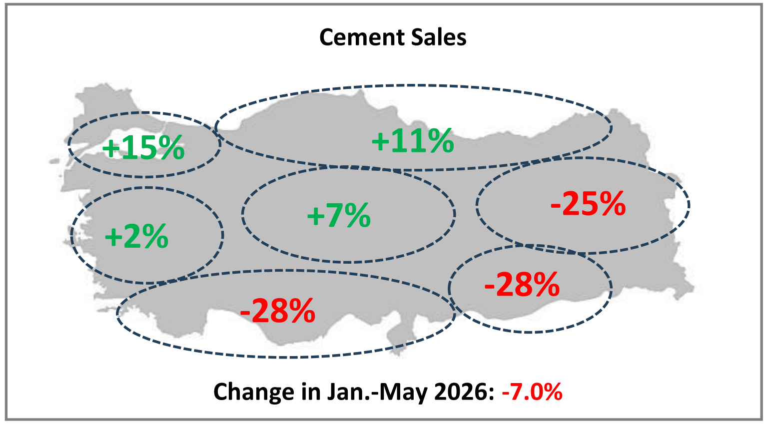
2026 Q2
Operating Results

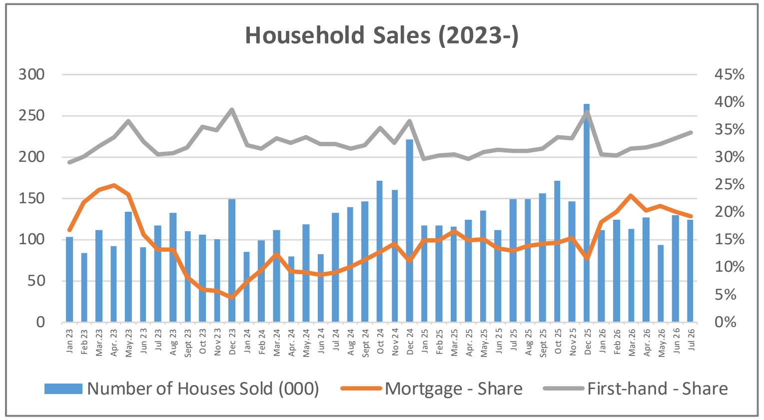
August 14, 2026

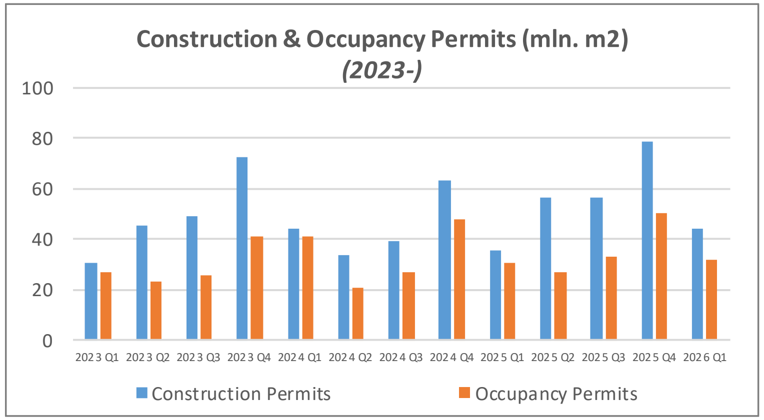
2026 Q2 Highlights

- Real growth of 13% in domestic and 5% in total sales thanks '*qualified growth*' approach
- Operational margins have been improving for the last 6 consecutive quarters due to the transformation and restructuring process experienced by the company
    - Gross margin exceeding 17% (Q2 2025: 12.9%)
    - 5.4% EBITDA margin (Q2 2025: -3.9%)
- Positive performance in net profit margin thanks to one-off revenue from land sale (+3.0%)
- Excluding one-offs, the ongoing improvement at net profit level *(Q2 2025: -24.9%, Q2 2026: -3.9%)*
- Around 700 bps improvement in working capital to net sales ratio compared to 2025-end

Turkish Market: Construction Industry







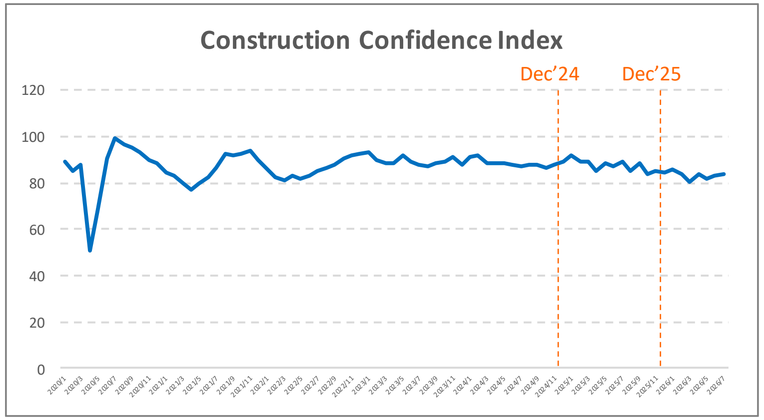
- With the completion of the construction activities in the **earthquake zone**, there was a **serious decline in cement sales** in the region, while **cement sales increased by 15%**, especially with the effect of urban transformation activities in the **Marmara region**, which accounts for 20-25% of the total demand in the country.

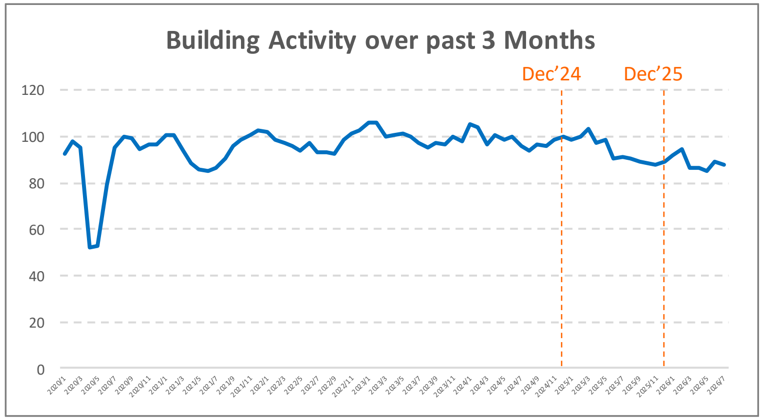
- In Q2 2026, with the effect of the long holidays in May, **housing sales** contracted by 6% compared to Q2 2025 with 350 K units, while sales in the first 7-months also decreased by 5,5% to 823 K.
- In the first 7-months of 2026, **mortgage sales** increased by 31%, while **first-hand sales** were down by 1%.

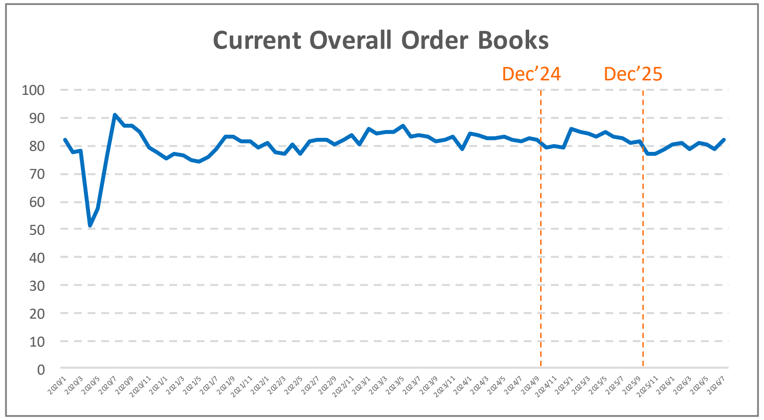
- In the first quarter of 2026, the number of flats, for which **building permits** were issued, increased by 37% to 232 K units, while the increase was 26% in m^2.
- In the same period, **occupancy permits**, which show the number of completed houses, increased by 10% in terms of number of flats and 4% in m^2.

Source: TURKSTAT, TURKCEMENT

Turkish Market: Construction Industry







- The **construction confidence index**, which was 83 in June 2026, decreased by 1.5 points compared to the end of 2025 and by 3.9 points compared to June 2025.

- **The construction activity index for the last 3 months**, which was around 100 in 2023-24 due to the construction of earthquake houses, improved by 0.3 points compared to 2025-end and stood at 89.4 in June 2026.

- Although there is an improvement of 0.4 points compared to the end of 2025, the **new orders index** decreased to 79 points in June 2026, down 4.1 points compared to the June 2025.

Source: TURKSTAT

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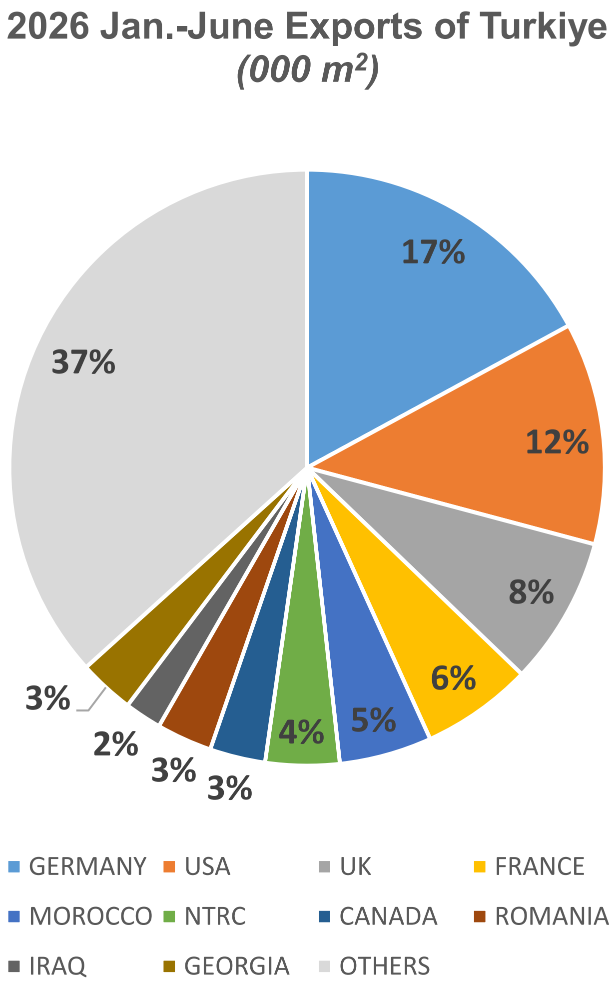
Export Markets: Ceramic Coating Materials

- According to January-June 2026 data, **Turkiye's ceramic tile exports**
  - were down by around 12% to USD 293 million.
  - decreased by 20% in volume (m^2) to 37 million m^2.
  - unit sales (USD/m^2) price was up from 7.2 to 7.9.
- The top five countries with the highest exports were Germany, USA, UK, France and Morocco, respectively, while exports to these 5 countries accounted for 49% of total exports.
- Among the Top 10 markets, increase in both value and quantity was recorded only in Morocco and Georgia.



Source: SERKAP

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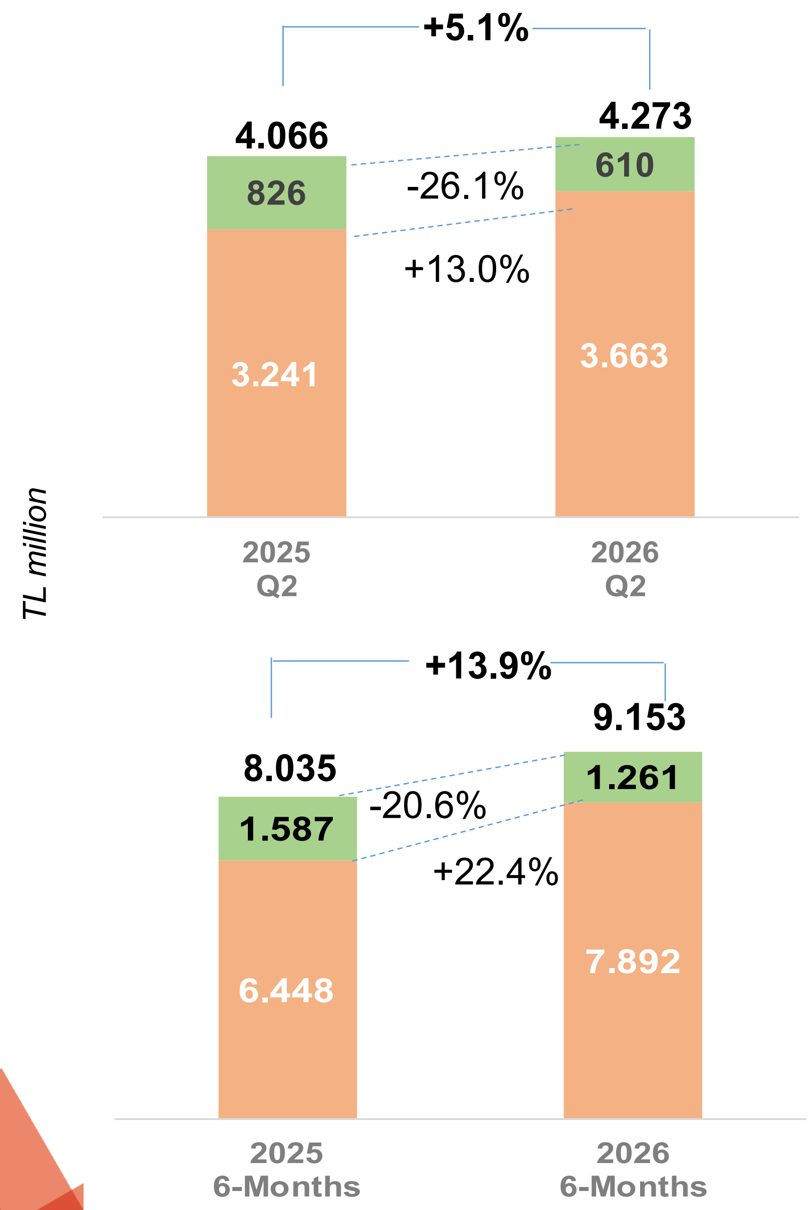
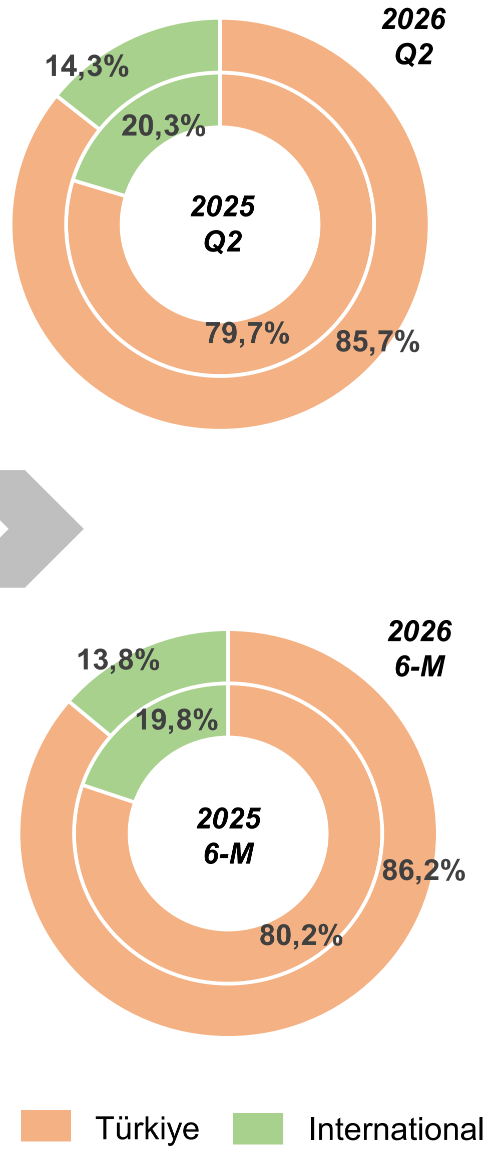
Sales Growth & Breakdown by Region





- While deliberately exiting markets and product groups with low profitability in exports with a «qualified growth» strategy, Turkiye's share in the total exceeded 85% with the performance achieved domestically thanks to brand and distribution power.
- With the selective export approach, the average export price of ceramic coating material, which was 230 TL/m^2 in 2024, reached 375 TL/m2 in June 2026.
- Though the developments in the Middle East negatively affect the demand in Iraq, its impact on our sales is minimal due to the very low share (1.2%) in our total sales.

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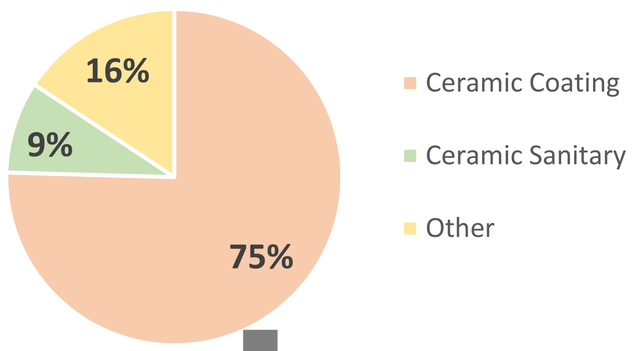
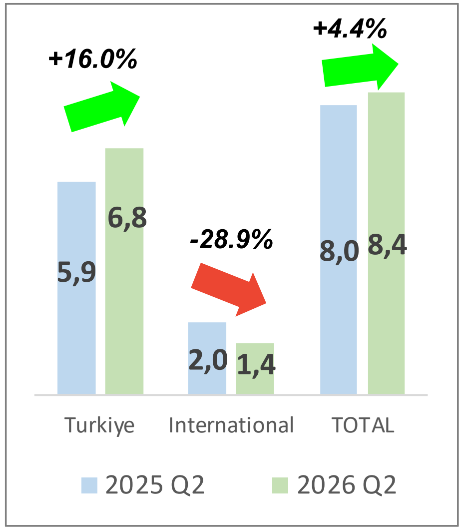
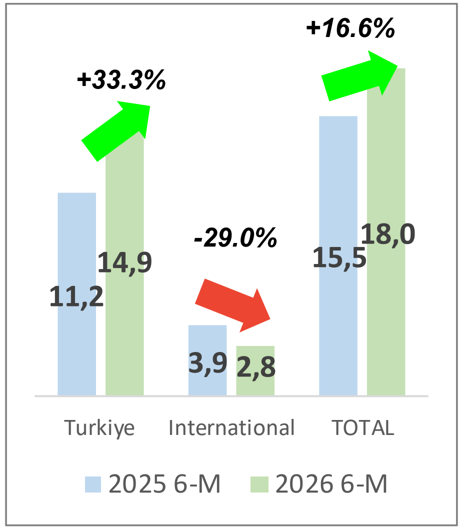
Sales Volume Growth

- In the Turkish market, following a growth of more than 50% in ceramic coating materials sales in Q1 2026, an increase of 16% was recorded in Q2 2026, with a six-month growth of over 33%.
- The contraction in export sales volume continues at around 30% due to the stagnation in the European market, the EU's anti-dumping application to Turkish ceramic manufacturers, the strong TL reducing the competitiveness of exports, and the deliberate reduction of low-profitability product and market sales.
- Considering all markets, the ceramic coating material category achieved a volume increase of 4.4% in Q2 2026 and 16.6% in the 6-month total.



Ceramic Coating Materials Sales Volume
(million m^2)





Other Developments

- With the completion of the second phase of the Slab-Sinterflex investment in June 2026, the first phase of which was commissioned in June 2025, the capacity in these products increased from 1.6 million m^2 to 2.4 million m^2.
- Translucent Light Translucent Porcelain Slab technology, which redefines the relationship between light and material, with a thickness of only 3 mm and a large size of 100x300 cm, was introduced with a special launch.
- Work on the installation of SPP in Yerköy continues in accordance with the project plan, and acceptance tests are planned to be carried out in the last quarter of the year after the panels are placed.

Financial Statements

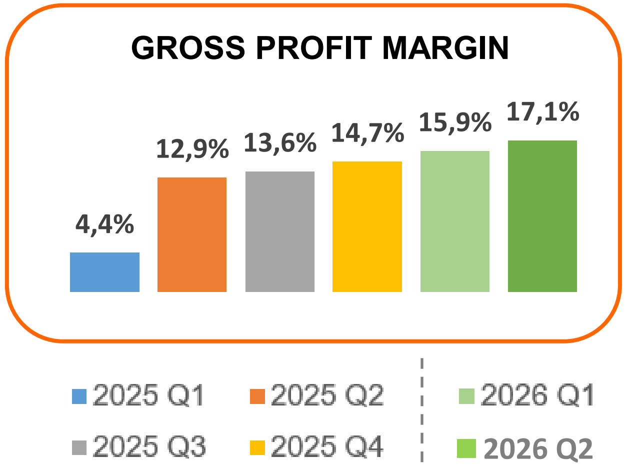
IAS-29 APPLIED

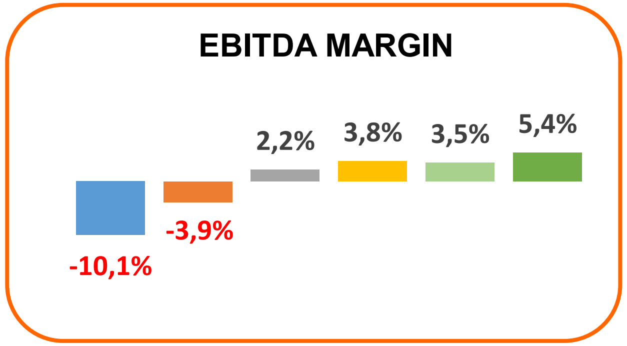
P&L Summary*

** IAS-29 applied*

(TL million)	2026 Q2	2025 Q2	Y-on-Y Change	2026 Q1	Q-on-Q Change	2026 6 Months	2025 6 Months	Y-on-Y Change
Net Sales	4.273,3	4.066,3	*5,1%*	4.879,2	*-12,4%*	9.152,5	8.035,4	*13,9%*
Turkiye	*3.663,1*	*3.240,7*	*13,0%*	*4.228,6*	*-13,4%*	*7.891,7*	*6.448,2*	*22,4%*
International	*610,3*	*825,7*	*-26,1%*	*650,6*	*-6,2%*	*1.260,8*	*1.587,3*	*-20,6%*
Gross Profit	728,7	524,8	*38,8%*	773,9	*-5,8%*	1.502,6	699,5	*114,8%*
Margin	*17,1%*	*12,9%*		*15,9%*		*16,4%*	*8,7%*	
Operating Profit	-178,5	-531,8		-247,2		-425,7	-1.274,9	
Margin	*-4,2%*	*-13,1%*		*-5,1%*		*-4,7%*	*-15,9%*	
Profit Before Financing	178,0	-546,2		-291,5		-113,6	-1.319,8	
Margin	*4,2%*	*-13,4%*		*-6,0%*		*-1,2%*	*-16,4%*	
Financial Income	34,8	191,3	-81,8%	47,7	-27,0%	82,4	414,3	-80,1%
Financial Expense	-872,5	-1.065,0		-847,3		-1.719,7	-2.034,9	
Monetary Gain (Loss)	487,2	338,7	*43,9%*	837,6	-41,8%	1.324,8	984,4	*34,6%*
Profit Before Tax	-172,5	-1.081,2		-253,6		-426,1	-1.956,0	
Margin	*-4,0%*	*-26,6%*		*-5,2%*		*-4,7%*	*-24,3%*	
Net Profit	129,1	-1.014,0		-142,4		-13,3	-1.919,6	
Margin	*3,0%*	*-24,9%*		*-2,9%*		*-0,1%*	*-23,9%*	
Net Profit *(excluding one-offs)*	-165,9	-1.014,0		-142,4		-308,3	-1.919,6	
Margin	*-3,9%*	*-24,9%*		*-2,9%*		*-3,4%*	*-23,9%*	
EBITDA	**231,1**	**-158,9**		**169,7**	*36,2%*	**400,7**	**-558,0**	
Margin	*5,4%*	*-3,9%*		*3,5%*		*4,4%*	*-6,9%*	

Operational profit margins continue to improve.





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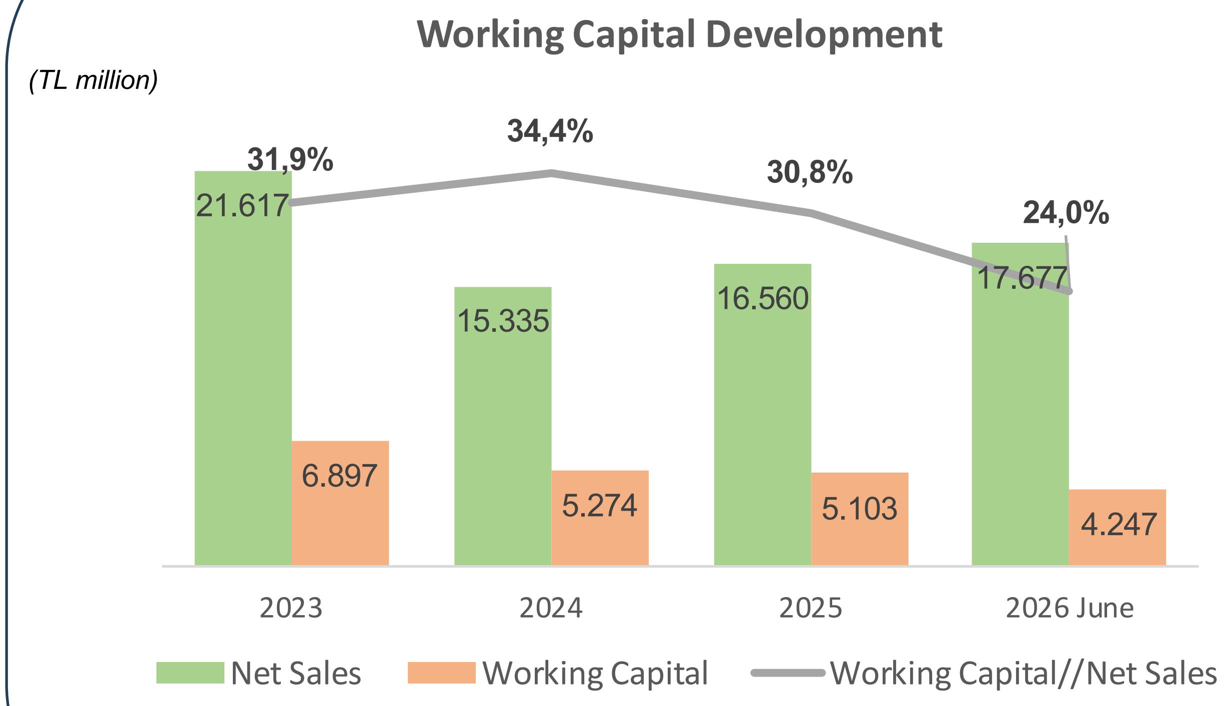
Balance Sheet*

** IAS-29 applied*

(TL million)	***30.06.2026***	***31.12.2025***		***30.06.2026***	***31.12.2025***
Current Assets	**8.743,1**	**10.462,4**	**Current Liabilities**	**10.845,1**	**12.168,2**
Cash & Cash Equivalents	554,8	665,2	Bank Loans	6.119,0	5.189,0
Trade Receivables	4.040,9	4.829,8	Lease Liabilities	148,7	49,2
Inventories	3.761,5	4.454,9	Trade Payables	3.555,0	4.181,7
Prepaid Expenses	251,1	300,5	Deferred Incomes	453,9	2.255,1
Current Tax Assets	15,6	85,3	Provisions	102,2	168,2
Others	119,2	126,8	Others	466,2	325,0
Non-current Assets	**11.893,0**	**12.130,0**	**Non-current Liabilities**	**3.099,4**	**3.421,1**
Tangibles Assets	9.913,8	10.087,3	Bank Loans	2.387,3	2.681,3
Intangible Assets	997,8	1.048,3	Provisions	673,7	627,1
Properties for Investment Purpose	214,9	289,9	Lease Liabilities	38,4	112,8
Deferred Tax Assets	501,2	265,8	Trade Payables	0,0	0,0
Right of Use Assets	191,8	168,2	**Total Equity**	**6.691,7**	**7.003,1**
Others	73,6	270,6	Issued Capital & Inflation adj.	13.563,9	13.563,9
TOTAL ASSETS	**20.636,2**	**22.592,4**	**TOTAL LIABILITIES & EQUITY**	**20.636,2**	**22.592,4**

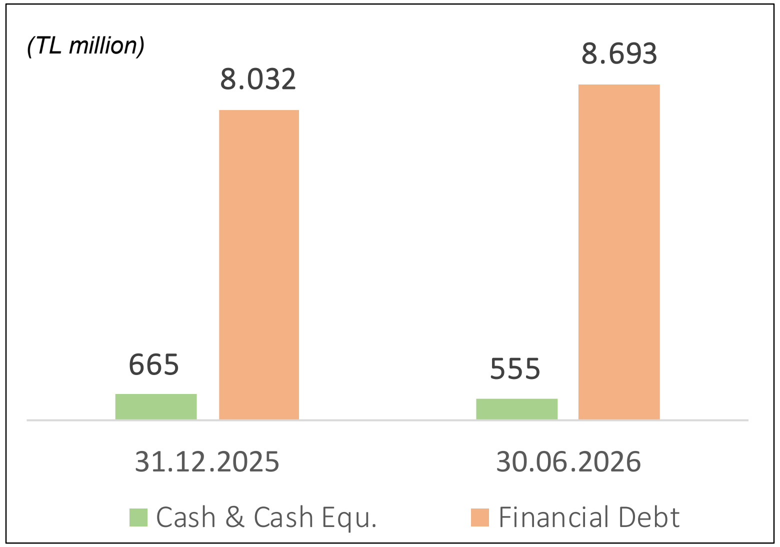
Working Capital Management

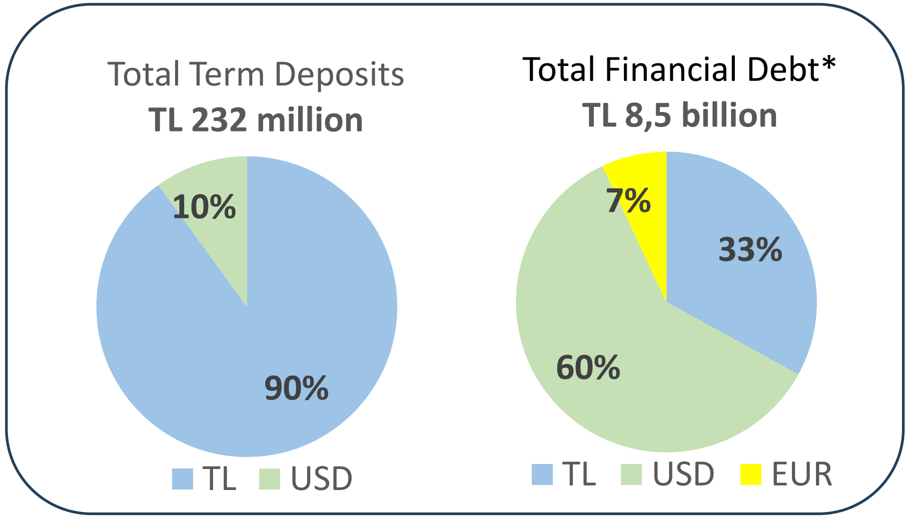


- Compared to the end of 2025, the working capital to net sales ratio declined to 24% at the end of June 2026, thanks to the increase in net sales accompanied by improvements in trade receivables and inventory level of 15-16%.
- This level represents an improvement of approximately 700 bps compared to the end of 2025 and 1000 bps compared to 2024-end.

Cash and Financial Debt

- As of the end of June 2026, total cash and cash equivalents amounted to TL 555 million, while financial liabilities totaled TL 8.7 billion *(TL 187 million of which was operational leasing)*.
- By the end of June 2026, net financial debt* is TL 7.95 billion.
- For sustainable and strategically effective borrowing, the average maturity of loans is extended and the share of FX-based loans in total is increased in a controlled manner (to be hedged if necessary).
  - ➢ Share of LT debt in total financial debt increased from 14% by 2024-end to 28% at the end of June 2026.
- At 2025-end, the net debt/EBITDA ratio, which exceeded 8X according to IAS-29 non-adjusted data, is expected to stand around 4.5X, according to 2026 expectations.





** Liabilities related to operational leasing were ignored.*

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2026 Guidance

2026 Guidance

(IAS-29 not applied)

		Revised 14/08/2026
Net Sales :	USD 320-340 million	**USD 340-360 million**
EBITDA :	USD 32-37 million	**USD 35-40 milion**
CAPEX :	USD 12-13 million	USD 20 million
Net Working Capital / Net Sales :	30%-35%	**27%-32%**

There was an increase due to the postponement of the second phase of the Sinterflex investment to 2026.

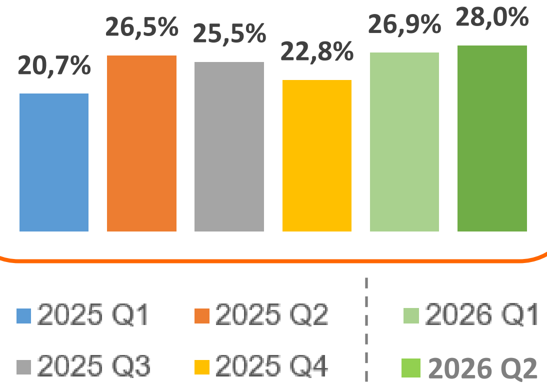
Annex

P&L Summary *(IAS-29 not applied)*

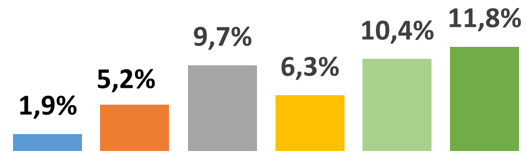
(TL million)

	2026 Q2	2025 Q2	*Y-on-Y Change*	2026 Q1	*Q-on-Q Change*	2026 6 Months	2025 6 Months	*Y-on-Y Change*
Net Sales	4.182,3	3.010,1	*39%*	4.391,7	*-5%*	8.573,9	5.740,5	*49%*
Turkiye	*3.585,6*	*2.399,8*	*49%*	*3.804,8*	*-6%*	*7.390,4*	*4.606,7*	*60%*
International	*596,7*	*610,3*	*-2%*	*586,8*	*2%*	*1.183,6*	*1.133,8*	*4%*
Gross Profit	1.172,7	798,4	*47%*	1.179,7	*-1%*	2.352,4	1.363,5	*73%*
Margin	*28,0%*	*26,5%*		*26,9%*		*27,4%*	*23,8%*	
Operating Profit	332,9	47,6	*599%*	304,9	*9%*	637,8	10,9	
Margin	*8,0%*	*1,6%*		*6,9%*		*7,4%*	*0,2%*	
Profit Before Tax	-145,8	-609,8		-434,8		-580,6	-1.181,0	
Margin	*-3,5%*	*-20,3%*		*-9,9%*		*-6,8%*	*-20,6%*	
Net Profit	-552,6	-465,4		-130,2		-856,7	-852,1	
Margin	*-13,2%*	*-15,5%*		*-3,0%*		*-10,0%*	*-14,8%*	
Net Profit *(excluding one-offs)*	-843,5	-465,4		-130,2		-1.147,6	-852,1	
Margin	*-20,2%*	*-15,5%*		*-3,0%*		*-13,4%*	*-14,8%*	
EBITDA	**492,4**	**156,9**	***214%***	**457,1**	***8%***	**949,5**	**208,9**	***355%***
Margin	***11,8%***	***5,2%***		***10,4%***		***11,1%***	***3,6%***	

GROSS PROFIT MARGIN



EBITDA MARGIN



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