**346.834.840**
Actuarial Gain/Loss Arising From Defined Benefit Plans		(57.765.149)	--	(57.765.149)	--
Taxes Related to Other Comprehensive Income That Will Not Be Reclassified to Profit or Loss		(3.075.882)	346.834.840	(3.075.882)	346.834.840
Ertelenmiş Vergi Gideri/Geliri		*(3.075.882)*	*346.834.840*	*(3.075.882)*	*346.834.840*
Other Comprehensive Income/Loss To Be Reclassified To Profit Or Loss		**(42.827.112)**	**(191.975.833)**	**(81.850.185)**	**33.867.305**
Currency Translation Differences	12	(42.827.112)	(191.975.833)	(81.850.185)	33.867.305
OTHER COMPREHENSIVE INCOME (LOSS)		**(103.668.143)**	**154.859.007**	**(142.691.216)**	**380.702.145**
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		**471.400.506**	**34.042.780**	**409.234.753**	**313.790.842**

The accompanying notes form an integral part of these condensed consolidated financial statements.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED AT 1 JANUARY – 30 JUNE 2026 AND 2025
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

				Other Comprehensive Income/Expense Not to Be Reclassified To Profit Or Loss		**Other Comprehensive Income/Loss to Be Reclassified To Profit Or Loss**				
	Paid In Capital	**Inflation Adjustment on Capital**	**Buy-Back Shares**	**Revaluation and Remeasurement Gains/Losses**	**Actuarial Gain/Loss Arising from Defined Benefit Plans**	**Currency Translation Differences**	**Restricted Reserves**	**Retained Earnings**	**Net Income for The Period**	**Total Equity**
	(Note 20)	**(Note 20)**	**(Note 20)**		**(Note 20)**	**(Note 20)**	**(Note 20)**	**(Note 20)**	**(Note 20)**	**(Note 20)**
Balance as of January 1, 2025	**149.798.932**	**2.338.000.823**	**(368.659.491)**	**1.747.970.535**	**(58.671.720)**	**20.427.876**	**646.999.986**	**7.652.638.989**	**277.216.342**	**12.405.722.272**
Transfer of Previous Period's Profit	--	--	--	--	--	--	--	277.216.342	(277.216.342)	--
Total Comprehensive Income	--	--	--	346.834.840	--	(191.975.833)	--	--	(120.816.227)	34.042.780
Balance as of June 30, 2025	**149.798.932**	**2.338.000.823**	**(368.659.491)**	**2.094.805.375**	**(58.671.720)**	**(171.547.957)**	**646.999.986**	**7.929.855.331**	**(120.816.227)**	**12.439.765.052**
Balance as of January 1, 2026	**149.798.932**	**2.338.000.823**	**(368.659.491)**	**2.094.805.375**	**(81.692.930)**	**(166.701.631)**	**646.999.986**	**7.929.855.331**	**133.378.195**	**12.675.784.590**
Transfer of Previous Period's Profit	--	--	--	--	--	--	1.223.237.601	(1.089.859.406)	(133.378.195)	--
Total Comprehensive Income	--	--	--	--	(60.841.031)	(42.827.112)	--	--	575.068.649	471.400.506
Balance as of June 30, 2026	**149.798.932**	**2.338.000.823**	**(368.659.491)**	**2.094.805.375**	**(142.533.961)**	**(209.528.743)**	**1.870.237.587**	**6.839.995.925**	**575.068.649**	**13.147.185.096**

The accompanying notes form an integral part of these condensed consolidated financial statements.

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

	Note	Reviewed **1 January – 30 June 2026**	Reviewed **1 January – 30 June 2025**
Cash Flows from Operating Activities		**(22.579.199)**	**2.687.634.515**
Profit (Loss) for the Period		**575.068.649**	**(120.816.227)**
Profit (Loss) from Continuing Operations		575.068.649	(120.816.227)
Adjustments to Reconcile Net Profit (Loss)		**1.401.874.278**	**2.079.860.349**
Adjustments to Reconcile Net Profit (Loss)	8	904.059.441	649.159.129
Adjustments for Impairment (Reversal of Impairment)		12.030.888	10.146.384
- Adjustments for Impairment (Reversal) on Receivables	4	8.944.628	(17.586)
- Adjustments for Impairment (Reversal) on Inventories	6	3.086.260	10.163.970
Adjustments for Provisions		60.671.526	8.195.527
- Adjustments for Provisions for Employee Benefits (Reversals)		60.671.526	8.195.527
Adjustments for Interest Income and Expenses		500.797.962	459.623.755
- Deferred Finance Expense from Credit Purchases	4	113.498.707	80.917.134
- Unearned Finance Income from Credit Sales	4	(115.287.751)	(174.564.490)
- Adjustments for Interest Income	16	556.825.872	586.544.913
- Adjustments for Interest Expenses	17	(54.238.866)	(33.273.802)
Adjustments for Tax (Income) Expense	18	(306.790.208)	515.055.637
Adjustments for (Gains) Losses Arising from Disposal of Non-current Assets		4.707.812	(5.349.453)
Adjustments for Foreign Exchange Gains and Losses		226.396.857	443.029.370
Changes in Working Capital		**(1.999.522.126)**	**728.590.393**
Decrease (Increase) in Financial Investments		(9.041.169)	127.799.488
Decrease (Increase) in Trade Receivables	4	(9.456.587)	160.169.346
Decrease (Increase) in Other Receivables Related to Operating Activities		23.541.567	(97.759.893)
Decrease (Increase) in Inventories	6	(564.129.831)	87.725.544
Decrease (Increase) in Prepaid Expenses	7	(267.423.259)	224.628.578
Increase (Decrease) in Trade Payables	4	(895.740.306)	644.900.585
Increase (Decrease) in Employee Benefit Payables	10	2.810.835	18.827.583
Increase (Decrease) in Other Payables Related to Operating Activities		(1.423.339)	1.047.407
Increase (Decrease) in Deferred Income	7	(351.991.718)	(354.108.170)
Other Increase (Decrease) in Working Capital		123.224.096	185.273.389
- Decrease (Increase) in Other Assets Related to Operating Activities	5	31.608.499	12.014.336
- Increase (Decrease) in Other Liabilities Related to Operating Activities	5	91.615.597	173.259.053
Income Tax Refunds (Payments)	18	(49.892.415)	(269.913.464)
Cash Flows from Investing Activities		**(628.009.861)**	**(1.585.658.401)**
Proceeds from Sale of Tangible and Intangible Assets	8	12.685.328	33.357.767
Purchases of Tangible and Intangible Assets	8	(640.695.189)	(1.619.016.168)
Cash Flows from Financing Activities		**125.719.642**	**(536.705.554)**
Proceeds from Borrowings	9	3.138.709.041	3.995.118.354
Repayments of Borrowings	9	(2.194.722.795)	(3.805.964.496)
Lease Liabilities Paid	9	(315.679.598)	(172.588.301)
Interest Paid	17	(556.825.872)	(586.544.913)
Interest Received	16	54.238.866	33.273.802
Net Increase (Decrease) in Cash and Cash Equivalents Before Effect of Exchange Rates		**(524.869.418)**	**565.270.560**
Effect of Exchange Rate Changes on Cash and Cash Equivalents		**(42.827.112)**	**(191.975.833)**
Net Increase (Decrease) in Cash and Cash Equivalents		**(567.696.530)**	**373.294.727**
Cash and Cash Equivalents at the Beginning of the Period		**1.804.340.551**	**1.374.918.525**
Effect of Inflation on Cash and Cash Equivalents		**(272.102.120)**	**(482.906.703)**
Cash and Cash Equivalents at the End of the Period		**964.541.901**	**1.265.306.549**

The accompanying notes form an integral part of these condensed consolidated financial statements.

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

NOTE 1 – ORGANIZATION OF THE GROUP

Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi ("Parent Company") and its subsidaries are reffred as "Group" on the notes to the condensed consolidated financial statements.

The summarized information of entities which are consolidated with "complete consolidation method" is comprised of the following;

Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi

Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş. ("Company") was established in 1987. The Company's engaged in the production of bed, furniture, quilt, armchair, sofa, home textile and home furniture. The Company acquired and merged with İstanbul Pazarlama Yatak ve Yorgan Sanayi Ticaret A.Ş ("Yataş İstanbul Pazarlama A.Ş.") on 28 Feburary 2011. The Company established 'Yatas Europe GMBH' On 10.07.2015 as owner of 100% shares. Therefore the Company begin to prepare its consolidated financial statements in complete consolidation method.

For the period ended at 30 June 2026, 3.292 personnel are employed at the Company (31 December 2025: 3.217).

Company registered on the Kayseri Chamber of Industry with the number of 14222 and its legal adres Organize Sanayi Bölgesi 18. Cadde No:6 Melikgazi / Kayseri. The Company's operating activities located on the Turkey. The Company has 95 stores located on Turkey.

Company's shareholding structure is mentioned in Note 12.

Yatas Europe GMBH

Yatas Europe Gmbh ("Yatas Europe") was established in 10.07.2015 in Germany. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture.

For the period ended at 30 June 2026, 6 personnel are employed by the Company (31 December 2025: 8 Personnel). Yatas Europe's shareholding structure as of 30 June 2026 in EUR are as following;

	30 June 2026		31 December 2025	
Shareholders	**Share Percentage**	**Share Amount (EUR)**	**Share Percentage**	**Share Amount (EUR)**
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	100.000	%100	100.000
Total	**%100**	**100.000**	**%100**	**100.000**

Yatas Rus Ltd.

Yatas Rus Limidet Şirketi ("Yatas Rus"), was established in 03.07.2019 in Russia. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture. For the period ended at 30 June 2026, 10 personnel are employed by the Yatas Rus. Yatas Rus's shareholding structure as of (31 December 2025: 10 Personnel).

30 June 2026 in RUBLE is as following;

	30 June 2026		31 December 2025	
Shareholders	**Share Percentage**	**Share Amount (RUB)**	**Share Percentage**	**Share Amount (RUB)**
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	93.500.000	%100	3.500.000
Total	**%100**	**93.500.000**	**%100**	**3.500.000**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

The Company's share capital was increased by RUB 90.000.000 during 2026 through cash capital contributions made by the Parent Company.

EnzaHome International Inc.

EnzaHome International Inc. ("EnzaHome"), was established in 21.02.2020 in ABD. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture. For the period ended at 30 June 2026, 5 personnel are employed by the EnzaHome. EnzaHome's shareholding structure as of (31 December 2025: 5 Personnel).

30 June 2026 in USD is as following;

	30 June 2026		31 December 2025	
Shareholders	**Share Percentage**	**Share Amount (USD)**	**Share Percentage**	**Share Amount (USD)**
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	50.000	%100	50.000
Total	**%100**	**50.000**	**%100**	**50.000**

NOTE 2 – BASIS OF THE CONDENSED CONSOLİDATED FINANCIAL STATEMENTS

2.a. Basis of Presentation

Compatibility Statement

The condensed consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the Communiqué) published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, condensed consolidated financial statements are prepared in accordance with the Turkish Financial Reporting Standards (TFRS) issued by Public Oversight Accounting and Auditing Standards Authority (POAASA). TFRS contains Turkish Financial Reporting Standards (TFRS) and its addendum and interpretations. The condensed consolidated financial statements of the Group are prepared as per the CMB announcement of July 3, 2025 relating to financial statements presentations. Comparative figures are reclassified, where necessary, to conform to changes in the presentation of the current year's condensed consolidated financial statements.

The Company maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code (the "TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. Subsidiaries and associates operating in foreign countries have prepared their statutory financial statements in accordance with the laws and regulations of the country in which they operate. The condensed consolidated financial statements, except for the financial asset/liabilities and land, buildings presented with their fair values, are maintained under historical cost conversion in TRY. These condensed consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the TAS/TFRS.

Going Concern

The condensed consolidated financial statements including the accounts of the parent company, its subsidiaries and associates have been prepared assuming that the Group will continue as a going concern on the basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

Approval of Condensed consolidated Financial Statements

Condensed consolidated financial statements of the Group are approved by the Board of Directors and granted authority to publish on August 19, 2026. With no intention, the Board of Directors and some regulative agencies have the right to change the financial statements that were prepared according to legal regulations after they have been published.

Financial Statements Correction in High Inflation Period

Pursuant to the Capital Markets Board's ("CMB") decision dated December 28, 2025, numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to implement inflation accounting in accordance with the provisions of IAS 29, starting with financial reports for the fiscal periods ending on or after December 31, 2023.

In accordance with the announcement and "Practice Guide on Financial Reporting in High Inflationary Economies" published by the Public Oversight Accounting and Auditing Standards Authority ("POAASA") on 23 November 2025, the Group has prepared its condensed consolidated financial statements for the year ended December 31, 2023 using the TAS 29 "Financial Reporting in High Inflationary Economies" Standard. Pursuant to this standard, financial statements prepared based on the currency of a high inflationary economy are expressed in terms of the purchasing power of that currency at the balance sheet date, and comparative information for prior periods is also expressed in the current measurement unit at the end of the reporting period for comparison purposes. Therefore, the Group has presented its condensed consolidated financial statements as of 31 December 2025 and 30 June 2025 in terms of purchasing power as of 30 June 2026.

The adjustments made in accordance with TAS 29 have been made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute ("TSI"). As of 31 December 2025, the indices and adjustment coefficients used in the correction of the condensed consolidated financial statements are as follows:

Date	Index	Correction Coefficient	Three-Year Compound Inflation Rate
30 June 2026	129,99	1,00000	%206
31 December 2025	110,39	1,17758	%211
30 June 2025	98,40	1,32109	%220

The main elements of the adjustment process undertaken by the Group for financial reporting in high inflationary economies are as follows:

- Current period consolidated financial statements prepared in Turkish Lira (TRY) are expressed in terms of the purchasing power at the reporting date, and amounts for previous reporting periods are also adjusted to reflect the purchasing power at the end of the reporting period.

- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the reporting date. If the inflation-adjusted values of non-monetary items exceed their recoverable amounts or net realizable values, the provisions of TAS 36 and TAS 2 are applied, respectively.

- Non-monetary assets and liabilities as well as equity items not expressed in terms of the current purchasing power during the reporting period are adjusted using the relevant adjustment coefficients.

- All items in the comprehensive income statement, except those affecting the comprehensive income statement of non-monetary items in the financial position statement, are indexed using coefficients calculated based on the periods when income and expense accounts were initially recognized in the financial statements.

- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the consolidated income statement as a loss on net monetary position.

Currency

The financial statements and the prior period financial statements for comparison purpose, in the accompanying statements are prepared in terms of Turkish Lira (TRY).

Subsidiaries Operating in Countries Other Than Turkey's Financial Statements

The financial statements of subsidiaries operating in countries other than Turkey are prepared in accordance with the laws and regulations applicable in the country where they operate, and necessary adjustments and classifications have been reflected for the correct presentation in accordance with the Turkish Accounting Standards and Turkish Financial Reporting Standards and their related appendices and interpretations published by the Public Oversight Accounting and Auditing Standards Authority.

The assets and liabilities of the related subsidiaries are converted into Turkish Lira using the exchange rate at the date of the condensed consolidated financial position table, and income and expenses are converted using the average exchange rate for the accounting period ending on the same date. The exchange differences arising from the use of the exchange rate at the date of the financial position table and the average rate are shown under the “Foreign Currency Conversion Differences” item in the financial position table.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Basis of Consolidation

The companies are subject to “Complete Consolidation Method” if directly or indirectly 50% or more than 50% of their shares or over 50% of their voting rights or the controlling rights regarding companies’ operations are belonging to the Parent Company. Parent Company has controlling rights if it is able to govern the financial and operating policies of an enterprise so as to benefit from its activities. The companies which have continuous relationship on management and power to govern Parent Company’s policies and/or which have direct or indirect capital and management relationship or which have voting share of Parent Company between the rates 20-50% are accounted by using equity pick-up method.

Complete Consolidation Method

The principles of consolidation followed in the preparation of the accompanying financial statements are as follows:

- The financial statements of the condensed consolidated subsidiaries have been equipped according to the accounting principles of the Parent Company.

- The share of the Parent Company in the shareholders equity of subsidiaries is eliminated from the financial of subsidiaries these are adjusted according to the accounting principles of financials of the Parent Company.

- The income statements of the Parent Company and the subsidiaries are condensed consolidated a line by line basis and the transaction between companies are eliminated mutually. Consolidation of income statements of subsidiaries held in an audit period are based on the investment date and the items after the holding date are included.

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

- The minority part of shareholders' equity including paid capital of the companies subject to consolidation is classified as "Minority Interest" in accompanying financial statement.

The portion of the third parties other than condensed consolidated companies in the net profit or losses of the subsidiaries are classified as "Minority Interest" in the income statements. The 100% shares of the subsidiary is owned by the Parent Company therefore minortiy interest is not occured.

As of 30 June 2026 the Company that are subject to "Complete Consolidation Method" if directly or indirectly 50% or more than 50% of their shares or over 50% of their voting rights or the controlling rights regarding companies' operations are belonging to the Parent Company are as below;

	Ownership of the Parent Company		Minority Interest
Subsidiaries	**(Direct)**	**(Direct+ Indirect)**	
Yatas Europe Gmbh	%100	%100	-
Yatas Rus Limidet	%100	%100	-
EnzaHome International Inc.	%100	%100	-

2.b. New and Revised Turkish Financial Reporting Standards

As of June 30, 2026, the accounting policies used in the preparation of the consolidated financial statements are consistent with those applied in the previous year, except for the new and revised TFRS standards and TFRIC interpretations effective as of January 1, 2025, summarized below.

The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

a) Amendments and interpretations effective from 2025

TAS 21 (Amendments) Lack of Exchangeability
TFRS 10 and TMS 28 (Amendments) – Asset Sales or Contributions Made by the Investor to its Subsidiary or Joint Venture

TAS 21 (Amendments) Lack of Exchangeability

These amendments provide guidance on when a currency is exchangeable and how exchange rates should be determined when it is not. The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

The potential effects of these standards, amendments, and improvements on the Group's consolidated financial position and performance are being evaluated.

TFRS 10 and TMS 28 (Amendments) – Asset Sales or Contributions Made by the Investor to its Subsidiary or Joint Venture

These amendments provide new guidance on the accounting for asset sales and contributions made by investor entities to their subsidiaries or joint ventures, offering clarity on how such transactions should be reported in the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2026.

The potential effects of these standards, amendments, and improvements on the Group's consolidated financial position and performance are being evaluated.

b) Standards, amendments and interpretations to existing standards that are not yet effective

The Group's consolidated has not yet adopted the following standards, amendments and interpretations to existing standards that are not yet effective

TFRS 17 Insurance Contracts
TFRS 17 (Amendments) Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information
TFRS 10 and TAS 28 (Amendments) – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
TFRS 9 and TFRS 7 (Amendments) – Classification and Measurement of Financial Instruments
TFRS 9 and TFRS 7 (Amendments) – Contracts Based on Renewable Electricity (Nature-Based Power Contracts)
TFRS 18 – Presentation and Disclosure in Financial Statements (New Standard)
TFRS 19 – Subsidiaries without Public Accountability: Disclosures, Annual Improvements and Amendments to TFRS Accounting Standards

TFRS 17 - Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current settlement value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts as at 1 January 2026.

The impact of this amendment on the Group's consolidated financial position and performance is being evaluated.

TFRS 17 (Amendments) Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information

Amendments have been made to TFRS 17 to reduce implementation costs and facilitate disclosure of results and transition.

In addition, the amendment on comparative information permits entities that are first-time adopters of TFRS 7 and TFRS 9 to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had previously been applied to that financial asset. These amendments will be applied when TFRS 17 is first adopted.

The potential effects of these standards, amendments, and improvements on the Group's consolidated financial position and performance are being evaluated.

TFRS 10 and TAS 28 (Amendments) – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Public Oversight, Accounting and Auditing Standards Authority (POA) has indefinitely deferred the effective date of the amendments to TFRS 10 and tAS 28, pending the outcome of its ongoing research project on the equity method. However, early application remains permitted.

The potential effects of these standards, amendments, and improvements on the Group's consolidated financial position and performance are being evaluated.

TFRS 9 and TFRS 7 (Amendments) – Classification and Measurement of Financial Instruments

In August 2025, the Public Oversight, Accounting and Auditing Standards Authority (POA) issued amendments to TFRS 9 and TFRS 7 relating to the classification and measurement of financial instruments. The amendment clarifies that financial liabilities shall be derecognized when they are extinguished.

However, with this amendment, an accounting policy option is introduced to exclude financial liabilities settled through electronic payment systems from the financial statements before their maturity date, provided certain conditions are met. Furthermore, the amendment introduces explanatory provisions on how to assess the contractual cash flow characteristics of financial assets with environmental, social, and governance (ESA)-related or other similar contingent features, as well as on the treatment of assets that do not give rise to unlimited liability and contractual financial instruments. Furthermore, with this amendment, additional disclosures have been added to TFRS 7 for financial assets and liabilities containing contractual provisions that refer to a contingent event (including ESA-related ones) and for equity-linked financial instruments measured at fair value with the difference recognized in other comprehensive income.

The amendment will take effect in the annual reporting period beginning on or after January 1, 2026. Entities may early adopt the amendments related to the classification of financial assets and related disclosures and adopt the other amendments subsequently. The new provisions will be applied retrospectively by adjusting the opening balance of the retained earnings (losses) item.

TFRS 9 and TFRS 7 (Amendments) – Contracts Based on Renewable Electricity (Nature-Based Power Contracts)

In August 2025, the Public Oversight, Accounting and Auditing Standards Authority (POA) issued the “Contracts Based on Renewable Electricity” amendment to TFRS 9 and TFRS 7. The amendment clarifies the application of the own-use exemption and permits hedge accounting when such contracts are used as hedging instruments. Furthermore, it introduces new disclosure requirements to enhance investors’ understanding of the effects of these contracts on an entity’s financial performance and cash flows.

The potential effects of these standards, amendments, and improvements on the Group’s consolidated financial position and performance are being evaluated.

TFRS 18 – Presentation and Disclosure in Financial Statements (New Standard)

In May 2025, the Public Oversight, Accounting and Auditing Standards Authority (POA) issued TFRS 18 – Presentation and Disclosure in Financial Statements, which replaces TAS 1 Presentation of Financial Statements. TFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including the presentation of specified totals and subtotals. The Standard requires entities to present all income and expenses recognized in the statement of profit or loss within one of the following five defined categories: operating, investing, financing, income taxes, and discontinued operations. Additionally, TFRS 18 requires entities to disclose management-defined performance measures and introduces new requirements regarding the aggregation and disaggregation of financial information in the primary financial statements and the notes, in line with their defined functions.

With the issuance of TFRS 18, certain consequential amendments have also been made to other financial reporting standards such as TAS 7, TAS 8, and TAS 34. TFRS 18 and the related amendments are effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. The Standard shall be applied retrospectively.

The potential effects of these standards, amendments, and improvements on the Group’s consolidated financial position and performance are being evaluated.

TFRS 19 – Subsidiaries without Public Accountability: Disclosures, Annual Improvements and Amendments to TFRS Accounting Standards

In August 2025, the Public Oversight, Accounting and Auditing Standards Authority (POA) issued TFRS 19 – Subsidiaries without Public Accountability: Disclosures, which provides an option for certain entities to apply reduced disclosure requirements when applying the recognition, measurement, and presentation requirements of TFRS. Unless otherwise stated, entities within the scope that elect to apply TFRS 19 will not be required to apply the disclosure requirements in other TFRSs.

An entity that is a subsidiary, does not have public accountability, and has a parent (intermediate or ultimate) that makes its consolidated financial statements publicly available and complies with TFRSs, may elect to apply TFRS 19.
TFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. When early application is chosen, this fact shall be disclosed in the notes to the financial statements.

In the first reporting period (annual or interim) in which this Standard is applied, comparative-period disclosures shall be aligned with the disclosures presented for the current period in accordance with TFRS 19.

Annual Improvements to TFRSs – Volume 11

In September 2025, the POA issued *"Annual Improvements to TFRSs – Volume 11"*, which includes the following amendments:

- TFRS 1 – First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter: The amendment was introduced to eliminate potential confusion arising from inconsistencies between the wording in TFRS 1 and the hedge accounting requirements under TFRS 9.

- TFRS 7 – Financial Instruments: Disclosures – Gains or Losses on Derecognition: The amendment modifies the terminology relating to unobservable inputs and adds a reference to TFRS 13.

- TFRS 9 – Financial Instruments – Derecognition of a Lease Liability by a Lessee and Transaction Price: The amendment clarifies that when a lease liability is extinguished by a lessee, the lessee shall apply the derecognition requirements in TFRS 9 and recognize any resulting gain or loss in profit or loss. Additionally, the reference to "transaction price" has been removed from TFRS 9.

- TFRS 10 – Consolidated Financial Statements – Determination of a 'De Facto Agent': The amendment addresses inconsistencies within the paragraphs of TFRS 10 related to identifying a de facto agent.

- TAS 7 – Statement of Cash Flows – Cost Method: Following previous amendments that eliminated the term "cost method," the remaining references to this term have been deleted from the Standard.

The potential effects of these standards, amendments, and improvements on the Group's consolidated financial position and performance are being evaluated.

2.c. Changes in Accounting Policies

The Group changes accounting policies when it is believed that the change will lead to better presentation of transactions and events in the financial statements. When the intentional change can affect the prior period results, the change is applied retrospectively as though it was already applied before. Accounting policy changes arising from the application of a new standard are applied considering the transition principles of the related standard, if any, retrospectively or forward. If no transition principle for the standard exists, the changes are applied retrospectively.

2.d. Changes in Accounting Estimates and Errors

The accompanying consolidated financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by the Group management to be compatible with statements required by Capital Market Board. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements. Changes in accounting estimates and errors explained in title of "Comparative Information and Previous Periods Financial Statements Adjustments".

Comparative Information and Previous Periods Adjustments

For the purpose of conducting a comparison of financial position and performance trend, Group's current financial statements are prepared comparative with previous periods. Comparative information is reclassified to be compatible with the presentation of current financial statements, when necessary.

2.e. Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalent values contain cash on hand, bank deposits and high liquidity investments. Cash and cash equivalents are showed with obtaining costs and the total of accrued interests.

Financial Instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis.

The Group classifies its financial assets as (a) Business model used for managing financial assets, (b) financial assets subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss based on the characteristics of contractual cash flows. The Company reclassifies all financial assets affected by the change in the business model it uses for the management of financial assets. The reclassification of financial assets is applied prospectively from the reclassification date. In such cases, no adjustment is made to gains, losses (including any gains or losses of impairment) or interest previously recognized in the financial statements.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).
Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset; the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met.

(i) Amortized cost and effective interest method

Interest income on financial assets carried at amortized cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset:

(a) Credit-impaired financial assets when purchased or generated. For such financial assets, the Company applies the effective interest rate on the amortized cost of a financial asset based on the loan from the date of the recognition in the financial statements.

(b) Non-financial assets that are impaired at the time of acquisition or generation but subsequently become a financial asset that has been impaired. For such financial assets, the Company applies the effective interest rate to the amortized cost of the asset in the subsequent reporting periods.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI.

Interest income is recognised in profit or loss and is included in the “finance income – interest income” line item.

(i) Debt instruments classified as at FVTOCI

The corporate bonds held by the Group are classified as at FVTOCI. The corporate bonds are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method, are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these corporate bonds had been measured at amortized cost. All other changes in the carrying amount of these corporate bonds are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these corporate bonds are derecognized, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(ii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investment's revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income - Other' line item in profit or loss.

The Group designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortized cost of the debt instrument are recognised in profit or loss in the 'other gains and losses' line item;. Other exchange differences are recognised in other comprehensive income in the investment's revaluation reserve;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investment's revaluation reserve.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group utilizes a simplified approach for trade receivables, contract assets and lease receivables that does not have significant financing component and calculates the allowance for impairment against the lifetime ECL of the related financial assets.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

Financial liabilities

Financial liabilities are classified as at FVTPL on initial recognition. On initial recognition of liabilities other than those that are recognised at FVTPL, transaction costs directly attributable to the acquisition or issuance thereof are also recognised in the fair value.

A financial liability is subsequently classified at amortized cost except:

(a) Financial liabilities at FVTPL: These liabilities including derivative instruments are subsequently measured at fair value.
(b) Financial liabilities arising if the transfer of the financial asset does not meet the conditions of derecognition from the financial statements or if the ongoing relationship approach is applied: When the Group continues to present an asset based on the ongoing relationship approach, a liability in relation to this is also recognised in the financial statements. The transferred asset and the related liability are measured to reflect the rights and liabilities that the Company continues to hold. The transferred liability is measured in the same manner as the net book value of the transferred asset.

(c) A contingent consideration recognized in the financial statements by the entity acquired in a business combination where IFRS 3 is applied: After initial recognition, the related contingent consideration is measured as at FVTPL.

The Company does not reclassify any financial liability.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and interest rate swaps. Further details of derivative financial instruments are disclosed in.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. The impact of the Master Netting Agreements on the Group's financial position is disclosed in. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship so that it meets the qualifying criteria again. The Group designates the full change in the fair value of a forward contract as the hedging instrument for all of its hedging relationships involving forward contracts.

Movements in the hedging reserve in equity are detailed in.

Trade Receivables

Group has preferred to apply "simplified approach" defined in TFRS 9 for the recognition of impairment losses on trade receivables, carried at amortised cost and that do not comprise of any significant finance component (those with maturity less than 12 months). In accordance with the simplified approach, Group measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

Buy-Back Shares

The buy back shares are reflected in the "Buy-Back Shares disclosure" account under shareholders' equity in the Consolidated Financial Statements in accordance with the II-22.1 of the CMB's Communiqué on "Acquisition of Buy Back Shares". In addition, the shares are classified in "Restricted reserves" in accordance with the related communiqué.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred. For the periods ended there is no capitalized borrowing cost.

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories is determined on the “weighted average” method. Cost elements included in inventories are materials, labour and factory overheads. The cost of borrowings is not included in the costs of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and estimated costs to make the sale.

Tangible Fixed Assets and Amortisations

Tangible fixed assets except lands, buildings are carried at cost, restated by deduction of the yearly accumulated depreciation. Land and buildings are valued with their fair values. Borrowing costs are recognized in accordance with TAS-23 as an element of the book value of assets that are manufactured by the entity. Entities may subject their tangible assets to revaluation. Depreciation is calculated on a straight-line basis over the adjusted amounts and at the rates that reflect the economic useful lives of the following assets Land is considered as limitless useful life, so it is not subject to depreciation. Expected useful life, residual value and amortization method are reviewed for possible effects of changes in estimates and are accounted for prospectively if there is a change in estimates.

The depreciation rates for property, plant and equipment, which approximate the useful economic lives of these assets, are as follows:

	Useful Life
Buildings	5-50 years
Land improvements	6-20 years
Property, plant and equipment	4-35 years
Motor vehicles	4-10 years
Furniture, fixtures and office equipment	2-25 years
Leasehold improvements	5-10 years

Property, plant and equipment are reviewed for possible impairment and the carrying value of the tangible asset is reduced to its recoverable amount if the recoverable amount is greater than its recoverable amount. The recoverable amount is recognized as the higher of net cash flows from the current use of the property, plant and equipment and net selling price.

Appraisal reports containing fair value of property, plant and equipment held for sale is not obtained, Therefore method of deducting selling prices from fair value has not been applied. Property, plant and equipment held for sale are stated at cost in the financial statements.

Intangible Fixed Assets

Intangible fixed assets comprise of rights and they are recorded at acquisition cost. Intangible fixed assets are amortized on a straight-line method with prorate basis over period of between 2-15 years from the date of acquisition.

Investment Property

Investment properties, which are properties, held to earn rentals and/or for capital appreciation are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of retirement or disposal.

TFRS 16 Leases

The Group – as a lessee

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assess whether:

a) the contract involved the use of an identified asset – this may be specified explicitly or implicitly.
b) the asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
c) the Group has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and
d) the Group has the right to direct use of the asset. The Group concludes to have the right of use, when it is predetermined how and for what purpose the Group will use the asset.
The Group has the right to direct use of asset if either:
i. the Group has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
ii. the Group designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Right of use asset

The right of use asset is initially recognized at cost comprising of:

a) amount of the initial measurement of the lease liability;
b) any lease payments made at or before the commencement date, less any lease incentives received;
c) any initial direct costs incurred by the Group; and

To apply a cost model, the Group measure the right-of-use asset at cost:

a) less any accumulated depreciation and any accumulated impairment losses; and
b) adjusted for any remeasurement of the lease liability.

The Group applies the straight-line method to depreciate the right of use. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the Group depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, The Group depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group apply IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease Liability

At the commencement date, The Group measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group use the lessee's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:
a) fixed payments, less any lease incentives receivable;
b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
c) the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
d) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, the Group measure the lease liability by:
a) increasing the carrying amount to reflect interest on the lease liability;
b) reducing the carrying amount to reflect the lease payments made; and
c) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in substance fixed lease payments.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined. After the commencement date, The Group remeasure the lease liability to reflect changes to the lease payments. The Group recognise the amount of the remeasurement of the lease liability as an adjustment to the rightof- use asset.

The Group shall remeasure the lease liability by discounting the revised lease payments using a revised discount rate, if either:
a) There is a change in the lease term. The Group determine the revised lease payments on the basis of the revised lease term; or
b) There is a change in the assessment of an option to purchase the underlying asset. The Group determine the revised lease payments to reflect the change in amounts payable under the purchase option.

The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined.

The Group remeasure the lease liability by discounting the revised lease payments, if either:

a) There is a change in the amounts expected to be payable under a residual value guarantee. The Group determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
b) There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments. The Group remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows.
The Group determine the revised lease payments for the remainder of the lease term based on the revised contractual payments. In that case, the Group use an unchanged discount rate.

The Group account for a lease modification as a separate lease if both:

a) The restructuring extends the scope of the leasing by including the right of use of one or more underlying assets, and
b) The lease payment amount increases as much as the appropriate adjustments to the price mentioned individually so that the increase in scope reflects the individual price and the terms of the relevant agreement.
Leases with a lease term of 12 months or less and leases of low-value assets determined by the Group are evaluated in scope of the exemption of TFRS 16 and payments associated with those leases are recognised on a straight-line basis as an expense in profit or loss.

Sale and Leaseback Transactions

In sale and leaseback transactions, the Group assesses whether the transfer of the relevant asset qualifies as a sale in accordance with IFRS 15 “Revenue from Contracts with Customers.” If control of the transferred asset passes to the counterparty, the transaction is accounted for as a sale and the asset is derecognized from the statement of financial position. In such cases, any gain or loss arising from the sale is recognized only to the extent of the rights transferred to the buyer-lessor, and the lease agreement arising from the same transaction is accounted for in accordance with the provisions of IFRS 16 “Leases.”

If the transfer of the asset does not qualify as a sale under IFRS 15, the transaction is accounted for as a financing transaction. In this case, the relevant asset is not derecognized from the statement of financial position and the proceeds received from the transaction are recognized as a financial liability.

Differences between the accounting treatments applied under the Tax Procedure Law (VUK) and the accounting policies applied in the TFRS financial statements in relation to sale and leaseback transactions are taken into consideration in the calculation of deferred tax where temporary differences arise.

Impairment of Assets

The Group evaluates whether there is an indicator for the decrease in value related to the asset for the rest of every assets of financial assets which are shown with the deferred tax and fair value, or not, at the every financial statement date. If there is an indicator, the regain amount of this asset is estimated. Impairment occurred if the topic assets or the net book value of unit which is belong to assets that produce cash is higher than the regain amount which was gained with the help of using or sale. In the related period, impairment lost is accounted in the income statement. Impairment loss of assets is reversed in the manner of not passing the amount of impairment which was saved before, in the situation of association an amount which was occur at the period which is following registration of impairment with the following increase in regain amount of this assets.

Severance Pay Provision / Employee Benefits

- **Severance Pay**

Under Turkish Labor Law, Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who retires in accordance with social insurance regulations or is called up for military service or dies.

The Group has reflected the severance pay liability calculated on the balance sheet date on the financial statements using the expected inflation rate and the real discount rate based on the principles stated above for the financial statements.
The Group has calculated severance pay liability on the financial statements in the accompanying consolidated financial statements using the "Projection Method" based on the experience gained over the past years by the Group in completing the personnel service period and entitlement to termination indemnity and discounting it with the government treasury rate at the balance sheet date. All calculated gains and losses are reflected in the income table.

- **Social Insurance Premium**

Group pays social security contribution to social security organization compulsorily. So long as Group pays these premiums, it has no liability. These premiums are reflected as personnel expenses in the period in which they are paid.

Fair value estimation:

The Group's various accounting policies and footnote disclosures require fair value for both financial and non-financial assets and liabilities. The fair values are determined by the following methods for valuation and / or disclosure purposes.

Where feasible, the assumptions used in the determination of fair value are presented in the footnotes related to the asset or liability as additional information. Level-by-level valuation methods are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Tax

In the accompanying Consolidated Financial Statements, the tax consists of corporate tax provision and deferred tax. The corporation tax that will be arise from the results of the period's operations have set aside a provision for the income tax liabilities at the statutory tax rates that are valid at the balance sheet date.

The Group recognizes deferred tax on the temporary timing differences between the carrying amounts of assets and liabilities in the financial statements prepared in accordance with TFRS and statutory financial statements which is used in the computation of taxable profit. The related differences are generally due to the timing difference of the tax base of some income and expense items between statutory and TFRS financial statements. The Group has deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, which could reduce taxable income in the future periods. All or partial amounts of the realizable deferred tax assets are estimated in current circumstances. The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring, the carry-forward period associated with the deferred tax assets, future reversals of existing taxable temporary differences that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset.

Revenue recognition

Group recognises revenue based on the following five principles in accordance with the TFRS 15 - “Revenue from Contracts with Customers Standard” effective from 1 January 2019:

- Identification of customer contracts
- Identification of performance obligations
- Determination of the transaction price in the contracts
- Allocation of transaction price to the performance obligations
- Recognition of revenue when the performance obligations are satisfied

Group evaluates each contracted obligation separately and respective obligations, committed to deliver the goods or perform services, are determined as separate performance obligations
Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognised over time by measuring the progress towards complete satisfaction of that performance obligation.

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

Following indicators are considered while evaluating the transfer of control of the goods and services:
a) presence of Group’s collection right of the consideration for the goods or services,
b) customer’s ownership of the legal title on goods or services,
c) physical transfer of the goods or services,
d) customer’s ownership of significant risks and rewards related to the goods or services,
e) customer’s acceptance of goods or services.

If Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is not adjusted. On the other hand, when the contract effectively constitutes a financing component, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognised on an accrual basis as other operating income.

Interest income

Interest income is accrued in proportion as effective interest rate which reduces estimated cash addition to recorded value of the asset in corresponding period.

Dividend and other incomes

Dividend income which obtained from share investments, is recorded when shareholders' have the right to get dividend.

Other incomes are recorded with the possibility of having the worth giving service or accrual of the facts related with income, making the transfer of risk and benefit, determination of income amount and enrolment of economic benefits related with the procedure.

Accounting Estimates

The accompanying consolidated financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by the Group management to be compatible with statements required by Public Oversight Accounting and Auditing Standards Authority. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements. Comments those would have significant effect on balances reflected in the financial statements and important expectations and valuations considering present or future expectation as of report date, are as following.

Provision for inventories

Inventories are valued at the lower of cost or net realizable value. The Group management has determined that some of its inventories cost value are higher than the their net realizable value as of the balance sheet date. Management of the company has estimated the future cash flow amounts, replacement costs and the sales prices may be generated in the ordinary business activity from the sale of inventories in the calculation of the impairment.

Provision for doubtful receivables

Provision for doubtful receivables reflects the future loss that the Group anticipates to incur from the trade receivables as of the balance sheet date which is subject to collection risk considering the current economical conditions. During the impairment test for the receivables, the debtors are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements; and also the renegotiation conditions with these debtors are considered. The provision for doubtful receivables is presented in Note 5.

Useful lifetime of tangible and intangible assets

Group reserves provision for depreciation regarding to Note 2.d that refers to useful lifetime on fixed assets. Information about useful lifetime is described in Note 2.d.

Provision for lawsuits

While setting provision for lawsuits, it has considered probability to lose lawsuit, then the consequences of loosing case by the legal advisor of the Group. Details of the lawsuits provisions are in Note 17 based on the estimation by utilizing information given by Group Management.

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

Severance pay provision

Severance pay provision is calculated with actuarial expectation based on assumptions like discount rates, salary increase in the future and probability to quit the job. This planning covers long term concerns. Hence assumptions involve vital uncertainty. Provisions for employee benefits are given in detail in Note 18.

Deferred Tax

The Group recognizes deferred tax on the temporary timing differences between the carrying amounts of assets and liabilities in the financial statements prepared in accordance with IFRS and statutory financial statements which is used in the computation of taxable profit. The related differences are generally due to the timing difference of the tax base of some income and expense items between statutory and IFRS financial statements. The Group has deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, which could reduce taxable income in the future periods. All or partial amounts of the realizable deferred tax assets are estimated in current circumstances.
The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring, the carry-forward period associated with the deferred tax assets, future reversals of existing taxable temporary differences that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset. As a result of the revaluation, as of reporting date, temporary differences due to tax incentives can be foreseen and the fraction falls in continuity of tax incentives within the context of tax legislations, can be benefited from and is to be tax assets and accounted. As of balance sheet date, the details regarding deferred tax calculations are stated in Note 30.

Provisions, Contingent Liabilities and Assets

Provisions

Provisions are recognized when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities and Assets

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non occurrence of certain future events, unless the expected performance is not very likely. Accordingly, contingent losses are recognized in the financial statements of the Group if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

Foreign Currency Assets and Liabilities

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange profit and loss are reflected to the income statements.

	30 June 2026	31 December 2025
USD	46,5551	42,8623
EUR	53,0950	50,4532
GBP	61,4404	57,8159
CHF	54,2141	54,2141
RUBLE	0,59300	0,54456
CNY	6,81440	6,0977

Effects of Change in Currency Rate

Assets and liabilities in foreign currency and purchase and sale commitments create exchange risk. Foreign exchange risk stemming from depreciation or appreciation of Turkish Lira managed by top management by following the currency position of Group and taking position according to approved limits.

Earnings Per Share

Earnings per share in the consolidated income statements are calculated by dividing the net profit for the year by the weighted average number of ordinary shares outstanding during the year. In Turkey, companies can increase their share capital by making distribution of “bonus shares” to existing shareholders from inflation adjustment difference in shareholder’s equity. For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of “bonus shares” issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

Other Balance Sheet Items

Other balance sheet items are mainly reflected at book value.

Cash Flow Statement

The Group prepares statement of cash flows to inform users of financial statements about changes in net assets and ability to direct financial structure, amounts and timing of cash flows according to changing situations. In the statement of cash flows, current period cash flows are grouped according to operating, financing, and investing activities. Operating cash flows resulting from activities in scope of Group's main operating scope. Cash flows related to investing activities are cash flows resulting from investing activities (fixed investments and financial investments) of the company. Cash flows related to financing activities comprise of funds used in financing activities of the Group and their repayments. Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant change in value.

Post Balance Sheet Events

In the case that events requiring a correction to be made occur subsequent, the Group makes the necessary corrections to the consolidated financial statements. In the case that events not requiring a correction to be made occur subsequent, those events are disclosed in the notes of consolidated financial statements (Note 22).

Reporting of Financial Information by Segments

The Group does not have an activity area to report activity according to the departments.

Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making the financial and operating decisions. For the purpose of these financial statements shareholders are referred to as related parties. Related parties also include individuals that are principle owners, management and members of the Group's Board of Directors and their families. In the course of conducting its business, the Group conducted various business transactions with related parties on commercial terms:

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

NOTE 3– RELATED PARTY TRANSACTIONS

	30 June 2026		31 December 2025	
	Trading	**Non-Trading**	**Trading**	**Non-Trading**
Prepaid Expenses (Note 7)				
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	--	6.513.420	--	7.208.274
Other Current Assets (Note 5)				
Shareholders (Advances)	113.047.274	--	101.745.997	--
Total	**113.047.274**	**6.513.420**	**101.745.997**	**7.208.274**

Due To Related Parties Payables

None (31 December 2025: None).

Purchases and / or expenses from related parties:

	1 January – 30 June 2026	
	Goods and Services Purchases	**Rent Expenses**
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	--	--
Shareholders	--	14.308.054
Total	**--**	**14.308.054**

	1 January – 30 June 2025	
	Goods and Services Purchases	**Rent Expenses**
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	916.493	--
Shareholders	--	13.197.118
Total	**916.493**	**13.197.118**

The total amount of benefits provided to the senior management such as the chairman and members of the board of directors, general manager, general coordinator and general manager of the Group for the period ended 30 June 2026 is TRY 143.305.166 (30 June 2025: TRY 151.708.214).

NOTE 4 - TRADE RECEIVABLES AND PAYABLES

Trade Receivables

Short Term Trade Receivables

	30 June 2026	**31 December 2025**
Trade Receivables	1.884.305.427	2.077.067.546
Notes Receivables	850.288.094	751.319.795
Unearned Interest (-)	(113.498.707)	(101.100.419)
Doubtful trade receivables	47.206.029	45.056.041
Provision for doubtful trade receivables (-)	(47.206.029)	(45.056.041)
Total	**2.621.094.814**	**2.727.286.922**

The maturity schedule of receivables are as follows:

	30 June 2026	**31 December 2025**
Past due	223.090.115	192.710.115
Up to 3 months	1.457.281.992	1.631.958.933
3 to 12 months	1.054.221.414	1.003.718.293
Total	**2.734.593.521**	**2.828.387.341**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

The movement schedule of provision for doubtful trade receivables is as follows:

	30 June 2026	31 December 2025
Opening balance	45.056.041	40.784.432
Additional provisions in the period	8.979.946	13.913.972
Cancellation of provision in period (-)	(35.318)	(16.696)
Monetary Loss/Gain	(6.794.640)	(9.625.667)
Total (End of the peridod)	**47.206.029**	**45.056.041**

Trade Payables

Short Term Trade Payables

	30 June 2026	31 December 2025
Trade payables	2.522.288.605	3.011.600.255
Notes payables	389.889.939	990.251.185
Unearned interest (-)	(115.287.751)	(193.932.590)
Total	**2.796.890.793**	**3.807.918.850**

Long Term Trade Payables

None (31 December 2025: None).

As of 30 June 2026 and 31 December 2025 maturity schedule of payables are as follows:

	30 June 2026	31 December 2025
Up to 3 months	2.735.655.693	3.474.851.475
3 to 12 months	176.522.851	526.999.965
Total	**2.912.178.544**	**4.001.851.440**

NOTE 5 - OTHER ASSETS AND LIABILITIES

Other Current Assets

	30 June 2026	31 December 2025
Deferred VAT	1.454.805.506	1.499.454.073
Business Advances	6.178.013	3.003.771
Advances Given to Personnel	118.741.465	102.103.148
Other VAT	16.540.932	23.313.423
Total	**1.596.265.916**	**1.627.874.415**

Other Current Liabilities

	30 June 2026	31 December 2025
Taxes and dues payable	150.183.403	54.260.112
Other liabilities	12.846.593	4.309.460
Total	**163.029.996**	**58.569.572**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

NOTE 6 – INVENTORIES

	30 June 2026	31 December 2025
Raw materials	1.947.540.237	1.537.289.930
Work in process	204.866.614	139.927.508
Finished goods	1.632.547.943	1.613.956.615
Merchandises	1.214.046.126	1.142.007.240
Other inventories	72.290.114	73.979.910
Provision for Stock Value Decrease (-)	(36.849.566)	(39.759.153)
Total	**5.034.441.468**	**4.467.402.050**

As of 30 June 2026, there is insurance coverage amounting to 2.794.765.000 TRY on inventories (31 December 2025: 3.075.421.008 TRY)

The movements in the provision for stock value decrease are as follows:

	30 June 2026	31 December 2025
Beginning of period provision amount	39.759.153	30.044.594
Additional provisions allocated during the period	3.086.260	16.805.482
Monetary loss/gain	(5.995.847)	(7.090.923)
End of period total provision amount	**36.849.566**	**39.759.153**

NOTE 7 – PREPAID EXPENSES

Short-Term Prepaid Expenses

	30 June 2026	31 December 2025
Advances Given for Orders	708.833.968	442.337.689
- Order Advances Given to Related Parties (Note 3)	*6.513.420*	7.208.274
- Order Advances Given to Other Parties	*702.320.548*	435.129.415
Expenses for Future Months	221.010.854	192.323.072
Total	**929.844.822**	**634.660.761**

Long-Term Prepaid Expenses

	30 June 2026	31 December 2025
Advances Given for Orders	--	77.188.682
Expenses for Future Years	117.983.132	98.066.172
Advances Given for Fixed Asset Orders	70.266.603	40.755.683
Total	**188.249.735**	**216.010.537**

Short-Term Deferred Income

	30 June 2026	31 December 2025
Revenues for the following months	19.006.944	--
Advances received	573.651.950	887.047.839
Total	**592.658.894**	**887.047.839**

Long-Term Deferred Income

	30 June 2026	31 December 2025
Revenues for future years	79.446.180	137.048.953
Total	**79.446.180**	**137.048.953**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

NOTE 8 TANGIBLE FIXED ASSETS

Cost	Lands	Land improvements	Buildings	Plants, machinery and equipment	Vehicles	Fixtures and fittings	Leasehold improvements	Construction in progress	Total
1 January 2025	**3.276.160.534**	**7.351.223**	**5.105.326.015**	**2.822.413.388**	**147.639.230**	**2.425.810.559**	**1.794.392.291**	**1.697.617.465**	**17.276.710.705**
Addition	14.388.916	--	8.683.901	23.161.095	91.253.018	460.241.752	35.026.514	1.881.971.235	2.514.726.431
Transfer	--	--	1.796.880.603	1.764.969.492	--	13.338.194	76.154	(3.576.504.760)	(1.240.317)
Disposals	--	--	--	--	(11.912.587)	(49.829.564)	(34.607.511)	--	(96.349.662)
31 December 2025	**3.290.549.450**	**7.351.223**	**6.910.890.519**	**4.610.543.975**	**226.979.661**	**2.849.560.941**	**1.794.887.448**	**3.083.940**	**19.693.847.157**
Addition	18.988.635	--	54.532.170	95.863.804	41.585.753	120.895.263	45.994.767	48.153.410	426.013.802
Transfer	--	--	--	6.568.434	--	2.134.455	--	(8.702.889)	--
Disposals	--	--	--	--	(34.952.086)	(4.031.402)	--	--	(38.983.488)
30 June 2026	**3.309.538.085**	**7.351.223**	**6.965.422.689**	**4.712.976.213**	**233.613.328**	**2.968.559.257**	**1.840.882.215**	**42.534.461**	**20.080.877.471**
Accumulated depreciation (-)									
1 January 2025	**--**	**3.323.580**	**807.074.117**	**1.674.143.251**	**112.073.705**	**1.680.590.221**	**1.466.673.013**	**--**	**5.743.877.887**
Charge for the period	--	265.829	107.967.490	176.984.842	26.032.898	206.745.060	121.618.560	--	639.614.679
Disposals	--	--	--	--	(11.883.951)	(34.435.093)	(18.216.565)	--	(64.535.609)
31 December 2025	**--**	**3.589.409**	**915.041.607**	**1.851.128.093**	**126.222.652**	**1.852.900.188**	**1.570.075.008**	**--**	**6.318.956.957**
Charge for the period		132.915	72.855.052	156.123.418	17.489.817	102.780.614	56.101.961		405.483.777
Disposals					(19.223.647)	(2.366.701)			(21.590.348)
30 June 2026	**--**	**3.722.324**	**987.896.659**	**2.007.251.511**	**124.488.822**	**1.953.314.101**	**1.626.176.969**	**--**	**6.702.850.386**
Net book value, 31 December 2025	**3.290.549.450**	**3.761.814**	**5.995.848.912**	**2.759.415.882**	**100.757.009**	**996.660.753**	**224.812.440**	**3.083.940**	**13.374.890.200**
Net book value, 30 June 2026	**3.309.538.085**	**3.628.899**	**5.977.526.030**	**2.705.724.702**	**109.124.506**	**1.015.245.156**	**214.705.246**	**42.534.461**	**13.378.027.085**

As of 30 June 2026, there is insurance amounting to TRY 12.182.578.366 on property, plant and equipment The liability amounts for fixed assets are mentioned in Note 11 (31 December 2025: TRY 13.405.729.752).

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

The distribution of depreciation expenses is as follows:

	30 June 2026	30 June 2025
Tangible fixed assets	405.483.777	313.691.098
Intangible fixed assets	113.241.395	104.053.129
Right of use assets	385.334.269	231.414.902
Total	**904.059.441**	**649.159.129**

NOTE 9 - FINANCIAL BORROWINGS

As June 30, 2026 and December 31, 2025, the details of the financial debts are as follows;

Short Term Financial Borrowings

	30 June 2026	31 December 2025
Bank Loans	1.986.724.493	2.059.991.965
Debts from Leasing Transactions	312.094.781	412.669.716
Financial Leasing Debts	508.131.823	362.715.706
Deferred Financial Leasing Borrowing Costs (-)	(163.681.496)	(156.328.918)
Other Financial Debts	13.212.044	29.070.144
Total	**2.656.481.645**	**2.708.118.613**

Current Instalments of Long-Term Financial Liabilities

	30 June 2026	31 December 2025
Current Instalments of Long-Term Financial Liabilities	1.357.207.322	984.734.612
Total	**1.357.207.322**	**984.734.612**

Long Term Financial Borrowings

	30 June 2026	31 December 2025
Bank Loans	2.993.947.704	1.991.496.479
Debts from Leasing Transactions	238.453.026	453.557.689
Financial Leasing Debts	2.098.313.862	2.680.021.353
Deferred Financial Leasing Borrowing Costs (-)	(260.758.234)	(362.590.069)
Total	**5.069.956.358**	**4.762.485.452**

Liabilities given for bank borrowings are mentioned in Note 11.

The details of the bank loans are as follows:

30 June 2026

Currency Type	Maturity Range	Weighted Average Effective Interest Rate	Short Term	Long Term	Total
TRY	July 2026 / February 2033	39,65%	935.592.417	410.734.521	1.346.326.938
USD	July 2026 / January 2031	6,72%	541.520.678	1.528.251.836	2.069.772.514
EUR	July 2026 / December 2034	7,18%	785.958.170	809.642.947	1.595.601.117
CNY	July 2026 / January 2029	4,59%	1.080.860.550	245.318.400	1.326.178.950
Total			**3.343.931.815**	**2.993.947.704**	**6.337.879.519**

31 December 2025

Currency Type	Maturity Range	Weighted Average Effective Interest Rate	Short Term	Long Term	Total
TRY	February 2026 – December 2034	41,46%	1.093.632.414	425.162.030	1.518.794.444
USD	February 2026 – October 2027	6,94%	246.766.071	160.858.080	407.624.151
EUR	January 2026 – May 2028	6,78%	1.391.043.062	1.003.365.104	2.394.408.166
CNY	April 2026 – July 2027	5,31%	313.285.030	402.111.265	715.396.295
Total			**3.044.726.577**	**1.991.496.479**	**5.036.223.056**

The details of the financial leases are as follows;

30 June 2026

	Currency	Amount	TRY Value
Short-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	9.570.239	508.131.823
Minus: Interest expense for future months	EUR	(3.082.804)	(163.681.496)
Total			**344.450.327**
Long-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	39.519.990	2.098.313.862
Minus: Interest expense for future months	EUR	(4.911.164)	(260.758.234)
Total			**1.837.555.628**
The principal amount of financial lease liabilities shown in the financial statements			**2.182.005.955**

As of June 30, 2026, the Company's finance lease liabilities consist of finance lease agreements denominated in Euros, and the effective weighted average interest rate is 6,83% per annum.

31 December 2025

	Currency	Amount	TRY Value
Short-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	6.104.997	362.715.706
Minus: Interest expense for future months	EUR	(2.631.228)	(156.328.918)
Total			**206.386.788**
Long-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	45.108.395	2.680.021.353
Minus: Interest expense for future months	EUR	(6.102.883)	(362.590.069)
Total			**2.317.431.284**
The principal amount of financial lease liabilities shown in the financial statements			**2.523.818.072**

As of December 31, 2025, the Company's finance lease liabilities consist of finance lease agreements denominated in Euros, and the effective weighted average interest rate is 6,95% per annum.

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

Maturity schedule of banks borrowings are as follows:

	30 June 2026	31 December 2025
Up to 3 months	1.052.456.433	1.357.165.552
3 to 12 months	2.961.232.534	2.335.687.673
1 to 5 years	4.264.448.823	3.887.981.114
Over 5 years	805.507.535	874.504.338
Total	**9.083.645.325**	**8.455.338.677**

NOTE 10 – EMPLOYEE BENEFIT LIABILITIES

	30 June 2026	31 December 2025
Due to personnel	200.779.454	189.189.811
Taxes and funds payable for personnel	42.449.188	53.064.221
Social security and Taxes and dues payable	88.359.676	86.523.451
Total	**331.588.318**	**328.777.483**

NOTE 11 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Contingent Liabilities

Given GSM (Guarantee-Security-Mortgage) by Group	30 June 2026	31 December 2025
A. Total Amount of GSM Given on Behalf of Legal Entity	5.308.795.668	2.310.204.445
B. Total Amount of GSM Given for Partnerships which are Included in Full Consolidation	--	--
C. Total Amount of GSM Given for the Purpose of Guaranteeing Third Party Loans to Carry the Regular Trade Activities	--	--
D. Total Amount of Other GSM Given	--	--
i. Total Amount of GSM Given for the Parent Company	--	--
ii. Total Amount of GSM Given for Other Group Companies not Included in B and C Clauses	--	--
iii. Total Amount of GSM Given for Third Parties not Included in C Clause	--	--
Total	**5.308.795.668**	**2.310.204.445**

Letters of guarantee - Details of the Group's letters of guarantee as of 30 June 2026 are summarized below;

30 June 2026	Foreign currency	Amount	TRY equivalent
Electricity Distribution Companies	TRY	4.936.363	4.936.363
Executive Directorate	TRY	21.932.549	21.932.549
Customs Directorate	TRY	37.843.626	37.843.626
Gas Distribution Companies	TRY	262.584	262.584
Private sector	TRY	55.724.230	55.724.230
Private sector	EUR	44.166	2.344.974
Private sector	RUB	--	--
Private sector	USD	572.000	26.629.517
Turkey Export Credit Bank	EUR	4.957.101	263.197.301
Turkey Export Credit Bank	CNY	142.751.699	972.767.180
Turkey Export Credit Bank	USD	346.000	16.108.065
Turkey Export Credit Bank	TRY	31.332.734	31.332.734
Turkish National Lottery Administration	TRY	5.485.000	5.485.000
State Supply Office	TRY	2.375.000	2.375.000
Total			**1.440.939.123**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

31 December 2025	Currency	Foreign Currency Amount	TL Equivalent
Electricity distribution companies	TRY	4.452.603	5.243.317
Enforcement office	TRY	9.647.889	11.361.207
Customs directorate	TRY	37.854.312	44.576.659
Gas distribution companies	TRY	172.245	202.833
Private sector	TRY	51.952.794	61.178.816
Private sector	EUR	97.280	5.779.689
Private sector	RUB	37.000.000	23.726.825
Private sector	USD	572.000	28.871.122
Turkish export credit bank	EUR	7.183.419	426.787.875
Turkish export credit bank	CNY	79.240.000	568.987.439
Turkish export credit bank	USD	1.021.000	51.533.943
Turkish export credit bank	TRY	74.817.959	88.104.485
Turkish National Lottery Administration	TRY	16.125.000	18.988.553
State Supply Office	TRY	2.375.000	2.796.764
Total			**1.338.139.527**

As at 30 June 2026, mortgages on various tangible assets of the Group amounting to TRY 3.571.000.000 (31 December 2025: TRY 311.092.351).

	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	Foreign currency		TRY equivalent	
Bills given (CNY)	38.113.414	90.900.303	259.720.046	652.714.925
Bills given (EUR)	5.449.709	1.150.000	37.136.499	8.257.642
Total	**43.563.123**	**92.050.303**	**296.856.545**	**660.972.567**

Contingent Asset

	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	Foreign currency		TRY equivalent	
Letters of Guarantee (TRY)	1.886.984.000	1.559.744.000	1.886.984.000	1.836.730.689
Letters of Guarantee (USD)	3.343.500	3.953.500	155.656.977	199.548.916
Letters of Guarantee (EUR)	625.000	805.000	33.184.375	47.827.398
Mortgages (TRY)	669.842.501	687.787.500	669.842.501	809.928.045
Mortgages (USD)	3.775.000	1.775.000	175.745.503	89.591.331
Checks Received (TRY)	1.650.000	2.650.000	1.650.000	3.120.599
Total			**2.923.063.356**	**2.986.746.978**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

NOTE 12 – SHARE CAPITAL

Paid in Capital

The authorized share capital ceiling of the Parent Company was increased from TRY 300,000,000 to TRY 2,000,000,000 in accordance with the Board of Directors' resolution dated 24 February 2025, with the approval of the Capital Markets Board of Türkiye (CMB) dated 27 February 2025. The related amendment to the Articles of Association was approved at the General Assembly meeting held on 21 April 2025 and was registered on 6 May 2025 and announced in the Turkish Trade Registry Gazette No. 11325. The authorized share capital ceiling of the Parent Company is TRY 2.000.000.000 (31 December 2025: TRY 2.000.000.000).

The shareholding structure of the parent company as of 30 June 2026 and 31 December 2025 is as follows;

	30 June 2026		31 December 2025	
	Amount TRY	**Share (%)**	**Amount TRY**	**Share (%)**
Hacı Nuri Öztaşkın	12.427.403	8,30%	12.427.403	8,30%
Yılmaz Öztaşkın	10.940.192	7,30%	10.940.192	7,30%
Bostancı Otelcilik ve Turizm İşletmesi A.Ş	8.467.847	5,65%	8.467.847	5,65%
Other [1]	117.963.490	78,75%	117.963.490	78,75%
Total	**149.798.932**	**100,00%**	**149.798.932**	**100,00%**
Inflation Adjustment on Capital [2]	2.338.000.823		2.338.000.823	
Total	**2.487.799.755**		**2.487.799.755**	

[1] Includes nominal repurchase shares amounting to 6.035.734 at the rate of 4,03% stated.

[2] Capital adjustment differences represent the discrepancy between the total amounts of cash and cash equivalents added to the capital, adjusted for inflation accounting, and their pre-adjustment amounts. The capital adjustment differences have no other use than to be added to the capital.

As of 30 June 2026, restricted reserves appropriated from profit amounted to TRY 1,870,237,587, together with TRY 1,223,237,601 transferred from retained earnings during the period (31 December 2025: TRY 646,999,986).

NOTE 13 – REVENUE

For the periods ended at 30 June 2026 and 2025, the details of sales are as following;

	1 January – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2026	1 April – 30 June 2025
Domestic sales	14.887.416.738	13.995.668.161	7.459.101.246	6.964.708.935
Export sales	664.306.784	897.819.627	339.488.600	343.721.846
Other sales	41.444.682	37.608.961	20.307.715	20.679.999
Gross Sales	**15.593.168.204**	**14.931.096.749**	**7.818.897.561**	**7.329.110.780**
Sales returns (-)	(270.735.160)	(283.882.986)	(127.313.116)	(163.475.958)
Sales discounts (-)	(2.265.099.544)	(2.255.828.846)	(1.108.973.316)	(1.169.566.109)
Other discounts (-)	(24.293.750)	(8.969.567)	(10.293.962)	(7.506.168)
Sales returns and Discounts (-)	**(2.560.128.454)**	**(2.548.681.399)**	**(1.246.580.394)**	**(1.340.548.235)**
Net Sales	**13.033.039.750**	**12.382.415.350**	**6.572.317.167**	**5.988.562.545**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

NOTE 14 – COST OF SALES (-)

For the periods ended at 30 June 2026 and 2025, the details of cost of sales are as following;

	1 January – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2026	1 April – 30 June 2025
Cost of finished goods sold	(5.679.838.810)	(5.529.928.074)	(2.854.532.564)	(2.736.420.165)
Cost of merchandise	(2.721.846.708)	(2.543.203.796)	(1.283.187.595)	(1.123.211.548)
Total	**(8.401.685.518)**	**(8.073.131.870)**	**(4.137.720.159)**	**(3.859.631.713)**

NOTE 15 – RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES (-)

	1 January – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2026	1 April – 30 June 2025
Research and development expenses	59.906.327	66.336.226	30.523.134	32.984.738
Marketing, sales and distribution expenses	3.738.582.376	3.122.371.720	1.912.649.178	1.516.387.565
General administrative expenses	644.565.943	532.010.685	334.192.056	230.465.693
Total	**4.443.054.646**	**3.720.718.631**	**2.277.364.368**	**1.779.837.996**

EXPENSES BY NATURE (-)

	1 January – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2026	1 April – 30 June 2025
Personnel wages, bonus and other employee benefit expenses	1.416.414.724	1.133.718.821	730.633.111	573.631.080
Advertising expenses	673.791.151	786.435.101	322.026.341	374.204.313
Freight and transportation expenses	614.821.474	270.180.863	322.335.775	113.626.070
Depreciation and amortization expenses	610.284.131	579.880.724	346.348.269	295.043.444
Installation and logistics expenses	195.057.840	159.843.021	108.905.762	72.891.083
Rent expenses	104.378.967	192.352.385	73.608.491	83.989.047
E-commerce commission expenses	77.510.898	65.254.930	36.403.828	31.067.343
Taxes, duties and fee expenses	77.482.047	46.439.831	36.700.031	24.714.882
Material expenses	58.538.910	35.002.659	34.465.828	17.463.113
Consultancy expenses	53.241.078	41.988.088	22.195.017	23.011.417
Export expenses	47.979.052	30.509.981	27.577.889	16.197.464
Volume rebate and turnover premium expenses	47.640.533	24.565.411	1.960.924	1.328.755
Store common area maintenance expenses	40.413.895	35.270.189	21.341.043	18.610.185
Travel, transportation and accommodation expenses	38.951.690	25.450.744	21.488.208	12.970.896
Electricity, water and heating expenses	36.153.700	34.684.779	13.224.254	13.644.217
Trade fair and exhibition expenses	34.553.977	44.620.906	364.061	11.117.674
Maintenance and repair expenses	31.464.485	16.189.275	18.183.632	6.677.383
Decoration expenses	28.532.541	31.986.343	12.913.299	17.483.689
Insurance expenses	17.713.087	16.262.152	8.060.685	6.751.961
Communication expenses	4.207.146	3.227.714	2.134.365	1.054.174
Dealer opening support expenses	6.321	6.825.851	1.731	3.741.105
Other expenses	233.916.999	140.028.863	116.491.824	60.618.701
Total	**4.443.054.646**	**3.720.718.631**	**2.277.364.368**	**1.779.837.996**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

NOTE 16 – OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES (-)

16.1 Other Income from Operating Activities

	1 January – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2026	1 April – 30 June 2025
Foreign exchange gain	165.986.029	355.168.152	110.065.305	175.015.894
Interest income from credit sales	242.732.988	273.104.480	4.421.240	38.666.751
Incentive income	81.785.098	32.175.779	51.586.802	30.189.148
Discounts, allowances and turnover premiums	13.408.354	17.537.219	7.650.727	11.835.529
Bank commission income	26.827.104	52.147.312	13.822.899	30.199.707
Solar power plant (SPP) income	5.134.253	1.324.416	5.134.253	1.324.416
Provisions no longer required	278.821	17.586	--	4.656
Other income	64.777.415	168.913.227	36.150.598	21.450.087
Total	**600.930.062**	**900.388.171**	**228.831.824**	**308.686.188**

16.2 Other Expenses from Operating Activities (-)

	1 January – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2026	1 April – 30 June 2025
Foreign exchange loss	48.975.923	113.803.453	14.758.846	48.932.318
Interest expense on purchases	307.431.297	225.320.291	8.652.877	3.678.937
Donation expenses	2.586.465	1.608.686	1.797.844	485.900
Provision expenses	9.197.412	--	427.133	--
Other expenses	64.644.287	19.265.808	20.882.630	8.915.084
Total	**432.835.384**	**359.998.238**	**46.519.330**	**62.012.239**

NOTE 17 – FINANCIAL INCOME AND EXPENSES (-)

17.1 Financial Income

	1 January – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2026	1 April – 30 June 2025
Foreign exchange income	70.426.951	41.689.450	6.388.977	25.686.063
Interest income	54.238.866	33.273.802	28.207.688	15.341.592
Total	**124.665.817**	**74.963.252**	**34.596.665**	**41.027.655**

17.2 Financial Expenses (-)

	1 January – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2026	1 April – 30 June 2025
Foreign exchange losses	356.338.620	736.266.786	216.534.182	424.619.690
Interest expenses	471.522.386	732.264.308	246.125.122	259.150.796
Bank commission	290.717.756	286.568.002	153.463.119	160.511.863
Lease payables interest accruals	85.303.486	52.137.711	42.169.358	25.837.226
Guarantee letter commison expenses	3.431.716	5.540.835	1.700.456	2.283.935
Other financial expenses	7.530.768	8.777.736	2.888.860	6.218.344
Total	**1.214.844.732**	**1.821.555.378**	**662.881.097**	**878.621.854**

NOTE 18 – TAX ASSETS AND LIABILITIES

Corporate Tax

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return based on consolidated financial statements. Therefore, tax liabilities reflected in the consolidated financial statements have been calculated separately for each entity included in the Group.

In Türkiye, the corporate tax rate as of 30 June 2026 is 25% (31 December 2025: 25%). Corporate tax is calculated on the net corporate income obtained by adding non-deductible expenses required by tax legislation to the commercial income of the corporations and deducting tax-exempt income and discounts specified in the tax laws.

With the General Communiqué on Corporate Tax (Serial No: 26) published in the Official Gazette dated 4 July 2026 and numbered 33300, explanations were provided regarding the implementation of the regulations made in the Corporate Tax Law by Laws No. 7577 and 7582, and the Corporate Tax General Communiqué Serial No. 1 was updated.

The Communiqué on the Reduced Corporate Tax Rate Application on Income Obtained from Manufacturing and Agricultural Production Activities includes explanations regarding the amendments made to the eighth paragraph of Article 32 of the Corporate Tax Law by Law No. 7582.

Accordingly, starting from the tax returns required to be submitted as of 1 January 2027, to be applied to the earnings obtained by corporations in the 2027 accounting period and subsequent taxation periods:

- The corporate tax rate will be applied with a 12.5 percentage point reduction as 12.5% exclusively to the income derived by corporations holding an industrial registry certificate and actually engaged in manufacturing activities, from their manufacturing activities, and
- Exclusively to the income derived by corporations engaged in agricultural production activities, from these production activities.

The Communiqué also states that since the regulation entered into force to be applied to the income obtained in the 2027 accounting period and subsequent taxation periods, for corporations holding an industrial registry certificate and actually engaged in manufacturing activities in the 2026 taxation period, the corporate tax rate will continue to be applied with a 1 percentage point reduction exclusively for the income originating from manufacturing activities.

Pursuant to the regulation in the sixth paragraph added to Article 32 of the Corporate Tax Law by Article 35 of Law No. 7256, for corporations whose shares are offered to the public for the first time on the Borsa Istanbul Equity Market at a rate of at least 20%, a 2 percentage point reduced corporate tax rate will be applied to corporate earnings for five accounting periods, starting from the accounting period in which the shares were offered to the public for the first time.

Under the temporary article added to the Tax Procedural Law No. 213, published in the Official Gazette dated 25 December 2025 and numbered 33118, a legislative amendment entered into force stating that statutory financial statements shall not be subject to inflation adjustment regardless of whether the conditions for inflation adjustment within the scope of Repeated Article 298 of the Tax Procedural Law are met in the 2026 and 2027 accounting periods, including the 2025 accounting period and provisional tax periods.

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

Deferred Tax

The Group recognizes deferred tax assets and liabilities for temporary differences arising from differences between its statutory financial statements used for tax purposes and its financial statements prepared in accordance with TFRS. Such differences generally arise from the inclusion of certain income and expense items in different periods in the statutory financial statements for tax purposes compared to the financial statements prepared in accordance with TFRS.

With Law No. 7582 published on 4 July 2026, the corporate tax rate to be applied to the earnings to be derived from 1 January 2027 onwards by corporations holding an industrial registry certificate and actually carrying out manufacturing activities from these activities was reduced from 25% to 12.5%. Although the aforementioned change does not affect the current period tax calculations, it has been reflected in the deferred tax calculations in the financial statements as of 30 June 2026, taking into account whether the relevant income originates from manufacturing or non-manufacturing activities.

As of 30 June 2026 and 31 December 2025, tax provisions have been allocated within the framework of the current tax legislation.

	30 June 2026	**31 Dec. 2025**	**30 June 2026**	**31 Dec. 2025**
Deferred tax assets / (liabilities), net	**Cumulative temporary difference**	**Cumulative temporary difference**	**Deferred tax assets / (liabilities)**	**Deferred tax assets / (liabilities)**
Adjustments related to receivable re-discounts	113.498.707	101.100.419	28.374.677	25.275.105
Adjustments related to payable re-discounts	(115.287.751)	(193.932.590)	(28.821.938)	(48.483.148)
Adjustments related to provisions for lawsuits	405.529	477.545	101.382	119.386
Adjustments related to other accounts	49.955.281	48.264.732	12.488.820	12.066.183
Adjustments related to other provisions	6.829.662	8.027.489	1.707.416	2.006.873
Adjustments related to provisions for severance pay and unused vacation entitlements	301.405.705	217.784.129	40.739.757	54.446.033
Adjustments related to accrued loan interest	42.230.464	11.757.748	10.557.616	2.939.437
Adjustments related to right-of-use assets	(914.388.299)	(984.042.970)	(114.298.537)	(246.010.742)
Adjustments related to property, plant and equipment and intangible assets	(6.435.605.442)	(5.840.203.717)	(906.830.813)	(1.270.472.091)
Adjustments related to prepaid expenses	(40.850.183)	17.867.684	(10.212.546)	4.466.921
Adjustments related to inventory impairment	36.849.566	39.759.153	9.212.392	9.939.789
Adjustments related to inventories	(775.482.659)	(400.824.751)	(193.870.665)	(100.206.188)
Adjustments related to provisions for doubtful receivables	28.779.081	33.931.396	7.194.770	8.482.849
Adjustments related to advances given	(118.063.289)	(16.689.182)	(22.459.019)	(4.172.296)
Adjustments related to investment properties	(332.192.874)	(322.175.305)	(83.048.219)	(80.543.829)
Deferred Tax Liabilities	**(8.151.916.502)**	**(7.278.898.220)**	**(1.249.164.907)**	**(1.630.145.718)**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

NOTE 19 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial Instruments

Foreign currency risk

The carrying amounts of foreign currency assets and liabilities held by the Group as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026					
	TRY equivalent functional currency	**USD**	**EUR**	**GBP**	**RUBLE**	**CNY**
1. Trade Receivables	1.021.742.265	10.688.121	6.257.003	17.918	321.820.000	--
2a. Monetary Financial Assets (including cash, banks)	43.394.513	674.909	140.878	5	6.732.951	73.549
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	352.076.160	1.929.507	337.116	--	--	35.857.683
4. Current Assets (1+2+3)	**1.417.212.938**	**13.292.537**	**6.734.997**	**17.923**	**328.552.951**	**35.931.232**
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	10.622.896	228.179	--	--	--	--
8. Non-Current Assets (5+6+7)	**10.622.896**	**228.179**	**--**	**--**	**--**	**--**
9. Total Assets (4+8)	**1.427.835.834**	**13.520.716**	**6.734.997**	**17.923**	**328.552.951**	**35.931.232**
10. Trade Payables	744.098.672	9.778.934	2.651.733	--	249.655.410	--
11. Financial Liabilities	2.752.789.711	11.631.823	21.290.300	--	--	158.614.192
12a. Other monetary financial liabilities	30.141.278	558.766	77.745	--	--	--
12b. Other non-monetary financial liabilities	--	--	--	--	--	--
13. Current Liabilities (10+11+12)	**3.527.029.661**	**21.969.523**	**24.019.778**	**--**	**249.655.410**	**158.614.192**
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	4.420.768.801	32.826.733	49.857.775	--	--	36.000.000
16a. Other monetary financial liabilities	--	--	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--	--	--
17. Non-Current Liabilities (14+15+16)	**4.420.768.801**	**32.826.733**	**49.857.775**	**--**	**--**	**36.000.000**
18. Total Liabilities (13+17)	**7.947.798.462**	**54.796.256**	**73.877.553**	**--**	**249.655.410**	**194.614.192**
19. Net asset / liability position of off-balance sheet derivative instruments (19a-19b)	**--**	**--**	**--**	**--**	**--**	**--**
19a. Hedged amount of assets	**--**	**--**	**--**	**--**	**--**	**--**
19b. Hedged amount of liabilities position	**--**	**--**	**--**	**--**	**--**	**--**
20. Net foreign currency position asset / liabilities (9-18+19)	**(6.519.962.628)**	**(41.275.540)**	**(67.142.556)**	**17.923**	**78.897.541**	**(158.682.960)**
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	**(6.882.661.684)**	**(43.433.226)**	**(67.479.672)**	**17.923**	**78.897.541**	**(194.540.643)**

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

	31 December 2025					
	TRY equivalent functional currency	**USD**	**EUR**	**GBP**	**RUBLE**	**CNY**
1. Trade Receivables	1.160.826.916	11.492.402	5.861.595	17.917	360.670.000	--
2a. Monetary Financial Assets (including cash, banks)	409.026.869	965.840	5.875.571	5	17.439.000	1.238
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	175.772.739	1.500.855	643.042	--	--	8.608.467
4. Current Assets (1+2+3)	**1.745.626.524**	**13.959.097**	**12.380.208**	**17.922**	**378.109.000**	**8.609.705**
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	4.302.150	85.235	--	--	--	--
8. Non-Current Assets (5+6+7)	**4.302.150**	**85.235**	**--**	**--**	**--**	**--**
9. Total Assets (4+8)	**1.749.928.674**	**14.044.332**	**12.380.208**	**17.922**	**378.109.000**	**8.609.705**
10. Trade Payables	1.079.234.400	5.264.621	6.043.442	19.924	706.560.621	--
11. Financial Liabilities	2.157.480.951	4.888.975	26.886.911	--	--	43.629.620
12a. Other monetary financial liabilities	33.700.417	583.006	70.634	1.134	--	--
12b. Other non-monetary financial liabilities	--	--	--	--	--	--
13. Current Liabilities (10+11+12)	**3.270.415.768**	**10.736.602**	**33.000.987**	**21.058**	**706.560.621**	**43.629.620**
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	3.883.765.704	3.186.950	55.893.508	--	--	56.000.000
16a. Other monetary financial liabilities	--	--	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--	--	--
17. Non-Current Liabilities (14+15+16)	**3.883.765.704**	**3.186.950**	**55.893.508**	**--**	**--**	**56.000.000**
18. Total Liabilities (13+17)	**7.154.181.472**	**13.923.552**	**88.894.495**	**21.058**	**706.560.621**	**99.629.620**
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	**(45.072.206)**	**(614.500)**	**(236.581)**	**--**	**--**	**--**
19a. Hedged amount of assets	**--**	**--**	**--**	**--**	**--**	**--**
19b. Hedged amount of liabilities position	**45.072.206**	**614.500**	**236.581**	**--**	**--**	**--**
20. Net foreign currency position asset / liabilities (9-18+19)	**(5.449.325.004)**	**(493.720)**	**(76.750.868)**	**(3.136)**	**(328.451.621)**	**(91.019.915)**
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	**(5.584.327.687)**	**(1.465.310)**	**(77.157.329)**	**(3.136)**	**(328.451.621)**	**(99.628.382)**

Details of the import and export amounts of the Group as of 30 June 2026 and 2025 are as follows;

	1 January – 30 June 2026		**1 January – 30 June 2025**	
	Import	**Export**	**Import**	**Export**
USD	11.090.558	5.922.078	9.195.937	10.059.466
EUR	3.470.689	4.623.568	13.481.580	4.961.785
TRY	--	28.203.226	--	9.254.432
GBP	--	--	1.773	--
CHF	--	--	19.362	--
CNY	63.913.394	--	10.202.801	--
TRY equivalent	**1.095.644.627**	**532.263.729**	**929.836.016**	**586.215.470**

Foreign Currency Risk Sensitivity Analysis

As of 30 June 2026 , if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure is as below:

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at June 30, 2026, unless otherwise indicated)

Foreign Currency Risk Sensitivity Analysis Table
30 June 2026

	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY at 10%		
1- USD net asset / liability	(192.158.689)	192.158.689
2- Part of hedged from USD risk (-)	--	--
3- USD net effect (1+2)	(192.158.689)	192.158.689
In case of appreciation / depreciation of EUR against TRY at 10%		
4- EUR net asset / liability	(356.493.401)	356.493.401
5- Part of hedged from EUR risk (-)	--	--
6- EUR net effect (4+5)	(356.493.401)	356.493.401
In case of appreciation / depreciation of GBP against TRY at 10%		
7-GBP net asset/liability	110.120	(110.120)
8-Part of hedged from GBP risk (-)	--	--
9-GBP net effect (7+8)	110.120	(110.120)
In case of appreciation / depreciation of RUB against TRY at 10%		
10-RUB net asset/liability	4.678.624	(4.678.624)
11-Part of hedged from RUB risk (-)	--	--
12-RUB net effect (10+11)	4.678.624	(4.678.624)
In case of appreciation / depreciation of CNY against TRY at 10%		
13-CNY net asset/liability	(108.132.916)	108.132.916
14-Part of hedged from CNY risk (-)	--	--
15-CNY net effect (10+11)	(108.132.916)	108.132.916
Total (3+6+9+12+15)	**(651.996.262)**	**651.996.262**

Foreign Currency Risk Sensitivity Analysis Table
31 December 2025

	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY at 10%		
1- USD net asset / liability	609.625	(609.625)
2- Part of hedged from USD risk (-)	(3.101.627)	3.101.627
3- USD net effect (1+2)	(2.492.002)	2.492.002
In case of appreciation / depreciation of EUR against TRY at 10%		
4- EUR net asset / liability	(454.593.698)	454.593.698
5- Part of hedged from EUR risk (-)	(1.405.598)	1.405.598
6- EUR net effect (4+5)	(455.999.296)	455.999.296
In case of appreciation / depreciation of GBP against TRY at 10%		
7-GBP net asset/liability	(21.351)	21.351
8-Part of hedged from GBP risk (-)	--	--
9-GBP net effect (7+8)	(21.351)	21.351
In case of appreciation / depreciation of RUB against TRY at 10%		
10-RUB net asset/liability	(21.062.470)	21.062.470
11-Part of hedged from RUB risk (-)	--	--
12-RUB net effect (10+11)	(21.062.470)	21.062.470
In case of appreciation / depreciation of CNY against TRY at 10%		
13-CNY net asset/liability	(65.357.381)	65.357.381
14-Part of hedged from CNY risk (-)	--	--
15-CNY net effect (10+11)	(65.357.381)	65.357.381
Total (3+6+9+12+15)	**(544.932.500)**	**544.932.500**

NOTE 20 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists. The estimated fair values of financial instruments have been determined by the Company using available markets information in Turkey and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

Financial Assets

Balances denominated in foreign currencies are converted at period exchange rates. The fair value of certain financial assets carried at cost, including cash and cash equivalents are considered to approximate their respective carrying amounts in the financial statements. The carrying value of trade receivables, net of allowances for possible non-recovery of uncollectible are considered to approximate their fair values

Financial Liabilities

The fair value of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The fair values of long-term bank borrowings, which are denominated in foreign currencies and translated at period/year-end exchange rates, are considered to approximate their carrying values. The carrying amount of accounts payable and accrued expenses reported in the financial statements for estimated third party payer settlements approximates its fair values.

NOTE 21 – OTHER ISSUES AFFECTING THE CONDENSED CONSOLİDATED FINANCIAL STATESMENTS SIGNIFICANTLY OR REQUIRED TO BE DISCLOSURE FOR CLEAR, UNDERSTANDABLE AND INTERPRETABLE PRESENTATION

None. (31 December 2025: None).

NOTE 22 – POST BALANCE SHEET EVENTS

None. (31 December 2025: None).