

**Kordsa Teknik Tekstil A.Ş. and
Its Subsidiaries**

Convenience Translation into English
of the Condensed Consolidated
Financial Statements for the Interim
Period 1 January-30 June 2025 together
with Independent Auditor's Report on
Review of Interim Financial Information
(Originally Issued in Turkish)

(CONVENIENCE TRANSLATION OF THE REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION ORIGINALLY ISSUED IN TURKISH)

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

To the General Assembly of Kordsa Teknik Tekstil A.Ş.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Kordsa Teknik Tekstil A.Ş. (“the Company”) and its subsidiaries (together will be referred as “the Group”) as of 30 June 2025 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended. Group management is responsible for the preparation and fair presentation of this consolidated interim financial information in accordance with Turkish Accounting Standards 34 “Interim Financial Reporting” (“TAS 34”). Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Independent Auditing Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and 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.

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information is not prepared, in all material respects, in accordance with TAS 34 “Interim Financial Reporting”.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

A handwritten signature in blue ink, reading "Zere Gaye Şentürk", over a background of a repeating pattern of the word "DELLOITTE" in a light grey, sans-serif font.

Zere Gaye ŞENTÜRK
Partner

İstanbul, 6 August 2025

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KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025 AND 31 DECEMBER 2024
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Reviewed 30 June 2025	Audited 31 December 2024
ASSETS			
Current Assets:			
Cash and cash equivalents	4	3.493.047.043	4.257.331.933
Financial Investments		12.948.433	11.495.103
Trade Receivables	6	5.750.397.220	5.689.708.730
<i>Due from Related Parties</i>	23	340.899.412	335.849.965
<i>Due from Third Parties</i>		5.409.497.808	5.353.858.765
Other Receivables	7	354.909.086	201.859.979
<i>Other Receivables from Third Parties</i>		354.909.086	201.859.979
Derivatives		11.428.933	154.425.893
Inventories	8	7.625.695.440	7.474.338.998
Prepayments		531.071.562	204.868.887
<i>Prepayments to Third Parties</i>		531.071.562	204.868.887
Current Tax Assets	21	87.934.449	90.943.734
Other Current Assets		680.350.351	541.580.100
<i>Other Current Assets from Third Parties</i>		680.350.351	541.580.100
Current Assets		18.547.782.517	18.626.553.357
Non-Current Assets:			
Financial Investments		2.580.227	2.225.796
Other Receivables	7	107.500.320	178.797.797
<i>Other receivables from third parties</i>		107.500.320	178.797.797
Investment Properties	12	662.152.124	587.832.293
Derivatives		19.992.346	-
Property Plant and Equipment	9	13.010.850.529	11.391.295.305
Right of Use Assets	11	989.103.189	924.844.371
Intangible Assets		11.085.247.402	9.900.827.509
<i>Goodwill</i>	13	6.168.703.054	5.476.328.966
<i>Other Intangible Assets</i>	10	4.916.544.348	4.424.498.543
Prepaid Expenses		46.331.669	42.145.737
<i>Prepaid expenses to third parties</i>		46.331.669	42.145.737
Deferred Tax Assets	21	1.989.302.065	1.707.511.868
Other Non-Current Assets		598.327.668	444.737.645
Non-Current Assets		28.511.387.539	25.180.218.321
Total Assets		47.059.170.056	43.806.771.678

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

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025 AND 31 DECEMBER 2024
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	Notes	Reviewed 30 June 2025	Audited 31 December 2024
LIABILITIES			
Current Liabilities			
Short Term Borrowings	5	10.238.640.055	8.735.349.887
Short Term Portion of Long Term Borrowings	5	6.744.743.196	5.749.650.855
Short Term Lease Liabilities	5	192.706.217	148.487.674
Trade Payables	6	3.605.277.076	3.204.294.280
<i>Due to Related Parties</i>	23	89.432.659	87.645.988
<i>Due to Third Parties</i>		3.515.844.417	3.116.648.292
Payables Related to Employee Benefits		185.170.247	137.929.437
Other Payables	7	250.795.210	191.500.512
<i>Other Payables to Third Parties</i>		250.795.210	191.500.512
Deferred Income		67.765.941	37.681.738
<i>Deferred Income from Third Parties</i>		67.765.941	37.681.738
Current Tax Liabilities	21	59.917.935	104.763.935
Short Term Provisions		384.684.907	353.680.483
<i>Short Term Employee Benefits</i>		358.964.304	339.007.837
<i>Other Short Term Provisions</i>		25.720.603	14.672.646
Other Current Liabilities		765.631.323	557.938.741
<i>Other Current Liabilities to Third Parties</i>		765.631.323	557.938.741
Derivative Financial Instruments		556.258.331	37.942.697
Subtotal		23.051.590.438	19.259.220.239
Liability directly associated with the assets held for sale		51.700.397	46.088.054
Total Current Liabilities		23.103.290.835	19.305.308.293
Non-Current Liabilities			
Long Term Borrowings	5	2.233.880.604	3.092.846.398
Long Term Lease Liabilities	5	932.690.532	918.361.769
Deferred Income		46.548.363	42.250.073
Long Term Provisions		585.087.493	498.751.940
<i>Long Term Employee Benefits</i>		477.546.650	412.408.041
<i>Other Long Term Provisions</i>	7	107.540.843	86.343.899
Deferred Tax Liabilities	21	1.604.682.172	1.517.447.490
Other Long Term Liabilities	15	-	1.218.759.902
Derivative Financial Instruments		-	7.840.253
Total Non-Current Liabilities		5.402.889.164	7.296.257.825
Total Liabilities		28.506.179.999	26.601.566.118
Shareholder's Equity:			
Equity attributable to the Parent		14.736.782.051	13.498.264.771
Paid-in Capital		194.529.076	194.529.076
Share Premium (Discounts)		62.052.856	62.052.856
Put Option Valuation Fund on Non-Controlling Interest		-	(753.189.126)i
Other Comprehensive Income (Expenses) That will not be Reclassified to Profit or Loss		2.712.903.214	1.901.410.501
<i>Revaluation and Remeasurement Gains/(Losses)</i>		(103.844.157)	(105.971.754)
<i>Defined Benefit Plans Remeasurement Gains /(Losses)</i>		(103.844.157)	(105.971.754)
<i>Revaluation and Reclassification Gains /(Loss)</i>		40.027.097	40.027.097
<i>Other Revaluation and Reclassification Gains/(Losses)</i>		40.027.097	40.027.097
<i>Currency Translation Differences</i>		2.776.720.274	1.967.355.158
Other Comprehensive Income (Expenses) That will be Reclassified to Profit or Loss		11.202.814.988	9.890.185.075
<i>Currency Translation Differences</i>		12.574.097.419	10.780.943.130
<i>Gain/Loss on Hedge Reserve</i>		(1.371.012.280)	(890.487.904)
<i>Investment Hedging Losses Related to Foreign Operations</i>		(986.626.612)	(954.135.431)
<i>Cash Flow Hedge Gains (Losses)</i>		(384.385.668)	63.647.527
<i>Revaluation and Reclassification Gains/(Losses)</i>		(270.151)	(270.151)
<i>Other Revaluation and Reclassification Gains/(Losses)</i>		(270.151)	(270.151)
Restricted Reserves		480.311.689	458.633.027
Retained Earnings		544.885.340	2.840.775.345
Profit for the Period		(460.715.112)	(1.096.131.983)
Total Non-Controlling Interests		3.816.208.006	3.706.940.789
Total Equity		18.552.990.057	17.205.205.560
Total Equity and Liabilities		47.059.170.056	43.806.771.67

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

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF
PROFIT OR LOSS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2025 AND 2024
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	Notes	Reviewed 1 January- 30 June 2025	Unreviewed 1 April- 30 June 2025	Reviewed 1 January- 30 June 2024	Unreviewed 1 April- 30 June 2024
PROFIT OR LOSS					
Revenue	16	15.458.763.516	7.611.896.656	14.824.952.702	7.585.569.002
Cost of Sales	16	(13.304.226.594)	(6.551.230.351)	(12.545.901.195)	(6.536.990.270)
GROSS PROFIT		2.154.536.922	1.060.666.305	2.279.051.507	1.048.578.732
General Administrative Expenses	17	(1.141.560.581)	(575.681.661)	(977.963.037)	(517.117.123)
Marketing Expenses	17	(725.057.230)	(366.467.133)	(748.741.837)	(380.487.271)
Research and Development Expenses	17	(99.356.529)	(40.212.915)	(77.818.273)	(41.921.350)
Other Income From Operating Activities	18	431.391.875	276.661.184	397.150.901	263.243.210
Other Expense From Operating Activities	18	(197.917.926)	(100.836.530)	(292.086.636)	(158.627.776)
OPERATING PROFIT		422.036.531	254.129.250	579.592.625	213.668.422
Income From Investing Activities	19	153.000.517	53.016.670	28.412.885	13.974.089
Expense From Investing Activities	19	(530.493)	(281.587)	(206.870)	(180.269)
OPERATING PROFIT BEFORE FINANCE INCOME / (EXPENSE)		574.506.555	306.864.333	607.798.640	227.462.242
Finance Income	20	677.346.710	390.515.858	289.546.127	118.076.827
Finance Expense (-)	20	(1.605.235.866)	(806.243.993)	(895.029.748)	(422.667.726)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		(353.382.601)	(108.863.802)	2.315.019	(77.128.657)
Tax Income / (Expense) From Continuing Operations		(84.832.448)	(54.194.596)	118.122.868	99.234.349
<i>Current Tax (Expense) Income</i>	21	<i>(71.768.774)</i>	<i>(39.539.577)</i>	<i>(136.364.884)</i>	<i>(99.072.003)</i>
<i>Deferred Tax (Expense) Income</i>	21	<i>(13.063.674)</i>	<i>(14.655.019)</i>	<i>254.487.752</i>	<i>198.306.352</i>
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		(438.215.049)	(163.058.398)	120.437.887	22.105.692
PROFIT/(LOSS) FOR THE YEAR FROM DISCONTINUED OPERATIONS	25	(137.980)	(69.950)	-	-
PROFIT/(LOSS) FOR THE PERIOD		(438.353.029)	(163.128.348)	120.437.887	22.105.692
Profit/(Loss) Attributable to:					
Non-Controlling Interests		22.362.083	(41.061.969)	128.473.521	63.750.662
Owners of the Company		(460.715.112)	(122.066.379)	(8.035.634)	(41.644.970)
Earning (loss) per shares					
<i>Earning (loss) per share from continuing operations</i>	22	<i>(23,68)</i>	<i>(6,27)</i>	<i>(0,41)</i>	<i>(2,14)</i>
<i>Earning (loss) per share from discontinuing operations</i>	22	<i>(0,004)</i>	<i>(0,00)</i>	<i>-</i>	<i>-</i>

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

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTH
INTERIM PERIODS ENDED 30 JUNE 2025 AND 2024
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	Notes	Reviewed 1 January- 30 June 2025	Unreviewed 1 April- 30 June 2025	Reviewed 1 January- 30 June 2024	Unreviewed 1 April- 30 June 2024
PROFIT/(LOSS) FOR THE PERIOD		(438.353.029)	(163.128.348)	120.437.887	22.105.692
OTHER COMPREHENSIVE INCOME/(EXPENSES)					
Items That Will Not Be Reclassified To Profit Or Loss		811.492.713	524.010.950	241.162.132	(36.032.400)
Defined Benefit Plans Remeasurement Gains (Losses), Before Tax		2.836.796	(875.198)	(8.264.422)	(13.117.842)
Taxes on Other Comprehensive Income that will Not be Reclassified to Profit or Loss		(709.199)	218.800	2.066.102	3.279.457
Gains (Losses) on Foreign Currency Translation Differences		809.365.116	524.667.348	247.360.452	(26.194.015)
Items That Are Or May Be Reclassified Subsequently To Profit Or Loss		1.234.779.663	(1.055.402)	1.248.300.758	100.458.521
Gains (Losses) on Foreign Currency Translation Differences		1.715.304.039	376.661.690	1.223.095.822	101.796.997
Gains/Losses on Hedging Investments in Foreign Operations		(43.321.575)	(43.321.575)	-	-
Taxes on Gains/losses on Hedging Investments in Foreign Operations		10.830.394	10.830.394	-	-
Hedging Gains/ (Losses) on Cash Flow Risk		(572.735.317)	(435.658.938)	33.606.581	(1.784.635)
Taxes on Other Comprehensive Income that will be Reclassified to Profit or Loss		124.702.122	90.433.027	(8.401.645)	446.159
OTHER COMPREHENSIVE INCOME (EXPENSE)		2.046.272.376	522.955.548	1.489.462.890	64.426.121
TOTAL COMPREHENSIVE INCOME (EXPENSE)		1.607.919.347	359.827.200	1.609.900.777	86.531.813
Total comprehensive income attributable to:					
Parent Shares		1.083.989.210	173.969.142	1.180.026.714	(21.274.858)
Non-Controlling Interests		523.930.137	185.858.058	429.874.063	107.806.671

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

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTH INTERIM PERIODS ENDED 30 JUNE 2025 AND 2024

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

				Accumulated Other Comprehensive Income or Expenses Not to be Reclassified to Profit or Loss			Accumulated Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss					Accumulated Profits								
				Revaluation and Measurement Gains / Losses			Foreign Currency Translation Differences	Gains / (losses) on hedging of a net investment in a foreign operation	Hedging Gain / Loss	Revaluation and Remeasurement Gain / Loss		Restricted Reserves	Prior Years' Profit / Losses	Net Period Profit or Loss				Equity Attributable to the Parent Company	Non-controlling interests	Equity
				Foreign Currency Translation Differences	Remeasurement Gains/Losses on Defined Benefit Plans	Other Revaluation and Remeasurement Gains/Losses			Cash Flow Hedge Gain (Loss)	Other Revaluation and Classification Gains/Loss										
Balances as of January 1, 2024	194.529.076	62.052.856	(515.292.078)	1.839.455.691	(91.681.312)	40.027.097	8.967.964.364	(954.135.431)	2.189.700	(270.151)	444.065.124	2.672.019.932	183.323.316	12.844.248.184	3.216.427.057	16.060.675.241				
Transfers	-	-	-	-	-	-	-	-	-	-	14.567.907	168.755.409	(183.323.316)	-	-	-				
Total comprehensive income	-	-	-	247.360.452	(6.198.320)	-	921.695.280	-	25.204.936	-	-	-	(8.035.634)	1.180.026.714	429.874.063	1.609.900.777				
Increase / (decrease) due to other changes	-	-	(252.785.653)	-	-	-	-	-	-	-	-	-	-	(252.785.653)	-	(252.785.653)				
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(122.807.029)	(122.807.029)				
Balances as of January 1, 2024	194.529.076	62.052.856	(768.077.731)	2.086.816.143	(97.879.632)	40.027.097	9.889.659.644	(954.135.431)	27.394.636	(270.151)	458.633.031	2.840.775.341	(8.035.634)	13.771.489.245	3.523.494.091	17.294.983.336				
Balances as of January 1, 2025	194.529.076	62.052.856	(753.189.126)	1.967.355.158	(105.971.754)	40.027.097	10.780.943.130	(954.135.431)	63.647.527	(270.151)	458.633.027	2.840.775.345	(1.096.131.983)	13.498.264.771	3.706.940.789	17.205.205.560				
Transfers	-	-	-	-	-	-	-	-	-	-	1.303.423	(1.097.435.406)	1.096.131.983	-	-	-				
Total comprehensive income	-	-	-	809.365.116	2.127.597	-	1.213.735.985	(32.491.181)	(448.033.195)	-	-	-	(460.715.112)	1.083.989.210	523.930.137	1.607.919.347				
Transactions with non-controlling shareholders(*)	-	-	753.189.126	-	-	-	579.418.304	-	-	-	20.375.239	(1.198.454.599)	-	154.528.070	(344.342.796)	(189.814.726)				
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(70.320.124)	(70.320.124)				
Balances as of January 1, 2025	194.529.076	62.052.856	-	2.776.720.274	(103.844.157)	40.027.097	12.574.097.419	(986.626.612)	(384.385.668)	(270.151)	480.311.689	544.885.340	(460.715.112)	14.736.782.051	3.816.208.006	18.552.990.057				

(*) It consists of the acquisition of 39% minority stake in the Group's subsidiary, Microtex Composites S.r.l., for 34,940,344 Euros on 20 May 2025, within the framework of the option agreement.

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

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE INTERIM PERIOD 30 JUNE 2025 AND 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Reviewed 1 January 30 June 2025	Reviewed 1 January- 30 June 2024
A.CASH FLOWS FROM OPERATING ACTIVITIES		2.569.439.639	61.777.422
Profit (Loss) For The Period		(438.353.029)	120.437.887
<i>Profit/(Loss) for the Period from Continuing Operations</i>		(438.215.049)	120.437.887
<i>Profit/(Loss) from Discontinuing Operations</i>		(137.980)	-
Adjustments to Reconcile Profit/(Loss) for the Period		2.073.698.906	1.015.667.354
Adjustments Related to Depreciation and Amortization	9,10,11	827.263.658	653.415.993
Adjustments Related to Provisions For (Reversal) of Impairment		9.542.314	38.519.072
<i>Adjustments Related to Impairment of Receivables (Reversal)</i>	6	13.531.920	4.680.340
<i>Adjustments Related to Inventory Impairment (Reversal)</i>	8	(3.989.606)	33.838.732
Adjustments Related to Provisions		138.069.564	99.048.699
<i>Adjustments Related to Provision (Reversal) to Employee Benefits</i>		106.293.857	60.399.981
<i>Adjustments Related to Other Provision (Reversal)</i>		31.775.707	38.648.718
Adjustments Related to Interest (Income) and Expenses		849.260.828	680.649.199
<i>Adjustments Related to Interest Income</i>	19	(149.965.287)	(27.846.742)
<i>Adjustments Related to Interest Expenses</i>	20	1.026.893.062	710.555.591
<i>Adjustments Related to Unrealized Finance Expenses On Credit Purchases</i>	6	(43.709.087)	(40.273.306)
<i>Adjustments Related to Unrealized Finance Income On Credit Sales</i>	6	16.042.140	38.213.656
Adjustments Related to Unrealized Currency Translation Difference		266.238.737	(232.411.498)
Currency Difference (Income)/Expense (net)		(207.913.781)	(154.945.966)
Other Finance (Income)/Expense(Net)		79.013.780	77.001.662
Adjustments Related to Fair Value Losses (Gains)		29.896.095	(27.127.666)
<i>Adjustments Related to Fair Value Losses /(Gains) Of Derivatives</i>		29.896.095	(27.127.666)
Adjustments Related to Tax (Income)/Expense	21	84.832.448	(118.122.868)
Adjustments Related to Losses /(Gains) On Disposal of Non-Current Assets		(25.207)	(359.273)
Other	19	(2.479.530)	-
Changes In Working Capital		934.093.762	(1.074.327.819)
Adjustments Related to Decrease (Increase) in Trade Receivables		589.228.783	(488.678.570)
Adjustments Related to Decrease (Increase) in Other Operating Receivables		(92.522.118)	(107.591.136)
Adjustments Related to Decrease (Increase) in Inventories		749.588.289	(901.319.737)
Adjustments Related to Decrease (Increase) in Prepaid Expenses		(281.054.249)	(187.055.013)
Adjustments Related to Decrease (Increase) in Trade Payables		40.448.868	660.457.984
Increase (Decrease) in Payables Related to Employee Benefits		(70.822.509)	1.063.053
Adjustments Related to Decrease (Increase) in Other Payables		613.690.812	155.591.184
Adjustments Related to Increase (Decrease) in Deferred Income		23.744.937	57.761.089
Adjustments Related to Other Increase/(Decrease) in Working Capital		(509.418.485)	18.263.901
<i>Decrease/(Increase) in Other Assets From Operating Activities</i>		(157.513.477)	(191.090.535)
<i>Increase/(Decrease) in Other Liabilities From Operating Activities</i>		(351.905.008)	209.354.436
Payments Related To The Provision Of Employee Benefits		(14.845.742)	(69.327.028)
Income Tax Returns/(Payments)		(113.605.489)	(221.965.870)
Other		(339.335)	8.472.324
B. CASH FLOWS FROM INVESTING ACTIVITIES		(2.081.094.764)	(682.591.703)
Proceeds From Sales of Property, Plant And Equipment and Intangible Assets		40.893.965	22.471.801
Cash Outflows from the Acquisition of Property, Plant and Equipment and Intangible Assets	9-10	(754.760.434)	(722.608.947)
Securities Purchase		-	(10.301.299)
Cash Outflows Due to Share Purchases or Capital Increases in Subsidiaries and/or Joint ventures		(1.517.193.582)	-
Interest Received		149.965.287	27.846.742
C. CASH FLOWS FROM FINANCING ACTIVITIES		(1.728.386.523)	505.061.541
Proceeds From Borrowings	5	7.735.826.242	5.985.534.072
Cash Inflows /Outflows From Borrowing Transactions	5	(8.032.149.844)	(4.710.918.077)
Cash Outflows For Financial Lease Liabilities	5	(13.337.192)	(27.186.631)
Dividend Paid		-	-
Interest Paid	5	(1.250.526.669)	(604.637.287)
Cash Outflows from Derivatives (net)		(97.878.936)	(14.923.507)
Cash Outflow for Dividends Paid to Non Controlling Interests	26	(70.320.124)	(122.807.029)
NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENT BEFORE THE EFFECT OF THE CURRENCY TRANSLATION DIFFERENCE (A+B+C)		(1.240.041.648)	(115.752.740)
D.EFFECT OF THE CURRENCY TRANSLATION DIFFERENCE ON CASH AND CASH EQUIVALENT		475.756.758	165.438.562
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		(764.284.890)	(285.511.753)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		4.257.331.933	1.712.468.307
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)		3.493.047.043	1.762.154.129

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

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY -30 JUNE 2025
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

NOTE 1 – ORGANISATION AND NATURE OF OPERATIONS OF THE GROUP

Kordsa Teknik Tekstil Anonim Şirketi (“Kordsa” or the “Company”) was established in 1973 as a subsidiary of Hacı Ömer Sabancı Holding A.Ş. (“Sabancı Holding”) in İzmit district of Kocaeli city and is registered in Türkiye. The Company operates under the Turkish Commercial Code.

The Company is mainly engaged in production of carcass and industrial fabrics included in the structure of vehicle tires, manufacture of industrial fabrics included in the structure of rubber and plastic materials such as transmission belts, V belts, rubber hoses etc., production of heavy denier fibre and connection fabrics, conversion of any type of yarn into cord fabric, fabric for mechanical rubber goods and other rubber reinforcement materials and the marketing thereof, production of Nylon 6, Nylon 6.6 and PET (Polyethylene-terephthalate) HMLS (High Modulus Low Shrinkage) polyester, and rayon heavy decitex yarn for use in tires and mechanical rubber goods; participating in capitals and management of every domestic and foreign company that is founded for mainly marketing, sales, import and export along with commercial and industrial infrastructure services, transportation services, mining, tourism, construction, advanced composite manufacture to civil aviation sector, carbon fiber weaving and prepreg production for the luxury automotive industry and motorsports while providing these companies with the same management and behavioural principles to operate more efficiently, rationally and profitably, in accordance with and responding to the current conditions, creating competition conditions in favour of these companies.

Kordsa changed its name which was “Kordsa Endüstriyel İplik ve Kord Bezi Sanayi ve Ticaret Anonim Şirketi”, to “Kordsa Teknik Tekstil Anonim Şirketi” in accordance with the decision made at the General Assembly for the year 2016 dated 27 March 2017. The change of the title has been registered by the Registry of Commerce of Kocaeli on 10 April 2017.

Kordsa is registered with the Capital Markets Board of Türkiye (“CMB”) and its shares have been traded in Borsa İstanbul (“BIST”) since 1986. As at 30 June 2025, 28,89% of the Group’s shares are listed on BIST. As of the same date, the shareholders owning the Group’s shares and the percentage of the shares are as follows:

	2025	Ownership interest %	2024	Ownership interest %
Sabancı Holding A.Ş.	138.327.614	71,11	138.327.614	71,11
Other	56.201.462	28,89	56.201.462	28,89
Paid-in capital total	194.529.076	100,00	194.529.076	100,00

The Company’s main shareholder and the ultimate controlling party is Sabancı Holding A.Ş.

Number of employees within the group is 4.278. (31 December 2024: 4.613).

The address of the registered office is as follows:

Kordsa Teknik Tekstil A.Ş.
Alikahya Fatih Mah.
Sanayici Cad. No:90
41310 İzmit
Kocaeli

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY -30 JUNE 2025

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 1 – ORGANISATION AND NATURE OF OPERATIONS OF THE GROUP (continued)

Subsidiaries

Geographical divisions in which the subsidiaries that are consolidated in the consolidated financial statements as at 30 June 2025 and 31 December 2024 in accordance with the operating country and segment reporting purpose are as follows:

30 June 2025

Subsidiaries	Country	Geographical division	Area of activity	Functional Currency
Nile Kordsa Company SAE (**)	Egypt	Europe, Middle East and Africa	Cord fabric manufacture and trade	Egyptian Pound
Kordsa Inc.	United States of America	North America	Industrial yarn and cord fabric manufacture and trade	USD
Microtex Composites S.r.l	Italy	Europe	Carbon fiber weaving and prepreg production for the luxury automotive industry and motorsports	EUR
Kordsa Advanced Materials Inc.(***)	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Axiom Materials Inc.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Fabric Development Inc.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Textile Products. Inc.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Kordsa Brezilya S.A.	Brazil	South America	Industrial yarn and cord fabric manufacture and trade	Brazilian Real
PT Indo Kordsa Tbk (*)	Indonesia	Asia	Industrial yarn and cord fabric manufacture and trade	USD
Thai Indo Kordsa Co., Ltd.	Thailand	Asia	Cord fabric manufacture and trade	Thai Baht
Kordsa Advanced Materials Gmbh	Germany	Europe	Research and Development Facility	EUR

31 December 2024

Subsidiaries	Country	Geographical division	Area of activity	Functional Currency
Nile Kordsa Company SAE (**)	Egypt	Europe, Middle East and Africa	Cord fabric manufacture and trade	Egyptian Pound
Kordsa Inc.	United States of America	North America	Industrial yarn and cord fabric manufacture and trade	USD
Microtex Composites S.r.l	Italy	Europe	Carbon fiber weaving and prepreg production for the luxury automotive industry and motorsports	EUR
Axiom Materials Acquisition LLC.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Axiom Materials Inc.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Fabric Development Inc.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Textile Products. Inc.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Kordsa Brezilya S.A.	Brazil	South America	Industrial yarn and cord fabric manufacture and trade	Brazilian Real
PT Indo Kordsa Tbk (*)	Indonesia	Asia	Industrial yarn and cord fabric manufacture and trade	USD
Thai Indo Kordsa Co., Ltd.	Thailand	Asia	Cord fabric manufacture and trade	Thai Baht
Kordsa Advanced Materials Gmbh(***)	Germany	Europe	Research and Development Facility	EUR

(*) The Company's shares are traded on the Indonesia Stock Exchange ("IDX").

(**) According to the Group's Board of Directors, decision numbered 2015/29 dated 31 December 2015, Group's shares amounting to 51%, Nile Kordsa Company for Industrial Fabrics S.A.E. 51% of rates, has been classified as "Assets Held for sale" in the consolidated statement of financial position as of 31 December 2015.

(***) All of the shares of Fabric Development Inc. and Textile Products Inc., which are 100% owned and directly controlled by Kordsa Inc. and operate in the field of composites, were transferred to Axiom Materials Acquisition LLC, which is also directly controlled by Kordsa Inc. and the title was changed to "Kordsa Advanced Materials Inc."

The Company and its subsidiaries will collectively be referred to as the "Group".

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of Compliance to Turkish Financial Reporting Standards (“TFRS”s)

The Group prepared its condensed consolidated interim financial statements for the period ended June 30, 2025, in accordance with TAS 34 “Interim Reporting” standard.

In accordance with this Communiqué, the disclosures and footnotes required to be included in the annual financial statements prepared in accordance with Turkish Accounting Standards (TAS)/Turkish Financial Reporting Standards (TFRS) are summarised or omitted in accordance with TAS 34. Interim financial results alone are not necessarily indicative of the year-end results. The accompanying condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements as at 31 December 2024 and the accompanying notes.

The accompanying consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) published by Public Oversight Accounting and Auditing Standards Authority (“POA”) as set out in the Communiqué numbered II-14.1 “Communiqué on Principles of Financial Reporting in Capital Markets” published in the Official Gazette numbered 28676 on 13 June 2013. TFRSs consist of standards and interpretations which are published as Turkish Accounting Standards (“TAS”), Turkish Financial Reporting Standards, interpretations of TAS, and interpretations of TFRS.

In addition, the consolidated financial statements are presented in accordance with the formats specified in the “Announcement on TFRS Taxonomy” published by POA on 4 July 2024 and numbered 30794 and the Financial Statement Examples and User Guide published by CMB.

Entities are free to prepare their interim financial statements as a complete set or as a summary in accordance with TAS 34. In this context, the Group has chosen to prepare condensed consolidated interim financial statements.

The Company maintains its books of account and prepares its statutory financial statements in accordance with accounting principles in the Turkish Commercial Code (‘TCC’), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. Subsidiaries operating in foreign countries maintain their books of account and prepare their statutory financial statements in the currencies of the countries in which they operate and in accordance with the legislation of those countries.

Approval of the Financial Statements:

These consolidated financial statements have been approved to be issued during the meeting of the Board of Directors held on 6 August 2025, and have been signed by the Chief Finance Officer Şermin Mutlu and Global Finance Group Manager Ceyda Özdemir Kolay on behalf of the Board of Directors. General Assembly and related regulatory authorities have the right to make changes to these consolidated financial statements.

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2025

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2.1 Basis of Presentation (continued)

Conversion to Presentation Currency

Items included in the financial statements of the entities within the Group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The functional currency of the Group is USD. The presentation currency of the Group is TL. In accordance with TAS 21 (“The Effects of Changes in Foreign Exchange Rates”), the financial statements prepared in USD are translated into TL using the following method:

- a. Assets in the balance sheet are translated into TL using the USD buying exchange rate, 39,7408 TL = 1 USD (December 2024: 35,2803), announced by the Central Bank of the Republic of Turkey and the liabilities are converted into TL using the foreign exchange selling rate 39,8124 TL = 1 USD (December 2024: 35,3438). The capital account of the company is shown over the nominal capital amount, all other equity items are kept at their historical TL values and all differences are accounted for in the foreign currency translation differences account.
- b. The profit or loss and other comprehensive income statements are translated into TL using the average exchange rates, 37,3358 TL = 1 USD (June 2024: 31,6176).
- c. All the resulting exchange differences are presented as a separate component of equity under the name of translation differences.

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2025

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2.1 Basis of Presentation (continued)

Basis of Consolidation (continued)

The table below sets out all Subsidiaries and shows their shareholding rates as at 30 June 2025:

Subsidiaries	Direct and indirect ownership interest by the Group and its subsidiaries (%)	Proportion of effective interest (%)
Nile Kordsa Company SAE	51,00	51,00
Kordsa Inc.	100,00	100,00
Microtex Composites S.r.l.(*)	100,00	100,00
Kordsa Advanced Materials Inc.	100,00	100,00
Axiom Materials Inc.	100,00	100,00
Fabric Development Inc.	100,00	100,00
Textile Products. Inc.	100,00	100,00
Kordsa Brasil S.A.	97,31	97,31
PT Indo Kordsa Tbk	61,59	61,59
Thai Indo Kordsa Co., Ltd.	64,19	39,53
Kordsa Advanced Materials Gmbh	100,00	100,00

(*) Kordsa Inc., our 100% subsidiary located in the USA, has completed the acquisition of the 39% minority shares of Microtex Composites S.r.l., of which it held a 61% stake, for 34,940,344 (thirty-four million nine hundred forty thousand three hundred forty-four) EUR. With this transaction, Kordsa Inc. has become the sole shareholder of Microtex Composites S.r.l. with a 100% ownership stake."

The table below sets out all Subsidiaries and shows their shareholding rates as at 31 December 2024:

Subsidiaries	Direct and indirect ownership interest by the Group and its subsidiaries (%)	Proportion of effective interest (%)
Nile Kordsa Company SAE	51,00	51,00
Kordsa Inc.	100,00	100,00
Microtex Composites S.r.l.	61,00	61,00
Axiom Materials Acquisition LLC	100,00	100,00
Axiom Materials Inc.	100,00	100,00
Fabric Development Inc.	100,00	100,00
Textile Products. Inc.	100,00	100,00
Kordsa Brasil S.A.	97,31	97,31
PT Indo Kordsa Tbk	61,59	61,59
Thai Indo Kordsa Co., Ltd.	64,19	39,53
Kordsa Advanced Materials Gmbh(**)	100,00	100,00

(**) As of January 2, 2024, Fabric Development Inc. and Textile Products Inc., both of which are wholly owned and directly controlled by Kordsa Inc. and operate in the field of composites, have transferred all of their shares to Axiom Materials Acquisition LLC, which is also under its direct control. The company's name has been changed to "Kordsa Advanced Materials Inc."

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2.1 Basis of Presentation (continued)

Basis of Consolidation (continued)

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect the amount of the investor's returns.

In the event that a situation or an event arises that may cause any change in at least one of these conditions, the Group re-evaluates whether it has control over its investment.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to the control power, including:

- The comparison of voting rights held by the Group to those held by the other shareholders;
- Potential voting rights held by the Group and other shareholders;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate whether the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income is attributed to the owners of the Company and the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2025

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2.1 Basis of Presentation (continued)

Basis of Consolidation (continued)

Changes in the Group's ownership interests in existing subsidiaries (continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable TFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TFRS 9 ("Financial Instruments"), when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

2.2 Changes in Accounting Policies, Comparative Information and Restatement of Prior Periods' Financial Statements

Accounting policies have been consistently applied by the Group in all periods presented in the consolidated financial statements. Significant changes in accounting policies are applied retrospectively and previous period consolidated financial statements are rearranged.

There is no change in accounting policies while preparing the consolidated financial statements as of 30 June 2025.

2.3 Changes in Accounting Estimates and Errors

Changes in the accounting estimates should be accounted for in financial statements prospectively; if the change is related to only one period, it should be accounted at the current year that the change is performed, but if it is related to more than one period it should be accounted at both the current and future periods. There are no significant changes in the accounting estimates for the current period.

2.4 New and Revised Turkish Accounting Standards

a) Amendments that are mandatorily effective from 2025

Amendments to TAS 21 Lack of Exchangeability

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2025

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2.4 New and Revised Turkish Accounting Standards (continued)

b) New and revised TFRS in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 18 *Insurance Contracts*

Amendments to TFRS 17 *Initial Application of TFRS 17 and TFRS 9 Comparative Information*

TFRS 18 *Insurance Contracts*

TFRS 18 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a 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* on 1 January 2026.

Amendments to TFRS 18 *Insurance Contracts* and *Initial Application of TFRS 17 and TFRS 9 – Comparative Information*

Amendments have been made in TFRS 18 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of TFRS 18.

TFRS 18 *Presentation and Disclosures in Financial Statements*

TFRS 18 includes requirements for all entities applying TFRS for the presentation and disclosure of information in financial statements. Applicable to annual reporting periods beginning on or after 1 January 2027.

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
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(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2.5 Summary of Significant Accounting Policies

a) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment if any (Note 9). Depreciation is provided on property, plant and equipment on a straight-line basis. The depreciation periods for property, plant and equipment, which approximate the economically useful lives of such assets, are as follows:

	Years
Land improvements	15
Buildings	20-40
Machinery and equipment	2-30
Motor vehicles	3-5
Leasehold Improvements	15
Furniture and fixtures	3-7

Useful lives and residual values are reviewed at each reporting date and adjusted if necessary. Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their carrying amounts and are included in the related income and expense accounts, as appropriate.

Expenses for the repair of property, plant and equipment are normally charged against income. They are, however, capitalised in exceptional cases if they result in an enlargement or substantial improvement of the respective assets. Spare part changes and labour costs included in the large comprehensive maintenance and repair expenses are capitalised and depreciated on average useful lives until the next-largest comprehensive maintenance period.

b) Intangible assets

Intangible assets include rights, software and other identifiable rights. Intangible assets are recognized at acquisition cost and amortisation is calculated using the straight-line method over a period (Note 10). The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The fair value of intangible assets, which includes customer relationships and brand names acquired through business combinations, is determined on basis of the expected cash flow from the use or disposal of the related assets. Indefinite life has been determined for trademarks.

The estimated useful lives of these assets are as follows:

	Useful Lives
Customer relationship	14-30
Technology licenses	7-8
Other intangible assets	5-20

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2025

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2.5 Summary of Significant Accounting Policies (continued)

b) Intangible assets (continued)

Internally generated intangible assets – research and development expenses

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale,
- The intention to complete the intangible asset and use or sell it,
- The ability to use or sell the intangible asset,
- How the intangible asset will generate probable future economic benefits,
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is charged to profit or loss in the period in which it is incurred.

After initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT 30 JUNE 2025

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 3 -SEGMENT REPORTING

The reportable geographical segments for segment reporting are as follows:

a) Segment analysis for the period 1 January – 30 June 2025

	Europe, Middle East and Africa(**)	North America	South America	Asia	Intersegment elimination	Total
External Revenue	6.579.641.842	5.126.773.994	1.717.407.698	2.034.939.982	-	15.458.763.516
Intersegment Revenue	429.361.794	421.737.960	-	215.634.329	(1.066.734.083)	-
Revenue	7.009.003.636	5.548.511.954	1.717.407.698	2.250.574.311	(1.066.734.083)	15.458.763.516
Segment Operating Expenses, net	(6.660.372.702)	(5.699.944.731)	(1.574.096.985)	(2.276.460.517)	1.174.147.950	(15.036.726.985)
Segment Operating Results	348.630.934	(151.432.777)	143.310.713	(25.886.206)	107.413.867	422.036.531
OPERATING PROFIT	348.630.934	(151.432.777)	143.310.713	(25.886.206)	107.413.867	422.036.531

b) Segment analysis for the period 1 April – 30 June 2025

	Europe, Middle East and Africa(**)	North America	South America	Asia	Intersegment elimination	Total
External Revenue	3.331.938.971	2.616.071.793	933.675.181	730.210.711	-	7.611.896.656
Intersegment Revenue	260.412.982	278.141.790	-	24.214.660	(562.769.432)	-
Revenue	3.592.351.953	2.894.213.583	933.675.181	754.425.371	(562.769.432)	7.611.896.656
Segment Operating Expenses, net	(3.284.737.694)	(2.960.005.287)	(865.120.632)	(880.579.915)	632.676.122	(7.357.767.406)
Segment Operating Results	307.614.259	(65.791.704)	68.554.549	(126.154.544)	69.906.690	254.129.250
OPERATING PROFIT	307.614.259	(65.791.704)	68.554.549	(126.154.544)	69.906.690	254.129.250

(*) Unallocated consolidation adjustments are included in this line.

(**) Kordsa Teknik Tekstil A.Ş. has been included in Europe, Middle East and Africa Segment.

c) Segment analysis for the period 1 January – 30 June 2024

	Europe, Middle East and Africa(**)	North America	South America	Asia	Intersegment elimination (*)	Total
External revenue	5.631.047.274	4.766.363.065	1.413.769.160	3.013.773.203	-	14.824.952.702
Intersegment revenue	321.539.201	265.654.731	-	683.884.585	(1.271.078.517)	-
Revenue	5.952.586.475	5.032.017.796	1.413.769.160	3.697.657.788	(1.271.078.517)	14.824.952.702
Segment operating expenses, net	(5.443.848.565)	(5.336.083.457)	(1.336.073.343)	(3.416.677.049)	1.287.322.337	(14.245.360.077)
Segment operating results	508.737.910	(304.065.661)	77.695.817	280.980.739	16.243.820	579.592.625
OPERATING PROFIT	508.737.910	(304.065.661)	77.695.817	280.980.739	16.243.820	579.592.625

d) Segment analysis for the period 1 April – 30 June 2024

	Europe, Middle East and Africa(**)	North America	South America	Asia	Intersegment elimination (*)	Total
External revenue	2.878.445.645	2.401.965.795	727.621.334	1.577.536.228	-	7.585.569.002
Intersegment revenue	201.394.784	126.482.876	-	412.934.901	(740.812.561)	-
Revenue	3.079.840.429	2.528.448.671	727.621.334	1.990.471.129	(740.812.561)	7.585.569.002
Segment operating expenses, net	(2.848.883.400)	(2.747.743.847)	(663.772.862)	(1.844.559.024)	733.058.553	(7.371.900.580)
Segment operating results	230.957.029	(219.295.176)	63.848.472	145.912.105	(7.754.008)	213.668.422
OPERATING PROFIT	230.957.029	(219.295.176)	63.848.472	145.912.105	(7.754.008)	213.668.422

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NOTE 3 - SEGMENT REPORTING (continued)

e) Segment Assets	30 June 2025	31 December 2024
North America	18.601.356.932	17.556.086.490
Europe, Middle East and Africa	16.790.334.793	14.288.916.108
Asia	10.585.879.082	10.271.319.494
South America	3.073.318.106	2.166.293.319
Segment Assets (*)	49.050.888.913	44.282.615.411
Unallocated Assets	4.268.832.836	3.424.244.187
Less: Intersegment Eliminations	(6.260.551.693)	(3.900.087.920)
Total Assets per Consolidated Financial Statements	47.059.170.056	43.806.771.678

(*) Segment assets mainly comprised assets regarding operations. Deferred tax assets, time deposits and financial investments have not been associated with segments.

On March 3, 2025, the flood at the Company's Indonesia facility damaged some inventories and property, plant and equipment. As of the reporting date, negotiations with the insurance company regarding salvage values, repair and replacement options, and final compensation amounts are ongoing. Due to current uncertainties and the ongoing insurance claim process, no impairment loss has been recognized in the interim financial statements as of June 30, 2025, related to this loss. However, the Company has determined that assets affected by the flood amounted to USD 5.6 million (TL 222.5 million), corresponding to approximately 2,6% of total inventories in the consolidated financial statements, and USD 21.4 million (TL 850.5 million), corresponding to approximately 6,6% of property, plant and equipment. Once the insurance claims are finalized and there is greater certainty regarding the recoverable amounts of the affected assets, the need to recognize impairment on these assets will be reconsidered. In the case of flood-related events at PT Indo Kordsa, the fixed asset and profit loss insurance policy provides coverage up to USD 50 million, including business interruption for up to twelve months.

f) Segment Liabilities

	30 June 2025	31 December 2024
Europe, Middle East and Africa	20.260.663.746	16.081.505.744
North America	10.315.408.286	8.305.385.103
Asia	516.450.966	469.149.322
South America	1.249.475.662	1.957.941.555
Segment Liabilities (**)	32.341.998.660	26.813.981.724
Unallocated Liabilities	2.841.697.174	2.735.148.922
Less: Intersegment Eliminations	(6.677.515.835)	(2.947.564.528)
Total Liabilities per Consolidated Financial Statements	28.506.179.999	26.601.566.118

(**) Segment liabilities mainly comprised liabilities regarding operations. Tax liabilities, and financial lease liabilities have not been associated with segments.

The segment reporting based on industry groups of reportable segments is as follows::

a) External revenue

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Industrial Yarn and Cord Fabric	11.488.433.290	5.584.007.886	11.207.191.788	5.728.689.065
Advanced Composite Materials	3.624.495.963	1.887.688.424	3.188.969.438	1.636.796.621
Other	345.834.263	140.200.346	428.791.476	220.083.316
	15.458.763.516	7.611.896.656	14.824.952.702	7.585.569.002

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NOTE 4 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as at 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
Cash	42.285	186.846
Bank-Demand Deposits	1.821.504.757	1.846.855.101
Bank-Time Deposits	1.572.595.238	1.170.117.015
Other Current Assets(*)	98.904.763	1.240.172.971
	3.493.047.043	4.257.331.933

Time deposits have less than 3 months maturity. Average annual interest rate for time deposits are 1,82% for Euro (31 December 2024: 2,00%), Average annual interest rate for time deposits are 3,47% for US Dollars (31 December 2024: 3,25%) Average annual interest rate for time deposits are 41,00% for TL (31 December 2024: 35,00%).

There are no restricted cash and cash equivalents of the Group as at 30 June 2025 and 31 December 2024.

(*) Other cash equivalents consist of a short-term free liquid fund received by the Company from Ak Portföy Yönetimi A.Ş. The interest rate of the related fund is 45,57% (31 December 2024: 46,74%).

NOTE 5 – SHORT AND LONG-TERM FINANCIAL BORROWINGS

	30 June 2025	31 December 2024
Short-Term Borrowings	10.238.640.055	8.735.349.887
Short-Term Portion of Long Term Borrowings	6.744.743.196	5.749.650.855
Total Short-Term Financial Borrowings	16.983.383.251	14.485.000.742
Long-Term Borrowings	2.233.880.604	3.092.846.398
Total long-term financial borrowings	2.233.880.604	3.092.846.398
Total Financial Borrowings	19.217.263.855	17.577.847.140
Lease liabilities from short-term leases	192.706.217	148.487.674
Lease liabilities from long-term leases	932.690.532	918.361.769
Total of lease transactions	1.125.396.749	1.066.849.443

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NOTE 5 – SHORT AND LONG-TERM FINANCIAL BORROWINGS (continued)

The details of long and short term borrowings as of 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025		31 December 2024	
	Weighted average effective interest rate %	TL	Weighted average effective interest rate %	TL
Short-Term Borrowings				
TL Borrowings	25,16	4.522.419.125	26,93	3.144.411.843
USD Borrowings	7,53	3.944.690.518	8,00	3.652.706.130
EUR Borrowings	5,42	1.771.530.412	6,02	1.756.378.272
Other Borrowings (*)	-	-	4,30	181.853.642
		10.238.640.055		8.735.349.887
Short-Term Portion of Long Term Borrowings				
USD Borrowings	7,48	6.120.050.609	7,65	5.749.650.855
EUR Borrowings	7,22	624.692.587		-
		6.744.743.196		5.749.650.855
Total Short-Term Borrowings		16.983.383.251		14.485.000.742
Long-Term Borrowings				
USD Borrowings	7,05	1.902.157.028	7,14	2.356.261.348
EUR Borrowings	2,31	331.723.576	6,06	736.585.050
Total Long-Term Borrowings		2.233.880.604		3.092.846.398

(*) Consists of Thai Baht(THB) currency loans.

As of 30 June 2025 and 31 December 2024, the redemption schedules of the long term-borrowings are summarized below:

	30 June 2025	31 December 2024
1 to 2 years	1.190.881.013	2.101.907.309
2 to 3 years	882.131.908	966.943.607
3 to 4 years	78.768.884	8.612.148
4 to 5 years	58.236.094	4.959.849
Over 5 years	23.862.705	10.423.485
	2.233.880.604	3.092.846.398

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NOTE 5 – SHORT AND LONG-TERM FINANCIAL BORROWINGS (continued)

The reconciliation of the Group's obligations arising from its financial activities and lease liabilities are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
1 January Financial Liabilities	17.577.847.140	11.651.492.307
Proceed from Borrowings	7.735.826.242	5.985.534.072
Repayment of Borrowings	(8.032.149.844)	(4.710.918.077)
Interest Expense Recognized in the Statement of Profit or Loss (Note 20)	1.026.893.062	710.555.591
Interest Payment	(1.250.526.669)	(604.637.287)
Currency Translation Differences	2.159.373.924	1.306.995.110
30 June Financial Liabilities	19.217.263.855	14.339.021.716

NOTE 6 - TRADE RECEIVABLES

	30 June 2025	31 December 2024
Trade Receivables		
Trade Receivables	5.494.625.697	5.400.197.293
Cheques Received	1.112.675	22.949.448
Due from Related Parties (Note 23)	340.899.412	335.849.965
	5.836.637.784	5.758.996.706
Less: Provision for Doubtful Receivables	(70.198.424)	(48.600.401)
Less: Unearned Credit Finance Income	(16.042.140)	(20.687.575)
	5.750.397.220	5.689.708.730

As at 30 June 2025, the annual interest rates used for the discount of trade receivables and payables are 57,86%, 8,50% and 7,50% for TL, USD and Euro, respectively (31 December 2024: 55,55%, 7,84%, and 6,27%). As at 30 June 2025, the average maturity of trade receivables is 69 days and the average maturity of trade payables is 50 days (31 December 2024: 67 days, 53 days respectively).

As of 30 June 2025, trade receivables amounting to TL 1.055.211.499 TL (31 December 2024: TL 712.731.951) were past due not impaired. The aging of these receivables as of 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
Up to 1 month	770.815.922	454.138.195
1 to 3 months	144.509.647	153.039.733
3 to 12 months	71.302.462	41.592.589
1 to 5 years	68.583.468	63.961.434
	1.055.211.499	712.731.951

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NOTE 6 - TRADE RECEIVABLES (continued)

As of 30 June 2025, trade receivables amounting to TL 70.198.424 (31 December 2024: TL 48.600.401) are overdue and the provision for doubtful receivables has been set aside. As of 30 June 2025 and 31 December 2024, the aging schedule of the related receivables is as follows:

	30 June 2025	31 December 2024
Up to 1 month	17.929.463	4.205.516
1 to 3 months	31.978.454	4.752.525
3 to 12 months	5.195.363	26.185.183
1 to 5 months	15.095.144	13.457.177
	70.198.424	48.600.401

Movement schedules of provision for doubtful receivables for the six months periods ended 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Balance on 1 January	48.600.401	23.575.045
Additions	15.512.578	12.764.979
Disposals	(1.980.658)	(8.084.639)
Currency Translation Differences	8.066.103	2.027.576
Balance as of 30 June	70.198.424	30.282.961

Trade Payables	30 June 2025	31 December 2024
Trade Payables	3.559.553.504	3.156.411.525
Due to Related Parties (Note 23)	89.432.659	87.645.988
	3.648.986.163	3.244.057.513
Less: Unrealized Credit Finance Expense on Purchases	(43.709.087)	(39.763.233)
	3.605.277.076	3.204.294.280

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NOTE 7 – OTHER RECEIVABLES AND PAYABLES

Other Short-Term Receivables	30 June 2025	31 December 2024
Taxes and Other Duties (*)	188.550.254	103.008.510
Other	166.358.832	98.851.469
	354.909.086	201.859.979

Other Long-Term Receivables	30 June 2025	31 December 2024
Litigation Guarantee Receivables (**)	107.500.320	178.645.104
Other	-	152.693
	107.500.320	178.797.797

(*) Prepaid taxes and other withholding taxes mainly comprise VAT receivables of Kordsa Brazil arising from production incentives related to state regulations and provisional tax receivables of Kordsa Turkey.

(**) Litigation guarantee receivables comprise guarantees given to courts by Kordsa Brazil.

Other Short Term Payables	30 June 2025	31 December 2024
Taxes and Duties Payable	158.036.815	173.893.486
Other	92.758.395	17.607.026
	250.795.210	191.500.512

NOTE 8 - INVENTORIES

	30 June 2025	31 December 2024
Finished Goods	3.057.486.429	3.529.879.884
Raw Materials and Supplies	3.180.052.965	2.493.163.343
Semi-Finished Goods	389.524.573	347.767.060
Intermediate Goods	598.780.642	850.413.608
Spare Parts	589.846.862	458.442.440
Other Inventories	327.670.525	251.808.995
	8.143.361.996	7.931.475.330
Less: Provision for Inventory Impairment	(517.666.556)	(457.136.332)
	7.625.695.440	7.474.338.998

Movement schedules for provision for impairment in value as of 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Balances at 1 January	457.136.332	270.414.821
Additions	95.573.543	41.955.342
Disposals	(99.563.149)	(8.116.610)
Currency Translation Differences	64.519.830	33.882.553
Balances at 30 June	517.666.556	338.136.106

The amount of provision for inventory obsolescence is classified to cost of goods sold for the periods 30 June 2025 and 30 June 2024. The amount of provision for impairment of inventory charged to cost of goods sold for the six month period ended 1 January - 30 June 2025 is TL 3.989.606 (1 January - 30 June 2024: TL 33.838.732)

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NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment for the six month periods ended 30 June 2025 is as follows:

	1 January 2025	Additions	Disposals	Transfers (*)	Currency Translation Differences	30 June 2025
Cost:						
Land and land improvements	468.700.923	-	-	-	66.849.754	535.550.677
Buildings	3.630.266.471	-	-	2.924.871	504.585.817	4.137.777.159
Machinery and equipment	19.589.714.326	136.565.951	(38.131.910)	82.462.752	2.844.946.803	22.615.557.922
Motor vehicles	16.484.603	-	-	-	2.377.108	18.861.711
Furniture and fixtures	815.460.773	1.479.391	(1.860.962)	-	135.268.289	950.347.491
Construction in progress	1.124.321.198	591.332.893	(37.361.076)	(195.866.372)	181.456.041	1.663.882.684
	25.644.948.294	729.378.235	(77.353.948)	(110.478.749)	3.735.483.812	29.921.977.644
Accumulated depreciation:						
Land improvements	109.662.052	2.186.524	-	-	14.263.409	126.111.985
Buildings	1.979.156.120	52.608.647	-	-	291.235.618	2.323.000.385
Machinery and equipment	11.632.872.769	445.650.715	(35.658.478)	-	1.768.259.047	13.811.124.053
Motor vehicles	11.687.385	634.944	-	-	1.811.496	14.133.825
Furniture and fixtures	520.274.663	30.751.094	(826.712)	-	86.557.822	636.756.867
	14.253.652.989	531.831.924	(36.485.190)	-	2.162.127.392	16.911.127.115
Net book value	11.391.295.305					13.010.850.529

(*) For the six months period ended 30 June 2025, TL 110.478.749 was transferred to other intangible assets.

TL 605.407.054 (30 June 2024: TL 477.257.396) of depreciation and amortization expenses related to property, plant and equipment, intangible assets and asset usage rights in the current period is to cost of goods sold, TL 13.211.870 (30 June 2024: TL 9.400.418) research and development expenses, TL 203.393.454 (30 June 2024: TL 162.921.288) are included in general administrative expenses, TL 5.251.280 (30 June 2024: TL 3.836.891) in sales and marketing expenses.

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NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (continued)

The movement of property, plant and equipment for the six month periods ended 30 June 2024 is as follows:

	1 January 2024	Additions	Disposals	Transfers(*)	Currency Translation Differences	30 June 2024
Cost:						
Land and land improvements	411.662.574	-	-	2.293.252	37.525.837	451.481.663
Buildings	2.929.748.614	4.358.177	-	5.297.787	284.904.926	3.224.309.504
Machinery and equipment	15.562.483.304	80.469.623	(27.614.038)	447.925.652	1.488.086.909	17.551.351.450
Motor vehicles	14.204.400	-	-	-	1.338.194	15.542.594
Furniture and fixtures	609.934.632	9.423.358	(753.180)	72.522.289	45.192.681	736.319.780
Construction in progress	1.440.735.769	473.471.217	-	(613.833.657)	145.942.472	1.446.315.801
	20.968.769.293	567.722.375	(28.367.218)	(85.794.677)	2.002.991.019	23.425.320.792
Accumulated depreciation:						
Land improvements	88.392.002	1.892.472	-	-	9.984.113	100.268.587
Buildings	1.584.654.926	46.679.797	-	-	142.350.510	1.773.685.233
Machinery and equipment	9.390.708.808	359.305.729	(5.645.986)	-	842.271.145	10.586.639.696
Motor vehicles	9.199.194	538.861	-	-	782.761	10.520.816
Furniture and fixtures	413.656.984	24.071.274	(608.704)	-	31.407.388	468.526.942
	11.486.611.914	432.488.133	(6.254.690)	-	1.026.795.917	12.939.641.274
Net book value	9.482.157.379					10.485.679.518

(*) For the six months period ended 30 June 2024, TL 85.794.677 was transferred to other intangible assets.

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NOTE 10 – INTANGIBLE ASSETS

The movement of intangible assets for the six month periods ended 30 June 2025 is as follows

	1 January 2025	Additions	Transfers	Currency Translation Differences	30 June 2025
Cost:					
Rights	394.592.033	2.722.897	-	59.428.920	456.743.850
Technology licenses	575.667.655	-	44.229.896	77.415.413	697.312.964
Capitalized development costs	704.083.513	22.429.818	102.458.874	97.062.265	926.034.470
Computer software	276.836.893	229.484	(36.210.021)	55.879.075	296.735.431
Customer relationships	3.174.799.932	-	-	401.391.006	3.576.190.938
Trademarks	984.099.779	-	-	124.420.061	1.108.519.840
Other intangible assets	156.180.907	-	-	19.079.994	175.260.901
	6.266.260.712	25.382.199	110.478.749	834.676.734	7.236.798.394
Accumulated Depreciation:					
Rights	106.430.125	22.821.960	-	19.975.169	149.227.254
Technology licenses	360.989.841	32.831.684	-	52.068.321	445.889.846
Capitalized development costs	338.848.586	60.401.081	-	46.731.498	445.981.165
Computer software	182.224.136	16.912.788	-	33.287.510	232.424.434
Customer relationships	775.424.618	80.694.203	-	103.235.139	959.353.960
Trademarks	8.076.719	3.342.674	-	1.236.462	12.655.855
Other intangible assets	69.768.144	-	-	4.953.388	74.721.532
	1.841.762.169	217.004.390	-	261.487.487	2.320.254.046
Net book value	4.424.498.543				4.916.544.348

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NOTE 10 – INTANGIBLE ASSETS (continued)

The movement of intangible assets for the six month periods ended 30 June 2024 is as follows.

	1 January 2024	Additions	Transfers	Currency Translation Differences	30 June 2024
Cost:					
Rights	131.557.298	9.152.583	6.359.456	14.900.672	161.970.009
Technology licenses	459.482.836	-	25.343.627	52.044.350	536.870.813
Capitalized development costs	445.242.207	114.291.281	-	55.611.130	615.144.618
Computer software	168.854.299	31.442.708	54.091.594	1.511.301	255.899.902
Customer relationships	2.649.081.651	-	-	304.878.988	2.953.960.639
Trademarks	821.141.717	-	-	94.504.016	915.645.733
Other intangible assets	130.318.755	-	-	14.998.197	145.316.952
	4.805.678.763	154.886.572	85.794.677	538.448.654	5.584.808.666
Accumulated Depreciation:					
Rights	69.251.048	8.298.602	-	8.204.962	85.754.612
Technology licenses	246.838.240	34.867.907	-	28.394.154	310.100.301
Capitalized development costs	201.553.712	40.929.384	-	24.761.074	267.244.170
Computer software	135.210.637	9.533.125	-	4.749.679	149.493.441
Customer relationships	522.494.873	68.421.083	-	62.748.615	653.664.571
Trademarks	1.468.083	2.830.724	-	277.166	4.575.973
Other intangible assets	59.934.326	3.903.234	-	6.920.304	70.757.864
	1.236.750.919	168.784.059	-	136.055.954	1.541.590.932
Net book value	3.568.927.844				4.043.217.734

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NOTE 11 - RIGHT OF USE ASSETS

The movement of right of lease assets for the six month periods ended 30 June 2025 is as follows:

	1 January 2025	Additions	Disposals	Currency Translation Differences	30 June 2025
Cost					
Property	1.119.777.519	1.569.457	-	166.341.417	1.287.688.393
Fixture	2.201.161		-	202.435	2.403.596
Vehicles	147.817.689	9.104.731	-	19.599.679	176.522.099
Other	134.074.638	339.226	-	15.676.709	150.090.573
	1.403.871.007	11.013.414	-	201.820.240	1.616.704.661
Accumulated depreciation:					
Property	290.334.293	45.007.327	-	43.640.041	378.981.661
Fixture	-	56.482	-	199.326	255.808
Vehicles	100.863.151	19.818.618	-	14.309.225	134.990.994
Other	87.829.192	13.544.917	-	11.998.900	113.373.009
	479.026.636	78.427.344	-	70.147.492	627.601.472
Net book value	924.844.371				989.103.189

The movement of right of lease assets for the six month periods ended 30 June 2024 is as follows:

	1 January 2024	Additions	Disposals	Currency Translation Difference	30 June 2024
Cost					
Property	951.957.561	5.914.270	-	98.784.942	1.056.656.773
Fixture	2.151.334	-	(231.251)	169.701	2.089.784
Vehicles	101.729.633	25.282.262	-	12.348.983	139.360.878
Other	93.230.741	19.163.128	-	11.531.366	123.925.235
	1.149.069.269	50.359.660	(231.251)	122.834.992	1.322.032.670
Accumulated depreciation:					
Property	170.801.169	29.175.584	-	20.772.522	220.749.275
Fixture	1.825.997	143.493	(231.251)	299.578	2.037.817
Vehicles	54.519.889	15.092.242	-	7.120.162	76.732.293
Other	51.323.226	7.732.478	-	5.739.627	64.795.331
	278.470.281	52.143.797	(231.251)	33.931.889	364.314.716
Net book value	870.598.988				957.717.954

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NOTE 12 – INVESTMENT PROPERTIES

	30 June 2025	30 June 2024
Opening Balance as at 1 January – Opening	587.832.293	697.056.265
Currency translation differences	74.319.831	80.223.200
Balances at 30 June- Closing	662.152.124	777.279.465

(*) As of 31 December 2024, the fair value of the Group's investment property in PT Indo Kordsa Company in the Asia Pacific Region has been revalued by independent experts who are not related to the Group and have appropriate qualifications and recent experience in the valuation of properties. The estimated fair values of lands owned have been determined by taking reference of the market transaction prices of similar properties. When determining the fair values of the lands the highest value in use has been considered. In the current period, no different valuation methodology is performed. As of 31 December 2024, the fair value hierarchy level of investment properties measured by the revaluation method is 3.

NOTE 13 – GOODWILL

As of June 30, 2025, the net book value of goodwill amounting to 155.223.424 US Dollars consists of 3.193.789 US Dollars from the merger with Dusa Endüstriyel İplik ve Sanayi ve Ticaret A.Ş. on September 30, 1999, 226.961 US Dollars from the acquisition of PT Indo Kordsa Group on December 22, 2006, 9.656.000 US Dollars and 19.893.604 US Dollars, respectively, from the acquisitions of Fabric Development Inc. ("FDI") and Textile Products Inc. ("TPI") on July 13, 2018, 1.268.000 US Dollars from the acquisition of Advanced Honeycomb Technologies Corporation ("AHT") on October 1, 2018, 105.814.156 US Dollars from the acquisition of Axiom Materials Acquisition LLC on July 23, 2019, and 15.170.916 US Dollars from the acquisition of Microtex.

As at 30 June, the movements in goodwill is as follow;

	1 January - 30 June 2025	1 January - 30 June 2024
Balance as of 1 January	5.476.328.966	3.959.700.724
Currency translation difference	692.374.088	455.716.248
Balances as of 30 June	6.168.703.054	4.415.416.972

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NOTE 14 - COLLATERAL, PLEDGE, MORTGAGE AND SECURITIES

Commitments and contingencies, from which the Group management does not anticipate any significant losses or liabilities are summarized below:

a) Guarantees given:	30 June 2025	31 December 2024
Pledges given to banks	923.948.360	813.930.268
Security(*)	2.404.318.400	3.007.645.575
Letter of credits	898.445.185	676.875.725
Letter of guarantees	5.901.072.445	5.471.423.077
Commitments	55.077	1.905.094
	10.127.839.467	9.971.779.739

(*) Kordsa Teknik Tekstil A.Ş. participated as a joint and several guarantor for the loans of Kordsa Inc., amounting to 60.500.000 US Dollars, equivalent to 2.404.318.400 TL (December 31, 2024: 85.250.000 US Dollars, 3.007.645.575 TL).

b) Guarantees received:	30 June 2025	31 December 2024
Letter of guarantees	71.565.888	64.105.970
Cheques and notes received as collateral	331.351	331.350
	71.897.239	64.437.320

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NOTE 14 - COLLATERAL, PLEDGE, MORTGAGE AND SECURITIES (continued)

As of 30 June 2025 and 31 December 2024, the tables regarding the collateral, pledge, mortgage and securities (“CPMS”) position given by the Company are as follows:

30 June 2025	TL Equivalent	TL	USD	EUR	Thai Baht	Other TL Equivalent
A. Total amount of CPMSs given on behalf of own legal entity	7.723.521.067	4.676.233.234	61.216.182	4.421.020	138.388.813	239.519.262
B. Total amount of CPMSs given on behalf of subsidiaries consolidated in full	2.404.318.400	-	60.500.000	-	-	-
C. CPMSs given for continuation of its economic activities on behalf of third parties	-	-	-	-	-	-
D. Total amount of other CPMSs	-	-	-	-	-	-
i. Total amount of CPMSs given on behalf of the major shareholder	-	-	-	-	-	-
ii. Total amount of CPMSs given on behalf of other Group companies which are not in scope of B and C	-	-	-	-	-	-
iii. Total amount of CPMSs given on behalf of third parties which are not in scope of clause C	-	-	-	-	-	-
	10.127.839.467	4.676.233.234	121.716.182	4.421.020	138.388.813	239.519.262

31 December 2024	TL Equivalent	TL	USD	EUR	Thai Baht	Other TL Equivalent
A. Total of CPMSs given on behalf of own legal personality	6.964.134.164	4.516.373.733	55.882.155	4.000.000	140.178.995	183.771.579
B. Total of CPMSs given on behalf of subsidiaries consolidated in full	3.007.645.575	-	85.250.000	-	-	-
C. CPMSs given for continuation of its economic activities on behalf of third parties	-	-	-	-	-	-
D. Total amount of other CPMSs	-	-	-	-	-	-
i. Total amount of CPMSs given on behalf of the major shareholder	-	-	-	-	-	-
ii. Total amount of CPMSs given on behalf of other Group companies which are not in scope of B and C	-	-	-	-	-	-
iii. Total amount of CPMSs given on behalf of third parties which are not in scope of clause C	-	-	-	-	-	-
	9.971.779.739	4.516.373.733	141.132.155	4.000.000	140.178.995	183.771.579

The ratio of the other CPMSs given by the Group to equity is 0% as at 30 June 2025 (As at 31 December 2024 0%)

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NOTE 15 – OTHER LIABILITIES

Other Long Term Liabilities	30 June 2025	31 December 2024
Other(*)	-	1.218.759.902
	-	1.218.759.902

(*) The 39% minority stake of the Group's subsidiary, Microtex Composites S.r.l., was acquired for 34.940.344 EUR on May 20, 2025, within the framework of the option agreement.

NOTE 16 - REVENUE AND COST OF SALES

The revenues and costs of sales for the interim accounting periods ending on 30 June 2025 and 2024 are as follows:

	1 January – 30 June 2025	1 April – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2024
Sales income (gross)	15.648.218.930	7.717.244.652	14.991.272.524	7.674.650.603
Sales returns (-)	(80.480.375)	(51.238.111)	(47.656.074)	(23.049.214)
Sales discounts (-)	(69.668.293)	(36.792.338)	(70.847.473)	(27.071.791)
Other sales discounts (-)	(39.306.746)	(17.317.547)	(47.816.275)	(38.960.596)
Sales Income (Net)	15.458.763.516	7.611.896.656	14.824.952.702	7.585.569.002
Cost of sales (-)	(13.304.226.594)	(6.551.230.351)	(12.545.901.195)	(6.536.990.270)
Gross Profit	2.154.536.922	1.060.666.305	2.279.051.507	1.048.578.732

NOTE 17 – EXPENSES BY NATURE

Expenses for the interim accounting periods ending on 30 June 2025 and 2024, according to their natures, are as follows:

	1 January – 30 June 2025	1 April – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2024
Raw material and supply expenses	8.282.390.571	3.994.532.879	8.740.614.616	4.543.327.301
Personnel expenses	2.937.012.344	1.501.535.429	2.307.860.938	1.194.283.429
Energy expenses	1.012.129.556	475.402.232	933.185.448	470.941.028
Depreciation and amortization expenses	827.263.658	432.801.328	653.415.993	331.961.686
Distribution expenses	353.198.983	183.214.706	433.446.880	212.727.798
Packing expenses	238.715.697	120.072.121	226.413.558	118.172.013
Consultancy expenses	120.082.499	65.277.285	162.751.564	93.842.290
Service, maintenance expenses	31.207.539	12.228.969	38.155.140	23.064.917
Idle period expenses	451.398.783	252.123.688	71.056.722	45.699.362
Other	1.016.801.304	496.403.423	783.523.483	442.496.191
	15.270.200.934	7.533.592.060	14.350.424.342	7.476.516.015

General administrative expenses TL 1.141.560.581 TL (30 June 2024: TL 977.963.037), marketing expenses TL 725.057.230 (30 June 2024: TL 748.741.837), research and development expenses TL 99.356.529 (30 June 2024: TL 77.818.273) are shown in expenses by nature.

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NOTE 18 – OTHER OPERATING INCOME AND EXPENSES

Other income and expenses from operating activities for the interim accounting periods ending on 30 June 2025 and 2024 are as follow:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Other operating income				
Unearned finance income on credit sales	166.132.376	79.807.778	207.152.829	158.500.828
Domestic production incentive income (*)	123.627.865	66.733.631	104.384.292	51.194.181
Foreign exchange income/expenses on trade receivables/payables	91.124.155	87.306.640	-	-
Export incentive income	12.305.674	7.940.870	32.043.926	24.382.105
Other	38.201.805	34.872.265	53.569.854	29.166.096
	431.391.875	276.661.184	397.150.901	263.243.210

(*) Domestic production incentive income refers to the Brazilian Subsidiary's sales tax return income on finished goods produced and sold in its own country.

	1 January – 30 June 2025	1 April – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2024
Other operating expenses				
Foreign exchange income/expenses on trade receivables/payables - net	-	-	98.565.286	41.774.996
Donations	3.743	121	382.410	17.904
Unrealized finance expense on credit purchase	103.081.013	51.473.844	99.566.620	77.574.374
Taxes and duties	32.011.756	19.386.772	29.812.064	16.771.174
Expenses of the customer damages	1.616.243	1.616.243	228.225	228.225
Other	61.205.171	28.359.550	63.532.031	22.261.103
	197.917.926	100.836.530	292.086.636	158.627.776

NOTE 19 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income and expenses from investment activities for the interim accounting periods ending on 30 June 2025 and 2024 are as follows:

	1 January – 30 June 2025	1 April – 30 June 2025	1 January – 30 June 2024	1 April – 30 June 2024
Income from investing activities				
Interest income	149.965.287	51.610.300	27.846.742	13.751.726
Gain on sale of fixed assets	555.700	226.345	566.143	222.363
Other	2.479.530	1.180.025	-	-
	153.000.517	53.016.670	28.412.885	13.974.089
Expense from investing activities				
Loss on sale of fixed assets	530.493	281.587	206.870	180.269
	530.493	281.587	206.870	180.269

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NOTE 20 - FINANCE INCOME/ EXPENSES

Financial income and expenses for the interim accounting periods ending on 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Finance income				
Foreign exchange gain	596.495.847	311.725.560	204.481.372	42.405.265
Gain on derivative instruments	78.790.298	78.790.298	83.575.442	74.182.249
Other	2.060.565	-	1.489.313	1.489.313
	677.346.710	390.515.858	289.546.127	118.076.827
Finance expense				
Foreign exchange losses	388.582.066	227.388.697	49.535.406	16.580.589
Interest Expenses	1.026.893.062	534.582.154	710.555.591	335.465.105
Losses on derivative instruments	108.686.393	-	56.447.776	34.039.305
Other	81.074.345	44.273.142	78.490.975	36.582.727
	1.605.235.866	806.243.993	895.029.748	422.667.726

NOTE 21 – INCOME TAX ASSETS AND LIABILITIES

Corporate Tax

	30 June 2025	31 December 2024
Corporate tax payable	71.768.774	254.360.622
Less: Prepaid taxes on income	(99.785.288)	(240.540.421)
Current tax (asset)/ liability, net	(28.016.514)	13.820.201

The Group and its subsidiaries located in Türkiye are subject to the tax legislation and practices in force in Türkiye. Corporate tax is declared until the evening of the twenty-fifth day of the fourth month following the end of the relevant accounting period and is paid in one installment until the end of the relevant month.

In Türkiye, the corporate tax rate is 25% (31 December 2024:25%). Tax legislation in Türkiye does not allow the Company and its subsidiaries to file consolidated tax returns. Therefore, the tax provision reflected in the financial statements has been calculated on a company-by-company basis.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, provided that they do not exceed 5 years. Declarations and related accounting records can be examined by the tax office within five years and tax accounts can be revised. Dividend payments made to resident joint-stock companies in Türkiye, to those who are not liable and exempt from corporate tax and income tax, and to real persons and non-resident legal entities in Türkiye are subject to 15% income tax.

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NOTE 21 - TAXATION ON INCOME (continued)

Corporate Tax (continued)

Income tax withholding

The corporate tax rate is applied to the net corporate income to be found as a result of adding the expenses that are not accepted as deductible in accordance with the tax laws to the commercial income of the corporations, and deducting the exceptions and deductions in the tax laws.

As of 2025, a domestic minimum corporate tax rate of 10% has been enacted. Domestic minimum corporate tax, in short, is based on the principle that the corporate tax calculated by corporations on their financial statements subject to taxation within the framework of general tax rules should not be less than 10% of the corporate income before the deductions and exemptions specified in the law, and if it is less, it should be supplemented to 10% (While the global minimum corporate tax rate will be at least 15% based on financial statements prepared in accordance with international accounting standards starting from 2024, the domestic minimum corporate tax rate will be at least 10% based on financial statements starting from 2025). Prior to 2 August 2024, the effective date of the Law, the tax not collected in the relevant accounting period due to the use of the investment contribution amounts in the incentive certificates obtained before (except for the investments made within the scope of the revisions made within the scope of these documents after this date) will be deducted in the calculation and the domestic minimum corporate tax to be paid will be determined.

The taxes on income presented in the condensed consolidated statement of profit or loss for the periods ended 30 June 2025 and 2024 are summarized as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Current period corporate tax expense	(71.768.774)	(39.539.577)	(136.364.884)	(99.072.003)
Deferred tax income / (expense)	(13.063.674)	(14.655.019)	254.487.752	198.306.352
	(84.832.448)	(54.194.596)	118.122.868	99.234.349

Tax rates used for deferred tax assets and liabilities calculated on temporary differences that are expected to be realised or settled based on the taxable income under the liability method are mentioned below:

Country	30 June 2025	31 December 2024
Türkiye	25%	25%
Egypt	30%	30%
United States of America	25%	25%
Brazil	34%	34%
Indonesia	22%	22%
Thailand	20%	20%
Italy	24%	24%

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NOTE 21 - TAXATION ON INCOME (continued)

Corporate Tax (continued)

The composition of cumulative temporary differences and the related deferred income tax assets and liabilities in respect of items for which deferred income tax has been provided on 30 June 2025 and 31 December 2024 using the enacted tax rates are as follows:

	Deferred tax/liabilities	
	30 June 2025	31 December 2024
Derivative Financial Instruments	93.533.850	(23.293.056)
Property, Plant and Equipment and Intangible assets	(1.449.859.502)	(1.227.370.979)
Research and Development Incentive	455.905.322	416.698.524
Inventory	(44.251.379)	(48.431.579)
Provision for Employment Termination Benefits	63.553.357	97.274.187
Prepaid Expenses	228.365.208	46.206.260
Unused Prior Years' Losses	623.419.228	547.504.882
Finance Income	125.805.990	99.450.893
Other, Net	288.147.819	282.025.246
Net Deferred Tax Liability	384.619.893	190.064.378

Movements of deferred tax balances for the six months period ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Balance at 1 January	190.064.378	430.244.298
Current year deferred income / (expense)	(13.063.674)	254.487.752
Charges to Equity	134.823.317	(6.335.543)
Currency translation differences	72.795.872	(58.128.179)
Balances as at 30 June	384.619.893	620.268.328

NOTE 22 – EARNING PER SHARE

Earnings per share for each class of share disclosed in the condensed consolidated statement of profit or loss is determined by dividing the net income attributable to that class of share by the weighted average number of shares of that class outstanding during the year.

	1 January- 30 June 2025	1 January- 30 June 2024
Net profit/(loss) attributable to equity holders of the parent	(460.715.112)	(8.035.634)
Weighted average number of ordinary shares	19.452.907.600	19.452.907.600
Per 1.000 units of common stocks	(23,68)	(0,41)
Earnings per share from continuing operations		
Net income attributable to equity holder of the parent	(460.644.742)	(8.035.634)
Weighted average number of ordinary shares	19.452.907.600	19.452.907.600
Per 1.000 units of common stocks	(23,68)	(0,41)
Earning per share from discontinued operations		
Net loss attributable to equity holders of the parent	(70.370)	-
Weighted average number of ordinary shares	19.452.907.600	19.452.907.600
Per 1.000 units of common stocks	(0,004)	-

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NOTE 23 - RELATED PARTY DISCLOSURES

Banka Balances:	30 June 2025	31 December 2024
Akbank T.A.Ş. – time deposits	-	4.081.615
Akbank T.A.Ş. - demand deposits	299.861.001	246.964.040
	299.861.001	251.045.655

	30 June 2025	31 December 2024
Akbank T.A.Ş. – bank borrowings	3.315.137.200	3.372.011.094
	3.315.137.200	3.372.011.094

Other cash and cash equivalents:	30 June 2025	31 December 2024
Ak Portföy Yönetimi A.Ş.	98.904.763	1.240.172.971
	98.904.763	1.240.172.971

Due from related parties:	30 June 2025	31 December 2024
Brisa Bridgestone Sabancı Lastik		
Sanayi ve Tic. A.Ş. ("Brisa")	333.938.978	328.892.087
Sabancı Dijital Teknoloji Hizm. A.Ş. ("SabancıDx")	259.576	248.558
Aksigorta A.Ş. ("Aksigorta")	170.099	77.389
Akçansa Çimento Sanayi ve Ticaret A.Ş. ("Akçansa")	5.829.091	4.608.932
Enerjisa Enerji Üretim A.Ş. ("Enerjisa")	-	152.340
Çimsa Çimento Sanayi ve Ticaret A.Ş.	-	1.813.002
Other	701.668	57.657
	340.899.412	335.849.965

Due to related parties:	30 June 2025	31 December 2024
Enerjisa	67.951.524	56.144.149
SabancıDx	19.407.273	17.636.784
Akbank	1.105.973	6.401.341
Aksigorta A.Ş. ("Aksigorta")	967.889	4.029.329
Sabancı Holding	-	2.283.516
Other	-	1.150.869
	89.432.659	87.645.988

Product Sales	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Brisa	414.851.422	228.524.583	435.180.381	217.218.889
Other	14.809.326	7.006.895	2.883.472	1.183.708
	429.660.748	235.531.478	438.063.853	218.402.597

Service received	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Enerjisa	271.190.035	150.262.480	294.577.952	156.884.969
Aksigorta	145.375.689	40.686.049	184.158.869	25.586.962
SabancıDx	90.848.970	46.714.896	67.909.714	36.390.942
Other	5.540.079	4.364.594	10.894.480	9.561.344
	512.954.773	242.028.019	557.541.015	228.424.217

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NOTE 23 - RELATED PARTY DISCLOSURES (continued)

Property, plant and equipment purchases	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Teknosa İç ve Dış Ticaret A.Ş.	530.596	506.092	540.626	504.977
	530.596	506.092	540.626	504.977
Interest income	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Akbank T.A.Ş.	987.676	493.611	4.339.481	1.777.810
Interest expense	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Akbank T.A.Ş.	82.569.898	42.912.783	9.051.376	197.187
Foreign exchange gains / (losses) -net:	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Akbank T.A.Ş.	43.418.025	(38.243.743)	(4.109.942)	(1.614.597)
Other income	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Akbank	384.388	177.717	327.722	316.174
Enerjisa	275.785	159.998	347.501	347.501
SabancıDX	1.537.649	784.629	1.698.547	1.599.662
	2.197.822	1.122.344	2.373.770	2.263.337

Transactions with key management personnel:

The Group defined its top management as board of directors, the president (CEO) and vice presidents, and the general managers of the subsidiaries.

Details of the remunerations provided which is consisted of per diem payment, salary and other additional remunerations by the Group for 1 January – 30 June 2025 and 2024 are as follows:

	1 January- 30 June 2025	1 April- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2024
Short-term employee benefits	62.130.134	29.972.020	66.532.266	32.570.195
Post-Employment Benefits	1.253.886	592.088	6.212.682	4.183.904
Other Long-Term Benefits	286.217	203.568	248.242	6.658
	63.670.237	30.767.676	72.993.190	36.760.757

NOTE 24 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Foreign currency position

Group's assets and liabilities denominated in foreign currencies at 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025	31 December 2024
Assets	3.503.349.833	3.519.832.421
Liabilities	(8.096.186.522)	(6.790.095.890)
Net foreign currency position	(5.571.442.663)	(3.270.263.469)

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NOTE 24 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

30 June 2025	Total TL Equivalents	TL (*)	EUR (*)	Indonesian Rupiah ('000) (*)	Other TL equivalent(**)
Assets:					
Trade receivables	2.200.185.152	147.507.866	37.398.001	46.607.997.933	195.003.374
Cash and cash equivalents	818.367.451	109.433.879	12.068.583	32.395.329.550	66.758.373
Other monetary receivables and assets	461.528.299	293.184.999	1.744.582	35.160.835.093	539.058
Other non-monetary receivables and assets	-	-	-	-	-
Current assets	3.480.080.902	550.126.744	51.211.166	114.164.162.576	262.300.805
Financial assets available for sale	-	-	-	-	-
Other monetary receivables and assets	23.268.931	2.786.964	-	8.326.167.901	-
Non-current assets	23.268.931	2.786.964	-	8.326.167.901	-
Total assets (a)	3.503.349.833	552.913.708	51.211.166	122.490.330.477	262.300.806
Liabilities:					
Trade Payables	1.174.465.482	329.104.524	10.016.022	45.563.587.490	264.778.694
Borrowings	6.713.252.003	5.000.000.000	36.500.000	-	-
Other monetary payables and liabilities	42.681.455	4.301.899	-	15.570.520.894	-
Total current liabilities	7.930.398.940	5.333.406.423	46.516.022	61.134.108.384	264.778.694
Borrowings	653.679.175	-	14.000.000	-	-
Other monetary payables and liabilities	1.411.396	-	-	572.716.595	-
Total non-current liabilities	655.090.571	-	14.000.000	572.716.595	-
Total liabilities (b)	8.585.489.511	5.333.406.423	60.516.022	61.706.824.979	264.778.694
Off-balance sheet derivative assets (c)	(489.302.987)	(560.000.000)	1.516.865	-	-
Off-balance sheet derivative liabilities (d)	-	-	-	-	-
Net foreign currency asset/(liability) position (a-b+c-d)	(5.571.442.663)	(5.340.492.714)	(7.787.991)	60.783.505.497	(2.477.888)
Fair value of financial instruments used for foreign currency hedge	150.661.449	-	-	-	-
Hedged portion of foreign currency assets in derivative products	-	-	-	-	-
Hedged portion of foreign currency assets	(489.302.987)	(560.000.000)	1.516.865	-	-
Hedge portion of foreign currency liabilities	-	-	-	-	-

(*) The amounts are denominated in the related currency.

(**) The amounts are in British Pound (GBP), Japanese Yen (JPY), Swiss Franc (CHF).

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NOTE 24 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

31 December 2024	Total TL Equivalents	TL (*)	EUR (*)	Indonesian Rupiah ('000) (*)	Other TL equivalent(**)
Assets:					
Trade receivables	2.145.674.003	350.158.152	39.860.947	142.357.998.835	109.274.131
Cash and cash equivalents	184.600.686	29.712.420	3.836.203	6.408.281.930	7.254.717
Other monetary receivables and assets	79.745.175	-	235.250	34.395.565.788	2.381.841
Other non-monetary receivables and assets	-	-	-	-	-
Current assets	2.410.019.864	379.870.572	43.932.400	183.161.846.553	118.910.689
Financial assets available for sale	-	-	-	-	-
Other monetary receivables and assets	17.653.992	-	-	8.787.620.681	-
Non-current assets	17.653.992	-	-	8.787.620.681	-
Total assets (a)	2.427.673.856	379.870.572	43.932.400	191.949.467.234	118.910.689
Liabilities:					
Trade Payables	1.033.817.873	339.586.967	12.441.376	102.091.791.623	50.288.117
Borrowings	1.605.454.098	900.000.000	20.000.000	-	-
Other monetary payables and liabilities	114.741.692	-	-	57.012.228.945	-
Total current liabilities	2.754.013.663	1.239.586.967	32.441.376	159.104.020.568	50.288.117
Borrowings	492.683.026	-	14.000.000	-	-
Other monetary payables and liabilities	992.184	-	-	492.990.852	-
Total non-current liabilities	493.675.210	-	14.000.000	492.990.852	-
Total liabilities (b)	3.247.688.873	1.239.586.967	46.441.376	159.597.011.420	50.288.117
Off-balance sheet derivative assets (c)	-	-	-	-	-
Off-balance sheet derivative liabilities (d)	-	-	-	-	-
Net foreign currency asset/(liability) position (a-b+c-d)	(820.015.017)	(859.716.395)	(2.508.976)	32.352.455.814	68.622.572
Fair value of financial instruments used for foreign exchange hedge	16.795.877	-	-	-	-
Hedges amount of foreign currency amount	-	-	-	-	-
The amount of foreign currency liabilities that are hedged	-	-	-	-	-

(*) The amounts are denominated in the related currency.

(**) The amounts are in British Pound (GBP), Japanese Yen (JPY), Swiss Franc (CHF).

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NOTE 24 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

TL conversion rates of the foreign currencies where the Group operates are as follows::

Closing rates	30 June 2025	31 December 2024
US Dollars (Buy/Sell)	39,7408/39,8124	35,2803/35,3438
Euro	46,6073	36,7362
Indonesian Rupiah (1000 units)	2,4600	2,1944
Brazilian Real	7,2824	5,6975
Thai Baht	1,2207	1,0380
Egyptian Pound	0,7978	0,6942

Average rates	30 June 2025	30 June 2024
US Dollars	37,3358	31,6176
Euro	40,8497	34,2039
Indonesian Rupiah (1000 units)	2,2839	1,9966
Brazilian Real	6,4947	6,2178
Thai Baht	1,1148	0,8738
Egyptian Pound	0,7475	0,8016

Foreign currency position as of 30 June 2025 and 31 December 2024 regarding the 10% changes in foreign currency rates is depicted in the table below:

30 June 2025	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Increase/(decrease) 10% of TL parity				
TL net asset / liability	(534.049.263)	534.049.263	-	-
Hedged portion of TL amounts(-)	-	-	-	-
Net effect of TL	(534.049.263)	534.049.263	-	-
Increase/(decrease) 10% of EUR parity				
EUR net asset / liability	(36.297.753)	36.297.753	-	-
Hedged portion of EUR amounts(-)	-	-	-	-
Net effect of EUR	(36.297.753)	36.297.753	-	-
Increase/(decrease) 10% of other parities				
Other foreign currency net asset / liability	13.202.750	(13.202.750)	-	-
Hedged portion of other foreign currency amounts(-)	-	-	-	-
Net effect of other foreign currencies	13.202.750	(13.202.750)	-	-
	(557.144.266)	557.144.266	-	-

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NOTE 24 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

31 December 2024	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Increase/(decrease) 10% of TL parity				
TL net asset / liability	(220.543.882)	220.543.882	-	-
Hedged portion of TL amounts(-)	-	-	-	-
Net effect of TL	(220.543.882)	220.543.882	-	-
Increase/(decrease) 10% of EUR parity				
EUR net asset / liability	(132.116.185)	132.116.185	-	-
Hedged portion of EUR amounts(-)	-	-	-	-
Net effect of EUR	(132.116.185)	132.116.185	-	-
Increase/(decrease) 10% of other parities				
Other foreign currency net asset / liability	25.633.720	(25.633.720)	-	-
Hedged portion of other foreign currency amounts(-)	-	-	-	-
Net effect of other foreign currencies	25.633.720	(25.633.720)	-	-
	(327.026.347)	327.026.347	-	-

Export and import balances from Türkiye as of 30 June 2025 and 30 June 2024 are as follows:

	30 June 2025		30 June 2024	
	Original amount	TL	Original amount	TL
Euro	86.565.006	3.532.028.156	83.307.420	2.849.438.663
USD	38.663.051	1.443.515.940	33.077.434	1.045.829.077
Total export		4.975.544.096		3.895.267.740
			1 January-30 June 2025	1 January-30 June 2024
Total import			TL equivalent	TL equivalent
			3.008.621.829	3.181.403.922

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NOTE 24 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

Forward foreign exchange purchase/sale contracts:

Derivative financial instruments of the Group consist of forward foreign currency transactions. The Group has entered into foreign currency transaction contracts to manage its risks arising from expected sales transactions on a monthly basis for the 12 months following the reporting date. When the expected sales transactions are realized, the book values of the items hedged against non-financial risk will be adjusted. The Group also realized foreign exchange transactions in order to protect its trade receivables and payables from the effects of exchange rate changes.

The Group also applies fair value hedge accounting in order to protect its derivative portfolio and trade receivables and payables from the effects of currency fluctuations in the markets. Accordingly, the Group shows the exchange rate changes in the condensed consolidated statement of financial position and the changes in the derivative portfolio by netting in the profit or loss statement and measures the effectiveness of hedge accounting in each reporting period.

As of June 30, 2025, Kordsa Teknik Tekstil has an IRS (Interest Rate Swap) as a derivative instrument to manage the variable interest rate risk on the 59.800.000 US Dollars portion of its 88.000.000 US Dollar loan agreement's repayment. The fair value of this derivative instrument as of June 30, 2025, is a gain of 19.992.346 TL (2024: a loss of 7.902.791 TL).

As of 30 June 2025, the net book values of derivative forward and clearing instruments are as follows:

	Average Rate	Foreign Currency (EUR)	Contract Value (TL)	Fair Value (TL)
EUR sell TL buy				
Between 3-6 months	48,6243	11.516.865	560.000.000	(66.159.755)
Between 6-9 months	50,6623	14.211.763	720.000.000	(90.610.726)
Total				(156.770.481)
BRL sell USD buy				
Between 6-9 months	5,8300	5.235.245	30.521.481	6.109.032
Total				6.109.032
EURO sell USD buy				
Between 0-3 months	1,1506	57.000.000	65.582.500	(189.596.502)
Between 3-6 months	1,1541	57.000.000	65.784.900	(195.188.762)
Between 6-9 months	1,0785	2.000.000	2.157.000	(8.386.850)
Total				(393.172.114)
Forward/Swap Net				(543.833.563)

As of December 31, 2024, the net book values of derivative forward, option, and swap instruments are as follows:

	Average Rate	Foreign Currency (EUR)	Contract Value (USD)	Fair Value (TL)
EUR sell, USD buy				
Between 0-3 months	1,0918	18.000.000	19.653.000	32.171.196
Between 3-6 months	1,0943	18.000.000	19.698.000	28.191.746
Between 6-9 months	1,0968	18.000.000	19.743.000	23.256.494
Between 9-12 months	1,0993	18.000.000	19.788.000	18.227.329
Total				101.846.765
BRL sell, USD buy				
Between 6-9 months	5,5443	4.881.072	27.062.126	14.698.969
Total				14.698.969

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NOTE 24 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS(continued)

Fair value estimation

The fair value of the financial assets and liabilities is determined as follows:

- First level: Financial assets and liabilities are measured at quoted market prices in active market for identical assets and liabilities.
- Second level: Financial assets and liabilities are measured using inputs that are used to determine the price of the asset or liability that is observable either directly or indirectly in the market, other than quoted included within Level 1.
- Third level: Financial assets and liabilities are measured using inputs that are based on unobservable basis in market for the fair value of an asset or liability.

Financial Assets / Financial Liabilities	Fair Value		Fair Value Hierarchy	Valuation Technique
	30 June 2025	31 December 2024		
Foreign currency forward/swap contracts	(524.837.052)	108.642.943	Level 2	Discounted cash flow method: The future cash flows, predicted by forward foreign currency rate (observable forward foreign currency rates at reporting date) and the contracted rates, are discounted by a discount rate which indicates other parties' credit risk

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NOTE 24 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS(continued)

Fair value estimation (continued)

Hedges of Net Investment in a Foreign Operation:

When there are derivative instruments or non-derivative financial liabilities arising from net investments abroad in order to hedge financial risks;

The gain or loss arising from the fair value hedge of the hedging instrument is recognized in other comprehensive income as translation reserves. The ineffective portion of the difference arising from the fair value of the hedging instrument is recognized directly in profit or loss. Gains or losses recognized in other comprehensive income related to the effective portion of the hedging instrument are reclassified to profit or loss as a result of other comprehensive income as a reclassification adjustment in the hedging of the hedged item or net investment in foreign operations.

Hedging Gains (Losses) movements for the interim accounting periods ending on 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Balance as of 1 January	(890.487.904)	(951.945.731)
Increases/decreases	(616.056.892)	33.606.581
Income tax related to gains/losses recognised		
In other comprehensive income	135.532.516	(8.401.645)
Balance at 30 June	(1.371.012.280)	(926.740.795)

NOTE 25 – NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

No net loss for the six month period 1 January - 30 June 2025 presented in the condensed consolidated profit or loss comprises the loss from Nile Kordsa TL 137.980 (1 January – 30 June 2024:None).

NOTE 26 - INTEREST IN OTHER ENTITIES

Financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below:

		30 June 2025		
	Non-controlling interests%	Profit / loss allocated to noncontrolling interests	Accumulated non-controlling interests	Dividend distributed to non-controlling interests
Subsidiary				
PT Indo Kordsa Tbk (*)	38,41%	18.683.433	3.698.260.411	(70.320.124)
Other		3.678.650	117.947.595	-
Total		22.362.083	3.816.208.006	

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NOTE 26 - INTEREST IN OTHER ENTITIES (continued)

		30 June 2024		
		Profit / loss allocated to noncontrolling interests	Accumulated non- controlling interests	Dividend distributed to non-controlling interests
Subsidiary				
PT Indo Kordsa Tbk (*)	38,41%	107.352.110	3.282.318.193	(122.807.029)
Other		21.121.411	241.175.898	-
Total		128.473.521	3.523.494.091	

(*) Consists of consolidated financial statements of PT Indo Kordsa Tbk and Thai Indo Kordsa Co., Ltd.

After the consolidation adjustments for the mentioned subsidiaries, the summary financial information before elimination transactions is as follows:

Summary balance sheet information:

	PT Indo Kordsa Tbk	
	30 June 2025	31 December 2024
Cash and cash equivalents	857.251.230	508.988.138
Other current assets	2.109.162.275	3.167.011.188
Non-current assets	7.909.664.453	6.500.897.042
Total assets	10.876.077.958	10.176.896.368
Short term borrowings	-	164.557.113
Other short term borrowings	1.106.910.257	1.948.658.931
Other non-current liabilities	779.924.635	645.861.506
Total liabilities	1.886.834.892	2.759.077.550
Total equity	8.989.243.066	7.417.818.818
Equity attributable to owners of the parents	8.590.652.143	6.714.565.068
Non-controlling interests (*)	398.590.923	703.253.750

Summary Profit&Loss:

	PT Indo Kordsa Tbk	
	1 January – 30 June 2025	1 January – 30 June 2024
Sales	2.250.574.311	3.697.657.788
Cost of Sales	(1.878.954.439)	(2.957.062.870)
Depreciation and amortization	(222.047.372)	(188.221.538)
Operating profit / (loss)	(25.920.370)	280.980.741
Net financial income/ (expense)	42.599.299	16.488.181
Profit / (loss) before tax	16.678.929	297.468.922
Tax (-)	(26.516.705)	(81.226.138)
Non-controlling interests (*)	(36.470.405)	(39.443.509)
Profit for the period	(46.308.180)	176.799.275

(*) It results from the consolidation of Thai Indo Kordsa Co., Ltd. under PT Indo Kordsa Tbk.

NOTE 27 – EVENTS AFTER THE REPORTING PERIOD

None.