CONVENIENCE TRANSLATION

Arzum Elektrikli Ev Aletleri Sanayi ve Ticaret Anonim Şirketi and its Subsidiaries

Consolidated Financial Statements as at September 30, 2026 and for the Nine-Month Period Then Ended

This report consists of 68 pages of consolidated financial statements and their accompanying notes.
(In the event of any discrepancy between the English and Turkish versions of this disclosure, the Turkish version shall prevail.)

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CONVENIENCE TRANSLATION

ARZUM ELEKTRİKLİ EV ALETLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

Summary Consolidated Statement of Financial Position (Balance Sheet) as at September 30, 2026

(Unless otherwise stated, all amounts are expressed in Turkish Lira ("TL") as restated for the effects of inflation at the purchasing power of September 30, 2026.)

		Current Period	Prior Period
		Unaudited	Audited
ASSETS	**Notes**	**September 30, 2026**	**December 31, 2025**
Current Assets			
Cash and cash equivalents	3	120,820,620	209,606,534
Trade Receivables	5	1,037,797,849	1,339,343,422
- Trade Receivables, third parties	*5*	*1,037,797,849*	*1,339,343,422*
Other Receivables	6	6,002,753	6,856,291
- Other Receivables, third parties	*6*	*6,002,753*	*6,856,291*
Inventories	7	734,651,375	595,929,687
Prepaid Expenses	8	50,814,901	66,445,455
Current Income Tax Assets	21	2,141,563	10,408,939
Other Current Assets	6	53,717,572	79,474,042
Total Current Assets		**2,005,946,634**	**2,308,064,371**
Non-Current Assets			
Investment Properties		1,449,867	1,237,104
Property, plant and equipment	9	412,633,111	352,104,396
Right-of-Use Assets	11	123,846,244	86,228,084
Intangible Assets	10	164,665,410	107,278,401
Prepaid Expenses	8	3,997,718	2,498,556
Deferred Tax Assets	21	457,639,589	470,780,877
Total Non-Current Assets		**1,164,231,938**	**1,020,127,417**
Total Assets		**3,170,178,572**	**3,328,191,788**

CONVENIENCE TRANSLATION

The accompanying notes are an integral part of the consolidated financial statements.

ARZUM ELEKTRİKLİ EV ALETLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

Summary Consolidated Statement of Financial Position (Balance Sheet) as at September 30, 2026

(Unless otherwise stated, all amounts are expressed in Turkish Lira ("TRY") as restated for the effects of inflation at the purchasing power of September 30, 2026.)

		Current Period	Prior Period
		Unaudited	Audited
LIABILITIES	**Notes**	**September 30, 2026**	**December 31, 2025**
Current Liabilities			
Short-term borrowings	4	1,431,976,045	1,523,108,811
Short-term portion of long-term borrowings	4	25,067,034	69,570,022
Trade payables	5	1,925,808,717	1,826,309,858
- Due to related parties		*13,050*	--
- Trade payables, third parties	*5*	*1,925,795,667*	*1,826,309,858*
Employee Benefit Obligations	13	23,067,318	86,199,488
Other Payables	6	61,889	204,157
- Other Payables, third parties	*6*	*61,889*	*204,157*
Short Term Provisions		47,357,568	47,736,346
- Relating to Employee Benefits	*13*	*21,879,765*	*13,462,155*
- Other Short-Term Provisions	*12*	*25,477,803*	*34,274,191*
Other Short-Term Liabilities	6	8,447,787	30,475,790
Total Short Term Liabilities		**3,461,786,358**	**3,583,604,472**
Long Term Liabilities			
Long-Term Borrowings	4	50,054,191	56,485,197
Long Term Provisions		31,753,716	29,627,362
- Relating to Employee Benefits	*13*	*18,383,404*	*15,618,709*
- Other Long-Term Provisions	*12*	*13,370,312*	*14,008,653*
Total Long-Term Liabilities		**81,807,907**	**86,112,559**
Total Liabilities		**3,543,594,265**	**3,669,717,031**
Equity			
Paid-In Capital	14	600,000,000	600,000,000
Adjustment To Share Capital	14	783,845,337	783,845,337
Capital Advance		248,924,496	--
Share Premiums		500,219,621	500,219,621
Other Accumulated Comprehensive Income and Expense Not to Be Reclassified to Profit or Loss		(60,045,987)	(57,501,985)
- Gain/loss arising from defined benefit plans	*14* 14	*(60,045,987)*	*(57,501,985)*
Other Accumulated Comprehensive Income and Expense to Be Reclassified to Profit or Loss		(4,271,242)	33,187,756
- Currency translation differences	*14*	*(4,271,242)*	*33,187,756*
Restricted Reserves	14	130,616,864	130,616,864
Retained Earnings	14	(2,331,892,836)	(1,174,289,492)
Net Income/ (Loss) for The Period		(240,811,946)	(1,157,603,344)
Total Equity		**(373,415,693)**	**(341,525,243)**
Total Liabilities and Equity		**3,170,178,572**	**3,328,191,788**

The accompanying notes are an integral part of the consolidated financial statements.

CONVENIENCE TRANSLATION

ARZUM ELEKTRİKLİ EV ALETLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Nine-Month Period Ended September 30, 2026

(Unless otherwise stated, all amounts are expressed in Turkish Lira ("TRY") as restated for the effects of inflation at the purchasing power of September 30, 2026.)

	Notes	Current Period Unaudited 1 January- September 30, 2026	Prior Period Unaudited 1 January - September 30, 2025	Current Period Unaudited 1 July- September 30, 2026	Prior Period Unaudited 1 July- September 30, 2025
Profit or Loss Section					
Revenue	15	3,281,972,484	5,627,645,434	921,603,640	1,234,733,111
Cost of Sales (-)	15	(2,221,339,208)	(3,900,531,167)	(602,834,560)	(936,729,820)
Gross profit		**1,060,633,276**	**1,727,114,267**	**318,769,080**	**298,003,291**
Sales, marketing and distribution expenses (-)	16	(533,911,566)	(940,959,219)	(156,982,675)	(274,888,895)
General and Administrative Expenses (-)	16	(466,979,637)	(581,406,129)	(144,105,540)	(192,330,372)
Other Operating Income	18	20,843,993	57,855,725	9,189,461	(41,808,205)
Other Operating Expense (-)	18	(98,597,623)	(139,630,296)	(10,756,188)	(28,860,971)
Operating Loss		**(18,011,557)**	**122,974,348**	**16,114,138**	**(239,885,152)**
Operating Profit/(Loss) Before Financial Expenses		**(18,011,557)**	**122,974,348**	**16,114,138**	**(239,885,152)**
Financial Income	19	16,159,059	113,157,891	3,864,537	30,254,849
Financial Expenses (-)	19	(798,660,292)	(1,304,873,225)	(243,022,723)	(322,263,760)
Net monetary gain	20	481,602,480	214,390,790	168,180,953	57,345,183
Loss before tax (-)		**(318,910,310)**	**(854,350,196)**	**(54,863,095)**	**(474,548,880)**
Tax expenses		78,098,364	233,491,156	(25,976,177)	150,017,007
- Current tax expense / (income)	21	-	-	-	-
- Deferred tax incomes/ (expense)	21	78,098,364	233,491,156	(25,976,177)	150,017,007
Loss for the period		**(240,811,946)**	**(620,859,040)**	**(80,839,272)**	**(324,531,873)**
Distribution net loss for the period					
Owners of the Parent		(240,811,946)	(620,859,040)	(80,839,272)	(324,531,873)
Basic and Diluted Earnings / (Loss) per Share (1 TRY nominal value per share)		**(0.401)**	**(2.268)**	**(0.135)**	**(0.811)**
Other comprehensive expenses		**(40,003,000)**	**(10,885,028)**	**4,990,860**	**(5,770,552)**
Items not to be reclassified to profit or loss		**(2,544,002)**	**(5,590,014)**	**449,697**	**(4,057,824)**
Remeasurement of defined benefit plans	13	(3,392,003)	(7,453,352)	599,596	(5,410,426)
Deferred tax income related to other comprehensive income items not to be reclassified to profit or loss		848,001	1,863,338	(149,899)	1,352,602
Items to be reclassified to profit or loss		**(37,458,998)**	**(5,295,014)**	**4,541,163**	**(1,712,728)**
Foreign currency translation		(37,458,998)	(5,295,014)	4,541,163	(1,712,728)
Other comprehensive expenses (after tax)		**(40,003,000)**	**(10,885,028)**	**4,990,860**	**(5,770,552)**
Total comprehensive expense		**(280,814,946)**	**(631,744,068)**	**(75,848,412)**	**(330,302,424)**

CONVENIENCE TRANSLATION

The accompanying notes are an integral part of the consolidated financial statements.

ARZUM ELEKTRİKLİ EV ALETLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

Summary Consolidated Statement of Changes in Equity for the Nine-Month Period Ended September 30, 2026

(Unless otherwise indicated, all amounts are expressed in Turkish Lira ("TL") in terms of the purchasing power as at September 30, 2026.)

					Accumulated other comprehensive income / expense not to be reclassified to profit or loss	Accumulated other comprehensive income / expense to be reclassified to profit or loss			Retained Earnings		
	Notes	Paid-In Capital	Adjustment To Share Capital	Capital Advance	Remeasurement losses on defined benefit plans	Cumulative Translation Differences	Share premiums	Restricted Reserves	Net Loss for the Period	Prior Year Losses	Total
Balance as of January 1, 2025	**14**	**32,210,000**	**962,440,803**	**--**	**(48,340,997)**	**41,220,393**	**497,736,970**	**130,616,864**	**(650,828,424)**	**(523,461,068)**	**441,594,541**
Profit for the period		**--**	**--**	**--**	**--**	**--**	**--**	**--**	**(620,859,040)**	**--**	**(620,859,040)**
Other comprehensive expense		--	--	--	(5,590,014)	(5,295,014)	--	--	--	--	(10,885,028)
Total comprehensive expenses		**--**	**--**	**--**	**(5,590,014)**	**(5,295,014)**	**--**	**--**	**(620,859,040)**	**--**	**(631,744,068)**
Transfers		267,790,000	(267,790,000)	--	--	--	--	--	650,828,424	(650,828,424)	--
Increase / (Decrease) Arising from Share-Based Transactions		--	--	--	--	--	2,482,651	--	--	--	2,482,651
Capital increase		300,000,000	89,194,534	--	--	--	--	--	--	--	389,194,534
September 30, 2025	**14**	**600,000,000**	**783,845,337**	**--**	**(53,931,011)**	**35,925,379**	**500,219,621**	**130,616,864**	**(620,859,040)**	**(1,174,289,492)**	**201,527,658**
Balance as of January 1, 2026	**14**	**600,000,000**	**783,845,337**	**--**	**(57,501,985)**	**33,187,756**	**500,219,621**	**130,616,864**	**(1,157,603,344)**	**(1,174,289,492)**	**(341,525,243)**
Profit for the period		--	--	--	--	--	--	--	(240,811,946)	--	(240,811,946)
Other comprehensive expense		--	--	--	(2,544,002)	(37,458,998)	--	--	--	--	(40,003,000)
Total comprehensive expenses		**--**	**--**		**(2,544,002)**	**(37,458,998)**	**--**	**--**	**(240,811,946)**	**--**	**(280,814,946)**
Capital Advance		--	--	248,924,496	--	--	--	--	--	--	248,924,496
Transfers		--	--	--	--	--	--	--	1,157,603,344	(1,157,603,344)	--
September 30, 2026	**14**	**600,000,000**	**783,845,337**	**248,924,496**	**(60,045,987)**	**(4,271,242)**	**500,219,621**	**130,616,864**	**(240,811,946)**	**(2,331,892,836)**	**(373,415,693)**

CONVENIENCE TRANSLATION

The accompanying notes are an integral part of the consolidated financial statements.

ARZUM ELEKTRİKLİ EV ALETLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

Summary Consolidated Statement of Cash Flows for the Nine-Month Period Ended September 30, 2026

(Unless otherwise stated, all amounts are expressed in Turkish Lira ("TL") as restated for the effects of inflation at the purchasing power of September 30, 2026.)

	Notes	Unaudited 1 January- September 30, 2026	Unaudited 1 January- September 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period		**(240,811,946)**	**(620,859,042)**
Adjustments for depreciation and amortization expenses	9,10,11	117,547,633	171,299,302
Adjustments for tax expense	19	(78,098,364)	(233,491,156)
Adjustments for provisions		17,777,127	(201,588,856)
Adjustments for inventory impairment	7	10,485,734	20,063,969
Adjustments for rediscount income	5	(15,005,387)	(44,279,161)
Adjustments for interest expense, net	19	737,944,685	917,168,002
Adjustments for impairment (reversal) of receivables	5	4,105,860	(45,140)
Adjustments for disposal of non-current assets		5,922,206	(4,522,850)
Adjustments for monetary gain/loss		(207,847,784)	(135,157,726)
Adjustments for provision for employee termination benefits	13	6,331,469	3,403,680
Cash generated from operations before changes in working capital		**358,351,233**	**(128,008,978)**
Adjustments for increase/decrease) in trade receivables		327,130,444	610,904,486
Adjustments for increase/decrease) in inventories		(149,207,422)	545,033,797
Other operating increases/(decreases)		58,044,139	606,884,095
Adjustments for increase/(decrease) in trade payables		94,578,172	68,267,475
Cash generated from operations after changes in working capital		**688,896,566**	**1,703,080,875**
Taxes paid	21	(3,310,915)	(4,295,300)
Employee termination benefits paid	13	(3,055,660)	(15,480,536)
Bonuses paid	13	(6,570,153)	(3,678,146)
A. Net cash generated from operating activities		**675,959,838**	**1,679,626,893**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash outflows from purchases of property, plant and equipment and intangible assets	9,10	(192,140,816)	(67,216,802)
Right-of-use assets	11	(86,862,905)	(90,790,433)
Cash inflows from sales of property, plant and equipment and intangible assets		--	9,412,575
B. Net cash used in investing activities		**(279,003,721)**	**(148,594,660)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Capital Advance		248,924,496	--
Proceeds from Issuance of Shares		--	391,677,184
Proceeds from borrowings	4	2,670,410,001	923,606,448
Cash outflows for repayment of borrowings	4	(2,943,936,425)	(3,327,787,712)
Bonds / notes issued	4	319,770,587	1,444,801,180
Interest paid		(635,357,056)	(807,977,681)
Cash outflows for repayment of lease liabilities	4	(61,333,440)	(85,270,771)
Interest paid on lease transactions	4	(21,919,917)	(20,837,666)
Interest received	19	16,159,059	113,157,891
C. Net cash generated from financing activities		**(407,282,695)**	**(1,368,631,127)**
D. Effect of monetary gain/loss on cash and cash equivalents		**(41,000,335)**	**(51,129,930)**
NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A+B+C+D)		**(51,326,915)**	**111,271,180**
E. THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		**(37,458,998)**	**(5,295,014)**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D+E)		**(88,785,913)**	**105,976,166**
F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3	**209,606,534**	**252,194,649**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E+F)	3	**120,820,621**	**358,170,815**

CONVENIENCE TRANSLATION

The accompanying notes are an integral part of the consolidated financial statements.

1. Group's Organization and Nature of Operations

Arzum Elektrikli Ev Aletleri Sanayi ve Ticaret Anonim Şirketi ("Group") was established in 1977 under the name Güney İthalat Anonim Şirketi by Kazım Kolbaşı, Kemal Kolbaşı, and İbrahim Kolbaşı. Later, in 1993 and 2005, Arzum Dış Ticaret Anonim Şirketi ("Arzum Dış") and Felix Elektrikli Ev Aletleri Anonim Şirketi ("Felix") were established, respectively, to market the products of Arzum Elektrikli Ev Aletleri Anonim Şirketi. All three companies were under the management and control of the Kolbaşı family. As of December 31, 2007, the Company acquired all shares of Arzum Dış and Felix. On December 29, 2008, the Company and the other two entities merged under a single legal entity as Arzum Elektrikli Ev Aletleri Sanayi ve Ticaret Anonim Şirketi. On April 14, 2008, and March 4, 2009, the Group sold 38% and 11% of its shares, respectively, to Turkish Household Appliances BV ("Turkish Household"). On December 9, 2013, a 49% stake in Turkish Household Appliances BV ("Turkish Household") was sold to SDA International S.a.r.l. ("SDA International"). In 2014, a 1.49% stake in SDA International was transferred to other partners. In 2020, a 47.51% stake in SDA International was offered in an initial public offering.

The Group is registered with the Capital Markets Board ("CMB"), and its shares have been traded on Borsa Istanbul A.Ş. ("BIST") since 2020. As of September 30, 2026, 65.87% of the Group's shares are listed on BIST (Note 14).

The Group is engaged in the sale of electric home appliances through wholesalers, retailers, chain stores, and e-commerce.

On June 1, 2009, the Group established Arzum Asia Pacific ("Arzum Asia Pacific") in Hong Kong to conduct overseas purchases on its own behalf.

On July 11, 2011, the Group established Arzum Europe GmbH ("Arzum Europe"), in which it holds a 50% stake and Arzum Asia Pacific holds the remaining 50%, to conduct sales in Europe under its own name. As of December 31, 2013, the Group owned 100% of Arzum Europe.

On June 15, 2012, the Group established the Istanbul Industrial and Commercial Free Zone Branch of Arzum Electric Home Appliances Industry and Trade Corporation ("Arzum Free Zone") to operate within the free trade zone. This branch closed on March 16.

On January 31, 2019, the Group held the opening ceremony for the Ömer Halisdemir University Technopark Branch.

Arzum Shanghai Limited ("Arzum Shanghai"), established on January 17, 2024, in the People's Republic of China, with 100% of its shares owned by Arzum Asia Pacific for the purpose of expanding its business model overseas, it was dissolved on December 19, 2025, and in its place, Shenzhen Arzum Trading Co. Ltd. ("Arzum Shenzhen"), also wholly owned by Arzum Asia Pacific, was established on March 16, 2026.

On November 8, 2022, with the aim of upgrading the Group's existing operations in the U.S. market, Arzum USA ("Arzum USA") was formally incorporated in the state of Delaware, and as of April 12, 2024, the Company's capital transactions have been completed.

For the same purpose, on May 21, 2024, "Arzum FZE" was effectively incorporated as a wholly-owned subsidiary in the Jebel Ali Free Zone in Dubai, and its capitalization process was completed.

As of September 30, 2026, the consolidated financial statements for the period ending on that date consist of the Company and its subsidiaries (hereinafter referred to as the "Group").

The Group's headquarters is located at Defterdar Mah. Otakçılar Cad. Sinpaş Flatofis No. 78, Inner Door No. 34, Eyüpsultan, Istanbul.

As of September 30, 2026, the Group had 94 employees (December 31, 2025: 109).

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements

2.1 Basis of Presentation

(a) Statement of Compliance with Turkish Financial Reporting Standards ("TFRS")

The accompanying consolidated financial statements have been prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") adopted by the Capital Markets Board of Türkiye ("CMB") and promulgated by the Public Oversight, Accounting and Auditing Standards Authority ("POA"), pursuant to the provisions of the Communiqué No. II-14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué"), published by the CMB in the Official Gazette No. 28676 dated June 13, 2013. TFRS comprise the standards and interpretations published by the POA under the titles of Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TAS Interpretations and TFRS Interpretations.

The consolidated financial statements have been presented in accordance with the formats prescribed in the "Announcement on the TAS Taxonomy" published by the POA on July 3, 2024, and the Illustrative Financial Statements and User Guide published by the CMB. The condensed consolidated financial statements for the interim period ended September 30, 2026, have been prepared in accordance with Turkish Accounting Standard No. 34, "Interim Financial Reporting."

(b) Basis of Measurement

The consolidated financial statements are prepared on the historical cost basis except for derivative financial instruments, which are measured at fair value through profit or loss. The financial statements and corresponding figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, are stated in terms of the measuring unit current at the end of the reporting period in accordance with IAS 29 / TAS 29 "Financial Reporting in Hyperinflationary Economies".

(c) Functional and Reporting Currency

The Group's consolidated financial position and results of operations are expressed in Turkish Lira ("TRY"), which is the functional currency of the Group and the presentation currency for the consolidated financial statements. The functional currencies of the Group's subsidiaries are US Dollar ("USD") for Arzum Asia Pacific and Arzum USA, Euro ("EUR") for Arzum Europe, and United Arab Emirates Dirham ("AED") for Arzum FZE.

(d) Restatement of Financial Statements in Hyperinflationary Economies

The Public Oversight Accounting and Auditing Standards Authority (KGK) made an announcement regarding the scope and application of TAS 29 "Financial Reporting in Hyperinflationary Economies" on November 23, 2024. It stated that entities applying Turkish Financial Reporting Standards must present their financial statements for annual reporting periods ending on or after December 31, 2023, adjusted for the effects of inflation in accordance with the relevant accounting principles set out in TAS 29.

Pursuant to the Capital Markets Board's (CMB) resolution dated December 28, 2024, numbered 81/1820, it was resolved that issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards shall apply inflation accounting by enforcing the provisions of TAS 29, starting from their annual financial reports for accounting periods ending as of December 31, 2023. In this context, inflation adjustments have been made in accordance with TAS 29 while preparing the consolidated financial statements as of September 30, 2026 and December 31, 2025.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.1 Basis of Presentation *(continued)*

(d) Financial reporting in hyperinflationary economy *(continued)*

TAS 29 applies to the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy. When hyperinflation is present in an economy, IAS 29 requires the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy to be expressed in terms of the measuring unit current at the end of the reporting period.

As of the reporting date, since the cumulative change in general purchasing power over the last three years according to the Consumer Price Index (CPI) figure has exceeded 100%, entities operating in Turkey are required to apply IAS 29 "Financial Reporting in Hyperinflationary Economies" for reporting periods ending on or after December 31, 2023. The table below presents the inflation rates for the relevant years calculated taking into account the Consumer Price Indices published by the Turkish Statistical Institute (TSI/TÜİK):

Date	Index	Conversion factor
September 30, 2026	137.23	1.00000
December 31, 2025	110.39	1.24317
September 30, 2025	105.78	1.29731

Comparative figures for the previous period have been restated in terms of the same current measuring unit.

The main procedures applied for the restatement mentioned above are as follows:

• Monetary assets and liabilities carried at their current amounts as of the reporting date have not been restated, as they are already expressed in the current currency as of the reporting date.

• Non-monetary assets and liabilities, as well as equity items, that are not carried at their fair values as of the balance sheet date have been adjusted by applying the relevant adjustment factors from the transaction date or, if applicable, the most recent revaluation date up to the reporting date.

• The effects of inflation on the Group's net monetary position are presented as "monetary gain/(loss)" in the consolidated statement of income and other comprehensive income.

• All items in the statement of cash flows are expressed in the current unit of measurement as of the reporting date. For this purpose, all items in the statement of cash flows have been restated by applying the relevant adjustment factors from the transaction date.

The Group has determined that its functional currency is the currency of a hyperinflationary economy and, in a reporting period when it did not previously have hyperinflation, the Group applies the requirements of IAS 29 as if the economy had always been hyperinflationary. Therefore, in respect of non-monetary items measured at historical cost, the opening statement of financial position at the beginning of the earliest period presented in the Group's consolidated financial statements has been restated to reflect the effects of inflation from the date the assets were acquired and the liabilities were incurred or assumed. For non-monetary items carried at their current amounts in the opening consolidated statement of financial position, such restatement reflects the effect of inflation from the dates those current values were determined to the end of the reporting period.

CONVENIENCE TRANSLATION

3. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.1 Basis of Presentation *(continued)*

(e) Basis of Consolidation

Consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group. Necessary adjustments and reclassifications have been made in the financial statements of subsidiaries to ensure consistency with the accounting policies and presentation formats applied by the Group. The financial statements of the companies included in the consolidation have been prepared as of the same date as the consolidated financial statements.

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

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

The table below shows the subsidiary, together with the ownership interest held by the Group as of September 30, 2026 and December 31, 2025:

	Direct and indirect ownership interests of Arzum and its subsidiaries (%)	
	September 30, 2026	**December 31, 2025**
Arzum Asia Pacific	100	100
Arzum Europe	100	100
Arzum Free Zone (*)	--	100
Arzum USA	100	100
Arzum Shanghai(**)	--	100
Arzum FZE	100	100
Arzum Shenzhen(***)	100	--

(*) Although it does not have a separate legal personality, Arzum Elektrikli Ev Aletleri Sanayi ve Ticaret Anonim Şirketi Istanbul Industry and Trade Free Zone Branch is also considered as a subsidiary subject to consolidation in the accompanying consolidated financial statements. This branch was deregistered on March 16, 2026 in accordance with the Turkish Commercial Code.

(**) Arzum Shanghai, which is 100% owned by Arzum Asia Pacific, was closed on December 19, 2025.

(***) Arzum Shenzhen, which is 100% owned by Arzum Asia Pacific, was opened on March 16, 2026.

ii. Changes in the controlling power of the Group's existing subsidiary

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control 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 subsidiary. 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 Group.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.1 Basis of Presentation *(continued)*

(e) Basis of Consolidation *(continued)*

ii. Changes in the controlling power of the Group's existing subsidiary (continued)

If the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between

i) the sum of the consideration received and the fair value of any retained interest, and ii) the previous carrying amounts of the subsidiary's assets (including goodwill), liabilities, and any non-controlling interests.

In cases where the subsidiary's assets are valued at fair value or revalued amounts, and the related accumulated gain/loss is recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for in accordance with the accounting method that would be applied if the Group had directly disposed of the related assets (e.g., transferred to profit or loss or directly transferred to retained earnings, in accordance with the relevant TFRSs).

The fair value of any investment retained in the subsidiary as of the date when control is lost is regarded as the fair value on initial recognition in accordance with TFRS 9 Financial Instruments or, when applicable, as the cost on initial recognition of an investment in an associate or a jointly controlled entity.

iii. Elimination Transactions in Consolidation

During the preparation of the consolidated financial statements, intragroup transactions, intragroup balances, and unrealized income and expenses arising from intragroup transactions are eliminated on a reciprocal basis. Profits and losses arising from transactions between the affiliate and the parent company, as well as the parent company's subsidiaries subject to consolidation, are offset in proportion to the parent company's ownership interest in the affiliate. Unrealized losses are eliminated in the same manner as unrealized gains, provided there is no evidence of impairment.

(f) Going concern

The consolidated financial statements have been prepared on a going concern basis, assuming that the Group will derive benefits from its assets and meet its obligations over the next year and in the normal course of its operations.

As of September 30, 2026, the Group reported an operating loss of TRY 18,011,557 and a net loss for the period of TRY 240,811,946. The Group's equity balance on the balance sheet as of September 30, 2026, is negative TRY 373,415,693. Furthermore, the Group's current liabilities exceed its total current assets by 1,455,839,724 TRY.

This situation indicates significant uncertainty that could raise serious doubts regarding the Group's ability to continue as a going concern. Furthermore, these matters indicate that the Group is insolvent pursuant to Article 376 of the Turkish Commercial Code No. 6102 ("TCC"). Nevertheless, pursuant to a board of directors' resolution dated July 29, 2025, the Group has filed an application for Financial Restructuring (FYY) to restructure its existing loans. This process is currently ongoing with the banks.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.1 Basis of Presentation *(continued)*

(f) Going concern (continued)

As these conditions may indicate the existence of a material uncertainty regarding the Group's ability to continue as a going concern, the Group management has performed a detailed assessment regarding the Group's ability to continue as a going concern, as explained in Note 26, and has prepared a balance sheet as of December 31, 2025 ("TTK 376 Balance Sheet") based on the probable sale prices of the Group's assets, in accordance with the Capital Markets Board's (CMB) decision dated 10 April 2014 and numbered 11/352 regarding the "Application of Article 376 of the Turkish Commercial Code (TCC) No. 6102 for Publicly Traded Companies" (Note 26). Within the scope of the valuation of the subsidiaries and the intangible asset included in the said TTK 376 Balance Sheet, 2 subsidiaries and the Arzum brand were valued as of December 31, 2025 by an independent professional valuation firm authorized by the CMB. The positive impact of these valuations on equity in the TTK 376 Balance Sheet prepared by the Company amounts to TRY 1,356,846,654 as of September 30, 2026, based on purchasing power adjustments.

On the other hand, Provisional Article 1 of the Communiqué on the Principles Regarding the Application of Article 376 of the Turkish Commercial Code No. 6102 ("TCC 376 Communiqué") stipulates that all foreign exchange losses arising from unperformed foreign currency denominated liabilities, as well as half of the total expenses, depreciations, and personnel expenses stemming from leases accrued in 2020 and 2021, may be disregarded. Within this framework, the total expense items that may be disregarded in the Group's TCC 376 calculations amount to TRY 596,290,954 as of September 30, 2026, based on purchasing power adjustments.

Within the scope of these evaluations, it was resolved at the Board of Directors meeting of the Company dated 19 March 2026 that no further measures stipulated in Article 376 of the TCC are required.

Regarding the said TCC 376 Balance Sheet, the Group made a material event disclosure on the Public Disclosure Platform (KAP) on 19 March 2026, based on the Board of Directors' resolution dated 19 March 2026, pursuant to the CMB's decision dated 10 April 2014 and numbered 11/352.

(g) Other Matters That Significantly Affect the Financial Statements or That Need to Be Disclosed for the Financial Statements to Be Clear, Interpretable and Understandable

The reconciliation of equity based on fair values in the TCC 376 Balance Sheet as of December 31, 2025, prepared within the framework of the principles specified in the CMB's decision dated 10 April 2014 and numbered 11/352 and pursuant to the 3rd paragraph of Article 376 of the TCC, with the equity based on carrying values in the consolidated statement of financial position prepared in accordance with TAS/TFRS as of the same date is as follows as of September 30, 2026, based on purchasing power adjustments:

Total Consolidated Equity Based on Book Values	TRY (341,525,245)
Consolidation Equity Adjustment	TRY 9,086,932
Total Non-Consolidated Equity Based on Book Values	TRY (332,438,313)
Value Adjustment Arising from Subsidiaries and Intangible Assets (Note 26/(i) Going Concern)	TRY 1,356,846,654
Reported Equity	**TRY 1,024,408,341**

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.1 Basis of Presentation *(continued)*

(g) Other Matters That Significantly Affect the Financial Statements or That Need to Be Disclosed for the Financial Statements to Be Clear, Interpretable and Understandable (*continued*)

On the other hand, Provisional Article 1 of the TCC 376 Communiqué stipulates that all foreign exchange losses arising from unperformed foreign currency denominated liabilities, as well as half of the total expenses, depreciations, and personnel expenses stemming from leases accrued in 2020 and 2021, may be disregarded. Within this framework, the amounts of expense items that may be disregarded in the Group's TCC 376 calculations as of December 31, 2025 are as follows as of September 30, 2026, based on purchasing power adjustments:

Unrealized Foreign Exchange Losses	TRY 85,779,549
Half of 2020-2021 Personnel Expenses	TRY 405,816,409
Half of 2020-2021 Lease Expenses	TRY 47,229,003
Half of 2020-2021 Depreciation Expenses	TRY 57,465,993
Total Expenses That May Be Disregarded	TRY 596,290,954

When evaluated together, the provisions of the CMB's decision dated 10 April 2014 and numbered 11/352 and Provisional Article 1 of the TCC 376 Communiqué indicate that the Company's equity for the evaluation under Article 376 of the TCC reaches TRY 1,024,408,341 as of September 30, 2026, based on purchasing power adjustments. Consequently, it has been concluded that the Company does not fall within the scope of Article 376 of the TCC as of the accounting period ended September 30, 2026.

Additionally, the Kolbaşı Family, who hold managerial control over the Group, has stated that they will make the necessary efforts to provide the required resources and support regarding the continuation of the Group's operations.

In this context, Talip Murat Kolbaşı, Ali Osman Kolbaşı, Aliye Kolbaşı, Yasemin Rezan Kolbaşı, Zeynep Figen Peker, and Rengin Yağan, who are members of the Kolbaşı Family, have deposited a cash amount of TRY 240,000,000 into the Group's capital advance accounts for the purpose of a capital increase by way of restricted rights issue (issuance of shares to existing shareholders).

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.2 New and Revised Accounting and Reporting Standards

The accounting policies applied in the preparation of the condensed consolidated financial statements for the accounting period ending September 30, 2026 are consistent with those applied in the previous year, except for the new and amended TFRS standards and TFRS interpretations effective as of 1 January 2026, which are summarized below.

a) New standards, amendments and interpretations effective as of 1 January 2026

TFRS 9 and TFRS 7 (Amendments):	Classification and Measurement of Financial Instruments
TFRS 9 and TFRS 7 (Amendments):	Nature-Dependent Electricity-Based Contracts / Nature-Dependent Power Purchase Agreements (PPAs)
Annual Improvements to TFRS Standards:	Volume 11

The impacts of these standards and interpretations on the Group's consolidated financial statements and performance are disclosed in the related paragraphs.

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

In August 2025, the Public Oversight, Accounting and Auditing Standards Authority (KGK) published amendments regarding the classification and measurement of financial instruments (pertaining to TFRS 9 and TFRS 7). The amendments clarify the derecognition of financial liabilities upon extinguishment.

However, the amendments introduce an accounting policy choice to allow the derecognition of financial liabilities settled via electronic payment systems prior to the settlement date, provided that certain conditions are met. Furthermore, the amendments provide explanatory guidance on how to assess the contractual cash flow characteristics of financial assets containing Environmental, Social, and Governance (ESG) linked features or other similar contingent features, as well as provisions regarding non-recourse assets and contractually linked financial instruments. In addition, supplementary disclosure requirements have been added to TFRS 7 for financial assets and liabilities containing contractual provisions that refer to a contingent event (including those ESG-linked) and equity instruments measured at fair value through other comprehensive income. The new provisions will be applied retrospectively by adjusting the opening balance of the retained earnings (accumulated losses) item.

Amendments to TFRS 9 and TFRS 7 – Nature-Dependent Electricity-Based Contracts

In August 2025, the KGK published the amendments regarding "Nature-Dependent Electricity-Based Contracts" (pertaining to TFRS 9 and TFRS 7). The amendments clarify the application of provisions regarding the own-use exemption and permit hedge accounting when such contracts are used as hedging instruments. The amendments also introduce new disclosure requirements to enable investors to understand the impact of these contracts on the entity's financial performance and cash flows. The clarifications regarding the own-use provisions are applied retrospectively, whereas the provisions permitting hedge accounting are applied prospectively to new hedging relationships designated on or after the date of initial application.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.3 New and Revised Accounting and Reporting Standards *(continued)*

Annual Improvements to TFRS Standards – Volume 11

In September 2025, the KGK published "Annual Improvements to TFRS Standards – Volume 11", including the following amendments:

- TFRS 1 First-time Adoption of Turkish Financial Reporting Standards – Hedge accounting by a first-time adopter: The amendment was made to eliminate potential confusion caused by inconsistencies between the wording in TFRS 1 and the provisions regarding hedge accounting in TFRS 9.
- TFRS 7 Financial Instruments: Disclosures – Gains or losses on derecognition: In TFRS 7, the wording regarding unobservable inputs has been amended, and a reference to TFRS 13 has been added.
- TFRS 9 Financial Instruments – Derecognition of lease liabilities by a lessee and transaction price: TFRS 9 has been amended to clarify that when a lease liability is extinguished, the lessee must apply the derecognition provisions in TFRS 9 and that the resulting gain or loss is recognized in profit or loss. Additionally, an amendment was made to TFRS 9 to remove the reference to transaction price.
- TFRS 10 Consolidated Financial Statements – Determination of a "de facto agent": The Standard has been amended to eliminate inconsistencies within the paragraphs of TFRS 10.
- TAS 7 Statement of Cash Flows – Cost method: Following the removal of the term "cost method" through previous amendments, this reference has been deleted from the Standard.

b) Standards Issued But Not Yet Effective and Not Early Adopted

The Group has not yet applied the following standards, amendments, and interpretations to existing previous standards that have been issued but are not yet effective:

TFRS 10 and TAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)
TFRS 17	Insurance Contracts Standard
TFRS 18	Presentation and Disclosure in Financial Statements Standard
TFRS 19	Subsidiaries without Public Accountability
TAS 21	The Effects of Changes in Foreign Exchange Rates – Translation into a Hyperinflationary Presentation Currency
TAS 28	Fair Value Option for Associates and Joint Ventures

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

The KGK has indefinitely postponed the effective date of the amendments made to TFRS 10 and IAS 28 in December 2017, pending the outcomes of the ongoing research project on the equity method. However, early application is still permitted.

TFRS 17 Insurance Contracts Standard

In February 2019, KGK published TFRS 17, a comprehensive new accounting standard covering recognition, measurement, presentation, and disclosure for insurance contracts. TFRS 17 introduces a model that provides for both the measurement of liabilities arising from insurance contracts at current balance sheet values and the recognition of profit over the period during which services are provided. By an announcement made by the KGK, the mandatory effective date of the standard has been postponed to annual reporting periods beginning on or after 1 January 2027.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.3 New and Revised Accounting and Reporting Standards *(continued)*

TFRS 18 Presentation and Disclosure in Financial Statements Standard

In May 2025, the KGK published TFRS 18, which replaces IAS 1. TFRS 18 introduces new requirements regarding the presentation of the statement of profit or loss, including the reporting of specific totals and subtotals. TFRS 18 mandates that entities present all income and expenses included in the statement of profit or loss within one of the five categories: operating, investing, financing, income taxes, and discontinued operations. The standard also requires the disclosure of management-defined performance measures, in addition to introducing new requirements for the aggregation or disaggregation of financial information in accordance with the defined functions for primary financial statements and notes. With the issuance of TFRS 18, certain amendments have also been made to other financial reporting standards such as IAS 7, IAS 8, and IAS 34. TFRS 18 and the related amendments will become effective for reporting periods beginning on or after 1 January 2027. However, early application is permitted. TFRS 18 will be applied retrospectively.

TFRS 19 Subsidiaries without Public Accountability: Disclosures Standard

In August 2025, the KGK published TFRS 19, which offers eligible entities the option to provide reduced disclosures while applying the recognition, measurement, and presentation requirements of TFRSs. Unless specified otherwise, entities within the scope that choose to apply TFRS 19 will not be required to apply the disclosure requirements in other TFRSs.

An entity that is a subsidiary, does not have public accountability, and has a parent (intermediate or ultimate) that prepares consolidated financial statements in accordance with TFRSs that are available for public use will be able to choose to apply TFRS 19. TFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. If early application of this standard is elected, this fact must be disclosed in the notes. In the first reporting period (annual or interim) in which this standard is applied for the first time, the disclosures presented for the comparative period must be aligned with the disclosures provided in the current period in accordance with TFRS 19.

Amendments to IAS 21 – Translation into a Hyperinflationary Presentation Currency

Published by the KGK in April 2026, these amendments mandate the use of the closing rate for translation when translating from a non-hyperinflationary functional currency to a hyperinflationary presentation currency. Accordingly, an entity whose functional currency is the currency of a non-hyperinflationary economy but whose presentation currency is the currency of a hyperinflationary economy shall translate its results of operations and financial position, including comparative amounts, using the closing rate at the end of the current reporting period for all related amounts (in other words, for assets, liabilities, equity items, income, and expenses). Furthermore, an entity whose functional currency and presentation currency are those of a hyperinflationary economy shall express comparative amounts of a foreign operation whose functional currency is the currency of a non-hyperinflationary economy in terms of the measuring unit current at the end of the reporting period by applying the general price index in accordance with IAS 29. These amendments also introduce certain additional disclosure requirements.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 New and Revised Accounting and Reporting Standards *(continued)*

The amendments apply to annual reporting periods beginning on or after 1 January 2027, and early application is permitted. If an entity's functional currency and presentation currency are the currencies of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and it translates the results of operations and financial position of its foreign operations whose functional currencies are the currencies of non-hyperinflationary economies, the entity shall apply these changes from the beginning of the annual reporting period in which it first applies them. In addition, such an entity shall restate comparative amounts for foreign operations included in previously issued financial statements by applying the general price index used for the related amounts in accordance with IAS 29. Entities not falling within this scope shall apply these amendments retrospectively.

Amendments to IAS 28 – Fair Value Option for Associates and Joint Ventures

Published by the KGK in July 2026, these amendments clarify which entities are eligible to apply the fair value option set out in IAS 28. The amendments specify that the concept of "similar entity", as explained in paragraph 49(a) of TFRS 18, also encompasses entities whose principal activity is investing in specified types of assets. Furthermore, it has been clarified that the entitlement to apply the fair value option must be assessed at the level of the entity that directly holds the investment in the associate or joint venture.

The amendments are applied when the entity first applies TFRS 18. If an entity elects to apply TFRS 18 early, the amendments shall also be applied consistently with that early application. However, if an entity applies TFRS 18 early for a reporting period beginning before the publication of these amendments, the amendments shall apply from the first reporting period ending on or after the date of publication. The amendments are applied retrospectively.

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

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies

Revenue

The Group recognizes a contract with a customer as revenue when all of the following criteria are met:

- The parties to the contract have approved the contract (in writing, orally, or in accordance with other customary business practices) and are committed to performing their respective obligations.
- The Group can identify each party's rights regarding the goods or services to be transferred.
- The Group can identify the payment terms for the goods or services to be transferred.
- The contract has commercial substance.
- It is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether the collectability of an amount of consideration is probable, the Group considers only the customer's ability and intention to pay that amount of consideration when it is due.

At the inception of the contract, the Group evaluates the goods or services promised in the contract with the customer and identifies each commitment to transfer to the customer as a separate performance obligation. The Group also determines at contract inception whether each performance obligation is satisfied over time or at a point in time.

The Group makes turnover and incentive premium payments to its customers based on performance results. The amounts calculated for these payments as of the balance sheet date are offset in the balance sheet under trade receivables and recorded as sales discounts under revenue in the statement of profit or loss.

When another party is involved in providing goods or services to a customer, the Group determines whether its promise is a performance obligation to provide the specified goods or services itself (as a principal) or to arrange for those goods or services to be provided by another party (as an agent). The Group is a principal if it controls the specified goods or services before transferring them to the customer. In such cases, when (or as) the performance obligation is satisfied, the Group recognizes revenue in the gross amount of consideration to which it expects to be entitled in exchange for the specified goods or services transferred. If the Group's performance obligation is to arrange for the provision of the specified goods or services by another party, the Group is an agent and does not recognize revenue for that performance obligation.

Inventories

Inventories are valued at the lower of indexed cost or net realizable value. Costs comprising factors include all purchasing costs and all expenses incurred in bringing the inventories to their present condition and location. The weighted average cost method is applied in calculating the cost of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated marketing, selling, and distribution expenses necessary to make the sale.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies (continued)

Property, Plant and Equipment

Property, plant, and equipment are carried at indexed cost less accumulated depreciation and any accumulated impairment losses.

The indexed cost amounts of property, plant, and equipment are depreciated using the straight-line method over their estimated useful lives. Estimated useful lives, residual values, and depreciation methods are reviewed at each year-end for the potential effects of any changes in estimates, and any changes in estimates are accounted for prospectively.

Gains or losses arising from the disposal or retirement of an item of property, plant, and equipment are determined as the difference between the sales proceeds and the carrying amount of the asset and are included in profit or loss for the period.

Expenditures incurred for the repair, maintenance, and upkeep of property, plant, and equipment are recognized as expense as incurred.

In the current and comparative periods, the depreciation periods reflecting the average useful lives of property, plant, and equipment are as follows:

	Useful life
Vehicles	5 years
Furniture and Fixtures	3-15 years
Leasehold improvements	5-10 years

Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the useful life of the related leasehold improvements.

Intangible assets

Purchased intangible assets are carried at indexed cost less accumulated amortization and any accumulated impairment losses. These assets are amortized using the straight-line method over their estimated useful lives. Estimated useful lives and amortization methods are reviewed annually to assess the potential effects of any changes in estimates, and any changes in estimates are accounted for prospectively. The average amortization periods for intangible assets range from 3 to 5 years.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. This difference is recognized in profit or loss when the asset is derecognized.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies *(continued)*

Development Costs

Expenditures incurred during research activities are recognized in profit or loss when incurred. Development expenditures are capitalized only if the costs can be measured reliably, the technical and commercial feasibility of completing the product or process is established, future economic benefits are probable, and the Group has the intention and sufficient resources to complete development and to sell or use the asset. Otherwise, they are recognized in profit or loss as incurred. Subsequent to initial recognition, development costs are measured at cost less accumulated amortization and any accumulated impairment losses. In the current period, amortization periods reflecting the average useful lives of development costs range between 3 and 5 years (2025: 3–5 years).

Investment Property

Investment property comprises land and buildings held to earn rentals and/or for capital appreciation, and land and buildings held for this purpose are classified as "investment properties". Investment properties are carried at cost less depreciation (with a useful life of 50 years) and any accumulated impairment losses.

Investment properties are reviewed for potential impairment, and if the carrying amount of an investment property exceeds its recoverable amount, an impairment loss is recognized to reduce it to its recoverable amount. The recoverable amount is considered to be the higher of net future cash flows from the current use of the respective investment property or its fair value less costs to sell.

Leasing transactions

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a Lessee

At the commencement date or on the date of modification of a contract containing a lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group has elected not to separate non-lease components from lease components, and instead accounts for each lease component and any associated non-lease components as a single lease component.

At the commencement date of the lease, the Group recognizes a right-of-use asset and a lease liability in its financial statements. The cost of the right-of-use asset comprises the initial measurement amount of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs incurred, and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located, or restoring the underlying asset to the condition required by the terms and conditions of the lease.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies*(continued)*

Leasing transactions *(continued)*

As a Lessee (continued)

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, or if the cost of the right-of-use asset indicates that the lessee will exercise a purchase option, the right-of-use asset is amortized from the date the lease effectively begins until the end of the underlying asset's useful life. In other cases, the right-of-use asset is amortized beginning on the date the lease effectively begins, over the shorter of the asset's useful life or the lease term. Additionally, the value of the right-of-use asset is periodically reduced, if applicable, by any impairment losses, and is adjusted in accordance with the remeasurement of the lease liability.

As of the date the lease actually begins, the lease liability is measured based on the present value of the lease payments outstanding as of that date. Lease payments are discounted using the implicit interest rate of the lease, if such a rate can be readily determined. If this rate cannot be readily determined, the Group's alternative borrowing rate is used.

The Group determines the alternative borrowing rate by considering the interest rates it would pay on borrowings from various external financing sources and makes certain adjustments to reflect the lease terms and the type of leased asset.

The lease payments included in the measurement of the lease liability consist of the following:

– Fixed payments (including payments that are fixed in substance);

– Variable lease payments linked to an index or rate, where the initial measurement is made using an index or rate as of the date the lease actually begins;

– Amounts expected to be paid by the lessee under residual value commitments;

– The exercise price of a purchase option if there is reasonable certainty that the option will be exercised, and penalty payments related to the termination of the lease if the lease term indicates that the Group will exercise an option to terminate the lease.

The lease liability is measured by discounting the lease payments using a discount rate. The Group evaluates renewal, termination, and purchase options if a change in the index or rate used to determine future lease payments results in a change in those payments, or if there is a change in the amounts expected to be paid under a residual value commitment.

Short-term leases and low-value leases

The Group has elected not to recognize right-of-use assets or lease liabilities for low-value asset leases, including technology equipment, and short-term leases. The Group recognizes lease payments related to these leases as an expense on a straight-line basis over the lease term.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies*(continued)*

Financial Instruments

(i) Recognition and Initial Measurement

The Group recognizes trade receivables and debt instruments on the date that they are originated. All other financial assets and liabilities are recognized on the trade date on which the Group becomes a party to the contractual provisions of the financial instrument.

At initial measurement, financial assets and liabilities (other than those measured at fair value through profit or loss and excluding trade receivables that do not contain a significant financing component) are measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Trade receivables that do not contain a significant financing component are measured at their transaction price at initial recognition.

(ii) Classification and Subsequent Measurement

Upon initial inclusion in the consolidated financial statements, a financial instrument is classified as follows: those measured at amortized cost, with changes in fair value recognized in other comprehensive income—investments in debt instruments; those measured at fair value, with changes in fair value recognized in other comprehensive income—investments in equity instruments; or those measured at fair value, with changes in fair value recognized in profit or loss.

Following initial recognition, financial instruments are not reclassified unless the Group changes the business model it uses to manage its financial assets.

Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing financial assets. In this case, all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if both of the following conditions are met and the financial asset is not classified as measured at fair value through profit or loss:

• The financial asset is held within a business model aimed at collecting the contractual cash flows, and

• The terms of the financial asset's contract result in cash flows consisting solely of principal and interest payments arising from the principal balance on specified dates.

All financial assets not measured at amortized cost as described above or with fair value changes recognized in other comprehensive income are measured with fair value changes recognized in profit or loss. This includes all derivative financial assets. Upon initial recognition of financial assets in the financial statements, a financial asset may be designated as measured at fair value through profit or loss on an irrevocable basis, provided that this eliminates or significantly reduces an accounting mismatch arising from the different measurement of financial assets and the different recognition of related gains or losses in the financial statements.

Financial Assets—Assessment of the Business Model:

The Group evaluates the purpose for which a financial asset is held at the portfolio level to ensure that the business model best reflects how assets are managed and the information provided to management. The information considered includes:

• policies and objectives established for the portfolio and the application of these policies in practice. These include whether management's strategy focuses on earning contractual interest income, continuing to benefit from a specific interest rate, aligning the maturity of financial assets with the maturity of the debt used to fund them, or generating cash flows through the sale of assets;

• how additional payments to management are determined (for example, whether such payments are based on the fair value of assets under management or on contractually-based cash flows received); and

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies*(continued)*

Financial instruments *(continued)*

(ii) Classification and Subsequent Measurement *(continued)*

Financial Assets—Assessment of the Business Model: (continued)

• the frequency, value, timing, and reason for sales in prior periods, as well as expectations for future sales.

The transfer of financial assets to third parties in transactions that do not qualify for derecognition from the statement of financial position is not recognized as a sale for this purpose, consistent with the Group's ongoing recognition of such assets in its consolidated financial statements.

Financial Assets – Assessment of Whether Contractual Cash Flows Consist Solely of Principal and Interest Payments on the Principal Balance:

For the purposes of this assessment, principal is the fair value of the financial asset at the time it is initially recognized in the consolidated financial statements. Interest consists of the time value of money, the credit risk associated with the principal balance over a specific time period, other fundamental lending risks and costs (such as liquidity risk and administrative costs), and the profit margin.

In assessing whether contractual cash flows consist solely of principal and interest payments on the principal balance, the Group relies on the characteristics of the contractual cash flows. This assessment requires an evaluation of whether the financial asset contains contractual terms that would alter the timing or amount of the contractual cash flows in a way that would cause the financial asset to fail to meet this condition. In making this assessment, the Group considers the following:

- any contingent event (i.e., a trigger event) that could alter the timing or amount of the contractual cash flows;
- provisions that adjust the contractually agreed coupon rate, including those with variable-rate features;
- features that provide for early repayment and extension of maturity; and
- Terms that restrict the Group's contractual rights to receive cash flows arising from certain assets (e.g., a non-recourse feature).

An early repayment feature is consistent with the criterion of payments of principal and interest on the principal balance only if, in cases where the contract is terminated before maturity, the prepayment amounts—which include a reasonable fee—largely reflect the unpaid principal and interest on the principal balance.

In addition, (i) if the financial asset was acquired at a premium or a discount relative to its contractual face value, (ii) if, in the event the contract is terminated before maturity, the prepayments—which include a reasonable additional fee—largely reflect the contract's nominal value and the accrued (but unpaid) interest, and (iii) if the GUD of the prepayment feature is immaterial at the time of initial recognition, it is deemed to meet this criterion.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies*(continued)*

Financial Instruments *(continued)*

(ii) Classification and Subsequent Measurement (continued)

Financial assets – Gains or losses arising from subsequent measurement

Financial assets measured at fair value through profit or loss	These assets are measured at their fair value in subsequent measurements. Net gains and losses related to these assets, including any interest or dividend income, are recognized in profit or loss. For derivatives, see section (v) below.
Financial assets measured at amortized cost	These assets are measured at amortized cost using the effective interest method in subsequent measurements. Their amortized cost is reduced by the amount of any impairment losses, if any. Interest income, foreign currency gains and losses, and impairment losses are recognized in profit or loss. Gains or losses arising from the derecognition of these assets are recognized in profit or loss.

Financial Liabilities – Classification, Subsequent Measurement, and Gains and Losses

Financial liabilities are classified as those measured at amortized cost and those with fair value changes recognized in profit or loss.
A financial liability is classified as one for which changes in fair value are recognized in profit or loss if it meets the definition of a financial liability held for trading. A financial liability is classified as a financial liability held for trading if it is a derivative instrument or if it is designated as such upon initial recognition. Financial liabilities with fair value changes recognized in profit or loss are measured at fair value, and net gains and losses —including interest expense—are recognized in profit or loss. Other financial liabilities are measured, following initial recognition, at amortized cost based on the present value of future principal and interest cash flows discounted using effective interest rates, net of any impairment losses. Interest expense and foreign exchange differences are recognized in profit or loss. Gains or losses arising from the derecognition of these liabilities are recognized in profit or loss. For derivatives designated as hedging instruments, see section (v) below.

(iii) Off-balance-sheet treatment

Financial Assets

The Group derecognizes a financial asset when the contractual rights to the cash flows associated with the financial asset have expired, or when it has substantially transferred all the risks and rewards of ownership of the financial asset, or when it has neither substantially transferred nor substantially retained all the risks and rewards of ownership of the financial asset, the Group derecognizes the financial asset from its records. If the Group continues to retain substantially all the risks and rewards associated with ownership of a financial asset, it continues to recognize the financial asset on the statement of financial position.

CONVENIENCE TRANSLATION

2. Principles for the Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies *(continued)*

Financial Instruments *(continued)*

(iii) Off-Balance-Sheet Items (continued)

Financial Liabilities

The Group removes a financial liability from the statement of financial position only when the obligation associated with that liability has been extinguished or canceled. Additionally, the Group removes a financial liability from the statement of financial position if there is a significant change in the terms or cash flows of an existing financial liability. Instead, this requires the recognition of a new financial liability under GUD based on the modified terms. Upon derecognition of a financial liability, the difference between its carrying amount and the amount paid in connection with that liability (including any non-cash assets transferred or any liabilities assumed) is recognized as profit or loss in the consolidated financial statements.

(iv) Offsetting Financial Assets and Liabilities

The Group offsets its financial assets and liabilities only when it has a legally enforceable right to do so and intends to settle the transaction on a net basis or to realize the asset and settle the liability simultaneously and presents the net amount in its financial statements.

Upon initial recognition, derivative instruments are accounted for under fair value through profit or loss (FVTPL). Since derivative instruments do not meet the specific criteria for hedge accounting, changes in their fair value following initial recognition are recognized in consolidated profit or loss.

(v) Derivative Financial Instruments

As of September 30, 2026, and December 31, 2025, the Group had no foreign currency hedging derivatives. Derivatives are initially recognized in the fair value through profit or loss (FVTPL) account. Since the derivatives do not meet the criteria for hedge accounting, changes in their fair value following initial recognition are recognized in consolidated profit or loss. The Group had no derivative financial instruments as of September 30, 2026, and December 31, 2025.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash balances and deposit accounts with a maturity of three months or less as of the date of acquisition, for which the risk of changes in fair value is minimal, and are used by the Group to finance short-term liabilities.

Cash and cash equivalents include cash and bank deposits.

Non-derivative financial liabilities

The Group recognizes equity-like liabilities as of the date they arise. All other financial liabilities are initially recognized on the transaction date when the Group becomes a party to the contractual terms of the relevant financial instrument.

When contractual obligations are fulfilled, canceled, or terminated, the Group removes the relevant financial liability from its records.

The Group classifies its non-derivative financial liabilities under the “other financial liabilities” category. Such financial liabilities are initially recognized at fair value, net of transaction costs directly attributable to the transaction. Following initial recognition, financial liabilities are carried at amortized cost using effective interest rates to discount future principal and interest cash flows.

Other financial liabilities consist of financial debts, liabilities arising from lease transactions, current accounts with banks, trade and other payables, and payables to related parties.

CONVENIENCE TRANSLATION

2. Principles for the Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies *(continued)*

Non-derivative financial liabilities *(continued)*

If a financial instrument results in a cash outflow, an outflow of any other asset, or an outflow of another financial instrument from a part of the Group, that financial instrument is classified as a financial liability. A financial instrument may be classified as an equity instrument only if it meets the following conditions:

a) It does not involve an obligation under a contract to deliver cash or another financial asset to another entity, or an obligation under a contract requiring the entity to exchange financial instruments with another entity in a manner that would be disadvantageous to the entity.

b) If the financial instrument is settled or is to be settled in the Group's equity instruments, and if it is a derivative financial instrument that does not meet the definition of a derivative financial instrument requiring the transfer of a variable number of equity instruments to the Group, or if it is a derivative financial instrument involving a fixed amount of cash or a fixed number of equity instruments.

Equity

Common shares are classified as equity. Additional costs directly attributable to the issuance of common shares are accounted for as a decrease in equity, net of the tax effect.

Related Parties

Related parties are individuals or entities related to the entity preparing the consolidated financial statements (the reporting entity).

a) An individual or a member of that individual's immediate family is considered related to the reporting entity in the following circumstances: If the individual

(i) has control or joint control over the reporting entity,

(ii) has significant influence over the reporting entity,

(iii) is a member of the key management personnel of the reporting entity or a parent of the reporting entity.

(b) The party is an affiliate of the Group;

(c) The Party is a joint venture in which the Group is a joint venturer;

(d) The Party is a member of the key management personnel of the Group and its parent company;

(e) The Party is a close family member of any individual referred to in (a) or (d);

(f) The Party is an entity controlled by, or significantly influenced by, any person referred to in (d) or (e), or in which such person holds, directly or indirectly, a significant voting interest;

(g) The Party has a benefit plan providing benefits to employees of the Group or any business that is an affiliate of the Group following their termination of employment.

A series of transactions is conducted with related parties in the normal course of business.

CONVENIENCE TRANSLATION

2. Principles for the Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies *(continued)*

Impairment of Assets

(i) Non-derivative financial assets

Financial instruments and contractual assets

The Group recognizes an allowance for expected credit losses for the following:

• Financial assets measured at amortized cost;

The Group measures the loss allowance for the items listed below at an amount equal to the lifetime expected credit losses:

• Debt instruments determined to have low credit risk as of the reporting date, and

• Other debt instruments and bank balances for which credit risk (i.e., the risk of default arising over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group has elected to use lifetime ECLs in calculating impairment for its trade receivables.

In determining whether the credit risk of a financial asset has increased significantly since initial recognition and in estimating ECLs, the Group considers reasonable and supportable information—including the effects of expected prepayments—related to the estimation of expected credit losses that can be obtained without incurring excessive cost or effort. This information includes quantitative and qualitative data and analyses based on the Group's historical credit loss experience and incorporating forward-looking information.

To determine whether a financial instrument has low credit risk, the Group may use other methodologies consistent with a globally accepted definition of low credit risk and that take into account the type and risks of the financial instruments being assessed. The maximum period over which ECLs are measured is the maximum contractual term during which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset increases significantly if it is past due by 30 days.

The Group considers a financial asset to be in default under the following circumstances:

• The borrower's failure to fully meet its credit obligations without the Group resorting to actions such as the realization of collateral (if any), or

• The financial instrument is 90 days past due.

Lifetime ECL represents the expected credit losses arising from all potential default events likely to occur over the expected life of the financial instrument.

12-month expected credit losses represent the portion of expected credit losses arising from default events likely to occur within 12 months following the reporting date with respect to the financial instrument.

The maximum period over which ECLs are measured is the maximum contractual term during which the Group is exposed to credit risk.

Measurement of ECLs

ELCs are a probability-weighted estimate of credit losses over the expected life of the financial instrument. In other words, they are credit losses measured based on the present value of all cash shortfalls (for example, the difference between the cash inflows to the entity under the contract and the cash flows the entity expects to collect).

A cash shortfall is the difference between the cash flows that, according to the contract, are due to the entity and the cash flows the entity expects to receive. Since the amount and timing of payments are taken into account in expected credit losses, a credit loss arises even if the entity expects to receive the full payment after the maturity date specified in the contract. ECLs are discounted using the financial asset's effective interest rate.

CONVENIENCE TRANSLATION

2. Principles for the Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies *(continued)*

Impairment of Assets *(continued)*

Financial Assets Impaired by Credit Loss

At the end of each reporting period, the Group assesses whether financial assets measured at amortized cost and debt instruments for which the fair value change is recognized in other comprehensive income have suffered an impairment. A financial asset is considered impaired when one or more events have occurred that adversely affect its estimated future cash flows.

Evidence that a financial asset is impaired includes the following observable data:

- The borrower or issuer experiencing significant financial distress;
- A breach of contract, such as the borrower's default or the financial instrument being past due by 90 days;
- Restructuring of a loan or advance, subject to conditions that the Group cannot disregard
- The possibility that the borrower may file for bankruptcy or undergo financial restructuring, or
- The disappearance of an active market for a financial asset due to financial difficulties.

Presentation of Impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt instruments measured by recognizing the fair value change in other comprehensive income, the resulting impairment loss is recognized in consolidated other comprehensive income rather than reducing the financial asset's carrying amount on the statement of financial position.

Derecognition

If there is no reasonable expectation that the value of a financial asset will be recovered, in whole or in part, the entity directly reduces the gross carrying amount of the financial asset. A write-off is a reason for an off-balance-sheet treatment.

For individual customers, the Group has a write-off policy—based on its historical experience with the recovery of similar assets—that applies when a financial asset is 180 days past due, resulting in a write-off of the gross carrying amount of the relevant financial asset. For corporate customers, the Group assesses the timing and amount to be written off based on whether there is a reasonable expectation of recovery on a case-by-case basis. The Group does not expect a significant recovery of the amount written off.

However, financial assets written off may still be subject to enforcement actions to comply with the Group's procedures for recovering amounts due.

CONVENIENCE TRANSLATION

2. Principles for the Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies *(continued)*

Impairment of Assets *(continued)*

(ii) Non-financial assets

At each reporting period, the Group reviews the carrying amounts of its non-financial assets (excluding investment property, inventory, and deferred tax assets) to determine whether there are any indications of impairment. If such an indication exists, the asset's recoverable amount is estimated.

For the impairment test, assets are grouped into the smallest group of assets that generates cash inflows independently of other assets or NYBs, based on their ongoing use. Goodwill arising from a business combination is allocated to NYBs or groups of NYBs expected to benefit from the synergies of the combination.

The recoverable amount of an asset or a business unit is the higher of its value in use and its fair value less costs to sell. Value in use is based on estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects the time value of money and current market assessments of risks specific to the asset or business unit.

If the recoverable amount of an asset or NYB is lower than its carrying amount, the carrying amount of the asset or NYB is reduced to its recoverable amount.

Impairment losses are recognized in income. First, any goodwill allocated to the NYB is reduced by the amount of the impairment loss, and then the impairment loss is allocated to the carrying amounts of the other assets in the NYB on a pro rata basis.

Transactions in Foreign Currencies

The Group's financial statements are presented in the currency (functional currency) prevailing in the primary economic environment in which the Parent Company operates. The Group's financial position and results of operations are expressed in Turkish Lira (TRY), which is the Group's functional currency and the presentation currency for the consolidated financial statements.

When preparing the Group's consolidated financial statements, transactions denominated in foreign currencies are recorded using the exchange rates in effect on the transaction dates. Monetary assets and liabilities denominated in foreign currencies included in the statement of financial position are converted to TL using the exchange rates in effect at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are converted to Turkish Lira (TRY) based on the exchange rates in effect on the date the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are not subject to re-conversion.

Exchange rate differences are recognized in profit or loss for the period in which they arise.

Foreign Operations

Assets and liabilities related to foreign operations are converted to Turkish Lira (TRY) at the exchange rate prevailing on the reporting date. All revenues and expenses arising from foreign operations—except those operating in high-inflation economies—are converted to TRY using the annual average foreign exchange buying rates. Foreign currency translation adjustments are recorded in other comprehensive income and presented as a foreign currency translation reserve under equity.

Earnings Per Share

Earnings per share presented in the income statement are calculated by dividing net income by the weighted average number of shares outstanding during the period (Note 22).

In Turkey, companies may increase their capital by distributing "bonus shares" to shareholders from prior years' earnings. Such "bonus share" distributions are treated as issued shares in earnings per share calculations. Accordingly, the weighted average number of shares used in these calculations is determined by taking into account the retrospective effects of such share distributions.

CONVENIENCE TRANSLATION

2. Principles for the Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies *(continued)*

Provisions, Contingent Assets, and Liabilities

A provision is recognized in the consolidated financial statements when there is a present obligation arising from past events, it is probable that the obligation will be settled, and the amount of the obligation can be reliably estimated.

The amount set aside as a provision is calculated by estimating the expenditure required to settle the liability as of the end of the reporting period, taking into account the risks and uncertainties associated with the liability. If the provision is measured using the estimated cash flows required to settle the existing obligation, the carrying amount of the provision is equal to the present value of those cash flows.

In cases where it is expected that a portion or all of the economic benefit required to settle the provision will be covered by third parties, the amount to be collected is recognized as an asset if it is virtually certain that the amount will be collected and can be measured reliably.

Warranty Reserves

A provision is established for a warranty when a product or service covered by the warranty is sold. The amount of the provision is determined based on the warranty terms and by weighting the probable outcomes of all possible scenarios. Warranty expenses are recognized in cost of sales.

Income Taxes on Corporate Income

The tax liability on the period's profit or loss includes current-period tax and deferred tax. The period's tax expense is recognized in profit or loss, except for taxes on items recorded in other comprehensive income and expenses arising from business combinations and other comprehensive income and expenses.

Current-Period Tax Expense

The tax liability for the period is calculated based on the taxable portion of the period's profit. Taxable income differs from net income for the period because it excludes items that may be taxable or deductible in other years, as well as items that cannot be taxed or deducted. The Group's current tax liability is calculated using the statutory or substantially enacted tax rate as of the end of the reporting period.

Deferred Tax

Deferred tax liabilities or assets are determined by calculating the taxable temporary differences arising between the amounts of assets and liabilities reported in the consolidated financial statements and the amounts recognized for the calculation of taxable income, using enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets arising from deductible temporary differences are calculated only if it is highly probable that future taxable income will be available against which such differences can be utilized. These assets and liabilities are not recognized if the temporary difference arises from a transaction that does not affect operating or financial profit or loss, or from the initial recognition of goodwill or other assets and liabilities in the consolidated financial statements (excluding business combinations).

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries, except in cases where the Group can control the reversal of the temporary differences and the likelihood of such differences reversing in the near future is low. Deferred tax assets arising from taxable temporary differences associated with such investments and equity interests are recognized provided that it is highly probable that the Group will be able to utilize these differences by generating sufficient taxable income in the near future and that the relevant differences are likely to reverse in the future.

CONVENIENCE TRANSLATION

2. Principles for the Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies *(continued)*

Current Tax Expense *(continued)*

Deferred Tax (continued)

A deferred tax asset is recognized if it is probable that taxable income sufficient to offset prior-year financial losses, tax benefits, and deductible temporary differences that have not yet been utilized will be generated in a future period.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable income will be available to realize the benefit of all or part of the asset.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets against current tax liabilities, when such assets and liabilities relate to income taxes levied by the same tax authority, or when the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax expense

Current tax and deferred tax for the period—except for those related to items recognized directly in equity as assets or liabilities (in which case the related deferred tax is also recognized directly in equity) or arising from the initial recognition of business combinations—are recognized in net income or loss for the period.

Tax risk

When determining the amounts of current and deferred tax expenses, the Group takes into account its uncertain tax positions and whether there are any additional tax and interest liabilities that will need to be paid. Based on its assessments, which are grounded in tax law and past experience, the Group believes that its tax provisions are adequate for periods that have not yet been subject to a tax audit. This assessment may involve numerous professional judgments regarding future events and is based on estimates and assumptions. Should new information emerge that would cause the Group to change its professional judgment regarding the adequacy of its current tax liability, this change in the tax liability would affect the tax expense for the period in which such a determination is made.

Provisions for employee benefits

Severance pay

Under current Turkish law, severance pay is paid upon retirement or termination of employment. In accordance with the revised IAS 19 "Employee Benefits Standard" ("IAS 19"), such payments are classified as defined benefit plans.

The severance pay liability recognized in the consolidated statement of financial position has been calculated based on the net present value of the expected future liabilities arising from the retirement of all employees and has been reflected in the consolidated financial statements. The calculated actuarial gains and losses have been recorded in the statement of other comprehensive income.

Other short-term benefits

Other short-term benefits include provisions for unused vacation days. Under current Turkish labor law, the employer is obligated to pay for unused vacation days if an employee leaves the company after accruing vacation entitlement. The provision for unused vacation days represents the undiscounted total liability amount corresponding to the vacation days employees have earned but have not yet taken.

Bonus payments

The Group establishes provisions in cases where there is a past practice that creates a contractual obligation or an implied obligation.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.4 Summary of Significant Accounting Policies*(continued)*

Financing Income and Financing Expenses

Financing income consists of interest income earned on invested funds and foreign exchange gains on financial assets and liabilities (excluding trade receivables and payables). Interest income is recognized using the effective interest method. Financing expenses consist of interest expenses on borrowings and foreign exchange loss on financial assets and liabilities (excluding trade receivables and payables). Foreign exchange gains or losses are presented net within financing income or financing expenses, depending on whether the net foreign exchange movement results in a gain or a loss.

Other Income and Expenses from Core Operations

Other income from core operations consists of gains on the sale of property, plant, and equipment; deferred financing income; foreign exchange gains on derivative instruments; foreign exchange gains arising from monetary financial assets and liabilities other than debt instruments; reversed provisions; and income related to other activities. Other expenses from core operations consist of foreign exchange losses arising from monetary financial assets and liabilities other than debt instruments, provision expenses, and expenses related to other activities.

Reporting of Financial Information by Segment

The Group operates in a single sector: the sale and marketing of small household appliances. The Group does not have separate reportable operating segments containing information used by management to evaluate performance and make decisions regarding resource allocation.

Government grants and subsidies

Unconditional government grants related to research and development are recognized in profit or loss when they become receivable. Other government grants are recognized at their fair value when there is sufficient assurance that the Group will meet the necessary conditions for the grant and that the grant will be received; they are subsequently amortized systematically over the asset's useful life and recognized in profit or loss.

CONVENIENCE TRANSLATION

2. Basis of Presentation of Consolidated Financial Statements *(continued)*

2.5 Significant Accounting Judgments, Estimates, and Assumptions

The preparation of consolidated financial statements in accordance with IFRS requires management to make decisions, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from these estimates.

Estimates and the assumptions underlying them are reviewed on an ongoing basis. Updates to accounting estimates are recognized in the period in which the update is made and in subsequent periods affected by such updates.

Information regarding estimates that have a significant impact on the amounts reported in the consolidated financial statements is disclosed below:

a) Impairment allowances reflect the amounts that the Group's management believes will cover future losses related to receivables that exist as of the balance sheet date but are at risk of being uncollectible under current economic conditions. When assessing whether receivables are impaired, the debtors' past performance, their creditworthiness in the market, their performance from the balance sheet date to the date of approval of the financial statements, and renegotiated terms are also taken into account. In addition, impairment of receivables is calculated using the "Expected Credit Loss" (ECL) model. The impairment model is applied to financial assets carried at amortized cost and contractual assets. The lifetime ECL measurement is applied if the credit risk associated with a financial asset has increased significantly since the time of initial recognition as of the reporting date. In all other cases where no such increase has occurred, the 12-month ECL calculation is applied. Impairment allowances as of the relevant balance sheet date are disclosed in Note 5.

b) With regard to inventory impairment, inventories are physically inspected and their age is assessed; their usability is determined based on the opinions of technical staff, and allowances are set aside for items expected to be unusable. Additionally, when calculating inventory impairment, data regarding the post-discount list prices of inventories is used. An inventory impairment allowance is recognized when the estimated net realizable value is below the cost (Note 7).

c) Group management has made significant assumptions regarding the determination of the useful economic lives of tangible and intangible assets based on the experience of the technical team (Notes 9 and 10).

d) The severance pay liability is determined through actuarial calculations based on certain assumptions, including discount rates, future salary increases, and employee turnover rates. Due to the long-term nature of these plans, these assumptions involve significant uncertainties. Details regarding provisions for employee benefits are provided in Note 13.

e) Warranty expenses include repair and maintenance costs incurred under warranty for goods sold, as well as labor and material costs incurred by authorized service centers under warranty without charging the customer. Warranty expenses are recognized in the current period based on estimates of potential returns and repair levels in subsequent years for products recognized as revenue in the current period—derived from data over the past three years—and calculated using the number of warranty returns and the actual warranty unit costs for the current year (Note 12).

f) Based on past experience, the Group calculates a sales return allowance against recognized revenue and records it in its consolidated financial statements.

CONVENIENCE TRANSLATION

3. Cash and Cash Equivalents

The details of cash and cash equivalents as of September 30, 2026 and December 31, 2025, are as follows:

	September 30, 2026	December 31, 2025
Banks	103,987,703	21,714,406
- Demand Deposits (*)	*103,987,703*	*21,714,406*
- Time Deposits	--	--
Other cash and cash equivalents (**)	16,832,917	187,892,128
Total	**120,820,620**	**209,606,534**

(*) As of September 30, 2026, the Turkish Lira portion of the demand deposit balance was TRY 12,288,067; the remaining balance consists of demand deposits denominated in foreign currencies held by the Company and its subsidiaries. (December 31, 2025: TRY 130,995).

(**) All other cash and cash equivalents consist of Type B money market funds with maturities of less than 3 months.

Exchange rate and interest rate risks, as well as sensitivity analyses, for the Group's financial assets and liabilities are disclosed in Note 24.

4. Borrowings

The Group's financial liabilities as of September 30, 2026, and December 31, 2025, are as follows:

	September 30, 2026	December 31, 2025
Short-Term Bank Loans	1,292,061,304	1,030,343,113
Short-Term Bond Issuances and Accrued Interest	--	365,635,875
Liabilities from Short-Term Leasing Transactions	32,623,039	16,864,002
Other Short-Term Financial Liabilities	107,291,702	110,265,821
Total Short-Term Liabilities	**1,431,976,045**	**1,523,108,811**
Short-Term Portions of Long-Term Debt	25,067,034	69,570,022
Short-Term Portions of Long-Term Debt	**25,067,034**	**69,570,022**
Long-Term Bank Loans	10,085,109	56,067,216
Liabilities from Long-Term Leasing Transactions	39,969,082	417,981
Total Long-Term Debt	**50,054,191**	**56,485,197**
Total Debt	**1,507,097,270**	**1,649,164,030**

CONVENIENCE TRANSLATION

4. Borrowings *(continued)*

Bank Loans

As of September 30, 2026, and December 31, 2025, the details regarding the interest rate, nominal value, maturity, and currency of the borrowings are as follows:

September 30, 2026						
Currency	**Nominal interest rate %**	**Maturity**	**Short-Term**	**Short-Term Portions of Long-Term Debt**	**Long-Term**	**Nominal value**
TRY loans	41.00-56.50	2026-2028	1,292,061,304	25,067,034	10,085,109	1,097,978,670
Total			**1,292,061,304**	**25,067,034**	**10,085,109**	**1,097,978,670**

December 31, 2025						
Currency	**Nominal interest rate %**	**Maturity**	**Short-Term**	**Short-Term Portions of Long-Term Debt**	**Long-Term**	**Nominal value**
TRY loans	23.16-56.00	2025-2028	1,030,343,113	69,570,022	56,067,216	1,046,247,451
Total			**1,030,343,113**	**69,570,022**	**56,067,216**	**1,046,247,451**

As of September 30, 2026, there is no collateral on the Group's bank borrowings. (December 31, 2025: TRY 70,885,677 export commitment). Foreign currency and interest rate risks and sensitivity analyses for the Group's financial assets and liabilities are disclosed in Note 24.

The movement tables of borrowings for the periods ending September 30, 2026, and 2025 are as follows:

	January 1 – September 30, 2026	**January 1 – September 30, 2025**
Beginning balance	1,155,980,351	1,376,797,505
Additions	2,560,053,580	832,679,692
Interest Accrual	281,953,472	176,487,468
Payments Related to Borrowings	(2,321,611,987)	(954,453,204)
Monetary Loss (-)	(349,161,969)	(271,250,137)
End-of-Period Balance	**1,327,213,447**	**1,160,261,324**

CONVENIENCE TRANSLATION

4. Borrowings *(continued)*

Leasing Transactions

The details of lease liabilities as of September 30, 2026 and December 31, 2025, are as follows:

Short-Term Lease Liabilities	**September 30, 2026**	**December 31, 2025**
Short-Term Borrowings from Third Parties	32,623,039	16,864,002
- Lease Liabilities	*32,623,039*	*16,864,002*

Long-Term Lease Liabilities	**September 30, 2026**	**December 31, 2025**
Long-Term Borrowings from Third Parties	39,969,082	417,981
- Lease Liabilities	*39,969,082*	*417,981*

The details of lease liabilities as of September 30, 2026 and December 31, 2025, are as follows:

	September 30, 2026	**December 31, 2025**
Due within one year	50,650,213	18,450,929
Less: Future periods' financial expenses	(18,027,174)	(1,586,927)
	32,623,039	**16,864,002**
Two Years and Over	52,451,200	425,165
Less: Future periods' financial expenses	(12,482,118)	(7,185)
Present value of lease obligations	**39,969,082**	**417,980**

The Group's lease liabilities reflect the present value of future amounts payable in respect of vehicles, buildings, and warehouses leased from third parties over the assets' useful lives. These liabilities have been discounted using incremental borrowing rates, determined as 50.78% for buildings and vehicles.

The reconciliation of the movements in the Group's lease liabilities for the periods ending September 30, 2026 and 2025 is as follows:

	January 1 – September 30, 2026	**January 1 – September 30, 2025**
Lease liabilities as of January 1	17,281,983	51,584,355
Increase in lease liabilities during the period	110,356,421	90,926,755
Lease payments	(61,333,440)	(85,270,770)
Interest expense	21,919,917	20,837,669
Interest payments	(21,919,917)	(20,837,669)
Monetary (gain) / loss	6,287,157	(10,470,828)
Present value of lease obligations	**72,592,121**	**46,769,512**

CONVENIENCE TRANSLATION

5. Trade Receivables and Payables

a) Trade Receivables

The Group's trade receivables as of September 30, 2026, and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
Account receivable	593,421,149	947,150,043
Received Checks	444,376,690	392,193,379
Doubtful Trade Receivables	24,262,753	29,921,550
Allowance for Doubtful Accounts (-)	(24,262,753)	(29,921,550)
Total	**1,037,797,850**	**1,339,343,422**

The average collection period of the Group's trade receivables is 98 days (December 31, 2025: 105 days). The average collection period is calculated by taking the ratio of the average trade receivables balances of the relevant period to sales. As of September 30, 2026, an allowance for impairment amounting to TRY 24,262,753 has been recognized for the Group's doubtful trade receivables (December 31, 2025: TRY 29,921,550).

The movement table of the allowance for impairment for the periods ended September 30, 2026 and 2025 is as follows:

	January 1– September 30, 2026	January 1 – September 30, 2025
Balance at January 1,	**29,921,550**	**30,577,566**
Provisions recognized during the period (*)	6,157,310	--
Reversed provisions	(2,051,450)	(45,140)
Monetary Loss (-)	(9,764,657)	2,697,107
Balance at September 30,	**24,262,753**	**33,229,533**

(*) As of the balance sheet date, the Group reviews its receivables and sets aside an allowance for doubtful accounts for trade receivables that have not yet entered legal proceedings, but whose collectability has become questionable and which the Group anticipates will be uncollectible.

As of September 30, 2026, the Group had no long-term trade receivables from third parties. (December 31, 2025: None)

The Group’s credit and foreign exchange risks related to trade receivables are disclosed in Note 24.

b) Trade Payables

The Group's short-term trade payables as of September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
Suppliers	1,828,750,842	1,760,954,145
Expense Accruals	97,044,825	65,355,713
Trade Payables to Related Parties	13,050	--
Total	**1,925,808,717**	**1,826,309,858**

The Group’s credit and foreign exchange risks related to trade payables are disclosed in Note 24.

CONVENIENCE TRANSLATION

6. Other Receivables and Payables and Other Current Assets and Liabilities

a) Other Receivables

The details of the Group's other receivables as of September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
Deposits and Guarantees Given	6,002,753	6,856,291
Total	**6,002,753**	**6,856,291**

b) Other Payables

The details of the Group's other payables as of September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
Other payables, third parties	61,889	204,157
Total	**61,889**	**204,157**

Other Current Assets

The details of the Group's other current assets as of September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
VAT Carried Forward	44,225,962	72,681,934
Advances Given	9,491,610	6,792,108
Total	**53,717,572**	**79,474,042**

Other Current Liabilities

The details of the Group's other current liabilities as of September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
Taxes and Funds Payable	8,447,787	30,475,790
Total	**8,447,787**	**30,475,790**

CONVENIENCE TRANSLATION

7. Inventories

The details of the Group's inventories as of September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
Trade Goods	744,434,032	600,719,742
Other Inventories	703,077	570,317
Provision for Impairment of Inventories (-)	(10,485,734)	(5,360,372)
Total	**734,651,375**	**595,929,687**

As of September 30, 2026, the amount of insurance coverage on all inventories is TRY 686,810,073, and their carrying values are fully insured (December 31, 2025: TRY 508,235,121).

The movement table of the provision for impairment of inventories for the years ended September 30, 2026, and 2025 is as follows:

	January 1– September 30, 2026	January 1– September 30, 2025
Balance at January 1,	**(5,360,373)**	**(8,604,152)**
Charge for the period	(5,125,361)	(11,459,817)
Balance at September 30,	**(10,485,734)**	**(20,063,969)**

8. Prepaid Expenses

The details of the Group's prepaid expenses as of September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
Short-Term		
Expenses relating to future months	31,842,765	56,630,176
Advances given (*)	18,972,136	9,815,279
Total Short-Term	**50,814,901**	**66,445,455**
Long-Term		
Advances given (*)	3,878,973	2,350,936
Expenses relating to future years	118,745	147,620
Total Long-Term	**3,997,718**	**2,498,556**

(*) Advances given as of the reporting period ends consist of prepayments made to suppliers.

CONVENIENCE TRANSLATION

9. Property, Plant and Equipment

The schedule of movements in property, plant, and equipment for the period ending September 30, 2026 is as follows:

Cost	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Opening Balance as of January 1, 2026	**14,218,350**	**773,359,378**	**109,453,773**	**87,827,641**	**984,859,142**
Additions	6,787,281	134,333,098	6,783,017	35,554,985	183,458,381
Disposals	(2,924,690)	(300,818,362)	(89,921,774)	--	(393,664,826)
Transfers	(5,665,130)	(19,029,811)	(1,074,880)	(47,089,524)	(72,859,345)
Closing Balance as of September 30, 2026	**12,415,811**	**587,844,303**	**25,240,136**	**76,293,102**	**701,793,352**
Accumulated depreciation					
Opening Balance as of January 1, 2026	**(12,417,817)**	**(529,898,209)**	**(90,438,719)**	--	**(632,754,745)**
Charge for the period	(1,006,969)	(38,803,289)	(4,337,857)	--	(44,148,115)
Transfers	5,665,129	(6,740,009)	1,074,880	--	--
Disposals	2,924,690	300,818,362	83,999,567	--	387,742,619
Closing Balance as of September 30, 2026	**(4,834,967)**	**(274,623,145)**	**(9,702,129)**	--	**(289,160,241)**
Net Carrying Amount as of January 1, 2026	**1,800,533**	**243,461,169**	**19,015,054**	**87,827,641**	**352,104,397**
Net Carrying Amount as of September 30, 2026	**7,580,844**	**313,221,158**	**15,538,007**	**76,293,102**	**412,633,111**

For the period ending September 30, 2026, the total amounts of depreciation expenses recognized within cost of sales, marketing, selling and distribution expenses, and general administrative expenses are TRY 14,935,499 TRY 302,090, and TRY 28,910,526, respectively.

As of September 30, 2026, the insurance coverage amount on property, plant, and equipment is TRY 184,265,450 (December 31, 2025: TRY 216,027,830).

As of September 30, 2026, there are liens on investment properties and motor vehicles included in property, plant, and equipment due to the installment debt for the Competition Board penalty owed to the Marmara Corporate Tax Office (December 31, 2025: Present).

CONVENIENCE TRANSLATION

9. Property, Plant and Equipment (continued)

The schedule of movements in property, plant, and equipment for the period ending September 30, 2025 is as follows:

Cost	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Opening Balance as of January 1, 2025	**21,868,132**	**760,701,006**	**98,969,774**	**36,150,528**	**917,689,439**
Additions	907,631	18,062,553	10,483,996	17,656,952	47,111,132
Disposals	(8,789,578)	(11,070,753)	--	--	(19,860,331)
Closing Balance as of September 30, 2025	**13,986,185**	**767,692,806**	**109,453,770**	**53,807,480**	**944,940,240**
Accumulated depreciation					
Opening Balance as of January 1, 2025	**(16,938,430)**	**(463,448,678)**	**(84,312,548)**	**--**	**(564,699,655)**
Charge for the period	(3,300,850)	(60,728,157)	(4,594,627)	--	(68,623,636)
Disposals	6,991,262	7,979,344	--	--	14,970,606
Closing Balance as of September 30, 2025	**(13,248,018)**	**(516,197,492)**	**(88,907,176)**	**--**	**(618,352,685)**
Net Carrying Amount as of January 1, 2025	**4,929,702**	**297,252,328**	**14,657,226**	**36,150,528**	**352,989,784**
Net Carrying Amount as of September 30, 2025	**738,167**	**251,495,315**	**20,546,595**	**53,807,480**	**326,587,556**

For the period ending September 30, 2025, the total amounts of depreciation expenses recognized within cost of sales, marketing, selling and distribution expenses, and general administrative expenses are TRY 37,713,365, TRY 990,255, and TRY 29,920,116, respectively.

CONVENIENCE TRANSLATION

10. Intangible Assets

The schedule of movements in intangible assets for the years ended September 30, 2026 is as follows:

Cost	Rights	Research and Development Costs	Total
Opening Balance as of January 1, 2026	**356,024,491**	**83,141,226**	**439,165,717**
Additions	8,682,437	--	8,682,437
Disposals	--	--	--
Transfers	76,134,160	(3,274,815)	72,859,345
Closing Balance as of September 30, 2026	**440,841,088**	**79,866,411**	**520,707,499**
Accumulated amortization			
Opening Balance as of January 1, 2026	**(262,137,185)**	**(69,750,130)**	**(331,887,315)**
Charge for the period	(21,635,212)	(2,519,561)	(24,154,774)
Transfers	(27,030,333)	27,030,333	--
Closing Balance as of September 30, 2026	**(310,802,730)**	**(45,239,358)**	**(356,042,089)**
Net Carrying Amount as of January 1, 2026	**93,887,306**	**13,391,096**	**107,278,401**
Net Carrying Amount as of September 30, 2026	**130,038,358**	**34,627,053**	**164,665,410**

The schedule of movements in intangible assets for the years ending September 30, 2025 is as follows:

Cost	Rights	Research and Development Costs	Total
Opening Balance as of January 1, 2025	**336,757,924**	**82,025,145**	**418,783,069**
Additions	20,105,670	--	20,105,670
Closing Balance as of September 30, 2026	**356,863,594**	**82,025,145**	**438,888,739**
Accumulated amortization			
Opening Balance as of January 1, 2025	**(242,552,320)**	**(66,681,325)**	**(309,233,644)**
Charge for the period	(15,123,160)	(2,026,917)	(17,150,078)
Closing Balance as of September 30, 2025	**(257,675,480)**	**(68,708,242)**	**(326,383,722)**
Net Carrying Amount as of January 1, 2025	**94,205,604**	**15,343,821**	**109,549,425**
Net Carrying Amount as of September 30, 2025	**99,188,114**	**13,316,903**	**112,505,017**

(*) Transferred from construction in progress recognized in property, plant, and equipment.

For the period ending September 30, 2026, the total amounts of amortization expenses recognized within marketing, selling and distribution expenses, and general administrative expenses are TRY 7,246,432 and TRY 16,908,342, respectively (September 30, 2025: TRY 5,145,023 and TRY 12,005,054).

The Group's principal research and development expenses consist of costs related to prototypes and designs of products sold or to be sold. The Group calculates the return on investment for each developed product and determines whether there is any impairment. As of September 30, 2026, there is no impairment (September 30, 2025: None).

CONVENIENCE TRANSLATION

11. Right-of-Use Assets

The schedule of movements in right-of-use assets for the years ending September 30, 2026 and 2025 is as follows:

	Buildings	Vehicles	Total
Opening Balance as of January 1, 2026	**17,502,074**	**68,726,010**	**86,228,084**
Additions during the period	198,762,297	235,112,246	433,874,543
Accumulated depreciation	(210,259,604)	(185,996,779)	(396,256,383)
Net Carrying Amount as of September 30, 2026	**6,004,767**	**117,841,477**	**123,846,244**

	Buildings	Vehicles	Total
Opening Balance as of January 1, 2025	**16,246,486**	**93,186,994**	**109,433,480**
Additions during the period	176,221,593	147,593,494	323,815,087
Accumulated depreciation	(154,391,301)	(164,158,943)	(318,550,244)
Net Carrying Amount as of September 30, 2025	**38,076,778**	**76,621,545**	**114,698,323**

For the period ending September 30, 2026, the total amounts of depreciation expenses recognized within marketing, selling and distribution expenses, and general administrative expenses are TRY 17,980,466 and TRY 31,264,279, respectively (September 30, 2025: TRY 35,756,159 and TRY 49,769,429). As of September 30, 2026 and December 31, 2025, the Group has no covenants to comply with arising from loan and finance lease agreements.

12. Provisions, Contingent Assets and Liabilities

a) Provisions

As of September 30, 2026 and December 31, 2025, long-term and short-term provisions are as follows:

	September 30, 2026	December 31, 2025
Provision for Warranty Expenses	22,414,179	28,334,657
Provision for Scrap (*)	--	5,939,534
Provision for Sales Bonuses	3,063,624	--
Total Other Short-Term Provisions	**25,477,803**	**34,274,191**
Provision for Warranty Expenses	13,370,312	14,008,653
Total Other Long-Term Provisions	**13,370,312**	**14,008,653**
Total Other Provisions	**38,848,115**	**48,282,844**

(*) As of September 30, 2026, scrap provisions amounting to TRY 7,600,000 are presented net in inventories.

CONVENIENCE TRANSLATION

12. Provisions, Contingent Assets and Liabilities (continued)

a) Provisions *(continued)*

Provision for Warranty Expenses

The schedule of movements in warranty provisions for the years ended September 30, 2026 and 2025 is as follows:

	January 1– September 30, 2026	January 1– September 30, 2025
Balance as of January 1	**42,343,310**	**40,591,751**
Provisions Set Aside During the Period	48,212,680	64,873,765
Used During the Period	(45,834,995)	(35,325,991)
Monetary Gain / (Loss)	(8,936,504)	(11,947,201)
Balance as of September 30	**35,784,491**	**58,192,324**

Sales Premium Accrual

The statement of changes in sales premium provisions for the years ended September 30, 2026, and 2025 is as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025
January 1 Balance	**--**	**1,297,741**
Provision Set Aside During the Period	9,633,777	2,865,418
Paid During the Period	(6,570,153)	(3,678,146)
Monetary (Gain) / Loss	--	264,605
Balance as of September 30	**3,063,624**	**749,618**

b) Collateral / Pledges / Mortgages / Guarantees ("CPMG")

The following tables present the Group's collateral, pledges, mortgages, and guarantees (CPMG) positions as of September 30, 2026, and December 31, 2025:

	September 30, 2026		December 31, 2025	
	Original Balances		Original Balances	
	Total TRY	TRY	Total TRY	TRY
A. Total amount of CPMGs issued in its own name	8,088,866	8,088,866	199,990,822	199,990,822
B. Total amount of CPMGs issued in favor of subsidiaries included in the scope of consolidation	--	--	--	--
C. Total amount of CPMGs issued to secure the debts of other third parties for the purpose of conducting ordinary business operations	--	--	--	--
D. Total amount of other CPMGs issued	--	--	--	--
i. Total amount of CPMGs granted in favor of the controlling shareholder	--	--	--	--
ii. The total amount of CPMGs granted in favor of other group companies not covered by items B and C	--	--	--	--
The total amount of CPMGs granted in favor of third parties not covered by Article iii.C	--	--	--	--
Total CPMG	**8,088,866**	**8,088,866**	**199,990,822**	**199,990,822**

The ratio of other CPMGs provided by the Group to the Group's equity was 0% as of September 30, 2026 (December 31, 2025: 0%). The guarantees provided consist of letters of guarantee issued to the relevant Customs Directorates in exchange for commissions paid by the Group.

CONVENIENCE TRANSLATION

13. Employee Benefits

a) Liabilities Under Employee Benefits

As of September 30, 2026, and December 31, 2025, liabilities related to employee benefits are as follows:

	September 30, 2026	December 31, 2025
Liabilities to Employees	11,042,396	64,393,921
Social Security Contributions Payable	12,024,922	21,805,567
	23,067,318	**86,199,488**

b) Provisions for Employee Benefits

As of September 30, 2026, and December 31, 2025, the provisions for employee benefits are as follows:

	September 30, 2026	December 31, 2025
Short-Term		
Employee Leave Provision	12,400,303	13,462,155
Employee Bonus Provision	9,479,462	--
Total Short-Term Provisions	**21,879,765**	**13,462,155**
Long-Term		
Severance Pay Provision	18,383,404	15,618,709
Total Long-Term Provisions	**18,383,404**	**15,618,709**
Total Liabilities	**40,263,169**	**29,080,864**

CONVENIENCE TRANSLATION

13. Employee Benefits (continued)

b) Provisions Under Employee Benefits (continued)

The movement in the severance pay provision for the years ending September 30, 2026, and 2025 is as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025
Balance as of January 1,	**15,618,709**	**22,354,860**
Service Cost	1,902,844	1,616,900
Interest Expense	3,580,624	4,455,660
Severance Pay Paid	(3,055,660)	(15,480,536)
Actuarial Difference	3,392,003	(7,453,362)
Monetary Loss	(3,055,116)	10,374,497
Balance as of September 30,	**18,383,404**	**15,868,019**

Under current Turkish law, the Company and its subsidiaries and joint ventures in Turkey are required to pay severance pay to employees who have completed one year of service and whose employment is terminated without just cause, who are called up for military service, who have passed away, or who have completed 25 years of service for men and 20 years of service for women and have reached retirement age (age 58 for women and 60 for men) are required to pay severance pay. Due to changes in legislation effective as of September 8, 1999, there are certain transition obligations regarding the service period required for retirement.
Statistical valuation methods have been developed to estimate the Group's obligations arising from certain defined benefit plans. The following statistical assumptions were used in calculating the total obligation:

	2026	2025
	%	%
Discount rate	4.44	4.36
Interest rate	29.50	28.89
Inflation Rate	24.00	23.50

The calculation of severance pay is based on the severance pay cap announced by the Government. The severance pay cap is TRY 73,729.87 (shown as a whole TRY amount) as of September 30, 2026 (TRY 53,919.68 (shown as a whole TRY amount) as of December 31, 2025).
The calculation of severance pay is based on the severance pay cap announced by the Government. The severance pay cap is TRY 73,729.87 (shown as a whole TRY amount) as of September 30, 2026 (TRY 53,919.68 (shown as a whole TRY amount) as of December 31, 2025).

Employee Leave Equivalents

The statement of employee leave accruals for the years ending September 30, 2026, and 2025 is as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025
Balance as of January 1,	**13,462,155**	**12,485,747**
Net Provision Expense for the Period	2,225,737	3,078,018
Monetary Loss	(3,287,589)	(2,799,396)
Balance as of September 30	**12,400,303**	**12,764,369**

CONVENIENCE TRANSLATION

14. Equity

a) Capital

As of September 30, 2026, and December 31, 2025, the Group's paid-in capital structure is as follows:

		September 30, 2026			December 31, 2025	
Shareholders	**Group**	**Share Amount**	**%**	**Group**	**Share Amount**	**%**
Talip Murat Kolbaşı	A	32,760,010	5.46%	A	32,760,010	5.46%
	B	13,560,009	2.26%	B	31,500,009	5.25%
Ali Osman Kolbaşı	A	29,120,000	4.85%	A	29,120,000	4.85%
	B	10,060,000	1.68%	B	28,000,000	4.67%
Yasemin Rezan Kolbaşı	A	25,740,005	4.29%	A	25,740,005	4.29%
	B	6,810,005	1.14%	B	24,750,005	4.13%
Zeynep Figen Peker	A	25,740,005	4.29%	A	25,740,005	4.29%
	B	6,810,005	1.14%	B	24,750,005	4.13%
Aliye Kolbaşı	A	18,719,981	3.12%	A	18,719,981	3.12%
	B	59,982	0.01%	B	17,999,982	3.00%
Rengin Yağan	A	11,960,000	1.99%	A	11,960,000	1.99%
	B	--	0.00%	B	11,500,000	1.92%
Bora Kolbaşı	A	2,990,002	0.50%	A	2,990,002	0.50%
	B	2,875,002	0.48%	B	2,875,002	0.48%
İbrahim Buğra Kolbaşı	A	2,990,002	0.50%	A	2,990,002	0.50%
	B	2,875,002	0.48%	B	2,875,002	0.48%
Kayra Kolbaşı	A	2,990,002	0.50%	A	2,990,002	0.50%
	B	2,875,002	0.48%	B	2,875,002	0.48%
Filiz Kolbaşı	A	2,989,993	0.50%	A	2,989,993	0.50%
	B	2,874,993	0.48%	B	2,874,993	0.48%
Other	B	395,200,000	65.87%	B	294,000,000	49.00%
Paid-in Capital		**600,000,000**	**100.00%**		**600,000,000**	**100.00%**

As of September 30, 2026, the Group's capital adjustment difference is TRY 783,845,337 (December 31, 2025: TRY 783,845,337).

Pursuant to the Company's Articles of Association, the Board of Directors—which shall consist of at least five members—shall elect half of its members from among candidates nominated by Group A shareholders through a majority vote. They will be selected from among the candidates designated by a majority vote of Group A shareholders. The number of Board members selected in this manner may never exceed half of the total number of Board members. If the total number of Board members is an odd number—and consequently, half of that number is a fractional amount—the number of Board members to be appointed by Group A shareholders is rounded down; these shares do not carry any voting privileges.

a) Share Issuance Premium

At the extraordinary general meeting held on April 14, 2008, the sale of Group shares valued at TRY 111,008,654 to Turkish Household Appliances was approved. Turkish Household Appliances paid TRY 231,821,751 for the sold shares, of which TRY 223,545,934 was recorded as a share issuance premium.

At the extraordinary general meeting held in March 2009, the sale of Group shares valued at TRY 45,581,041 to Turkish Household was approved. Turkish Household paid TRY 290,896,636 for the shares, of which TRY 176,830,605 was recorded as a share issuance premium.

CONVENIENCE TRANSLATION

14. Equity (continued)

a) Share Issue Premium (continued)

The amount of TRY 2,482,651 resulting from the TRY 300,000,000 paid-in capital increase that took place in September 2025 has been recorded as a share issuance premium.

b) Statutory Reserves

Under the Turkish Commercial Code, statutory reserves are divided into two categories: first-tier and second-tier statutory reserves. According to the Turkish Commercial Code, first-tier statutory reserves are set aside at 5% of statutory net income until they reach 20% of paid-in capital. Second-tier statutory reserves, on the other hand, amount to 10% of the distributed profit exceeding 5% of paid-in capital. Under the Turkish Commercial Code, statutory reserves may be used solely to offset losses as long as they do not exceed 50% of paid-in capital; they may not be used for any other purpose. As of September 30, 2026, the Group's statutory reserves included in the restricted reserves account amount to TRY 130,616,864 (December 31, 2025: TRY 130,616,864).

c) Foreign Currency Translation Differences

Foreign currency translation differences consist of differences arising from the translation of the financial statements of Arzum Asia Pacific and Arzum USA (whose functional currency is the U.S. dollar), Arzum Europe (whose functional currency is the euro), and Arzum FZE (whose functional currency is the United Arab Emirates dirham) into the reporting currency, the Turkish lira. As of September 30, 2026, the Group's total foreign currency translation adjustments amounted to a negative TRY 4,271,242 (December 31, 2025: TRY 33,187,756).

d) Losses from Prior Years

As of September 30, 2026, the Group has accumulated losses from prior years totaling TRY 2,331,892,836 (December 31, 2025: TRY 1,174,289,492 in accumulated losses).

e) Capital Advance

As of September 30, 2026, the Group's equity includes TRY 248,924,496 (July 2026: TRY 240,000,000) earmarked for a capital increase. Once the capital increase is approved, this amount will be transferred to the paid-in capital account.

CONVENIENCE TRANSLATION

15. Revenue and Cost of Sales

Revenue and cost of sales for the periods ending September 30, 2026, and 2025 are as follows:

	January 1– September 30, 2026	January 1– September 30, 2025	July 1– September 30, 2026	July 1– September 30, 2025
Domestic Modern Channel Sales	2,446,543,321	6,537,178,716	733,147,600	1,179,938,765
Domestic Traditional Channel Sales	1,997,442,328	3,361,891,942	562,792,363	914,590,682
Domestic Other Sales(*)	149,573,395	200,028,726	45,478,185	47,957,967
Foreign Sales	612,220,191	715,890,839	190,757,178	252,725,235
Gross Revenue	**5,205,779,235**	**10,814,990,223**	**1,532,175,326**	**2,395,212,649**
Sales Returns	(97,865,838)	(253,425,085)	(32,075,040)	(170,755,504)
Sales Discounts	(1,825,940,913)	(4,933,919,704)	(578,496,646)	(989,724,034)
Net Revenue	**3,281,972,484**	**5,627,645,434**	**921,603,640**	**1,234,733,111**
Cost of Goods Sold	(2,153,892,144)	(3,795,102,451)	(591,869,362)	(914,582,582)
Warranty Expenses	(52,511,565)	(67,715,451)	(16,745,713)	(12,167,802)
Depreciation and Amortization Expenses	(14,935,499)	(37,713,265)	5,780,515	(9,979,436)
Cost of Sales (-)	**(2,221,339,208)**	**(3,900,531,167)**	**(602,834,560)**	**(936,729,820)**
Gross Profit	**1,060,633,276**	**1,727,114,267**	**318,769,080**	**298,003,291**

(*) Consists of revenue from spare parts sales and services provided as part of the Group's after-sales service operations.
The Group sells small household appliances in six product categories: food preparation, cooking and frying, hot beverage preparation, cleaning, personal care, and ironing.

CONVENIENCE TRANSLATION

16. Operating Expenses

Marketing, Selling and Distribution Expenses

Marketing, selling and distribution expenses for the periods ending September 30, 2026 and 2025 are as follows:

	January 1– September 30, 2026	January 1– September 30, 2025	July 1– September 30, 2026	July 1– September 30, 2025
Advertising and Marketing Expenses	159,794,047	397,273,348	54,562,677	119,427,533
Personnel Expenses	153,943,764	190,359,867	41,489,658	52,209,487
Distribution Expenses	73,657,669	114,124,874	19,735,304	28,123,163
Warehousing Expenses	52,232,715	64,284,041	14,053,578	20,750,529
Exhibition and Fair Expenses	31,177,467	37,807,200	10,809,389	11,174,020
Depreciation and Amortization Expenses	25,528,988	71,594,239	8,639,073	24,709,590
Freight Expenses	6,763,096	16,989,255	1,894,550	6,780,125
Market Research Expenses	5,084,789	6,620,513	1,604,551	2,764,959
Travel Expenses	4,680,456	8,265,066	1,690,265	2,342,830
Insurance Expenses	1,353,422	2,149,422	525,400	940,466
Communication Expenses	1,051,150	4,938,301	363,033	714,417
Taxes, Duties and Levies	882,143	--	882,143	--
Motor Vehicle Expenses	233,705	3,567,757	89,821	262,783
Other	17,528,155	22,985,337	643,232	4,688,992
Total	**533,911,566**	**940,959,219**	**156,982,675**	**274,888,895**

General and Administrative Expenses

General and administrative expenses for the periods ending September 30, 2026 and 2025 are as follows:

	January 1– September 30, 2026	January 1– September 30, 2025	July 1– September 30, 2026	July 1– September 30, 2025
Personnel Expenses	206,203,121	283,894,956	61,907,943	91,667,886
Consultancy Expenses	80,229,020	91,049,636	18,232,275	10,170,044
Depreciation and Amortization Expenses	77,083,146	61,991,798	28,889,536	20,946,489
Software expenses	39,602,437	57,121,587	12,722,184	16,869,247
Motor Vehicle Expenses	22,856,302	19,105,240	13,783,230	6,741,070
Office expenses	7,907,482	10,388,003	2,645,540	3,525,721
Insurance expenses	6,778,556	9,646,301	1,931,830	3,394,949
Taxes, Duties and Levies	8,007,690	7,475,493	1,620,931	1,575,130
Repair and maintenance expenses	5,706,981	5,177,175	1,305,080	1,755,807
Travel expenses	2,897,713	4,640,800	818,364	911,204
Communication expenses	931,454	1,171,875	131,588	282,307
Other	8,775,735	29,743,265	117,039	34,490,518
Total	**466,979,637**	**581,406,129**	**144,105,540**	**192,330,372**

CONVENIENCE TRANSLATION

17. Expenses by Nature

Expenses by nature for the periods ending September 30, 2026 and 2025 are as follows:

	January 1- September 30, 2026	**January 1- September 30, 2025**	**July 1- September 30, 2026**	**July 1- 30 September 2025**
	2,153,892,144	3,795,102,451	591,869,362	914,582,582
Cost of Goods Sold				
Personnel Expenses	360,146,885	474,254,823	103,397,602	143,877,373
Advertising and Marketing Expenses	159,794,047	397,273,348	54,562,677	119,427,533
Depreciation and Amortization Expenses	117,547,633	171,299,302	31,748,094	55,635,514
Consulting Expenses	80,229,020	91,049,636	18,232,275	25,102,458
Distribution Expenses	73,657,669	114,124,874	19,735,304	28,123,163
Storage Expenses	52,232,715	64,284,041	14,053,578	20,750,530
Software Expenses	39,602,437	57,121,587	12,722,184	16,869,246
Warranty Expenses	52,511,565	67,715,451	16,745,713	12,167,802
Exhibition and Trade Show Expenses	31,177,467	37,807,200	10,809,389	11,174,020
Taxes, Duties, and Fees	8,889,833	7,475,493	2,503,074	1,575,130
Motor Vehicle Expenses	23,090,007	22,672,997	14,173,051	7,003,853
Office Expenses	7,907,482	10,388,003	2,645,540	3,525,721
Freight Expenses	6,763,096	16,989,255	1,894,550	6,780,125
Insurance Expenses	8,131,978	11,795,722	2,457,230	4,335,416
Repair and Maintenance Expenses	5,706,981	5,177,175	1,305,080	1,755,807
Travel Expenses	7,578,169	12,905,866	2,508,630	3,254,034
Communication Expenses	1,982,604	6,110,176	494,621	996,724
Market Research Expenses	5,084,789	6,620,513	1,604,551	2,764,959
Other	26,303,890	52,728,603	460,270	24,247,098
Total	**3,222,230,411**	**5,422,896,515**	**903,922,775**	**1,403,949,088**

CONVENIENCE TRANSLATION

18. Other Operating Income/Expenses

Other operating income for the periods ending September 30, 2026 and 2025 are as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025	July 1– September 30, 2026	July 1– September 30, 2025
Deferred financing income	2,814,827	12,310,044	2,794,660	(6,493,986)
Foreign exchange gains, net	2,051,450	45,140	367,129	34,495
Unused Reserves	--	33,410,822	--	(34,953,096)
Other	15,977,716	12,089,719	6,027,672	(395,618)
Total	**20,843,993**	**57,855,725**	**9,189,461**	**(41,808,205)**

Other operating expenses for the years ending September 30, 2026 and 2025 are as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025	July 1– September 30, 2026	July 1– September 30, 2025
Deferred financing expense	71,253,130	95,580,642	6,808,320	30,089,252
Other	27,344,493	44,049,654	3,947,868	(1,228,281)
Total	**98,597,623**	**139,630,296**	**10,756,188**	**28,860,971**

CONVENIENCE TRANSLATION

19. Financial Income and Expenses

Financial income for the periods ending September 30, 2026, and 2025 are as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025	July 1– September 30, 2026	July 1– September 30, 2025
Interest Income	16,159,059	113,157,891	3,864,537	30,254,849
Total	**16,159,059**	**113,157,891**	**3,864,537**	**30,254,849**

Financial expenses for the years ended September 30, 2026, and 2025 are as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025	July 1– September 30, 2026	July 1– September 30, 2025
Interest Expenses on Loans	446,059,427	563,408,320	148,425,747	153,137,735
Finance expenses arising from late payments and/or early collections	96,587,327	--	40,554,688	--
Interest Expenses	87,501,703	--	28,030,969	--
Bond Interest Expenses	61,998,312	490,031,547	5,436,489	80,266,636
Bank Commission and POS Expenses	61,752,502	196,220,355	10,280,263	77,879,074
Interest Expenses Related to Leasing Transactions	25,143,769	20,837,669	7,244,165	4,647,848
Expenses Arising from Supplier Financing	12,790,702	--	2,167,668	--
Foreign Exchange Losses, net	2,955,912	29,494,662	792,147	6,481,330
Seniority Interest Expense	3,870,638	4,880,672	90,587	(148,863)
Total	**798,660,292**	**1,304,873,225**	**243,022,723**	**322,263,760**

CONVENIENCE TRANSLATION

20. Notes on Net Monetary Position Gains

Non-monetary items	September 30, 2026	September 30, 2025
Statement of Financial Position Items	**439,935,717**	**77,429,571**
Inventories	4,798,666	(1,833,918)
Prepaid expenses	(51,731,123)	(34,779,003)
Investments, financial investments, and affiliates accounted for using the equity method	(476,748)	1,452,080
Property, plant, and equipment and intangible assets	225,897,021	56,795,540
Investment property	299,510	37,695
Right-of-use assets	511,436	9,894,712
Capital adjustment differences	(265,080,690)	(10,675,085)
Stock issuance premium	(4,996,924)	(6,147,819)
Accumulated other comprehensive income and expenses not to be reclassified to profit or loss	9,478,062	4,047,235
Capital advances	(8,924,496)	--
Restricted reserves set aside from profit	(2,790,499)	(3,785,757)
Retained earnings from prior years	532,951,502	62,423,893
Income statement items	**41,666,764**	**136,961,218**
Revenue	(14,219,939)	(501,857,938)
Cost of sales	(22,455,149)	474,133,860
Research and development expenses	--	--
Marketing expenses	58,086,360	77,361,581
General and administrative expenses	(24,388,694)	52,759,932
Other income/expenses from core operations	18,670,215	(3,624,440)
Income/(expenses) from investing activities	(1,635,755)	(6,741,097)
Financing income/(expenses)	49,633,802	44,929,319
Deferred tax expense	(22,024,077)	--
Net gains/(losses) on monetary positions	**481,602,481**	**214,390,790**

CONVENIENCE TRANSLATION

21. Tax

Tax Expense

The breakdown of tax expense for the periods ended September 30, 2026, and 2025, is as follows:

Tax Expense	January 1 – September 30, 2026	January 1 – September 30, 2025
Deferred Tax Income /(Expense)	78,098,364	233,491,156
Total	**78,098,364**	**233,491,156**

Tax Payable

As of September 30, 2026, and December 31, 2025, the current-period tax asset and liability are as follows:

Current-period tax liability/(asset)	September 30, 2026	December 31, 2025
Prepaid Taxes (-)	(2,141,563)	(10,408,939)
Current Tax Assets	**(2,141,563)**	**(10,408,939)**

Corporate Income Tax

The Company and its subsidiaries domiciled in Turkey are subject to the tax laws and regulations in effect in Turkey. Corporate income tax must be filed by the end of the fourth month following the end of the relevant fiscal period and paid in a single installment by the end of that month. Companies are required to calculate provisional tax at the current rate based on their financial profits for each three-month period, file the return by the 17th day of the second month following the period, and pay the tax by the end of the 17th day. Provisional taxes paid during the year are credited against the corporate income tax calculated on the annual corporate income tax return for that year. If any amount of provisional tax remains after the credit, this amount may be refunded in cash or offset against other tax liabilities.

In Turkey, the standard corporate income tax rate applied to the statutory tax base—calculated by adding expenses not deductible from a company's commercial income under tax laws and subtracting the exemptions provided for in those laws—was 20% as of December 31, 2022. However, the "Establishment of an Additional Motor Vehicle Tax to Compensate for Economic Losses Caused by the Earthquakes Occurring on February 6, 2024," published in the Official Gazette No. 32249 dated July 15, 2024, pursuant to Article 21 of the "Law on the Establishment of an Additional Motor Vehicle Tax to Compensate for Economic Losses Caused by the Earthquakes Occurring on February 6, 2024, and on Amendments to Certain Laws and Decree-Law No. 375," with the amendments made to Article 32 of the Corporate Income Tax Law No. 5520, which regulates the corporate income tax rate; the general corporate income tax rate has been increased from 20% to 25%, effective for tax returns due on or after October 1, 2024. Consequently, the Company and its subsidiaries resident in Turkey have applied the 25% tax rate in their calculation of the period tax for the year 2024.

Under Law No. 7582, published on June 4, 2026, the corporate income tax rate applicable to profits earned from production activities—effective January 1, 2027—by entities holding an industrial registry certificate and actually engaged in production activities has been reduced from 25% to 12.5%. Since this change does not affect the Group's management, it is not expected to have any significant impact.

Under this amendment, the tax rate used in the calculation of deferred taxes as of September 30, 2026, is 25%. (December 31, 2025: 25%).

CONVENIENCE TRANSLATION

21. Tax (Continued)

***Corporate tax** (Continued)*

Pursuant to Repeated Article 298 of the Tax Procedure Code, the conditions required for the financial statements to be adjusted for inflation as of December 31, 2021, have been met. However, pursuant to Law No. 7352, "Law Amending the Tax Procedure Code and the Corporate Income Tax Law," published in the Official Gazette No. 31734 dated January 29, 2022, and in accordance with Transitory Article 33 of the Tax Procedure Code No. 213:

- Effective as of 2025, the inflation adjustment to be applied under the Tax Procedure Law has been deferred for the 2025, 2026, and 2027 fiscal years pursuant to Law No. 7571.

- It has been stipulated that financial statements as of December 31, 2025, will be subject to inflation adjustment in a manner that does not affect the corporate income tax base.

Published in the Second Supplementary Official Gazette No. 32415 dated December 30, 2024, "Pursuant to General Circular No. 555 of the Tax Procedure Code and Repeated Article 298 of the Tax Procedure Code No. 213, it is mandatory for businesses operating in Turkey to subject their financial statements for the 2024 fiscal year to inflation adjustment. These inflation-adjusted financial statements will constitute an opening balance sheet in tax returns to be prepared as of January 1, 2024, and the effects of inflation will not be taken into account in the calculation of the periodic tax for the year 2024.

As of September 30, 2026, the Hong Kong corporate income tax rate is 8.25% (December 31, 2025: 8.25%).

As of September 30, 2026, the corporate income tax rate in Germany is 30% (December 31, 2025: 30%).

Turkish tax legislation does not permit the Company and its subsidiaries to file a consolidated tax return. Therefore, the tax provision reflected in the financial statements has been calculated separately for each company.

Under the Corporate Income Tax Law, financial losses reported on the tax return may be deducted from the corporate income tax base for the period, provided they do not exceed five years. Tax returns and related accounting records may be audited by the tax authority within five years, and tax calculations may be revised.

Dividend payments made by Turkish-resident joint-stock companies—excluding those not liable for corporate income tax or income tax and those exempt from such taxes—to individuals residing in Turkey or abroad, as well as to non-Turkish-resident legal entities, are subject to a 10% income tax.

Dividend payments made by Turkish-resident corporations to other Turkish-resident corporations are not subject to income tax. Furthermore, no income tax is calculated if profits are not distributed or are added to capital.

CONVENIENCE TRANSLATION

21. Tax *(continued)*

Corporate tax (continued)

Dividend income earned by corporations from their participation in the capital of another corporation subject to full tax liability is exempt from corporate income tax. Furthermore, 75% of the gains arising from the sale of shares in subsidiaries held in the corporation's assets for at least two full years, as well as the sale of founding certificates, usufruct certificates, and preemptive rights related to real estate (immovable property) held for the same period, are exempt from corporate income tax. However, with the amendment introduced by Law No. 7061, this rate was reduced from 75% to 50% for real estate, and this 50% rate has been applied in tax returns filed starting in 2018. Furthermore, as of July 15, 2024, the 50% tax exemption for gains from the sale of real estate provided for in Law No. 5520 has been abolished. However, this exemption will continue to apply at a rate of 25% to the sale of real estate held on the balance sheet of businesses prior to July 15, 2024.

To benefit from the exemption, the relevant gain must be held in a reserve account on the liability side of the balance sheet and must not be withdrawn from the business for a period of 5 years. The sale proceeds must be collected by the end of the second calendar year following the year of the sale.

There is no practice of reaching an agreement with the tax authority regarding taxes payable in Turkey. Corporate income tax returns must be filed within four months following the month in which the fiscal year ends. Authorities authorized to conduct tax audits may examine tax returns and the underlying accounting records for a period of five years following the fiscal year and may reassess taxes based on their findings.
There is a withholding tax obligation on dividend distributions, and this obligation is reported in the period in which the dividend is paid, whether in cash or by bank transfer. Dividend payments made to non-resident corporations deriving income through a place of business or a permanent representative in Turkey, as well as those made to corporations resident in Turkey, were subject to a 15% withholding tax until December 22, 2021. However, pursuant to Presidential Decree No. 4936, which entered into force upon its publication in the Official Gazette No. 31697 dated December 22, 2021, the 15% withholding tax rate on dividends under Income Tax Law No. 193 and Corporate Tax Law No. 5520 has been reduced to 10%.
In applying withholding tax rates to profit distributions made to limited-tax-liability entities and individuals, the withholding tax rates specified in the relevant Double Taxation Avoidance Agreements are also taken into account. The capitalization of prior years' profits is not considered a profit distribution and, therefore, is not subject to withholding tax.

Transfer Pricing Regulations

In Turkey, transfer pricing regulations are set forth in Article 13 of the Corporate Income Tax Law, titled "Hidden Profit Distribution Through Transfer Pricing." The circular dated November 18, 2007, regarding hidden profit distribution through transfer pricing sets forth the details of its application.

If a taxpayer purchases or sells goods or services from or to related parties at a price or amount determined in violation of the arm's-length principle, the profit is deemed to have been distributed covertly, in whole or in part, through transfer pricing. Such covert profit distribution through transfer pricing is treated as a non-deductible expense for corporate income tax purposes.

CONVENIENCE TRANSLATION

21. Tax *(continued)*

Deferred tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from discrepancies between its tax financial statements and its consolidated financial statements prepared in accordance with IFRS. These differences generally stem from certain income and expense items being recognized in different periods in the financial statements for tax purposes and those prepared in accordance with IFRS; these differences are outlined below.

Since the tax rate used to calculate the Group's deferred tax assets and liabilities will be applied by reducing the tax rate in effect for a five-year period starting January 1, 2021, by two percentage points, in the deferred tax calculation as of September 30, 2026, a tax rate reduced by two percentage points has been applied to temporary differences expected to reverse or settle by September 30, 2026. This rate will be effective for the years 2023, 2024, and 2025.

The following is a breakdown of accumulated temporary differences subject to deferred tax and deferred tax assets and liabilities as of September 30, 2026, and December 31, 2025, prepared using the applicable tax rates:

	Cumulative Temporary Differences		Deferred Tax	
Deferred Tax Assets	**September 30, 2026**	**September 30, 2025**	**September 30, 2026**	**September 30, 2025**
Employee Benefits	31,101,296	(28,632,388)	(7,775,324)	7,158,097
Trade and Other Receivables	(176,664,700)	(168,710,681)	44,166,175	42,177,670
Guarantee Reserves	6,651,202	(59,336,915)	(1,662,801)	14,834,229
Tax Loss Carryforwards	(1,799,691,374)	(1,175,577,348)	448,244,205	293,713,169
Impairment Reserves	(604,161)	(912,581)	151,040	228,145
Inventories	(13,113,030)	23,403,982	3,278,258	(5,850,996)
Right-of-Use Assets and Liabilities, net	55,090,313	67,928,811	(13,772,578)	(16,982,203)
Tangible and Intangible Fixed Assets	49,299,992	(181,883,878)	(12,324,998)	45,470,969
Loans	(22,547,795)	(69,535,406)	5,636,949	17,383,852
Trade Payables and Other Liabilities	56,190,342	72,261,602	(14,047,586)	(18,065,401)
Other Assets and Liabilities, net	(22,984,997)	(21,019,024)	5,746,249	5,254,758
Deferred Tax Asset, Net	**(1,837,272,912)**	**(1,542,013,826)**	**457,639,589**	**385,322,289**

CONVENIENCE TRANSLATION

21. Tax *(continued)*

Deferred tax (continued)

The statement of changes in deferred tax assets / (liabilities) for the periods ended September 30, 2026, and 2025 is as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025
Opening Balance as of January 1	**470,780,877**	**149,967,795**
Deferred Tax Income Recognized in Income or Loss	78,098,364	233,491,156
Tax Expense Related to Other Comprehensive Income Items	848,001	1,863,338
Monetary Gain / (Loss)	(92,087,653)	--
Closing Balance as of the End of the Period	**457,639,589**	**385,322,289**

22. Earnings (Loss) per Share

The weighted average number of Group shares and earnings per share calculations for the periods ended September 30, 2026, and 2025 are as follows:

	January 1– September 30, 2026	January 1– September 30, 2025
Earnings (Loss) Per Share		
Average Number of Common Shares Outstanding During the Period		
(Full Value)	600,000,000	273,777,778
Total	**600,000,000**	**273,777,778**
Net Income/(Loss) Attributable to the Parent Company	(240,811,946)	(620,859,040)
Earnings/(Loss) Per Common Share (Per 1 TRY Par Value)	**(0.401)**	**(2.268)**

FREE TRANSLATION

23. Related Party Disclosures

a) Related-Party Balances

As of September 30, 2026, and December 31, 2025, the Group's trade payables to related parties are as follows:

	January 1 – September 30, 2026	January 1 – September 30, 2025
Trade Payables to Related Parties	13,050	--
Total	**13,050**	**--**

b) Related-Party Transactions

As of September 30, 2026, the Group made a deposit rent payment of 450,000 TRY to its related party, Kolbaşı Gayrimenkul. (2025: None).

c) Benefits Provided to Senior Management

The Group's senior management consists of members of the Board of Directors and the Executive Committee. Benefits provided to senior executives consist of payments made under the categories of salary, severance pay, bonuses, individual retirement plans, health insurance, and life insurance, as well as severance pay and other accrual amounts.

The benefits provided to senior executives as of the periods ending September 30, 2026, and 2025 are as follows:

	September 30, 2026	December 31, 2025
Salaries and Other Benefits	78,092,466	113,957,536
Total	**78,092,466**	**113,957,536**

CONVENIENCE TRANSLATION

24. Nature and Level of Risks Arising from Financial Instruments

Capital Risk Management

In its capital management, the Group aims to ensure the continuity of its operations while also maximizing profits by utilizing the balance between debt and equity in the most efficient manner. The Group's capital structure consists of debt—including the loan disclosed in Note 4—and equity items comprising issued capital, reserves, and retained earnings, respectively. As of September 30, 2026, and December 31, 2025, the net debt-to-equity ratio is as follows:

	September 30, 2026	December 31, 2025
Total Liabilities	1,507,097,270	1,649,164,029
Less: Cash and Cash Equivalents	(120,820,620)	(209,606,534)
Net Debt	**1,386,276,650**	**1,439,557,495**
Total Equity	(373,415,693)	(341,525,243)
Total Capital	600,000,000	600,000,000
Debt-to-Equity Ratio	**(3.7124)**	**(4.2151)**

Financial Risk Factors

Due to its operations, the Group is exposed to market risk (currency risk, fair value interest rate risk, cash flow interest rate risk, and price risk), credit risk, and liquidity risk. The Group's risk management program generally focuses on minimizing the potential adverse effects of uncertainty in financial markets on the Group's financial performance.

Credit Risk Management

Credit risk is defined as the risk that the Group will incur a financial loss because one of the parties to a financial instrument fails to fulfill its contractual obligations. The Group seeks to mitigate credit risk by conducting transactions only with creditworthy counterparties and, where possible, by obtaining adequate collateral. The credit risks to which the Group is exposed are continuously monitored. Credit risk is controlled through insurance policies for customers and limits that are reviewed and approved by Group management.

CONVENIENCE TRANSLATION

24. Nature and Level of Risks Arising from Financial Instruments *(continued)*

Liquidity Risk Management

Senior management bears primary responsibility for liquidity risk management. The Group manages liquidity risk by regularly monitoring projected and actual cash flows and ensuring the continued availability of sufficient funds and borrowing reserves through the matching of the maturities of financial assets and liabilities. The table below shows the maturity distribution of the Group's financial liabilities. Non-derivative financial liabilities are presented on an undiscounted basis and based on the earliest payment dates. Interest payable on these liabilities is included in the table below.

Contractual Maturities as of September 30, 2026	Recorded Value	Contractual cash flows (I+II+III)	Less than 6 Months (I)	6–12 Months (II)	Longer than 1 Year (III)
Derivatives and Non-Derivative Financial Liabilities					
Financial Borrowings	1,434,505,149	1,508,844,882	1,172,915,470	281,292,793	54,636,620
Liabilities from Leasing Transactions	72,592,121	72,592,121	8,155,760	24,467,279	39,969,082
Trade and Other Payables	1,925,870,606	1,982,060,948	1,982,060,948	-	-
Total	**3,432,967,876**	**3,563,497,951**	**3,163,132,178**	**305,760,072**	**94,605,702**

Contractual Maturities as of December 31, 2025	Recorded Value	Contractual cash flows (I+II+III)	Less than 6 Months (I)	6–12 Months (II)	Longer than 1 Year (III)
Derivatives and Non-Derivative Financial Liabilities					
Financial Borrowings	1,631,882,047	1,904,294,017	1,435,302,841	270,761,524	198,229,653
Liabilities from Leasing Transactions	17,281,983	17,281,983	4,216,001	12,648,001	417,981
Trade and Other Payables	1,826,514,015	1,902,281,388	1,902,281,388	--	--
Total Financial Liabilities	**3,475,678,045**	**3,823,857,388**	**3,341,800,230**	**283,409,525**	**198,647,634**

CONVENIENCE TRANSLATION

Market Risk Management

Due to the nature of its operations, the Group is exposed to financial risks related to changes in exchange rates. Market risks encountered at the Group level are measured based on sensitivity analyses. During the current period, there has been no change compared to the previous period in the market risks to which the Group is exposed, in the methods used to address these risks, or in the methods used to measure them.

24. Nature and Level of Risks Arising from Financial Instruments *(continued)*

Foreign Exchange Risk

Transactions denominated in foreign currencies give rise to exchange rate risk. The Group utilizes derivative financial instruments to hedge against exchange rate risk arising from the cash flows of its operations and financing agreements. The foreign currency breakdown of the Group's monetary assets and liabilities denominated in foreign currencies is as follows:

	September 30, 2026			
	Equivalent in TRY (functional currency)	**U.S. Dollar**	**Euro**	**Chinese Yuan**
1. Trade Receivables	293,166,980	2,792,274	2,820,886	--
2a. Monetary Financial Assets	25,618,099	353,497	150,004	96
2b. Non-Monetary Financial Assets	--	--	--	--
3. Other	--	--	--	--
4. Current Assets	**318,785,079**	**3,145,771**	**2,970,890**	**96**
5. Trade Receivables	--	--	--	--
6a. Monetary Financial Assets	--	--	--	--
6b. Non-Monetary Financial Assets	--	--	--	--
7. Other	--	--	--	--
8. Fixed Assets	**--**	**--**	**--**	**--**
9. Total Assets	**318,785,079**	**3,145,771**	**2,970,890**	**96**
10. Trade Payables	335,545,462	6,864,791	--	--
11. Financial Liabilities	23,892,777	161,852	287,804	--
12a. Other Monetary Liabilities	--	--	--	--
12b. Other Non-Monetary Liabilities	--	--	--	--
13. Current Liabilities	**359,438,239**	**7,026,643**	**287,804**	**--**
14. Trade Payables	--	--	--	--
15. Financial Liabilities	--	--	--	--
16a. Other Monetary Liabilities	--	--	--	--
16b. Other Non-Monetary Liabilities	--	--	--	--
17. Long-Term Liabilities	**--**	**--**	**--**	**--**
18. Total Liabilities	**359,438,239**	**7,026,643**	**287,804**	**--**
19. Net Asset-Liability Position of Off-Balance-Sheet Derivatives (19a-19b)	--	--	--	--
19a. Amount of Off-Balance-Sheet Foreign Currency Derivatives Classified as Assets	--	--	--	--
19b. Amount of Off-Balance-Sheet Foreign Currency Derivatives Classified as Liabilities			--	--
20. Net Foreign Currency Asset and Liability Position	**(40,653,160)**	**(3,880,872)**	**2,683,086**	**96**
21. Net Foreign Currency Asset/Liability Position for Monetary Items (1+2a+5+6a-10-11-12a-14-15-16a)	**(40,653,160)**	**(3,880,872)**	**2,683,086**	**96**
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedging (*)	--	--	--	--
23. Amount of the Hedged Portion of Foreign Currency Assets	--	--	--	--
24. Amount of the Hedged Portion of Foreign Currency Liabilities	--	--	--	--

CONVENIENCE TRANSLATION

24. Nature and Level of Risks Arising from Financial Instruments *(continued)*

Foreign Exchange Rate Risk *(continued)*

	December 31, 2025			
	Equivalent in TRY (functional currency)	**U.S. Dollar**	**Euro**	**Chinese Yuan**
1. Trade Receivables	411,433,648	4,317,475	4,486,865	--
2a. Monetary Financial Assets	104,701	1,776	2	4,667
2b. Non-Monetary Financial Assets	--	--	--	--
3. Other	--	--	--	--
4. Current Assets	**411,538,349**	**4,319,251**	**4,486,868**	**4,667**
5. Trade Receivables	--	--	--	--
6a. Monetary Financial Assets	--	--	--	--
6b. Non-Monetary Financial Assets	--	--	--	--
7. Other	--	--	--	--
8. Fixed Assets	**--**	**--**	**--**	**--**
9. Total Assets	**411,538,349**	**4,319,251**	**4,486,868**	**4,667**
10. Trade Payables	264,978,404	4,068,265	438,835	11,286,516
11. Financial Liabilities	29,242,031	212,109	399,391	--
12a. Other Monetary Liabilities	--	--	--	--
12b. Other Non-Monetary Liabilities	--	--	--	--
13. Current Liabilities	**294,220,435**	**4,280,374**	**838,226**	**11,286,515**
14. Trade Payables	--	--	--	--
15. Financial Liabilities	--	--	--	--
16a. Other Monetary Liabilities	--	--	--	--
16b. Other Non-Monetary Liabilities	--	--	--	--
17. Long-Term Liabilities	**--**	**--**	**--**	**--**
18. Total Liabilities	**294,220,435**	**4,280,374**	**838,226**	**11,286,515**
19. Net Asset-Liability Position of Off-Balance-Sheet Derivatives (19a-19b)	--	--	--	--
19a. Amount of Off-Balance-Sheet Foreign Currency Derivatives Classified as Assets	--	--	--	--
19b. Amount of Off-Balance-Sheet Foreign Currency Derivatives Classified as Liabilities	--	--	--	--
20. Net Foreign Currency Asset and Liability Position	**117,317,914**	**38,878**	**3,648,642**	**(11,281,848)**
21. Monetary Items—Net Foreign Currency Asset/Liability Position (1+2a+5+6a-10-11-12a-14-15-16a)	**117,317,914**	**38,878**	**3,648,642**	**(11,281,848)**
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedging (*)	--	--	--	--
23. Amount of the Hedged Portion of Foreign Currency Assets	--	--	--	--
24. Amount of the Hedged Portion of Foreign Currency Liabilities	--	--	--	--

CONVENIENCE TRANSLATION

24. Nature and Level of Risks Arising from Financial Instruments *(continued)*

Interest Rate Risk

Changes in market interest rates cause fluctuations in the prices of financial instruments, creating a need for the Group to manage interest rate risk. The Group's sensitivity to interest rate risk is related to the mismatch in the maturities of its assets and liabilities.

As of September 30, 2026, and December 31, 2025, the Group's interest rate position is as follows:

Interest Rate Position Table

	September 30, 2026	**December 31, 2025**
Fixed-Rate Financial Instruments		
Financial Assets	16,832,917	187,892,128
Financial Liabilities	1,507,097,270	1,283,528,155
Variable-Rate Financial Instruments		
Financial Liabilities	**--**	**365,635,875**

CONVENIENCE TRANSLATION

25. Financial Instruments

The Group has calculated the fair values of financial instruments using available market information and appropriate valuation methods. However, as judgment is required to determine fair value, fair value measurements may not reflect the values that would prevail under current market conditions. Group management has assumed that the fair values of financial assets and liabilities carried at amortized cost using the effective interest method—including cash and balances with banks, other financial assets, and short-term financial liabilities—approximate their carrying amounts, given their short-term nature and the assessment that any potential losses would be immaterial. The carrying amounts of short-term borrowings and short-term lease liabilities are assumed to reflect their fair values due to their short maturities.

September 30, 2026	Financial Assets Measured at Amortized Cost	Financial Instruments at Fair Value Through Profit or Loss	Financial Liabilities Measured at Amortized Cost	Carrying Amount	Fair Value	Note
Financial Assets						
Cash and Cash Equivalents	120,820,620	--	--	120,820,620	120,820,620	3
Trade Receivables	1,037,797,849	--	--	1,037,797,849	1,037,797,849	5
Other Receivables	6,002,753	--	--	6,002,753	6,002,753	6
Financial Liabilities						
Financial Liabilities	--	--	1,507,097,270	1,507,097,270	1,507,097,270	4
Trade Payables	--	--	1,925,808,717	1,925,808,717	1,925,808,717	5
Other Liabilities	--	--	61,889	61,889	61,889	6

CONVENIENCE TRANSLATION

25. Financial Instruments *(continued)*

December 31, 2025	Financial Assets Measured at Amortized Cost	Financial Instruments at Fair Value Through Profit or Loss	Financial Liabilities Measured at Amortized Cost	Carrying Amount	Fair Value	Note
Financial Assets						
Cash and Cash Equivalents	209,606,534	--	--	209,606,534	209,606,534	3
Trade Receivables	1,339,343,422	--	--	1,339,343,422	1,339,343,422	5
Other Receivables	6,856,291	--	--	6,856,291	6,856,291	6
Financial Liabilities						
Financial Liabilities	--	--	1,649,164,030	1,649,164,030	1,649,164,030	4
Trade Payables	--	--	1,826,309,858	1,826,309,858	1,826,309,858	5
Other Liabilities	--	--	204,157	204,157	204,157	6

CONVENIENCE TRANSLATION

25. Financial Instruments (continued)

Classification Based on Fair Value Measurement

The Group classifies financial instruments for measurement at fair value into three levels based on the source of the financial instruments, as follows:

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

2nd tier: Data other than the quoted prices in Tier 1 that are observable for assets or liabilities, either directly (through prices) or indirectly (by derivation from prices).

3rd tier: Data regarding assets or liabilities that are not based on observable market data (non-observable data).

The Group presents its investment property at cost, net of depreciation and any impairment, if applicable. The Group's management conducted valuation studies of its investment property as of September 30, 2026. The comparable sales analysis method was used as the valuation method.

26. Events After the Reporting Period

By a resolution of the Board of Directors dated July 29, 2025, the Group applied to the banks within the Financial Restructuring (FYY) framework in order to restructure its existing loans. The public disclosure of this application decision was postponed pursuant to Article 6 of the Capital Markets Board's (SPK) Communiqué on Material Events No. (II-15.1) to protect the confidentiality of the negotiation processes and the legitimate interests of the Group, and was subsequently disclosed on the Public Disclosure Platform (KAP) on August 22, 2025. The process is ongoing.

As of July 6, 2026, the Group has structured its overdue Social Security Institution (SGK) debts into installments within the scope of Article 48 of Law No. 6183. The total debt amounting to TRY 8,670,825.10, inclusive of default interest and exclusive of deferral interest, is being paid under a 72-month payment plan, and the most recent payment was made on November 6, 2026. The debts are being paid regularly.

At its meeting dated July 8, 2026, the Group resolved to increase its issued capital of TRY 600,000,000, consisting of shares each with a nominal value of TRY 1, within its registered capital ceiling of TRY 2,000,000,000, by fully restricting the preemptive rights of existing shareholders. This increase, amounting to a total sales value of TRY 240,000,000, will be offset against the cash capital advances contributed to the Group by its shareholders—specifically, TRY 61,290,109.16 by Talip Murat Kolbaşı, TRY 51,842,540.52 by Ali Osman Kolbaşı, TRY 24,849,487.27 by Aliye Kolbaşı, TRY 43,109,493.88 by Yasemin Rezan Kolbaşı, TRY 43,109,493.88 by Zeynep Figen Peker, and TRY 15,798,875.29 by Rengin Yağan—with the nominal capital amount to be calculated based on the share sale price determined in accordance with Borsa İstanbul A.Ş.'s ("BIST") Procedures and Principles Regarding Wholesale Buy-Sell Transactions (not to be lower than the base price and the nominal value). The application process has been completed, and the file review process by the Capital Markets Board (CMB) is ongoing.

CONVENIENCE TRANSLATION

26. Events After the Reporting Period (*continued*)

As a result of the review conducted by the credit rating agency JCR Eurasia Rating on the Group's credit ratings on October 13, 2026, the Group's ratings have been determined as follows:

Long-Term National Corporate Credit Rating: BB-(tr) / (Negative)

Short-Term National Corporate Credit Rating: J4(tr) / (Stable)

Long-Term International Foreign Currency Corporate Credit Rating: B / (Negative)

Long-Term International Local Currency Corporate Credit Rating: B / (Negative)

In line with its growth strategies and brand portfolio management, the Group could not reach a consensus with the İzmir-based Ülkea Ülkügrup Ev Konsept Limited Şirketi regarding the cooperation and licensing negotiations previously disclosed to the public, as of the stage reached on November 9, 2026. Consequently, the Group has granted permission to Ülkea Ülkügrup Ev Konsept Limited Şirketi to sell the existing Arzum-branded product inventories produced for trade fair until May 31, 2027.

CONVENIENCE TRANSLATION