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 2026 together with Independent Auditor's Report on Review of Interim Financial Information
(Originally Issued in Turkish)

Deloitte.

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(CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITOR'S REPORT 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. and its subsidiaries ("together referred to as the "Group") as of 30 June 2026 and the related condensed consolidated statements of profit or loss and other comprehensive income, condensed consolidated changes in equity and condensed consolidated cash flows for the six-month period then ended. Group management is responsible for the preparation and 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**

Zere Gaye Şentürk
Partner

İstanbul, 3 August 2026

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KORDSA TEKNİK TEKSTİL A.Ş. AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026 AND 31 DECEMBER 2025
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	30 June 2026 USD(*)	31 December 2025 USD(*)	Reviewed 30 June 2026	Audited 31 December 2025
ASSETS					
Current Assets:					
Cash And Cash Equivalents	4	88.568.065	152.080.604	4.125.031.066	6.515.999.943
Financial Investments		13	325.822	597	13.960.078
Trade Receivables	6	144.227.873	114.559.754	6.717.369.921	4.908.392.861
Trade Receivables From Related Parties	*22*	*7.513.229*	*8.340.303*	*349.926.398*	*357.346.133*
Trade Receivables From Third Parties		*136.714.644*	*106.219.451*	*6.367.443.523*	*4.551.046.728*
Other Receivables	7	8.213.418	20.486.811	382.537.499	877.771.776
Other Receivables From Third Parties		*8.213.418*	*20.486.811*	*382.537.499*	*877.771.776*
Derivatives		1.147.582	222.323	53.448.286	9.525.573
Inventories	8	214.982.924	181.252.455	10.012.765.188	7.765.888.322
Prepaid Expenses		13.644.851	5.334.338	635.504.857	228.553.425
Prepaid Expenses To Third Parties		*13.644.851*	*5.334.338*	*635.504.857*	*228.553.425*
Current Tax Assets	20	2.552.907	1.277.414	118.900.865	54.731.682
Other Current Assets		12.234.958	9.379.222	569.839.454	401.859.317
Other Current Assets From Third Parties		*12.234.958*	*9.379.222*	569.839.454	*401.859.317*
Current Assets		**485.572.591**	**484.918.744**	**22.615.397.733**	**20.776.682.977**
Non-Current Assets Held For Sale		75.783	63.985	3.529.584	2.741.462
Current Assets		**485.648.374**	**484.982.729**	**22.618.927.317**	**20.779.424.439**
Non-Current Assets:					
Financial Investments		65.765	64.799	3.062.970	2.776.360
Other Receivables	7	2.655.603	2.510.221	123.683.928	107.552.183
Other Receivables From Third Parties		*2.655.603*	*2.510.221*	*123.683.928*	*107.552.183*
Investment Properties	12	15.098.858	16.065.142	703.224.786	688.322.247
Property Plant And Equipment	9	287.356.116	293.511.870	13.383.524.915	12.575.721.543
Right Of Use Assets	11	21.209.252	22.496.497	987.814.570	963.878.158
Intangible Assets		270.202.927	275.400.074	12.584.620.266	11.799.708.950
Goodwill	*13*	*154.516.597*	*154.516.597*	*7.196.564.157*	*6.620.371.767*
Other Intangible Assets	*10*	*115.686.330*	*120.883.477*	*5.388.056.109*	*5.179.337.183*
Prepaid Expenses		1.131.467	1.107.494	52.697.718	47.451.365
Prepaid Expenses To Third Parties		*1.131.467*	*1.107.494*	*52.697.718*	*47.451.365*
Deferred Tax Assets	20	56.058.659	61.938.097	2.610.915.208	2.653.781.134
Other Non-Current Assets		17.769.929	15.743.433	827.629.120	674.538.427
Non-Current Assets		**671.548.576**	**688.837.627**	**31.277.173.481**	**29.513.730.367**
Total Assets		**1.157.196.950**	**1.173.820.356**	**53.896.100.798**	**50.293.154.806**

(*) The Company's functional currency is the US Dollar. However, the presentation currency has been determined as the Turkish Lira. The translation of US Dollar and Turkish Lira amounts is explained in Note 2.1.

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 2026 AND 31 DECEMBER 2025

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

	Notes	30 June 2026 USD(*)	31 December 2025 USD(*)	Reviewed 30 June 2026	Audited 31 December 2025
LIABILITIES					
Short Term Liabilities					
Short Term Borrowings	5	102.758.282	130.755.818	4.794.557.583	5.612.418.891
Short Term Portion of Long Term Borrowings	5	71.538.999	86.198.524	3.337.909.542	3.699.890.614
Short Term Lease Liabilities	5	4.338.486	3.984.265	202.427.687	171.016.199
Trade Payables	6	116.233.966	89.277.769	5.423.314.113	3.832.060.753
Trade Payables to Related Parties	*22*	*1.279.351*	*1.975.967*	*59.692.734*	*84.814.218*
Trade Payables to Third Parties		*114.954.615*	*87.301.802*	*5.363.621.379*	*3.747.246.535*
Payables Related to Employee Benefits		4.802.158	4.499.926	224.061.966	193.149.880
Other Payables	7	58.676.962	7.584.170	2.737.784.889	325.534.551
Other Payables to Related Parties	22	*51.431.011*	-	*2.399.698.953*	-
Other Payables to Third Parties		*7.245.951*	*7.584.170*	*338.085.936*	*325.534.551*
Deferred Income		993.006	996.161	46.332.252	42.758.114
Deferred Income from Third Parties		*993.006*	*996.161*	*46.332.252*	*42.758.114*
Current Tax Liabilities	20	3.847.991	208.848	179.541.874	8.964.376
Short Term Provisions		9.555.473	10.817.078	445.845.020	464.300.361
Short Term Employee Benefits		*8.781.277*	*9.965.430*	*409.722.107*	*427.745.148*
Other Short Term Provisions		*774.196*	*851.648*	*36.122.913*	*36.555.213*
Other Short Term Liabilities		21.868.293	21.065.773	1.020.343.939	904.204.079
Other Current Liabilities to Third Parties		*21.868.293*	*21.065.773*	*1.020.343.939*	*904.204.079*
Derivative Financial Instruments		188.460	1.235.342	8.793.276	53.024.462
Subtotal		**394.802.076**	**356.623.674**	**18.420.912.141**	**15.307.322.280**
Liability directly associated with the assets held for sale		1.750.922	1.446.129	81.695.572	62.072.029
Total Short Term Liabilities		**396.552.998**	**358.069.803**	**18.502.607.713**	**15.369.394.309**
Long Term Liabilities					
Long Term Borrowings	5	217.782.921	239.944.731	10.161.446.177	10.299.123.696
Long Term Lease Liabilities	5	20.724.215	22.562.126	966.962.867	968.431.874
Other Payables		507.750	552.037	23.690.884	23.695.019
Deferred Income		539.482	539.482	25.171.470	23.156.128
Long Term Provisions		13.924.730	12.113.993	649.708.414	519.967.899
Long Term Employee Benefits		*12.079.831*	*10.692.477*	*563.628.001*	*458.952.120*
Other Long Term Provisions		*1.844.899*	*1.421.516*	*86.080.413*	*61.015.779*
Deferred Tax Liabilities	20	38.002.021	39.424.751	1.773.121.081	1.692.224.629
Derivative Financial Instruments		45.894	-	2.141.367	-
Total Long Term Liabilities		**291.527.013**	**315.137.120**	**13.602.242.260**	**13.526.599.245**
Total Liabilities		**688.080.011**	**673.206.923**	**32.104.849.973**	**28.895.993.554**
Shareholder's Equity:					
Equity attributable to owners of the Company		**374.503.890**	**406.430.570**	**17.376.545.577**	**17.354.168.365**
Share Capital		14.594.427	14.594.427	194.529.076	194.529.076
Share Premium (Discounts)		4.654.099	4.654.099	62.052.856	62.052.856
Share Advance		-	49.482.855	-	2.060.570.002
Other Comprehensive Income (Expenses) That will not be Reclassified to Profit or Loss		(1.708.112)	(1.682.548)	4.732.295.057	4.313.311.558
Revaluation and Remeasurement Gain (Losses)		*(4.711.925)*	*(4.686.361)*	*(82.127.707)*	*(80.934.912)*
Gains (Losses) on the Remeasurement of Defined Benefit Plans		*(4.711.925)*	*(4.686.361)*	*(82.127.707)*	*(80.934.912)*
Revaluation and Reclassification Gain (Losses)		*3.003.813*	*3.003.813*	*40.027.097*	*40.027.097*
Other Revaluation and Reclassification Gain (Losses)		*3.003.813*	*3.003.813*	*40.027.097*	*40.027.097*
Currency Translation Difference		-	-	*4.774.395.667*	*4.354.219.373*
Other Comprehensive Income (Expense) That will be Reclassified to Profit or Loss		226.510.841	222.093.964	12.261.237.708	11.189.822.666
Currency Translation Difference		*299.121.571*	*295.972.372*	*13.229.711.192*	*12.214.736.236*
Gain (Losses) on Hedge Reserve		*(72.590.462)*	*(73.858.140)*	*(968.203.333)*	*(1.024.643.419)*
Investment Hedging Losses Related to Foreign Operations		*(72.790.971)*	*(72.473.771)*	*(1.003.209.471)*	*(989.086.966)*
Cash Flow Hedge Gain (Losses)		*200.509*	*(1.384.369)*	*35.006.138*	*(35.556.453)*
Revaluation and Reclassification Gain (Losses)		*(20.268)*	*(20.268)*	*(270.151)*	*(270.151)*
Other Revaluation and Reclassification Gain (Losses)		*(20.268)*	*(20.268)*	*(270.151)*	*(270.151)*
Restricted Reserves Appropriated from Profit		30.101.102	30.101.102	480.427.363	480.427.363
Previous Years' Profit or Losses		87.042.532	125.175.469	(946.545.156)	544.769.666
Net Profit/(Loss) for the Period		13.309.001	(37.988.798)	592.548.673	(1.491.314.822)
Total Non-Controlling Interests		**94.613.049**	**94.182.863**	**4.414.705.248**	**4.042.992.887**
Total Equity		**469.116.939**	**500.613.433**	**21.791.250.825**	**21.397.161.252**
Total Equity and Liabilities		**1.157.196.950**	**1.173.820.356**	**53.896.100.798**	**50.293.154.806**

(*) The Company's functional currency is the US Dollar. However, the presentation currency has been determined as the Turkish Lira. The translation of US Dollar and Turkish Lira amounts is explained in Note 2.1.

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 2026 AND 2025
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	1 January-30 June 2026 USD(*)	1 April - 30 June 2026 USD(*)	1 January - 30 June 2025 USD(*)	1 April-30 June 2025 USD(*)	Reviewed 1 January - 30 June 2026	Unreviewed 1 April - 30 June 2026	Reviewed 1 January - 30 June 2025	Unreviewed 1 April-30 June 2025
PROFIT OR LOSS									
Revenue	15	417.622.298	216.794.899	414.046.666	196.860.615	18.593.547.002	9.837.753.324	15.458.763.516	7.611.896.656
Cost of Sales	15	(343.332.359)	(173.903.355)	(356.339.668)	(169.429.834)	(15.285.980.648)	(7.899.113.075)	(13.304.226.594)	(6.551.230.351)
GROSS PROFIT		**74.289.939**	**42.891.544**	**57.706.998**	**27.430.781**	**3.307.566.354**	**1.938.640.249**	**2.154.536.922**	**1.060.666.305**
General and Administrative Expenses	16	(31.096.235)	(14.786.786)	(30.575.495)	(14.913.064)	(1.384.478.992)	(673.409.846)	(1.141.560.581)	(575.681.661)
Selling, Marketing and Distribution Expenses	16	(21.500.833)	(11.326.773)	(19.419.893)	(9.494.815)	(957.268.694)	(513.693.889)	(725.057.230)	(366.467.133)
Research and Development Expenses	16	(2.664.504)	(1.366.627)	(2.661.160)	(1.024.180)	(118.630.123)	(62.044.498)	(99.356.529)	(40.212.915)
Other Income From Operating Activities	17	17.144.764	5.237.158	9.113.712	4.831.067	763.326.024	244.171.042	431.391.875	276.661.184
Other Expense From Operating Activities	17	(4.395.736)	(2.943.472)	(2.860.358)	(173.333)	(195.708.703)	(132.392.019)	(197.917.926)	(100.836.530)
OPERATING PROFIT		**31.777.395**	**17.705.044**	**11.303.804**	**6.656.456**	**1.414.805.866**	**801.271.039**	**422.036.531**	**254.129.250**
Income From Investing Activities	18	21.205.601	19.128.386	4.097.957	1.330.598	944.124.340	853.560.687	153.000.517	53.016.670
Expense From Investing Activities	18	(1.543.527)	(1.207.347)	(14.209)	(7.320)	(68.721.649)	(54.064.657)	(530.493)	(281.587)
OPERATING PROFIT BEFORE FINANCING INCOME / (EXPENSES)		**51.439.469**	**35.626.083**	**15.387.552**	**7.979.734**	**2.290.208.557**	**1.600.767.069**	**574.506.555**	**306.864.333**
Finance Income	19	9.639.529	4.175.759	17.789.112	9.850.190	429.749.466	191.536.745	677.346.710	390.515.858
Finance Expense (-)	19	(33.405.234)	(17.118.182)	(42.641.644)	(20.527.099)	(1.487.855.688)	(777.762.997)	(1.605.235.866)	(806.243.993)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**27.673.764**	**22.683.660**	**(9.464.980)**	**(2.697.175)**	**1.232.102.335**	**1.014.540.817**	**(353.382.601)**	**(108.863.802)**
Tax (Expense) / Income From Continuing Operations		(10.337.721)	(8.490.830)	(2.272.148)	(1.424.151)	(460.260.145)	(379.738.252)	(84.832.448)	(54.194.596)
Current Tax (Expense) Income	*20*	*(4.606.951)*	*(1.799.794)*	*(1.922.251)*	*(1.030.209)*	*(205.112.507)*	*(82.724.368)*	*(71.768.774)*	*(39.539.577)*
Deferred Tax (Expense) Income	*20*	*(5.730.770)*	*(6.691.036)*	*(349.897)*	*(393.942)*	*(255.147.638)*	*(297.013.884)*	*(13.063.674)*	*(14.655.019)*
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		**17.336.043**	**14.192.830**	**(11.737.128)**	**(4.121.326)**	**771.842.190**	**634.802.565**	**(438.215.049)**	**(163.058.398)**
NET PROFIT/(LOSS) FOR THE YEAR FROM DISCONTINUED OPERATIONS	24	(96.959)	(14.334)	(3.695)	(1.812)	(4.316.787)	(714.481)	(137.980)	(69.950)
PROFIT/(LOSS) FOR THE PERIOD		**17.239.084**	**14.178.496**	**(11.740.823)**	**(4.123.138)**	**767.525.403**	**634.088.084**	**(438.353.029)**	**(163.128.348)**
Profit/(Loss) Attributable to:									
Non-Controlling Interests		3.930.083	1.627.146	598.945	(1.156.510)	174.976.730	74.571.895	22.362.083	(41.061.969)
Owners of the Company		13.309.001	12.551.350	(12.339.768)	(2.966.628)	592.548.673	559.516.189	(460.715.112)	(122.066.379)
Earnings (loss) per shares									
Earnings/(Losses) Per Share From Continuing Operations	*21*	*0,69*	*0,65*	*(0,63)*	*(0,15)*	*30,57*	*28,78*	*(23,68)*	*(6,27)*
Earnings/ (Losses) Per Share From Discontinuing Operations	*21*	*(0,003)*	*(0,00)*	*(0,00)*	*(0,00)*	*(0,113)*	*(0,019)*	*(0,004)*	*(0,00)*

(*) The Company's functional currency is the US Dollar. However, the presentation currency has been determined as the Turkish Lira. The translation of US Dollar and Turkish Lira amounts is explained in Note 2.1.

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 OTHER
COMPREHENSIVE INCOME FOR THE SIX MONTH PERIOD 30 JUNE 2026 AND 2025
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	1 January-30 June 2026 USD(*)	1 April-30 June 2026 USD(*)	1 January-30 June 2025 USD(*)	1 April-30 June 2025 USD(*)	Reviewed 1 January 30 June 2026	Unreviewed 1 April 30 June 2025	Reviewed 1 January 30 June 2025	Unreviewed 1 April 30 June 2025
PROFIT/(LOSS) FOR THE PERIOD		**17.239.084**	**14.178.496**	**(11.740.823)**	**(4.123.138)**	**767.525.403**	**634.088.084**	**(438.353.029)**	**(163.128.348)**
OTHER COMPREHENSIVE INCOME/(EXPENSES)									
Items That Will Not Be Reclassified To Profit Or Loss		**(25.565)**	**(279.729)**	**53.440**	**(20.145)**	**418.983.499**	**299.365.575**	**811.492.713**	**524.010.950**
Remeasurement Gains (Losses) on Defined Benefit Plans, Before Tax		(34.086)	(372.971)	71.254	(26.859)	(1.590.393)	(16.662.668)	2.836.796	(875.198)
Taxes Related to Other Comprehensive Income Not to Be Reclassified to Profit or Loss		8.521	93.242	(17.814)	6.714	397.598	4.165.667	(709.199)	218.800
Gains (Losses) from Foreign Currency Translation Differences		-	-	-	-	420.176.294	311.862.576	809.365.116	524.667.348
Items to be Reclassified as Profit or Loss		**3.500.950**	**124.015**	**(2.470.537)**	**(4.304.410)**	**1.387.498.043**	**715.007.858**	**1.234.779.663**	**(1.055.402)**
Gains (Losses) on Foreign Currency Translation Differences		2.233.272	405.681	10.399.802	5.720.422	1.331.057.957	726.117.064	1.715.304.039	376.661.690
Gains/losses from hedging the investment risk related to an overseas business		(422.933)	(754.080)	(1.160.323)	(1.160.323)	(18.829.992)	(33.267.538)	(43.321.575)	(43.321.575)
Other comprehensive income related to the hedge of net investment in a foreign operation, tax effect		105.733	188.520	290.081	290.081	4.707.487	8.316.884	10.830.394	10.830.394
Hedging Gains (Losses) on Cash Flow Risk		2.031.895	376.702	(15.340.111)	(11.546.102)	90.464.860	18.300.750	(572.735.317)	(435.658.938)
Taxes on Other Comprehensive Income that will be Reclassified to Profit or Loss		(447.017)	(92.808)	3.340.014	2.391.512	(19.902.269)	(4.459.302)	124.702.122	90.433.027
OTHER COMPREHENSIVE INCOME (EXPENSE)		**3.475.385**	**(155.714)**	**(2.417.097)**	**(4.324.555)**	**1.806.481.542**	**1.014.373.433**	**2.046.272.376**	**522.955.548**
TOTAL COMPREHENSIVE INCOME (EXPENSE)		**20.714.469**	**14.022.783**	**(14.157.920)**	**(8.447.693)**	**2.574.006.945**	**1.648.461.517**	**1.607.919.347**	**359.827.200**
Total Comprehensive Income Attributable To:									
Owners of the Company		17.700.315	12.631.266	(15.847.319)	(8.095.290)	2.082.947.214	1.375.544.104	1.083.989.210	173.969.142
Non-Controlling Interests		3.014.154	1.391.517	1.689.399	(352.403)	491.059.731	272.917.413	523.930.137	185.858.058

(*) The Company's functional currency is the US Dollar. However, the presentation currency has been determined as the Turkish Lira. The translation of US Dollar and Turkish Lira amounts is explained in Note 2.1.

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 CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD 30 JUNE 2026 AND 2025
(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					Retained Earnings				
					Revaluation and Measurement Gains / Losses					Hedging Gains / Losses	Revaluation and Remeasurement Gains / Losses						
	Share capital	Share Advance	Share Issuance Premiums / Discounts	Valuation Fund for Put Options on Non-controlling Shares	Foreign Currency Translation Differences	Remeasurement Gains/Losses on Defined Benefit Plans	Other Revaluation and Remeasurement Gains/(Losses)	Foreign Currency Translation Differences	Gains / (losses) on hedging of a net investment in a foreign operation	Cash Flow Hedge Gains (Losses)	Other Revaluation and Classification Gains/Losses	Restricted Reserves	Prior Years' Profit / Losses	Net Period Profit or Loss	Equity Attributable to the Parent Company	Non-controlling interests	Equity
Balances as of 1 January 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	17.205.205.9
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	1.607.919.3
Transactions with non-controlling shareholders(*)	-	-	-	753.189.126	-	-	-	579.418.304	-	-	-	20.375.239	(1.198.454.599)	-	154.528.070	(344.342.796)	(189.814.7
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(70.320.124)	(70.320.1
Balances as of 30 June 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	18.552.990.0
Balances as of 1 January 2026	194.529.076	2.060.570.002	62.052.856	-	4.354.219.373	(80.934.912)	40.027.097	12.214.736.236	(989.086.966)	(35.556.453)	(270.151)	480.427.363	544.769.666	(1.491.314.822)	17.354.168.365	4.042.992.887	21.397.161.2
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(1.491.314.822)	1.491.314.822	-	-	
Share advance (**)	-	(2.060.570.002)	-	-	-	-	-	-	-	-	-	-	-	-	(2.060.570.002)	-	(2.060.570.0
Total comprehensive income	-	-	-	-	420.176.294	(1.192.795)	-	1.014.974.956	(14.122.505)	70.562.591	-	-	-	592.548.673	2.082.947.214	491.059.731	2.574.006.9
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(119.347.370)	(119.347.3
Balances as of 30 June 2026	194.529.076	-	62.052.856	-	4.774.395.667	(82.127.707)	40.027.097	13.229.711.192	(1.003.209.471)	35.006.138	(270.151)	480.427.363	(946.545.156)	592.548.673	17.376.545.577	4.414.705.248	21.791.250.8

(*) It consists of the acquisition of 39% minority stake in the Group's subsidiary, Microtex Composites S.r.l., for EUR 34,940,344 on 20 May 2025, within the framework of the option agreement.
(**) Following the Capital Markets Board's decision, as announced in its Weekly Bulletin No. 2026/12 dated 4 March 2026, not to approve the prospectus prepared in relation to the issuance and initial public offering of shares with a nominal value of TL 289.776.399, and subsequent to the Capital Markets Board's approval of the increase in the Company's existing registered capital ceiling from TL 500.000.000 to TL 10.000.000.000, all capital increase alternatives will be evaluated in the forthcoming period. Accordingly, the capital advance is presented under other payables to related parties.

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 CASH FLOWS
FOR THE INTERIM PERIOD 1 JANUARY - 30 JUNE 2026

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

	Notes	1 January-30 June 2026 USD (*)	1 January-30 June 2025 USD (*)	Reviewed 1 January-30 June 2026	Reviewed 1 January-30 June 2025
A.CASH FLOWS FROM OPERATING ACTIVITIES		**17.121.893**	**63.712.827**	**735.463.257**	**2.569.439.639**
Profit (Loss) for the Period		17.239.084	(11.740.823)	767.525.403	(438.353.029)
Profit/(Loss) for the Period from Continuing Operations		17.336.043	(11.737.128)	771.842.190	(438.215.049)
Profit/(Loss) from Discontinuing Operations		(96.959)	(3.695)	(4.316.787)	(137.980)
Adjustments to Reconcile Profit/(Loss) for the Period		**41.567.077**	**56.771.357**	**1.822.648.540**	**2.073.698.906**
Adjustments Related to Depreciation and Amortization	9,10,11	21.928.177	22.157.383	976.294.998	827.263.658
Adjustments Related to Provisions For (Reversal) of Impairment		1.205.636	1.932.439	53.677.810	9.542.314
Adjustments Related to Provision For (Reversal) of Doubtful Receivables	*6*	*(489.085)*	*1.594.795*	*(21.775.264)*	*13.531.920*
Adjustments Related to Provision For (Reversal) of Inventory Allowances	*8*	*1.694.721*	*337.644*	*75.453.074*	*(3.989.606)*
Adjustments Related to Provisions		3.701.246	2.843.648	164.788.343	106.293.857
Adjustments Related to Provision (Reversal) to Employee Benefits		*3.701.246*	*2.843.648*	*164.788.343*	*106.293.857*
Adjustments Related to Interest (Income) and Expense		23.833.835	23.638.268	1.058.230.480	849.260.828
Adjustments Related to Interest Income	*18*	*(4.296.377)*	*(4.016.662)*	*(191.284.996)*	*(149.965.287)*
Adjustments Related to Interest Expense	*19*	*29.482.398*	*28.349.137*	*1.312.627.111*	*1.026.893.062*
Adjustments Related to Unrealized Finance Expenses On Credit Purchases	*6*	*(1.596.992)*	*(1.097.876)*	*(74.513.399)*	*(43.709.087)*
Adjustments Related to Unrealized Finance Income On Credit Sales	*6*	*244.806*	*403.669*	*11.401.764*	*16.042.140*
Adjustments Related to Unrealized Currency Translation Difference		2.609.135	6.628.294	91.056.593	298.014.444
Currency Difference(Income)/Loss (net)		(8.010.485)	(5.568.751)	(356.646.019)	(207.913.781)
Other Finance (Income)/Expense(Net)		2.081.841	2.116.301	92.688.570	79.013.780
Adjustments Related to Fair Value Losses (Gains)		211.951	800.735	9.436.560	29.896.095
Adjustments Related to Fair Value Losses /(Gains) of Derivatives		*211.951*	*800.735*	*9.436.560*	*29.896.095*
Adjustments Related to Tax (Income) Expenses	20	10.337.721	2.272.148	460.260.145	84.832.448
Adjustments Related to Losses /(Gains) On Disposal of Non-Current Assets	18	(16.476.428)	(675)	(733.570.112)	(25.207)
Other		144.448	(45.413)	6.431.172	(2.479.530)
Changes In Working Capital		**(41.684.268)**	**18.682.293**	**(1.854.710.686)**	**934.093.762**
Adjustments Related to the Decrease (Increase) in Trade Receivables		(29.423.840)	14.575.517	(1.310.019.941)	589.228.783
Adjustments Related to the Decrease (Increase) in Other Receivables from Operations		12.128.425	(2.504.576)	539.986.596	(92.522.118)
Adjustments Related to Decrease (Increase) in Inventories		(36.029.958)	19.632.430	(1.604.140.216)	749.588.289
Decrease (Increase) in Prepaid Expenses		(8.334.486)	(7.527.741)	(371.071.327)	(281.054.249)
Adjustments Related to Increase (Decrease) in Trade Payables		28.553.188	(3.606.204)	1.271.256.477	40.448.868
Increase (Decrease) in Liabilities Under Employee Benefits		(2.586.548)	(1.892.890)	(115.159.332)	(70.822.509)
Adjustments Related to Increase (Decrease) in Other Liabilities from Operations		(2.893.173)	16.437.061	(128.811.026)	613.690.812
Increase (Decrease) in Deferred Income		(3.155)	635.983	(140.479)	23.744.937
Adjustments Related to Other Increases (Decreases) in Working Capital		(509.586)	(13.644.236)	(22.687.986)	(509.418.485)
Decrease (Increase) in Other Assets Related to Operations		*(3.312.827)*	*(4.218.832)*	*(147.495.007)*	*(157.513.477)*
Increase (Decrease) in Other Liabilities Related to Operations		*2.803.241*	*(9.425.404)*	*124.807.021*	*(351.905.008)*
Payments Related to the Provision of Employee Benefits		(634.829)	(397.628)	(28.264.092)	(14.845.742)
Tax Refunds (Payments)		(2.243.301)	(3.016.334)	(98.704.192)	(113.605.489)
Other		292.995	(9.089)	13.044.832	(339.335)
B. CASH FLOWS FROM INVESTING ACTIVITIES		**12.869.190**	**(49.667.463)**	**604.114.640**	**(2.081.094.764)**
Cash Inflows from the Sale of Property, Plant and Equipment and Intangible Assets	9-10	16.987.010	1.047.763	784.687.604	40.893.965
Cash Outflows from the Purchase of Property, Plant and Equipment and Intangible Assets	9-10	(8.414.197)	(15.598.703)	(371.857.960)	(754.760.434)
Cash Outflows Due to Share Purchases or Capital Increases in Subsidiaries and/or Joint Ventures		-	(39.133.185)	-	(1.517.193.582)
Interest Received		4.296.377	4.016.662	191.284.996	149.965.287
C. CASH FLOWS FROM FINANCING ACTIVITIES		**(92.825.357)**	**(47.137.898)**	**(4.137.110.559)**	**(1.728.386.523)**
Proceeds From Borrowings	5	65.398.938	207.195.942	2.911.717.628	7.735.826.242
Cash Outflows for the Repayment of Borrowings	5	(140.813.599)	(215.132.657)	(6.269.359.327)	(8.032.149.844)
Cash Outflows for the Repayment of Lease Liabilities	5	(1.991.858)	(3.441.191)	(88.682.280)	(13.337.192)
Interest Paid	5	(12.419.577)	(31.305.648)	(552.949.381)	(1.250.526.669)
Cash Outflows from Derivatives (Net)		(415.293)	(2.621.584)	(18.489.829)	(97.878.936)
Dividends paid to non-controlling interests	25	(2.583.968)	(1.832.760)	(119.347.370)	(70.320.124)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A+B+C)		**(62.834.273)**	**(33.092.534)**	**(2.797.532.662)**	**(1.240.041.648)**
D. THE EFFECT OF FOREIGN EXCHANGE RATE DIFFERENCES ON CASH AND CASH EQUIVALENTS		**(678.266)**	**303.331**	**406.563.785**	**475.756.758**
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**(63.512.539)**	**(32.789.203)**	**(2.390.968.877)**	**(764.284.890)**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**152.080.604**	**120.671.648**	**6.515.999.943**	**4.257.331.933**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)		**88.568.065**	**87.882.444**	**4.125.031.066**	**3.493.047.043**

(*) The Company's functional currency is the US Dollar. However, the presentation currency has been determined as the Turkish Lira. The translation of US Dollar and Turkish Lira amounts is explained in Note 2.1.

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

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 Turkey. 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 Registery of Commerce of Kocaeli on 10 April 2017.

Kordsa is registered with the Capital Markets Board of Turkey ("CMB") and its shares have been traded in Borsa Istanbul ("BIST") since 1986. As at 30 June 2026, 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:

	2026	Ownership interest %	2025	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**

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

Number of employees within the group is 4.166 (31 December 2025: 3.903).

The address of the registered office is as follows:

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

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 2026 and 31 December 2025 in accordance with the operating country and segment reporting purpose are as follows:

30 June 2026

Company name	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
Kordsa Advanced 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
Axiom Materials Inc.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Microtex Composites S.r.l	Italy	Europe	Carbon fiber weaving and prepreg production for the luxury automotive industry and motorsports	EUR
Kordsa Brasil 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 2025

Company name	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
Kordsa Advanced 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
Axiom Materials Inc.	United States of America	North America	Advanced composite manufacture to civil aviation sector	USD
Microtex Composites S.r.l	Italy	Europe	Carbon fiber weaving and prepreg production for the luxury automotive industry and motorsports	EUR
Kordsa Brasil 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 "Discontinued Operations" in the consolidated statement of financial position as of 31 December 2015.
(***) Pursuant to the Group Board of Directors' Resolution No. 2025/31 dated 20 November 2025, the Company resolved to classify the financial statements of Kordsa Advanced Materials GmbH, of which it held 100% ownership as of 31 December 2025, as "Discontinued Operations" in the statement of financial position.

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 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.

The consolidated financial statements are presented in accordance with the TFRS Taxonomy Announcement and Financial Statements Example and User Guide published by the POA in the Official Gazette dated 4 July 2024 and numbered 30794.

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 3 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.

Conversion to Presentation Currency
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, TL 46,5747 = USD 1 (31 December 2025: 42,8457), announced by the Central Bank of the Republic of Turkey and the liabilities are converted into TL using the foreign exchange selling rate TL 46,6586 = USD 1 (31 December 2025: 42,9229). 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, TL 44,5224 = USD 1 (30 June 2025: 37,3358).
c. All the resulting exchange differences are presented as a separate component of equity under the name of translation differences.

Adjustment of the Financial Statements during High Inflation Periods

Public Oversight Authority (POA) made an announcement on 23 November 2023 related with "TAS 29 Financial Reporting in Hyperinflation Economies and BOBI FRS Chapter 25 Financial Reporting in Hyperinflation Economies." According to this announcement the financial statements of the entities applying TFRS for the reporting periods ending on or after 31 December 2023 should be presented adjusted for the effects of inflation in accordance with the relevant accounting principles in "Turkish Accounting Standard 29 Financial Reporting in Hyperinflationary Economies."

Pursuant to the decision of the Capital Markets Board ("CMB") dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the periods ending on 31 December 2023. In accordance with the above explanations, since the functional currency of the Company is US Dollars as of the reporting date, there is no need to make any adjustments within the scope of TAS 29 in the financial statements to be prepared in accordance with TFRS.

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

2.1 Basis of Presentation (continued)

Basis of Consolidation

The table below sets out all Subsidiaries and shows their shareholding rates as at 30 June 2026:

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

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

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

2.1 Basis of Presentation (continued)

Basis of Consolidation (continued)

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.

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.

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

2.1 Basis of Presentation (continued)

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 restated.

There is no change in accounting policies while preparing the consolidated financial statements as of 30 June 2026.

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. Significant accounting errors identified are applied retrospectively and the consolidated financial statements for previous periods are restated.

2.4 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2026

Amendments to TFRS 9 and TFRS 7	*Classification and Measurement of Financial Instruments*
Amendments to TFRS 9 and TFRS 7	*Power Purchase Arrangements*
Annual Improvements	*Annual Improvements to TFRSs – Volume 11*

Amendments to TFRS 9 and TFRS 7 *Classification and Measurement of Financial Instruments*

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of TFRS 9 *Financial Instruments*. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Amendments to TFRS 9 and TFRS 7 *Power Purchase Arrangements*

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Annual Improvements to TFRSs – Volume 11

The pronouncement comprises the following amendments:

- TFRS 1: Hedge accounting by a first-time adopter
- TFRS 7: Gain or loss on derecognition
- TFRS 7: Disclosure of deferred difference between fair value and transaction price
- TFRS 7: Introduction and credit risk disclosures
- TFRS 9: Lessee derecognition of lease liabilities
- TFRS 9: Transaction price
- TFRS 10: Determination of a 'de facto agent'
- TAS 7: Cost method

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

2.4 New and Revised Turkish Accounting Standards (continued)

a) Amendments that are mandatorily effective from 2026 (continued)

Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

The aforementioned standard, amendments and improvements do not have any significant effect on the Group's consolidated financial position and performance.

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

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

TFRS 17	*Insurance Contracts*
Amendments to TFRS 17	*Initial Application of TFRS 17 and TFRS 9 - Comparative Information*
TFRS 18	*Presentation and Disclosures in Financial Statements*
TFRS 19	*Subsidiaries without Public Accountability: Disclosures*
Amendments to TAS 21	*Translation to a Hyperinflationary Presentation Currency*

TFRS 17 *Insurance Contracts*

TFRS 17 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 2027.

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

Amendments have been made in TFRS 17 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 17.

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. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

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

2.4 New and Revised Turkish Accounting Standards (continued)

b) New and revised TFRSs in issue but not yet effective (continued)

TFRS 19 *Subsidiaries without Public Accountability: Disclosures*

TFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

Amendments to TFRS 19 *Subsidiaries without Public Accountability: Disclosures*

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when TFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

Amendments to TAS 21 *Translation to a Hyperinflationary Presentation Currency*

The amendments clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. Annual reporting periods beginning on or after 1 January 2027.

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

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.

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

2.5 Summary of Significant Accounting Policies (continued)

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, technology 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.

	Years
Customer relationship	14-30
Technology licences	7-8
Other intangible assets	5-20
Computer software and capitalised development costs	5-10
Rights	5-7

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.

NOTE 3 -SEGMENT REPORTING

The reportable geographical segments for segment reporting are as follows:

a) Segment analysis for the period 1 January – 30 June 2026

	Europe, Middle East and Africa(**)	North America	South America	Asia	Intersegment elimination (*)	Total
Outsourced benefits	6.531.421.511	7.203.797.442	1.943.227.882	2.915.100.167	-	18.593.547.002
Intersegment Income	446.929.694	336.112.884	10.136.076	663.326.964	(1.456.505.618)	-
Income	6.978.351.205	7.539.910.326	1.953.363.958	3.578.427.131	(1.456.505.618)	18.593.547.002
Segment Operating Expenses, net	(6.432.843.557)	(7.229.214.060)	(1.806.274.943)	(3.118.734.686)	1.408.326.110	(17.178.741.136)
Segment Operating Results	545.507.648	310.696.266	147.089.015	459.692.445	(48.179.508)	1.414.805.866
OPERATING PROFIT	**545.507.648**	**310.696.266**	**147.089.015**	**459.692.445**	**(48.179.508)**	**1.414.805.866**

b) Segment analysis for the period 1 April – 30 June 2026

	Europe, Middle East and Africa(**)	North America	South America	Asia	Intersegment elimination (*)	Total
Outsourced benefits	3.481.857.809	3.718.107.962	991.392.251	1.646.395.302	-	9.837.753.324
Intersegment Income	253.015.012	182.424.172	10.136.076	338.597.460	(784.172.720)	-
Income	3.734.872.821	3.900.532.134	1.001.528.327	1.984.992.762	(784.172.720)	9.837.753.324
Segment Operating Expenses, net	(3.376.575.862)	(3.719.208.905)	(916.768.492)	(1.787.966.543)	764.037.517	(9.036.482.285)
Segment Operating Results	358.296.959	181.323.229	84.759.835	197.026.219	(20.135.203)	801.271.039
OPERATING PROFIT	**358.296.959**	**181.323.229**	**84.759.835**	**197.026.219**	**(20.135.203)**	**801.271.039**

(*) 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 2025

	Europe, Middle East and Africa(**)	North America	South America	Asia	Intersegment elimination (*)	Total
Outsourced benefits	6.579.641.842	5.126.773.994	1.717.407.698	2.034.939.982	-	15.458.763.516
Intersegment Income	429.361.794	421.737.960	-	215.634.329	(1.066.734.083)	-
Income	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**

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

	Europe, Middle East and Africa(**)	North America	South America	Asia	Intersegment elimination (*)	Total
Outsourced benefits	3.331.938.971	2.616.071.793	933.675.181	730.210.711	-	7.611.896.656
Intersegment Income	260.412.982	278.141.790	-	24.214.660	(562.769.432)	-
Income	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**

NOTE 3 - SEGMENT REPORTING (continued)

e) Segment Assets	30 June 2026	30 June 2025
North America	21.470.689.827	18.985.215.880
Europe, Middle East and Africa	12.981.221.360	11.552.738.548
Asia	12.941.187.229	11.399.528.869
South America	3.362.687.990	2.930.900.914
Segment Assets (*)	**50.755.786.406**	**44.868.384.211**
Unallocated Assets	5.694.584.916	7.358.139.006
Less: Intersegment Eliminations	(2.554.270.524)	(1.933.368.411)
Total Assets per Consolidated Financial Statements	**53.896.100.798**	**50.293.154.806**

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

f) Segment Liabilities

	30 June 2026	31 December 2025
Europe, Middle East and Africa	25.954.003.646	22.556.999.969
North America	2.978.843.549	3.461.795.839
Asia	2.324.805.112	1.659.663.404
South America	514.293.756	380.036.278
Segment Liabilities (**)	**31.771.946.063**	**28.058.495.490**
Unallocated Liabilities	3.203.749.082	2.902.709.106
Less: Intersegment Eliminations	(2.870.845.172)	(2.065.211.042)
Total Liabilities per Consolidated Financial Statements	**32.104.849.973**	**28.895.993.554**

(**) 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:

g) External revenue

	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Industrial Yarn and Cord Fabric	12.655.014.071	6.583.375.687	11.488.433.290	5.584.007.886
Advanced Composite Materials	5.555.256.324	3.040.994.595	3.624.495.963	1.887.688.424
Other	383.276.607	213.383.042	345.834.263	140.200.346
	18.593.547.002	**9.837.753.324**	**15.458.763.516**	**7.611.896.656**

NOTE 4 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as at 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Cash	502.925	418.428
Bank-Demand Deposits	1.809.471.741	1.498.284.978
Bank-Time Deposits	646.132.858	520.662.901
Other Current Assets (*)	1.668.923.542	4.496.633.636
	4.125.031.066	**6.515.999.943**

Time deposits have maturities of less than three months. There are no time deposits denominated in EUR (31 December 2025: 0,50%). There are no time deposits denominated in USD (31 December 2025: 1%), and there are no time deposits denominated in TL (31 December 2025: 35,00%). The interest rate on BRL denominated time deposits is 13,00% (31 December 2025: 12,46%). Bank balances held with related parties are disclosed in Note 22.

(*) Other cash equivalents consist of the Company's short-term unrestricted liquid funds. The interest rate on the related fund is 43,28% (31 December 2025: 37,81%). The interest rate on USD-denominated funds is 3,46% (31 December 2025: 3,76%), and the interest rate on EUR-denominated funds is 2,5% (31 December 2025: 2,71%).

NOTE 5 – BORROWINGS

	30 June 2026	31 December 2025
Short-term borrowings	4.794.557.583	5.612.418.891
Short-term portion of long-term borrowings	3.337.909.542	3.699.890.614
Lease liabilities from short-term leases	202.427.687	171.016.199
Total Short-Term Financial Borrowings	**8.334.894.812**	**9.483.325.704**
Long-term borrowings	10.161.446.177	10.299.123.696
Lease liabilities from long-term leases	966.962.867	968.431.874
Total Long-Term Financial Borrowings	**11.128.409.044**	**11.267.555.570**
Total Financial Borrowings	**19.463.303.856**	**20.750.881.274**

NOTE 5 – BORROWINGS (continued)

The details of long and short term borrowings as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026		31 December 2025	
	Weighted average effective interest rate %	TL	Weighted average effective interest rate %	TL
Short-Term Borrowings				
TL Borrowings	22,04	2.813.014.616	22,53	4.695.409.558
USD Borrowings	5,81	1.805.809.319	6,54	750.347.963
EUR Borrowings	2,53	175.733.648	2,50	166.661.370
		4.794.557.583		**5.612.418.891**
Short-Term Portion of Long Term Borrowings				
USD Borrowings	7,12	2.747.054.939	7,39	2.714.778.050
EUR Borrowings	5,72	590.854.603	6,66	985.112.564
		3.337.909.542		**3.699.890.614**
Total Short-Term Borrowings		**8.132.467.125**		**9.312.309.505**
Long-Term Borrowings				
USD Borrowings	7,35	7.880.737.265	7,16	7.797.755.556
EUR Borrowings	5,56	2.280.708.912	5,05	2.501.368.140
Total Long-Term Borrowings		**10.161.446.177**		**10.299.123.696**

As of 30 June 2026 and 31 December 2025, the redemption schedules of the long term-borrowings are summarized below:

	30 June 2026	31 December 2025
1 to 2 years	3.335.169.109	2.695.475.888
2 to 3 years	2.758.028.869	2.559.038.380
3 to 4 years	2.723.393.355	2.521.658.006
4 to 5 years	1.340.608.819	2.515.501.312
Over 5 years	4.246.025	7.450.110
	10.161.446.177	**10.299.123.696**

As of 30 June 2026 and 31 December 2025, the redemption schedules of the long term-lease liabilities are summarized below:

	30 June 2026	31 December 2025
1 to 2 years	158.793.024	160.665.662
2 to 3 years	103.848.183	78.876.897
3 to 4 years	74.959.398	56.904.752
4 to 5 years	63.270.168	138.099.739
Over 5 years	566.092.094	533.884.824
	966.962.867	**968.431.874**

NOTE 5 – BORROWINGS (continued)

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

	1 January-30 June 2026	1 January-30 June 2025
1 January Financial Liabilities	**20.750.881.274**	**18.644.696.583**
Proceed from Borrowings	2.911.717.628	7.735.826.242
Repayment of Borrowings	(6.269.359.327)	(8.032.149.844)
Interest expense recognised in the profit and loss account	1.038.547.007	1.026.893.062
Interest Payment	(552.949.381)	(1.250.526.669)
Terminations of lease agreements	(1.348.950)	-
New lease agreements	49.548.952	11.013.414
Lease Payments	(88.682.280)	(13.337.192)
Currency Translation Differences	1.624.948.933	2.220.245.008
Financial borrowings as at 30 June	**19.463.303.856**	**20.342.660.604**

NOTE 6 - TRADE RECEIVABLES AND PAYABLES

	30 June 2026	31 December 2025
Trade Receivables		
Trade Receivables	6.492.696.520	4.661.664.349
Cheques Received	3.999.850	17.192.846
Due from Related Parties (Note 22)	349.926.398	357.346.133
	6.846.622.768	**5.036.203.328**
Less: Provision for Doubtful Receivables	(117.851.083)	(129.187.675)
Less: Unearned Credit Finance Income	(11.401.764)	1.377.208
	6.717.369.921	**4.908.392.861**

As at 30 June 2026, the annual interest rates used for the discount of trade receivables and payables are 49,91%, 8,10% and 7,04% for TL, USD and Euro, respectively (31 December 2025: 45,34%, 7,62%, and 5,62%). As at 30 June 2026, the average maturity of trade receivables is 62 days and the average maturity of trade payables is 55 days (31 December 2025: 66 days, 50 days respectively).

As of 30 June 2026, trade receivables amounting to TL 824.951.503 (31 December 2025: TL 634.685.143) were past due not impaired. The aging of these receivables as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Up to 1 month	638.602.718	381.610.535
1 to 3 months	113.228.866	195.843.366
3 to 12 months	73.119.919	57.231.242
	824.951.503	**634.685.143**

NOTE 6 - TRADE RECEIVABLES AND PAYABLES (continued)

As of 30 June 2026, trade receivables amounting to TL 117.851.083 (31 December 2025: TL 129.187.675) are overdue and the provision for doubtful receivables has been set aside. As of 30 June 2026 and 31 December 2025, the aging schedule of the related receivables is as follows:

	30 June 2026	31 December 2025
Up to 1 month	3.916.545	4.285.910
1 to 3 months	1.729.565	7.426.285
3 to 12 months	29.177.858	21.735.508
1 to 5 months	83.027.115	95.739.972
	117.851.083	**129.187.675**

Movement schedules of provision for doubtful receivables for the six months periods ended 30 June 2026 and 2025 are as follows:

	1 January-30 June 2026	1 January-30 June 2025
Balance on 1 January	**129.187.675**	**48.600.401**
Additions	6.600.785	15.512.578
Disposals	(28.376.049)	(1.980.658)
Currency Translation Differences	10.438.672	8.066.103
Balance on 30 June	**117.851.083**	**70.198.424**

Trade Payables	30 June 2026	31 December 2025
Trade Payables	5.438.134.778	3.792.123.169
Due to Related Parties (Note 22)	59.692.734	84.814.218
	5.497.827.512	**3.876.937.387**
Less: Unrealized Credit Finance Expense on Purchases	(74.513.399)	(44.876.634)
	5.423.314.113	**3.832.060.753**

NOTE 7 - OTHER RECEIVABLES, PAYABLES AND PROVISIONS

Other Short-Term Receivables	30 June 2026	31 December 2025
Taxes and Other Duties (*)	229.752.087	222.723.085
Other	152.785.412	655.048.691
	382.537.499	**877.771.776**

Other Long-Term Receivables	30 June 2026	31 December 2025
Litigation Guarantee Receivables (**)	123.683.928	101.578.311
Other	-	5.973.872
	123.683.928	**107.552.183**

(*) Taxes and other deductions receivable primarily consist of value added tax receivables arising from Kordsa Brazil's intrastate production incentive income.

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

Other Short Term Payables	30 June 2026	31 December 2025
Other Payables to Related Parties (*)(Note 22)	2.399.698.953	-
Taxes and Duties Payable	293.474.171	284.022.490
Other	44.611.765	41.512.061
	2.737.784.889	**325.534.551**

(*) Following the Capital Markets Board's decision, as announced in its Weekly Bulletin No. 2026/12 dated 4 March 2026, not to approve the prospectus prepared in relation to the issuance and initial public offering of shares with a nominal value of TL 289.776.399, and subsequent to the Capital Markets Board's approval of the increase in the Company's existing registered capital ceiling from TL 500.000.000 to TL 10.000.000.000, all capital increase alternatives will be evaluated in the forthcoming period. Accordingly, the capital advance is presented under other payables to related parties.

NOTE 8 - INVENTORIES

	30 June 2026	31 December 2025
Finished Goods	4.322.465.698	3.640.208.607
Raw Materials and Supplies	4.009.034.044	2.796.037.105
Semi-Finished Goods	1.493.334.028	1.061.242.130
Spare Parts	586.190.920	564.015.117
Other Inventories	308.832.178	282.712.404
	10.719.856.868	**8.344.215.363**
Less: Provision for impairment of inventories	(707.091.680)	(578.327.041)
	10.012.765.188	**7.765.888.322**

Movement schedules for provision for impairment in value as of 30 June 2026 and 2025 are as follows:

	1 January-30 June 2026	1 January-30 June 2025
Balances at 1 January	578.327.041	457.136.332
Additions	144.277.130	95.573.543
Disposals/reversals	(68.824.056)	(99.563.149)
Currency Translation Differences	53.311.565	64.519.830
Balances at 30 June	**707.091.680**	**517.666.556**

The amount of provision inventory impairment provision and reversals is classified to cost of goods sold for the periods 30 June 2026 and 30 June 2025. The net amount of inventory write-down expense and reversal of inventory write-down recognised within cost of sales for the interim accounting period from 1 January to 30 June 2026 is TL 75.453.074 (1 January – 30 June 2025: TL (3.989.606), representing the reversal of inventory write-down provision).

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment for the six month periods ended 30 June 2026 is as follows:

	1 January 2026	Additions	Disposals	Transfers	Currency Translation Differences	30 June 2026
Cost:						
Land and land improvements	582.951.589	-	(6.167.198)	-	40.419.129	617.203.520
Buildings	4.499.246.422	1.169.247	(21.681.897)	-	367.091.602	4.845.825.374
Machinery and equipment	21.820.192.684	39.139.279	(11.580.713)	39.629.462	1.978.073.237	23.865.453.949
Motor vehicles	17.867.334	-	(3.804.816)	-	2.281.524	16.344.042
Furniture and fixtures	977.792.070	3.111.851	(5.953.590)	867.217	101.135.773	1.076.953.321
Construction in progress	1.816.063.963	298.888.736	(841.116)	(42.782.116)	169.996.200	2.241.325.667
	29.714.114.062	**342.309.113**	**(50.029.330)**	**(2.285.437)**	**2.658.997.465**	**32.663.105.873**
Accumulated depreciation:						
Land improvements	138.437.572	2.568.430	(210.785)	-	12.316.284	153.111.501
Buildings	2.575.820.871	64.385.983	(16.466.304)	-	207.088.107	2.830.828.657
Machinery and equipment	13.764.138.415	516.749.154	(6.599.703)	-	1.270.403.113	15.544.690.979
Motor vehicles	12.628.288	189.295	(760.963)	-	1.288.488	13.345.108
Furniture and fixtures	647.367.373	30.108.531	(4.793.198)	-	64.922.007	737.604.713
	17.138.392.519	**614.001.393**	**(28.830.953)**	**-**	**1.556.017.999**	**19.279.580.958**
Net book value	**12.575.721.543**					**13.383.524.915**

TL 698.366.873 (30 June 2025: TL 605.407.054) of depreciation and amortization expenses related to tangible fixed assets, intangible assets and asset usage rights in the current period is to cost of goods sold, TL 32.695.781 (30 June 2025: TL 13.211.870) research and development expenses, TL 237.518.054 (30 June 2025: TL 203.393.454) are included in general administrative expenses, TL 7.714.290 (30 June 2025: TL 5.251.280) in sales and marketing expenses.

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (continued)

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**

NOTE 10 – INTANGIBLE ASSETS

The movement of intangible assets for the six month periods ended 30 June 2026 is as follows:

	1 January 2026	Additions	Transfers	Currency Translation Differences	30 June 2026
Cost:					
Rights	496.655.805	588.119	-	40.550.957	537.794.881
Technology licences	751.659.769	-	556.955	66.544.535	818.761.259
Capitalized development costs	1.085.042.470	27.763.446	-	95.714.542	1.208.520.458
Computer software	294.896.337	1.197.282	1.728.482	28.971.510	326.793.611
Customer relationships	3.855.594.353	-	-	335.564.860	4.191.159.213
Trademarks	1.195.127.136	-	-	104.015.784	1.299.142.920
Other intangible assets	189.653.487	-	-	14.532.999	204.186.486
	7.868.629.357	**29.548.847**	**2.285.437**	**685.895.187**	**8.586.358.828**
Accumulated Amortization:					
Rights	190.758.396	25.191.912	-	15.937.415	231.887.723
Technology licences	545.133.371	44.964.298	961.506	50.617.951	641.677.126
Capitalized development costs	522.830.650	79.281.248	-	49.158.185	651.270.083
Computer software	207.626.800	14.051.618	(961.506)	19.010.819	239.727.731
Customer relationships	1.122.829.628	91.986.709	-	101.963.707	1.316.780.044
Trademarks	17.480.617	3.986.090	-	1.705.138	23.171.845
Other intangible assets	82.632.712	3.789.005	-	7.366.450	93.788.167
	2.689.292.174	**263.250.880**	**-**	**245.759.665**	**3.198.302.719**
Net book value	**5.179.337.183**				**5.388.056.109**

NOTE 10 – INTANGIBLE ASSETS (continued)

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 licences	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 Amortization:					
Rights	106.430.125	22.821.960	-	19.975.169	149.227.254
Technology licences	360.989.841	32.831.684	-	52.068.321	445.889.846
Capitalized development costs	338.848.586	57.201.962	-	46.731.498	442.782.046
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	3.199.119	-	4.953.388	77.920.651
	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**

NOTE 11 - RIGHT OF USE ASSETS

The movement of right of lease assets for the six-month periods ended 30 June 2026 is as follows:

	1 January 2026	Additions	Disposals	Currency Translation Differences	30 June 2026
Cost					
Property	1.378.903.755	5.062.261	-	100.230.253	1.484.196.269
Vehicles	120.212.525	23.557.971	(1.348.950)	10.974.819	153.396.365
Other	101.358.858	20.928.720	-	10.072.048	132.359.626
	1.600.475.138	**49.548.952**	**(1.348.950)**	**121.277.120**	**1.769.952.260**
Accumulated depreciation:					
Property	491.073.405	65.302.302	-	34.801.529	591.177.236
Vehicles	72.489.585	20.725.387	(1.333.056)	5.924.877	97.806.793
Other	73.033.990	13.015.036	-	7.104.635	93.153.661
	636.596.980	**99.042.725**	**(1.333.056)**	**47.831.041**	**782.137.690**
Net book value	**963.878.158**				**987.814.570**

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 Difference	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**

NOTE 12 – INVESTMENT PROPERTY

	30 June 2026	30 June 2025
Balance as at 1 January – Opening	**688.322.247**	**587.832.293**
Currency translation differences	14.902.539	74.319.831
Balances at 30 June- Closing	**703.224.786**	**662.152.124**

As of 30 June 2026, 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 2025, the fair value hierarchy level of investment properties measured by the revaluation method is 2.

NOTE 13 – GOODWILL

As of 30 June 2026, the net book value of goodwill amounting to USD 154.516.599 consists of USD 3.193.789 from the merger with Dusa Endüstriyel İplik ve Sanayi ve Ticaret A.Ş. on 30 September 1999, USD 226.961 from the acquisition of PT Indo Kordsa Group on 22 December 2006, USD 9.656.000 and USD 19.893.604, respectively, from the acquisitions of Fabric Development Inc. ("FDI") and Textile Products Inc. ("TPI") on 13 July 2018, USD 1.268.000 from the acquisition of Advanced Honeycomb Technologies Corporation ("AHT") on 1 October 2018, USD 105.814.156 from the acquisition of Axiom Materials Acquisition LLC on 23 July 2019, and USD 14.464.089 from the acquisition of Microtex.

The movements in goodwill for the six months period ended 30 June is as follow:

	1 January - 30 June 2026	1 January - 30 June 2025
Balance at the beginning of the year	**6.620.371.767**	**5.476.328.966**
Currency translation difference	576.192.390	692.374.088
Balances at 30 June	**7.196.564.157**	**6.168.703.054**

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 2026	31 December 2025
Pledges given to banks	938.581.326	1.001.749.184
Security	-	596.629.700
Letter of credits	1.110.581.977	1.280.459.419
Letter of guarantees	3.785.588.500	5.667.769.610
Commitments	308.227	172.563
	5.835.060.030	**7.950.150.776**

b) Guarantees received:	30 June 2026	31 December 2025
Letter of guarantees	37.392.343	72.369.508
Cheques and notes received as collateral	331.350	331.350
Letter of credits	-	1.210.391
	37.723.693	**73.911.249**

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

As of 30 June 2026 and 31 December 2025, the tables regarding the collateral, pledge, mortgage and securities("CPMS") position given by the Company are as follows:

30 June 2026	TL Equivalent	TL	USD	EUR	Thai Baht	Other TL Equivalent
A.Total amount of CPMSs given on behalf of own legal entity	5.835.060.030	3.046.818.800	75.976.436	11.941.000	138.563.873	14.741.985
B. Total amount of CPMSs given on behalf of subsidiaries consolidated in full	-	-	-	-	-	-
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	-	-	-	-	-	-
	5.835.060.030	**3.046.818.800**	**75.976.436**	**11.941.000**	**138.563.873**	**14.741.985**

31 December 2025	TL Equivalent	TL	USD	EUR	Thai Baht	Other TL Equivalent
A. Total of CPMSs given on behalf of own legal personality	7.353.521.076	4.854.241.141	56.614.554	4.000.000	138.470.893	281.215.110
B. Total amount of CPMSs given on behalf of subsidiaries consolidated in full	596.629.700	-	13.900.000	-	-	-
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	-	-	-	-	-	-
	7.950.150.776	**4.854.241.141**	**70.514.554**	**4.000.000**	**138.470.893**	**281.215.110**

The ratio of the other CPMSs given by the Group to equity is 0% as at 30 June 2026 (As at 31 December 2025 0%).

NOTE 15 - REVENUE AND COST OF SALES

The revenues and costs of sales for the interim accounting periods ending on 30 June 2026 and 2025 are as follows:

	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
Sales income (gross)	18.815.266.778	9.952.855.504	15.648.218.930	7.717.244.652
Sales returns (-)	(56.789.077)	(30.938.584)	(80.480.375)	(51.238.111)
Sales discounts (-)	(107.337.284)	(52.686.904)	(69.668.293)	(36.792.338)
Other sales discounts (-)	(57.593.415)	(31.476.692)	(39.306.746)	(17.317.547)
Sales Income (Net)	**18.593.547.002**	**9.837.753.324**	**15.458.763.516**	**7.611.896.656**
Cost of sales (-)	(15.285.980.648)	(7.899.113.075)	(13.304.226.594)	(6.551.230.351)
Gross Profit	**3.307.566.354**	**1.938.640.249**	**2.154.536.922**	**1.060.666.305**

NOTE 16 – EXPENSES BY NATURE

Expenses for the interim accounting periods ending on 30 June 2026 and 2025, according to their natures, are as follows:

	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
Raw material and supply expenses	9.867.393.668	5.197.239.432	8.282.390.571	3.994.532.879
Personnel expenses	3.425.052.356	1.724.842.457	2.937.012.344	1.501.535.429
Energy expenses	1.140.942.687	559.349.119	1.012.129.556	475.402.232
Depreciation and amortization expenses	976.294.998	496.956.916	827.263.658	432.801.328
Distribution expenses	523.839.962	299.087.472	353.198.983	183.214.706
Packing expenses	272.898.270	135.269.476	238.715.697	120.072.121
Idle period expenses	210.390.022	89.129.102	451.398.783	252.123.688
Consultancy expenses	134.264.643	62.888.109	120.082.499	65.277.285
Service, maintenance expenses	26.083.181	12.952.416	31.207.539	12.228.969
Other	1.169.198.670	570.546.809	1.016.801.304	496.403.423
	17.746.358.457	**9.148.261.308**	**15.270.200.934**	**7.533.592.060**

General administrative expenses TL 1.384.478.992 (30 June 2025: TL 1.141.560.581), marketing expenses TL 957.268.694 (30 June 2025: TL 725.057.230), research and development expenses TL 118.630.123 (30 June 2025: TL 99.356.529) are shown in expenses by nature.

NOTE 17 – OTHER OPERATING INCOME AND EXPENSES

Other income and expenses from operating activities for the interim accounting periods ended 30 June 2026 and 2025 are as follow:

Other operating income	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Unearned finance income on credit sales	139.580.408	79.332.617	166.132.376	79.807.778
Domestic production incentive income (*)	137.805.027	60.752.257	123.627.865	66.733.631
Foreign exchange gains/losses on trade receivables/payables (net)	212.064.399	90.614.571	91.124.155	87.306.640
Income from insurance claims (**)	230.292.399	7.796.870	-	-
Export incentive income	11.374.374	5.674.727	12.305.674	7.940.870
Other	32.209.417	-	38.201.805	34.872.265
	763.326.024	**244.171.042**	**431.391.875**	**276.661.184**

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

(**) It was previously disclosed to the public that, due to the flood incident at PT Indo Kordsa, the Company recognized insurance income amounting to USD 20 million (TL 842,5 million in total) in its financial statements for the third quarter of 2025. Following the negotiations concluded with the insurance company, the insurance compensation has been revised to USD 25 million. Accordingly, the additional insurance income of USD 5 million (TL 230 million) has been recognized in the Company's financial statements for the second quarter of 2026.

Other operating expenses	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
Unrealized finance expense on credit purchase	91.273.997	52.370.584	103.081.013	51.473.844
Taxes and duties	49.825.749	33.592.017	32.011.756	19.386.772
Expenses of the customer damages	3.415.660	3.415.660	1.616.243	1.616.243
Other	51.193.297	43.013.758	61.208.914	28.359.671
	195.708.703	**132.392.019**	**197.917.926**	**100.836.530**

NOTE 18 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income and expenses from investment activities for the interim accounting periods ending on 30 June 2026 and 2025 are as follows:

Income from investing activities	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
Interest income	191.284.996	119.360.130	149.965.287	51.610.300
Gain on sale of fixed assets (**)	738.515.119	733.947.947	555.700	226.345
Proceeds from the sale of shares (*)	12.174.606	252.610	-	-
Other	2.149.619	-	2.479.530	1.180.025
	944.124.340	**853.560.687**	**153.000.517**	**53.016.670**

(*) The Group's entire 10% equity interest in B PREG Kompozit ve Tekstil Mühendislik Danışmanlık Sanayi Ticaret A.Ş. was transferred to the existing shareholder, Sabancı Arf İnovasyon ve Ticarileştirme Anonim Şirketi, in exchange for participation units in Ak Portföy Yönetimi A.Ş. Sabancı Holding Özel Girişim Sermayesi Fonu with a nominal value of EUR 500,000. A Share Transfer Agreement was executed for the sale and transfer of the shares, and the participation units were received as consideration for the transfer of the shares.
(**) Pursuant to the Board of Directors' resolution dated 4 June 2026, the Group transferred, on 19 June 2026, two parcels of real estate owned by the Group and not utilized in operations outside its production facilities, namely the property with an area of 65,151 m² located at Block 765, Parcel No. 205, in İzmit District, Kocaeli Province, and the property with an area of 57,249 m² located at Block 765, Parcel No. 211, in İzmit District, Kocaeli Province, for a total consideration of TL 800,000,000, with the objective of strengthening the Group's balance sheet structure.

NOTE 18 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES (continued)

Expense from investing activities	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
Loss on sale of fixed assets	4.945.007	734.886	530.493	281.587
Other	63.776.642	53.329.771	-	-
	68.721.649	**54.064.657**	**530.493**	**281.587**

NOTE 19 - FINANCIAL INCOME/ EXPENSES

Financial income and expenses for the interim accounting periods ending on 30 June 2026 and 2025 are as follows:

Finance income	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Foreign exchange gain	429.113.633	190.900.912	596.495.847	311.725.560
Gain on derivative instruments	574.491	574.491	78.790.298	78.790.298
Other	61.342	61.342	2.060.565	-
	429.749.466	**191.536.745**	**677.346.710**	**390.515.858**

Finance expense	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Interest Expenses	1.312.627.111	697.160.944	1.026.893.062	534.582.154
Foreign exchange losses	72.467.614	35.696.156	388.582.066	227.388.697
Losses on derivative instruments	10.011.051	-	108.686.393	-
Other	92.749.912	44.905.897	81.074.345	44.273.142
	1.487.855.688	**777.762.997**	**1.605.235.866**	**806.243.993**

NOTE 20 - TAXATION ON INCOME

Corporate Tax

	30 June 2026	31 December 2025
Corporate tax payable	205.112.507	233.117.736
Less: Prepaid taxes on income	(144.471.498)	(278.885.042)
Current tax asset/ liability, net	**60.641.009**	**(45.767.306)**

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 instalment until the end of the relevant month.

In Türkiye, the corporate tax rate is 25% (31 December 2025: 25%). Tax legislation in Turkey 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.

NOTE 20 - TAXATION ON INCOME (continued)

Corporate Tax (continued)

Under the Corporate Income Tax Law, tax losses reported in the corporate income tax return may be deducted from the corporate income tax base for a maximum period of five years. Tax returns and the related accounting records may be subject to tax audits by the tax authorities within five years, and the tax assessments may be revised accordingly. Dividend payments made to resident joint stock companies in Türkiye, other than those that are exempt from or not subject to corporate income tax and income tax, as well as dividend payments made to resident and non-resident individuals and non-resident legal entities, are subject to a 15% withholding tax.

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.

Pursuant to Law No. 7582, published in the Official Gazette dated 4 June 2026, the corporate income tax rate applicable to income derived from production and agricultural activities has been determined as 12.5%, effective from 1 January 2027. The aforementioned legislative amendment was enacted and in force as of 30 June 2026 and resulted in a revision to the measurement of the deferred tax assets and deferred tax liabilities recognized in the Group's consolidated statement of financial position as at 30 June 2026. Accordingly, the Group's management has reflected the estimated tax effects of the amendment in the consolidated financial statements, taking into consideration the impact on temporary differences expected to reverse subsequent to the effective date of the amendment and on tax losses carried forward.

The taxes on income presented in the condensed consolidated statement of profit or loss for the periods ended 30 June 2026 and 2025 are summarized as follows:

	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Current period corporate tax expense	(205.112.507)	(82.724.368)	(71.768.774)	(39.539.577)
Deferred tax (expense) / income	(255.147.638)	(297.013.884)	(13.063.674)	(14.655.019)
	(460.260.145)	**(379.738.252)**	**(84.832.448)**	**(54.194.596)**

Tax rates used for deferred tax assets and liabilities calculated on temporary differences are mentioned below:

Country	30 June 2026	31 December 2025
Türkiye	25% - 12,5%	25%
Egypt	30%	30%
United States of America	25%	25%
Brazil	34%	34%
Indonesia	22%	22%
Thailand	20%	20%
Italy	24%	24%

NOTE 20 - 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 2026 and 31 December 2025 using the enacted tax rates are as follows:

	Deferred tax/liabilities	
	30 June 2026	**31 December 2025**
Property, plant and equipment and intangibles	(1.217.254.719)	(1.583.907.022)
Research and development incentive	456.357.168	484.914.240
Inventory	(40.106.994)	(36.830.309)
Provision for employment termination benefits	76.422.910	94.517.905
Prepaid expenses	288.310.555	232.827.223
Deductible financial losses	1.151.965.522	1.166.335.920
Derivative financial instruments	(10.344.820)	7.055.778
Finance income	35.980.608	40.284.242
Other, net	96.463.897	556.358.528
Net deferred tax liability	**837.794.127**	**961.556.505**

Movements of deferred tax balances for the six months period ended 30 June 2026 and 2025 are as follows:

	1 January-30 June 2026	**1 January-30 June 2025**
Balance at 1 January	**961.556.505**	**190.064.378**
Current year deferred (expense) / income	(255.147.638)	(13.063.674)
Charges to Equity	(14.797.184)	134.823.317
Currency translation differences	146.182.444	72.795.872
Balances as at 30 June	**837.794.127**	**384.619.893**

NOTE 21 – EARNINGS 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 2026	**1 January-30 June 2025**
Net income attributable to equity holders of the parent	592.548.673	(460.715.112)
Weighted average number of ordinary shares	19.452.907.600	19.452.907.600
Per 1.000 units of common stocks	30,46	(23,68)
Earnings per share from continuing operations		
Net income attributable to equity holder of the parent	594.750.234	(460.644.742)
Weighted average number of ordinary shares	19.452.907.600	19.452.907.600
Per 1.000 units of common stocks	30,57	(23,68)
Earnings per share from discontinued operations		
Net loss attributable to equity holders of the parent	(2.201.561)	(70.370)
Weighted average number of ordinary shares	19.452.907.600	19.452.907.600
Per 1.000 units of common stocks	(0,113)	(0,004)

NOTE 22 - RELATED PARTY DISCLOSURES

Bank Balances:	**30 June 2026**	**31 December 2025**
Akbank T.A.Ş. - time deposits	-	1.756.753.903
Akbank T.A.Ş. - demand deposits	170.851.826	90.265.925
	170.851.826	**1.847.019.828**

	30 June 2026	**31 December 2025**
Akbank T.A.Ş. - bank borrowings	3.325.348.000	3.777.603.568
	3.325.348.000	**3.777.603.568**

Other cash and cash equivalents:	**30 June 2026**	**31 December 2025**
Ak Portföy Yönetimi A.Ş.	956.170.059	2.720.172.011
	956.170.059	**2.720.172.011**

Due from related parties:	**30 June 2026**	**31 December 2025**
Brisa Bridgestone Sabancı Lastik Sanayi ve Tic. A.Ş. ("Brisa")	334.174.117	344.865.797
Çimsa Çimento Sanayi ve Ticaret A.Ş. (Çimsa)	15.086.947	11.053.508
Sabancı Dijital Teknoloji Hizm. A.Ş. ("SabancıDx")	-	222.162
Enerjisa Enerji Üretim A.Ş. ("Enerjisa")	132.558	239.529
Akçansa Çimento Sanayi ve Ticaret A.Ş. ("Akçansa")	-	582.553
Other	532.776	382.584
	349.926.398	**357.346.133**

Due to related parties:	**30 June 2026**	**31 December 2025**
Enerjisa Enerji Üretim A.Ş. ("Enerjisa")	39.295.332	46.778.985
Sabancı Dijital Teknoloji Hizm. A.Ş. ("SabancıDx")	14.110.963	4.670.776
Aksigorta A.Ş.("Aksigorta")	4.848.041	13.966.644
Akbank T.A.Ş.	1.370.914	5.137.166
Hacı Ömer Sabancı Holding A.Ş.	67.484	868.071
Afyon Çimento Sanayi T.A.Ş.	-	12.688.374
Other	-	704.202
	59.692.734	**84.814.218**

Other payables to related parties:	**30 June 2026**	**31 December 2025**
Hacı Ömer Sabancı Holding A.Ş.	2.399.698.953	-
	2.399.698.953	**-**

Product Sales	**1 January-30 June 2026**	**1 April-30 June 2026**	**1 January-30 June 2025**	**1 April-30 June 2025**
Brisa Bridgestone Sabancı Lastik Sanayi ve Tic. A.Ş. ("Brisa")	402.027.491	205.322.457	414.851.422	228.524.583
Other	54.063.935	19.426.510	14.809.326	7.006.895
	456.091.426	**224.748.967**	**429.660.748**	**235.531.478**

NOTE 22 - RELATED PARTY DISCLOSURES (continued)

Service received	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Hacı Ömer Sabancı Holding A.Ş.	1.875.828	1.275.719	-	-
Enerjisa Enerji Üretim A.Ş. ("Enerjisa")	283.943.718	161.008.611	271.190.035	150.262.480
Aksigorta A.Ş.("Aksigorta")	152.854.666	7.213.995	145.375.689	40.686.049
Sabancı Dijital Teknoloji Hizm. A.Ş. ("SabancıDx")	110.239.094	28.053.369	90.848.970	46.714.896
Other	8.815.591	-	5.540.079	4.364.594
	557.728.897	**197.551.694**	**512.954.773**	**242.028.019**

Property, plant and equipment purchases	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Teknosa İç ve Dış Ticaret A.Ş. ("Teknosa")	117.555	116.947	530.596	506.092
	117.555	**116.947**	**530.596**	**506.092**

Interest income	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Akbank T.A.Ş.	-	-	987.676	493.611
	-	**-**	**987.676**	**493.611**

Interest expense	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Akbank T.A.Ş.	104.842.184	81.726.026	82.569.898	42.912.783
Hacı Ömer Sabancı Holding A.Ş.	277.053.937	213.084.524	-	-
	381.896.121	**294.810.550**	**82.569.898**	**42.912.783**

Foreign exchange gains / (losses), net:	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Akbank T.A.Ş.	(35.948.012)	(18.703.235)	43.418.025	96.493.303
	(35.948.012)	**(18.703.235)**	**43.418.025**	**96.493.303**

NOTE 22 - RELATED PARTY DISCLOSURES (continued)

Other income	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Sabancı Dijital Teknoloji Hizm. A.Ş ("SabancıDx")	1.596.146	805.351	1.537.649	784.629
Enerjisa Enerji Üretim A.Ş. ("Enerjisa")	517.495	292.258	275.785	159.998
Akbank T.A.Ş.	485.722	239.015	384.388	177.717
	2.599.363	**1.336.624**	**2.197.822**	**1.122.344**

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 renumerations provided which is consisted of per diem payment, salary and other additional renumerations by the Group for 1 January – 30 June 2026 and 2025 are as follows:

	1 January-30 June 2026	1 April-30 June 2026	1 January-30 June 2025	1 April-30 June 2025
Short-term employee benefits	113.335.192	52.364.640	62.130.134	29.972.020
Employee termination benefits	9.698	-	-	-
Post-employment benefits	1.860.286	1.242.508	1.253.886	592.088
Other long-term benefits	713.842	518.437	286.217	203.568
	115.919.018	**54.125.585**	**63.670.237**	**30.767.676**

NOTE 23 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Foreign currency position

Group's assets and liabilities denominated in foreign currencies at 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Assets	5.779.124.006	3.445.199.107
Liabilities	(10.401.828.506)	(10.373.553.517)
Net foreign currency position	**(4.622.704.500)**	**(6.928.354.410)**

NOTE 23 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

30 June 2026	Total TL Equivalents	TL (*)	EUR (*)	Indonesian Rupiah ('000) (*)	Other TL equivalent(**)
Assets:					
Trade receivables	2.840.120.349	171.504.488	38.186.420	131.235.881.106	297.309.378
Cash and cash equivalents	1.662.744.878	1.160.464.898	7.659.568	20.135.573.938	42.861.268
Other monetary receivables and assets	551.738.795	251.526.219	2.652.375	60.253.891.418	1.412.121
Other non-monetary receivables and assets	-	-	-	-	-
Current assets	**5.054.604.022**	**1.583.495.605**	**48.498.363**	**211.625.346.462**	**341.582.767**
Financial assets available for sale	-	-	-	-	-
Other monetary receivables and assets	60.937.926	28.754.458	151.527	9.205.951.579	-
Non-current assets	**60.937.926**	**28.754.458**	**151.527**	**9.205.951.579**	-
Total assets (a)	**5.115.541.948**	**1.612.250.063**	**48.649.890**	**220.831.298.041**	**341.582.767**
Liabilities:					
Trade Payables	1.390.097.104	383.335.190	12.181.880	63.758.863.377	190.691.485
Borrowings	3.455.412.607	2.925.000.000	9.874.376	-	-
Other monetary payables and liabilities	2.865.654.278	2.610.658.058	3.627.523	21.840.237.303	-
Total short-term liabilities	**7.711.163.989**	**5.918.993.248**	**25.683.779**	**85.599.100.680**	**190.691.485**
Borrowings	2.643.846.305	-	49.712.962	-	-
Other monetary payables and liabilities	46.818.212	-	812.936	1.364.532.066	-
Total long-term liabilities	**2.690.664.517**	-	**50.525.898**	**1.364.532.066**	-
Total liabilities (b)	**10.401.828.506**	**5.918.993.248**	**76.209.677**	**86.963.632.746**	**190.691.485**
Off-balance sheet derivative assets (c)	663.582.058	-	12.500.000	-	-
Off-balance sheet derivative liabilities (d)	-	-	-	-	-
Net foreign currency asset/(liability) position (a-b+c-d)	**(4.622.704.500)**	**(4.306.743.185)**	**(15.059.787)**	**133.867.665.295**	**150.891.282**
Fair value of financial instruments used for foreign currency hedge	1.227.486	-	-	-	-
Hedged portion of foreign currency assets in derivative products	-	-	-	-	-
Hedged portion of foreign currency assets	663.582.058	-	12.500.000	-	-
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), Brazilian Real (BRL), Thai Baht (THB).

NOTE 23 - 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**	**262.300.805**
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 short-term 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 long-term 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), Brazilian Real (BRL), Thai Baht (THB).

NOTE 23 - 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 2026	31 December 2025
US Dollars (Buy/Sell)	46,5747/46,6586	42,8457/42,9229
Euro	53,0866	50,2859
Indonesian Rupiah (1000 units)	2,6215	2,5665
Brazilian Real	8,9972	7,7867
Thai Baht	1,3999	1,3566
Egyptian Pound	0,9450	0,8986

Average rates	30 June 2026	30 June 2025
US Dollars	44,5224	37,3358
Euro	51,9493	40,8497
Indonesian Rupiah (1000 units)	2,6021	2,2839
Brazilian Real	8,6410	6,4947
Thai Baht	1,3872	1,1148
Egyptian Pound	0,9261	0,7475

Foreign currency position as of 30 June 2026 and 31 December 2025 regarding the 10% changes in foreign currency rates is depicted in the table below:

30 June 2026	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	(430.674.308)	430.674.308	-	-
Hedged portion of TL amounts (-)	-	-	-	-
Net effect of TL	(430.674.308)	430.674.308	-	-
Increase/(decrease) 10% of EUR parity				
EUR net asset / liability	(79.947.231)	79.947.231	-	-
Hedged portion of EUR amounts (-)	-	-	-	-
Net effect of EUR	(79.947.231)	79.947.231	-	-
Increase/(decrease) 10% of other parities				
Other foreign currency net asset / liability	48.351.089	(48.351.089)	-	-
Hedged portion of other foreign currency amounts(-)	-	-	-	-
Net effect of other foreign currencies	48.351.089	(48.351.089)	-	-
	(462.270.450)	**462.270.450**	-	-

NOTE 23 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (continued)

31 December 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	(614.164.039)	614.164.039	-	-
Hedged portion of TL amounts (-)	-	-	-	-
Net effect of TL	**(614.164.039)**	**614.164.039**	**-**	**-**
Increase/(decrease) 10% of EUR parity				
EUR net asset / liability	(103.228.890)	103.228.890	-	-
Hedged portion of EUR amounts (-)	-	-	-	-
Net effect of EUR	**(103.228.890)**	**103.228.890**	**-**	**-**
Increase/(decrease) 10% of other parities				
Other foreign currency net asset / liability	24.557.487	(24.557.487)	-	-
Hedged portion of other foreign currency amounts (-)	-	-	-	-
Net effect of other foreign currencies	**24.557.487**	**(24.557.487)**	**-**	**-**
	(692.835.441)	**692.835.441**	**-**	**-**

Export and import balances from Türkiye as of 30 June 2026 and 2025 are as follows:

	30 June 2026		30 June 2025	
	Original amount	TL equivalent	Original amount	TL equivalent
Euro	55.137.905	2.864.379.178	86.565.006	3.532.028.156
USD	36.991.195	1.646.936.778	38.663.051	1.443.515.940
Total export		**4.511.315.956**		**4.975.544.096**

	1 January-30 June 2026	1 January-30 June 2025
	TL	TL
Total import	3.447.558.919	3.008.621.829

NOTE 23 - 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 30 June 2026, the Group has an interest rate swap ("IRS") designated as a derivative instrument to manage its exposure to variable interest rate risk. As of 30 June 2026, the derivative instrument had a fair value loss of TL 8.894.222 (2025: TL 15.664.374 loss).

As of 30 June 2026, the net book values of derivative forward and clearing instruments are as follows:

Sale of EUR, purchase of USD	Average Rate	Foreign Currency (EUR)	Contract Value (USD)	Fair Value (TL)
Between 3-6 months	1,2112	8.000.000	29.068.800	25.493.680
Between 6-9 months	1,2207	7.500.000	27.465.150	24.686.699
Total				**50.180.379**

Sale of BRL, purchase of USD	Average Rate	Foreign Currency (USD)	Contract Value (BRL)	Fair Value (TL)
Between 6-9 months	5,3695	3.224.572	17.314.401	1.227.486
Total				**1.227.486**

Forward/Swap Net	**42.513.643**

As of 31 December 2025, the net book values of derivative forward, option, and swap instruments are as follows:

Sale of EUR, purchase of TL	Average Rate	Foreign Currency (EUR)	Contract Valu((TL)	Fair Value (TL)
Between 0-3 months	50,6623	14.211.763	720.000.000	(22.184.495)
Total				**(22.184.495)**

Sale of EUR, purchase of USD	Average Rate	Foreign Currency (EUR)	Contract Value (USD)	Fair Value (TL)
Between 0-3 months	1,1707	7.000.000	24.584.400	(6.851.455)
Between 3-6 months	1,1965	3.000.000	10.768.500	637.113
Between 6-9 months	1,2018	1.000.000	3.605.400	175.726
Total				**(6.038.616)**

Sale of BRL, purchase of USD	Average Rate	Foreign Currency (USD)	Contract Value (BRL)	Fair Value (TL)
Between 6-9 months	5,4408	1.245.190	6.774.817	388.596
Total				**388.596**

Forward/Swap Net	**(43.498.889)**

NOTE 23 - 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 2026	31 December 2025		
Foreign currency forward/swap contracts	42.513.643	(43.498.889)	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.

NOTE 23 - 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 2026 and 30 June 2025 are as follows:

	1 January-30 June 2026	1 January-30 June 2025
Balance at 1 January	**(1.024.643.419)**	**(890.487.904)**
Increases/(decreases)	71.634.868	(616.056.892)
Income tax related to gains/losses recognised in other comprehensive income	(15.194.782)	135.532.516
Balance at 30 June	**(968.203.333)**	**(1.371.012.280)**

NOTE 24 – NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

According to The Group's Board of Management, decision numbered 2015/29 dated 31 December 2016, shares belonging to company partners, Nile Kordsa Company for Industrial Fabrics S.A.E. 51% of rates, would be classified as "Non-current Assets Held for Sale" in the balance sheet as of 31 December 2016. Hence, in the preparation of the consolidated financial statements as of 30 June 2026 and 31 December 2025, Nile Kordsa Company for Industrial Fabrics S.A.E. financials, noncurrent assets classified as held for sale in the statement of financial position (30 June 2026: None, 31 December 2025: None) and liabilities related to asset groups classified as held for sale (30 June 2026: TL 60.560.145, 31 December 2025: TL 46.353.055).
Between the dates of 1 January- 30 June 2026 and 1 January- 30 June 2025, the operating results of Nile Kordsa are given below:

	1 January- 30 June 2026	1 January - 30 June 2025
PROFIT OR LOSS		
Revenue	-	-
Cost of Sales (-)	-	-
GROSS PROFIT	-	-
Marketing Expenses (-)	-	-
General Administrative Expenses (-)	-	-
Research and Development Expenses (-)	-	-
Other Operating Income	-	-
Other Operating Expenses (-)(*)	(58.344)	(137.980)
OPERATING PROFIT/ LOSS	**(58.344)**	**(137.980)**
Income from Investing Activities	-	-
Expenses from Investing Activities (-)	-	-
OPERATING PROFIT/ LOSS BEFORE FINANCE EXPENSE	**(58.344)**	**(137.980)**
Finance Income	-	-
Finance Expenses (-)	-	-
PROFIT / LOSS BEFORE TAX	**(58.344)**	**(137.980)**
Current Tax Expense	-	-
Deferred Tax Expense	-	-
PROFIT / LOSS FOR THE PERIOD	**(58.344)**	**(137.980)**

(*) Provision expenses recognized for the net assets of Nile Kordsa in the consolidated financial statements.

NOTE 24 – NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (continued)

In the preparation of the consolidated financial statements as of 30 June 2026 and 30 June 2025, the financial statements of Kordsa Advanced Materials GmbH have been classified as non-current assets held for sale (30 June 2026: TL 3.529.584, 31 December 2025: TL 2.741.462) and liabilities directly associated with assets held for sale (30 June 2026: TL 21.135.427, 31 December 2025: TL 15.718.974) in the consolidated statement of financial position.

The operating results of Kordsa Advanced Materials GmbH for the periods 1 January – 30 June 2026 and 1 January – 30 June 2025 are presented below:

KORDSA ADVANCE MATERIALS GMBH

	1 January-30 June 2026	1 January-30 June 2025
PROFIT OR LOSS		
Revenue	-	-
Cost of Sales (-)	-	-
GROSS PROFIT	-	-
Marketing Expenses (-)	-	-
General Administrative Expenses (-)	-	-
Research and Development Expenses (-)	-	-
Other Operating Income	-	-
Other Operating Expenses (-)	(4.258.443)	-
OPERATING PROFIT/ LOSS	**(4.258.443)**	-
Income from Investing Activities	-	-
Expenses from Investing Activities (-)	-	-
OPERATING PROFIT/ LOSS BEFORE FINANCE EXPENSE	**(4.258.443)**	-
Finance Income	-	-
Finance Expenses (-)	-	-
PROFIT / LOSS BEFORE TAX	**(4.258.443)**	-
Current Tax Expense	-	-
Deferred Tax Expense	-	-
PROFIT / LOSS FOR THE PERIOD	**(4.258.443)**	-

NOTE 25 - 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 2026			
	Non-controlling interests%	Profit / loss related to non-controlling interests	Accumulated non-controlling interests	Dividend distributed to non-controlling interests
Subsidiary				
PT Indo Kordsa Tbk (*)	38,41%	170.691.735	4.250.172.224	(119.347.370)
Other		4.284.995	164.533.024	-
Total		**174.976.730**	**4.414.705.248**	**(119.347.370)**

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

NOTE 25 - INTEREST IN OTHER ENTITIES (continued)

		30 June 2025		
	Non-controlling interests%	Profit / loss related to non-controlling 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**	

(*) 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 2026	**31 December 2025**
Cash and cash equivalents	1.135.183.934	928.611.046
Other current assets	3.461.167.565	2.660.985.312
Non-current assets	8.843.042.139	8.258.510.688
Total assets	**13.439.393.638**	**11.848.107.046**
Short term borrowings	-	-
Other current liabilities	2.133.395.937	1.485.240.015
Other non-current liabilities	918.243.810	837.912.735
Total liabilities	**3.051.639.747**	**2.323.152.750**
Total equity	**10.387.753.891**	**9.524.954.296**
Equity attributable to owners of the parents	**9.965.224.334**	**9.132.564.361**
Non-controlling interests (*)	**422.529.557**	**392.389.935**

Summary Profit or Loss:

	PT Indo Kordsa Tbk	
	1 January – 30 June 2026	**1 January – 30 June 2025**
Sales	3.578.427.131	2.250.574.311
Cost of Sales	(2.799.739.223)	(1.878.954.439)
Depreciation and amortization	(228.087.590)	(222.047.372)
Operating profit / (loss)	416.655.273	(25.920.370)
Net financial income/ (expense)	68.628.734	42.599.299
Profit / (loss) before tax	485.284.007	16.678.929
Tax (-)	(123.311.561)	(26.516.705)
Non-controlling interests (*)	(51.401.394)	(36.470.405)
Profit/(loss) for the period	310.571.052	(46.308.180)

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

NOTE 26 – EVENTS AFTER THE REPORTING PERIOD

At the meeting of the Board of Directors held on 24 July 2026, it was resolved to increase the Company's issued share capital from TL 194.529.076 to TL 3.695.860.272 through a capital increase of TL 3.501.331.196. The entire capital increase will be funded from the "Foreign Currency Translation Differences" account included in the financial statements as of 31 March 2026, and the shares representing the increased capital of TL 3.501.331.196 will be distributed to the existing shareholders free of charge, pro rata to their respective shareholdings in the Company's share capital. The necessary regulatory applications in relation to the capital increase have been submitted.