KOTON MAĞAZACILIK TEKSTİL SANAYİ VE TİCARET A.Ş.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY - 30 JUNE 2026
TOGETHER WITH THE AUDITOR'S REVIEW REPORT

(CONVENIENCE TRANSLATION OF THE REPORT AND THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

Deloitte.

DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Maslak No1 Plaza
Eski Büyükdere Caddesi
Maslak Mahallesi No:1
Maslak, Sarıyer 34485
İstanbul, Türkiye

Tel: +90 (212) 366 60 00
Fax: +90 (212) 366 60 10
www.deloitte.com.tr

Mersis No :0291001097600016
Ticari Sicil No: 304099

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

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

To the General Assembly of Koton Mağazacılık Tekstil A.Ş.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Koton Mağazacılık Tekstil A.Ş. ("the Company") and its subsidiaries (together will be referred as "the Group") as of 30 June 2026 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended. Group management is responsible for the preparation and presentation of this consolidated interim financial information in accordance with Turkish Accounting Standards 34 "Interim Financial Reporting" ("TAS 34"). Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Independent Auditing Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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

Tolga Sirkecioğlu
Partner

İstanbul, 13 August 2026

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CONSENDED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated)

	Notes	Reviewed 30 June 2026	Audited 31 December 2025
ASSETS			
Cash and cash equivalents	4	1,452,751,537	1,699,264,652
Trade receivables	5	1,771,926,598	1,736,028,524
- Trade receivable from third parties		*1,771,926,598*	*1,736,028,524*
Other receivables		95,289,204	57,885,151
- Other receivable from third parties		*95,289,204*	*57,885,151*
Inventories	6	10,740,197,466	10,937,178,828
Prepaid expenses	7	2,479,539,496	2,239,140,065
Current tax assets	21	75,232,130	99,145,583
Other current assets	15	487,578,149	571,623,936
Total current assets		**17,102,514,580**	**17,340,266,739**
Financial investments		9,085,875	9,961,512
Other receivables		224,543,595	245,463,354
- Other receivable from third parties		*224,543,595*	*245,463,354*
Property, plant and equipment	8	2,934,109,793	3,140,565,131
Intangible assets	9	1,100,413,534	1,074,891,335
Right of use assets	10	5,929,041,603	6,057,271,644
Prepaid expenses		-	4,723,117
Deferred tax assets	21	614,642,391	574,709,212
Other non-current assets		5,714,561	7,582,407
Total non-current assets		**10,817,551,352**	**11,115,167,712**
TOTAL ASSETS		**27,920,065,932**	**28,455,434,451**

CONSENDED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated)

	Notes	Reviewed 30 June 2026	Audited 31 December 2025
LIABILITIES			
Short-term borrowings	11	7,631,886,236	8,062,545,313
Short-term borrowings	11	*5,164,516,125*	*5,597,015,136*
Short-term Portion of Long-term Borrowings	11	*347,638,415*	*357,523,369*
Lease liabilities	11	*2,119,731,696*	*2,108,006,808*
Other financial liabilities	11	*200,858,211*	-
Trade payables		7,956,708,003	7,302,938,919
Trade payables to related parties	*5*	*1,261,730*	*829,231*
Trade payables to third parties	*5*	*7,955,446,273*	*7,302,109,688*
Payables related to employee benefits	14	431,256,960	467,232,826
Other payables		49,076,078	39,636,034
Other payables to third parties		*49,076,078*	*39,636,034*
Deferred income	7	278,846,758	275,735,752
Short-term provisions		287,415,866	363,395,090
Provisions for employee benefits	*14*	*262,157,433*	*335,156,912*
Other provisions	*12*	*25,258,433*	*28,238,178*
Other current short-term liabilities	15	435,127,051	369,348,333
Total current liabilities		**17,070,316,952**	**16,880,832,267**
Long-term borrowings	11	2,813,699,085	2,793,657,974
Long-term borrowings	*11*	*81,512,036*	*52,774,569*
Lease liabilities	*11*	*2,732,187,049*	*2,740,883,405*
Other payables		30,086,832	46,124,034
Other payables to third parties		*30,086,832*	*46,124,034*
Deferred income		-	19,123,795
Long term provisions	14	180,559,494	172,064,346
Long-term provisions for employee benefits	*14*	*180,559,494*	*172,064,346*
Deferred tax liabilities	21	750,347,677	655,619,991
Total non-current liabilities		**3,774,693,088**	**3,686,590,140**
TOTAL LIABILITIES		**20,845,010,040**	**20,567,422,407**
Paid-in share capital	16	829,650,000	829,650,000
Capital adjustment differences	16	8,174,395,748	8,174,395,748
Share issued premium/discount	16	1,670,943,133	1,670,943,133
Accumulated other comprehensive expenses not to be reclassified to profit or loss	16	(247,326,513)	(224,026,120)
- Loss on remeasurement of defined benefit plans		*(247,326,513)*	*(224,026,120)*
Accumulated other comprehensive expenses to be reclassified to profit or loss		(4,728,424,454)	(4,251,994,724)
- Foreign currency translation differences	*16*	*(4,623,100,736)*	*(4,112,016,204)*
- Loss on cash flow hedge	*16*	*(105,323,718)*	*(139.978.520)*
Restricted reserves appropriated from profit	16	269,399,356	269,399,356
Retained earnings prior year’s profit		1,411,019,170	2,545,840,685
Net loss for the period		(346,538,727)	(1,134,821,515)
Equity of the parent company		7,033,117,713	7,879,386,563
Non-Controlling Interests		41,938,179	8,625,481
TOTAL EQUITY		**7,075,055,892**	**7,888,012,044**
TOTAL LIABILITIES AND EQUITY		**27,920,065,932**	**28,455,434,451**

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

KOTON MAĞAZACILIK TEKSTİL SANAYİ VE TİCARET A.Ş.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS ENDED 1 JANUARY - 30 JUNE 2026 AND 2025

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

	Notes	Reviewed 1 January - 30 June 2026	Reviewed 1 January - 30 June 2025	Not Reviewed 1 April - 30 June 2026	Not Reviewed 1 April - 30 June 2025
Revenue	17	17,919,132,632	18,366,787,670	9,056,149,238	9,437,538,015
Cost of sales (-)		(8,122,536,559)	(8,409,417,426)	(3,766,612,521)	(3,310,006,487)
GROSS PROFIT		**9,796,596,073**	**9,957,370,244**	**5,289,536,717**	**6,127,531,528**
General administrative expenses (-)		(1,747,510,231)	(1,842,869,658)	(1,007,680,239)	(1,006,296,459)
Marketing expenses (-)		(6,897,719,494)	(6,740,035,746)	(3,670,397,679)	(3,387,880,966)
Research and development expenses (-)		(221,264,179)	(222,049,718)	(133,504,474)	(113,902,490)
Other operating income	19	830,919,937	1,623,694,051	494,402,425	667,411,784
Other operating expenses (-)	19	(1,508,705,918)	(1,617,704,323)	(617,314,350)	(820,485,758)
OPERATING PROFIT		**252,316,188**	**1,158,404,850**	**355,042,400**	**1,466,377,639**
Income from investment activities		3,958,542	3,905,316	1,480,402	1,504,512
Losses from investment activities (-)		(4,116,010)	(631,678)	(2,580,264)	23,378
OPERATING PROFIT BEFORE FINANCE EXPENSE		**252,158,720**	**1,161,678,488**	**353,942,538**	**1,467,905,529**
Finance income	20	182,750,526	116,932,899	141,811,344	53,810,469
Finance expenses (-)	20	(1,578,937,831)	(2,041,865,883)	(761,821,393)	(1,092,655,591)
Net monetary position gains		833,345,448	799,680,655	222,051,936	199,193,187
PROFIT BEFORE TAX		**(310,683,137)**	**36,426,159**	**(44,015,575)**	**628,253,594**
Tax income	21	(2,542,893)	(128,251,041)	14,880,697	(188,811,265)
Current tax expense	21	-	(343,344)	-	-
Deferred tax expense	21	*(2,542,893)*	*(127,907,697)*	*14,880,697*	*(188,811,265)*
NET PROFIT / (LOSS)		**(313,226,030)**	**(91,824,882)**	**(29,134,878)**	**439,442,329**
Distrubution of Profit/ (Loss) for the period					
Non-Controlling Interests	23	*33,312,697*	*4,315,735*	*19,440,919*	*(11,545,668)*
Equity of the parent company	*23*	*(346,538,727)*	*(96,140,617)*	*(48,575,797)*	*450,987,997*
(Loss)/Earning per share (“TRY”)	**23**	**(0,418)**	**(0,116)**	**(0,059)**	**0,544**
OTHER COMPREHENSIVE (EXPENSES)/INCOME Items not to be reclassified to profit or loss		**(23,300,393)**	**(46,042,651)**	**(3,660,203)**	**(4,308,432)**
Defined benefit plans remeasurement losses	*14*	(31,067,192)	(61,390,202)	(4,880,270)	(5,744,576)
Taxes related to other comprehensive ıncome that will not be reclassified to profit or loss					
Deferred tax income / (expense)	21	7,766,799	15,347,551	1,220,067	1,436,144
Items that will be reclassified to profit or loss		**(476,429,730)**	**(292,297,182)**	**(205,068,103)**	**(142,120,374)**
Foreing currency translation differences		(511,084,532)	(14,048,690)	(173,591,986)	(14,048,686)
Cash flow hedge gains		46,206,403	(370,997,990)	(41,968,156)	(170,762,250)
Taxes related to other comprehensive ıncome that will be reclassified to profit or loss					
Deferred tax (expense) / income	21	(11,551.601)	92,749,498	10,492,039	42,690,562
OTHER COMPREHENSIVE EXPENSE		**(499,730,123)**	**(338,339,833)**	**(208,728,306)**	**(146,428,806)**
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		**(812,956,153)**	**(430,164,715)**	**(237,863,184)**	**293,013,523**
Distribution of Total Comprehensive Income					
Minority shareholders		33,312,697	4,315,735	19,440,919	(11,545,668)
Equity of the parent company		(858,795,913)	(434,480,450)	(269,831,166)	304,559,191

KOTON MAĞAZACILIK TEKSTİL SANAYİ VE TİCARET A.Ş.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 1 JANUARY - 30 JUNE 2026 AND 2025

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated)

				Items not to be reclassified to profit or loss	Items to be reclassified to profit or loss						
	Pain in share capital	Capital adjustment diffrences	Share Issued Premium/ Discounts	Loss on remeasurement of defined benefit plans	Foreign currency translation diffrences	Loss on cash flow hedge	Restiricted reserves	Prior Years' Profit/ (Loses) earnings	Minority Shareholders	Net Profit/(Loss) for the period	Total equity
Balances as of 1 January 2025	**829,650,000**	**8,174,395,748**	**1,670,943,133**	**(210,665,879)**	**(3,711,815,125)**	**(51,965,319)**	**269,399,356**	**3,157,270,782**	**2,736,778**	**(611,430,097**	**9.518.519.377**
Transfers	-	-	-	-	-	-	-	(611,430,097)	-	611,430,097	-
Total comprehensive expense	**-**	**-**	**-**	**(46,042,651)**	**(14,048,690)**	**(278,248,492)**	**-**	**-**	**4,315,735**	**(96,140,617)**	**(430,164,715)**
Net profit / (Loss) Profit for the period	-	-	-	-	-	-	-	-	4,315,735	(96,140,617)	(91,824,882)
Cash flow hedge gains	-	-	-	-	-	(278,248,492)	-	-	-	-	(278,248,492)
Foreing currency translation diffrences	-	-	-	-	(14,048,690)	-	-	-	-	-	(14,048,690)
Actuarial loss	-	-	-	(46,042,651)	-	-	-	-	-	-	(46,042,651)
Balances as of 30 June 2025	**829,650,000**	**8,174,395,748**	**1,670,943,133**	**(256,708,530)**	**(3,725,863,815)**	**(330,213,811)**	**269,399,356**	**2,545,840,685**	**s7,052,513**	**(96,140,617)**	**9,088,354,662**
Balances as of 1 January 2026	**829,650,000**	**8,174,395,748**	**1,670,943,133**	**(224,026,120)**	**(4,112,016,204)**	**(139,978,520)**	**269,399,356**	**2,545,840,685**	**8,625,482**	**(1,134,821,515)**	**7,888,012,045**
Transfers	-	-	-	-	-	-	-	(1,134,821,515)	-	1,134,821,515	-
Total comprehensive income	**-**	**-**	**-**	**(23.300.393)**	**(511,084,532)**	**34,654,802**	**-**	**-**	**33,312,697**	**(346,538,727)**	**(812,956,152)**
Net profit / (Loss) for the period	-	-	-	-	-	-	-	-	33,312,697	(346,538,727)	(313,226,030)
Cash flow hedge gains	-	-	-	-	-	34,654,802	-	-	-	-	34,654,803
Foreing currency translation diffrences	-	-	-	-	(511.084,532)	-	-	-	-	-	(511,084,532)
Actuarial loss	-	-	-	(23.300.393)	-	-	-	-	-	-	(23,300,393)
Balances as of 30 June 2026	**829,650,000**	**8,174,395,748**	**1,670,943,133**	**(247,326,513)**	**(4.623.100,736)**	**(105,323,718)**	**269,399,356**	**1,411,019,170**	**41,938,179**	**(346,538,727)**	**7,075,055,892**

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED 1 JANUARY-30 JUNE 2026 AND 2025

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated)

	Notes	Reviewed 1 January - 30 June 2026	Reviewed 1 January - 30 June 2025
A. Cash Flows From Operating Activities		**2,222,192,455**	**1,347,489,211**
Net Loss For The Period		**(313,226,030)**	**(91,824,882)**
Adjustments Related to the Reconciliation of Net Profit for the Period		**2,290,984,957**	**2,745,791,296**
Adjustments related to deprecation and amortization expense	8,9,10	2.349.008.711	2,356,051,951
Adjustments related to impairment		(281,089)	14,303,536
Adjustments related to impairment / (reversals) on inventory	6	*(784,436)*	*8,101,030*
Adjustments related to impairment loss recognised on receivables	5	*503,347*	*6,202,506*
Adjustments related to provisions		144,552,687	196,084,729
Adjustments Related to for Employee Benefits	*14*	*137,203,032*	*186,880,950*
Adjustments Related to Provisions for Legal Claims	*12*	*7,349,655*	*9,203,779*
Adjustments Related to Interest (Income) and Expenses		1,811,755,469	2,343,097,651
Adjustments Related to Interest Income	*20*	*(182,750,526)*	*(116,932,899)*
Adjustments Related to Interest Expenses	*20*	*965,457,165*	*1,293,067,816*
Deferred Financing Expense from Forward Purchases		*1,029,048,830*	*1,166,962,734*
Adjustments Related to Income From Government Grants		(61,343,774)	(105,080,754)
Adjustments Related to Unrealised Currency Tranlation Differences		387,963,978	(881,327,595)
Other Adjustments Related to Non-Cash Items		(47,368,256)	40,771,610
Adjustments Related to Tax Expense	21	2,542,893	128,251,041
Adjustments Related to Losses/(Gains) on Disposal of Non-Current Assets		157,468	(3,273,638)
Other Adjustments Related to Net Profit /(Loss)		(45,250,117)	103,954,563
Adjustments Related to monetary position gain and loses		(2,254,553,013)	(1,447,041,798)
Changes in Working Capital		**244,433,528**	**(1,306,477,203)**
Changes Related to Increase in Inventories		266,853,289	77,785,278
Changes Related to Increase in Trade Receivables		(298,348,201)	266,003,794
Change in Prepaid Expenses		(661,471,824)	(396,770,949)
Changes Related to Decrease (Increase) in Other Operating Receivables		55,728,333	(195,550,954)
Changes Related to Increase (Decrease) in Trade Payables		726,111,833	(1,278,334,950)
Changes Related to Increase (Decrease) in Employee Benefits		34,489,640	(52,097,982)
Changes Related to Increase (Decrease) in Other Operating Payables		173,068,793	350,560,244
Cash Inflows from Government Incentives		16,182,215	1,742,031
Related to Increase (Decrease) in Deferred Income		31,355,468	(2,505,476)
Payments Related to Employee Benefits		(117,507,199)	(90,518,966)
Tax Returns (Payments)	21	23,913,453	21,890,396
Other Cash Inflows (Outflows)		(5,942,272)	(8,679,669)
B. Cash Flows Used in Investing Activities		**(465,059,332)**	**(601,247,186)**
Cash İnflows from sale of Property Plant and Equpment and intagible assest		43,709,754	21,911,202
-Cash inflows *Proceeds from Sale of Property, Plant and Equipment*	*9*	*43,709,754*	*18,623,022*
- Proceeds from Sale of Intangible Assets	*9*	-	*3,288,180*
Cash Outflows from Purchase of Property, Plant and Equipment and Intangible Assets		(508,769,086)	(623,158,388)
-Cash Outflows from Purchase Property, Plant and Equipment	*8*	*(331,249,604)*	*(500,376,341)*
-Cash Outflows from Purchase Intangible Assets	*9*	*(177,519,482)*	*(122,782,047)*
C. Cash Flows Generated from/(Used in) Financing Activities		**(1,739,971,004)**	**(388,432,774)**
Proceeds from Borrowings	11	4,115,388,227	4,235,436,599
Cash Outflows Repayment of Borrowings	11	(3,896,137,119)	(2,550,810,952)
Cash Outflows Repayment of Borrowings Arising from Lease Agreements	11	(1,582,346,451)	(1,394,833,485)
Interest Received	5,20	191,831,004	120,988,876
Interest Paid	5,20	(568,706,665)	(799,213,812)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A+B+C)		**13,362,119**	**357,809,251**
D. EFFECT OF MONETARY LOSSES AND GAINS ON CASH AND CASH EQUIVALENTS		**(256,273,813)**	**(128,865,544)**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**(242,911,694)**	**228,943,707**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**4**	**1,693,785,591**	**901,721,975**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	**4**	**1,450,873,897**	**1,130,665,682**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Koton Mağazacılık Tekstil Sanayi ve Ticaret Anonim Şirketi (“Koton Mağazacılık” or “the Company”) started its activities in 1988 and was registered under the Turkish Commercial Code on 25 March 2005. The main field of activity of the Company is to design and manufacture all kinds of textile products under the trade name of “Koton Mağazacılık” and to sell them wholesale or retail through its own retail network.

The registered address of the Company is Ayağaza Mah. Maslak Ayazağa Cad. No: 3 İç Kapı No:5, Sarıyer, İstanbul

As explained in Note 16, as of 30 June 2026, the main partner of the Company is the Netherlands-based Nemo Apparel BV owned by Turkven Private Equity and Yılmaz family.

The Company's shares commenced trading on Borsa İstanbul as of 10 May 2024.

As of 30 June 2026, the Company's subsidiaries are shown below. The Company and its subsidiaries will be referred to as the “Group” in the consolidated financial statements.

Subsidiaries	Registered Country	Field of Activity
Koton Textile Group Gmbh (“Koton Germany”) (*)	Germany	Retailing
Koton Textile Limited Doo Sarajevo (“Koton Bosnia and Herzegovina”)	Bosnia and Herzegovina	Retailing
Koton Textile Limited Llc (“Koton Georgia”)	Georgia	Retailing
Koton Textile D.O.O Zagreb (“Koton Crotia”) (*)	Croatia	Retailing
TOO “Koton Textile” Limited (“Koton Kazakhstan”)	Kazakhstan	Retailing
Koton Mağazacılık Doo El Skopje (“Koton Macedonia”)	Macedonia	Retailing
Koton Textile Retail Srl (“Koton Romania”)	Romania	Retailing
Ooo Koton Textile Llc (“Koton Russia”)	Russia	Retailing
Koton Textile Limited Doo Beograd (“Koton Serbia”)	Serbia	Retailing
Koton Textile Limited S.R.O (“Koton Slovakia”) (*)	Slovakia	Retailing
Koton Tekstil Emboria Endimaton Monoprosopi Epe (“Koton Greece”) (*)	Greece	Retailing
Koton Mağazacılık Sarl Au (“Koton Morocco”)	Morocco	Retailing
Koton Mağazacılık Sasu (“Koton France”) (*)	France	Retailing
LLC Koton Textile (“Koton Belarus”)	Belarus	Retailing
Limited Liability Company Koton Textile (“Koton Ukraine”)	Ukraine	Retailing
Koton Textil Limited (“Koton Hong Kong”) (*)	Hong Kong	Retailing
Koton Mağazacılık Limited (“Koton Azerbaijan”) (*)	Azerbaijan	Retailing
Koton Textil Korlátolt Felelősségű Társaság (“Koton Hungary”)	Hungary	Retailing
Koton A.G. Tradıng L.L.C. (“Koton UAE”) (*)	UAE	Retailing
Koton India Private Limited (“Koton India”) (*)	India	Retailing
Koton Tradıng LLC (“Koton KSA”)	Saudi Arabia	Retailing
Koton Bahrain Trading W.L.L (“Koton Bahreyn”)	Bahrain	Retailing
Koton Fashıon Trading L.L.C (“Koton Umman”)	Oman	Retailing
Koton Trading L.L.C (“Koton Katar”)	Qatar	Retailing
Koton I.N.C (“Koton U.S.A”) (*)	U.S.A	Retailing

(*) As of 30 June 2026 there are active no stores.

1. ORGANIZATION AND OPERATIONS OF THE GROUP (cont'd)

The Company and its subsidiaries together will be referred as “the Group”

As of 30 June 2026, the total number of stores of the Group is 464 (31 December 2025: 464). 239 of these stores (31 December 2025: 243) has been operating in Türkiye. The Group has 239 stores in Türkiye, 34 of which are franchise stores (31 December 2025: 32). The Group has 225 stores abroad (31 December 2024: 221). 75 of these stores are franchise stores (31 December 2025: 72). Stores as of 30 June 2026, the Group's average number of employees is 7,899 (31 December 2025: 7,768).

The interim condensed consolidated financial statements were approved for issuance by the Company's Board of Directors on August 13, 2026. The General Assembly and certain regulatory bodies have the authority to make amendments following the publication of the statutory financial statements.

2. BASIS OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES APPLIED

2.1 Basis of Presentation

2.1.1 Financial reporting standards applied

The Group's companies operating in Türkiye prepare their accounting records and statutory financial statements in Turkish Lira in accordance with the accounting and financial reporting standards ("CMB Financial Reporting Standards") adopted by the Capital Markets Board ("CMB"), the provisions of the Turkish Commercial Code ("TCC") and Tax Legislation, and the requirements of the Uniform Chart of Accounts published by the Ministry of Finance. Subsidiaries operating abroad have prepared their statutory financial statements in accordance with the laws and regulations applicable in the countries in which they operate.

The interim condensed consolidated financial statements are based on the statutory financial statements of the Group’s subsidiaries and presented in Turkish Lira in accordance with the CMB financial reporting standards with certain adjustments and reclassifications for the purpose of fair presentation. Such adjustments are primarily related to application of consolidation accounting, accounting for deferred taxes on temporary differences, accounting for employment termination benefits on an actuarial basis and accruals for various expenses. Except for the financial assets carried from their fair values and assets and liabilities, financial statements are prepared on historical cost basis.

The interim condensed consolidated financial statements have been prepared in accordance with the provisions of the Capital Markets Board's Communiqué Series II, No. 14.1 “Principles of Financial Reporting in the Capital Markets” (“Communiqué”) published in the Official Gazette dated 13 June 2013 and numbered 28676. Pursuant to Article 5, the Turkish Financial Reporting Standards, which were put into effect by the Public Oversight, Accounting and Auditing Standards Authority, and their annexes and comments are taken as basis.

The Group has prepared its condensed interim consolidated financial statements for the interim period ended 30 June 2026, in accordance with the CMB's Communiqué Series: II, No. 14.1 and the announcements clarifying this Communiqué, in accordance with TAS 34, "Interim Financial Reporting." The interim condensed consolidated financial statements and notes are presented in accordance with the formats recommended by the CMB and include the required information. Entities are free to prepare their interim financial statements in full or in summary form in accordance with TAS 34.

Within this framework, the Group has chosen to prepare condensed interim consolidated financial statements. The significant accounting policies used in preparing the condensed consolidated financial statements are consistent with the accounting policies detailed in the consolidated financial statements as of 31 December 2025.

2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

2.1.1 Basis of preparation and presentation of financial statements (cont'd)

Therefore, the interim consolidated financial statements should be evaluated together with the financial statements for the year ending 31 December 2025.

Furthermore, in accordance with the Communiqué and its accompanying announcements, the collateral and mortgage table, foreign exchange position table, total import amounts, and the hedged portion of the total foreign exchange liability are presented in the footnotes to the summary financial statements.

2.1.2 Comparative information and restatement of prior period financial statements

The consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when it is necessary and significant differences are disclosed.

2.1.3 Changes in the accounting policies and estimates and errors

In case of changes and errors in accounting policies and accounting estimates, significant changes and significant accounting errors are applied retrospectively and the previous period financial statements are restated. Changes in accounting estimates are applied in the current period if the change is made for only one period, and both in the period when the change is made and prospectively if it is related to future periods.

2.1.4 Functional and reporting currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in TRY, which is the functional currency the reporting currency of the Group.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions),
- All resulting exchange differences are recognised in other comprehensive income

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.2 Financial reporting in hyperinflationary economy

The Group prepared its consolidated financial statements as at and for the period ended 30 June 2026 by applying TAS 29 “Financial Reporting in Hyperinflationary Economies” in accordance with the announcement made by POA on 23 November 2023 and the “Application Guidance on Financial Reporting in Hyperinflationary Economies”. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. Therefore, the Group has presented its consolidated financial statements as of 30 June 2026 and 31 December 2025 on a purchasing power basis as of 30 June 2026.

Pursuant to the decision of the Capital Markets Board (CMB) dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the periods ending on 31 December 2023.

The adjustments made in accordance with IAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TSI). As of 30 June 2026, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	**Index**	**Coefficient**	**Three – year cumulative inflation rates**
30 June 2026	4,137.93	1,00000	206%
31 December 2025	3,513.87	1,17760	211%
30 June 2025	3,132.17	1,32111	220%

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.
- Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders' equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Company.
- All items in the income statement, except for the effects of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognized in the financial statements.

2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.2 Financial reporting in hyperinflationary economy(cont'd)

- The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

The impact of the application of TAS 29 "Inflation Accounting" is summarized below:

Restatement of the Statement of Financial Position

Amounts in the consolidated statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognized in profit or loss and presented separately in the statement of comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Cost of inventories sold has been restated using the restated inventory balance.

Depreciation and amortization expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company.

Subsidiaries of the Group whose functional currency is other than Turkish Lira have been restated to 30 June 2026 purchasing power according to the following principles.

For the year ended 30 June 2026, the consolidated statement of financial position is translated into Turkish Lira at the closing rate of 30 June 2026. The consolidated income statement for the period 1 January 2026 – 30 June 2026 has been translated into Turkish Lira at the average monthly exchange rates and indexed to the purchasing power of 30 June 2026. For the year ended 31 December 2025, the consolidated statement of financial position is translated into Turkish Lira at the closing rate of 31 December 2025 and indexed to the purchasing power of 30 June 2026. For the period

1 January 2025 – 30 June 2025, the income statement is translated into Turkish Lira at the average monthly exchange rates and indexed to the purchasing power of 30 June 2026.

2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.2 Financial reporting in hyperinflationary economy (cont’d)

Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

2.3 Going concern assumption

The consolidated financial statements have been prepared on the basis of going concern, assuming that the Company and its subsidiaries subject to consolidation will benefit from its assets and fulfill its obligations in the next year and within the natural flow of its operations. The Group has incurred losses from its operations over the last three reporting periods; the net loss for the period was (TL 313,226,030) and (TL 91,824,882) as of 30 June 2026 and 30 June 2025, respectively.

2.4 Basis for Consolidation

The consolidated financial statements include the Group’s accounts prepared on the basis determined in the following items. During the preparation of the financial statements of the companies included in the consolidation, necessary adjustments and classifications were made in terms of compliance with the Turkish Financial Reporting Standards and the accounting policies and presentation styles applied by the Group. The results of operations of the subsidiaries are included or excluded on the effective dates of the related transactions in accordance with the acquisition or disposal transactions.

The control is achieved by having control over the financial and operational policies of an entity to obtain benefits from its activities.

Subsidiaries are businesses controlled by the Company. The Company controls the business when it is exposed to variable returns due to its relationship with a business or is entitled to these returns, and also has the opportunity to influence these returns with its power over the business. The financial statements of the subsidiaries are included in the consolidated financial statements from the date control occurs until the date control disappears. The accounting policies of the subsidiaries are changed in order to comply with the Group's policies when needed.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 Basis for Consolidation (cont'd)

All of the subsidiaries included in the consolidation were established by the Company, and the table below shows the ownership rates as of 30 June 2026 and 31 December 2025:

Subsidiaries	30 June 2026 Effective partnership rate (%)	31 December 2025 Effective partnership oranı (%)
Koton Germany (*)	100.00	100.00
Koton Azerbaijan (*)	100.00	100.00
Koton Bosnia and Herzegovina	100.00	100.00
Koton Georgia	100.00	100.00
Koton Croatia (*)	100.00	100.00
Koton Hong Kong (*)	100.00	100.00
Koton Kazakhstan	100.00	100.00
Koton Macedonia	100.00	100.00
Koton Romania	100.00	100.00
Koton Russia	100.00	100.00
Koton Slovakia (*)	100.00	100.00
Koton Greece (*)	100.00	100.00
Koton France (*)	100.00	100.00
Koton Morocco	100.00	100.00
Koton Belarus	100.00	100.00
Koton Ukraine	100.00	100.00
Koton Serbia	100.00	100.00
Koton Hungary (*)	100.00	100.00
Koton United Arab Emirates	51.00	51.00
Koton India(*)	100.00	100.00
Koton Saudi Arabia	51.00	51.00
Koton Bahrain	51.00	51.00
Koton Oman	51.00	51.00
Koton Qatar	51.00	51.00
Koton U.S.A(*)	100.00	100.00

(*) There is no activity as of the balance sheet date.

2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Basis for Consolidation (cont’d)

Subsidiaries are fully consolidated from the date on which control is transferred to the Group, and they are deconsolidated from the date that control ceases. Accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

The result of operations of subsidiaries acquired or sold during the year are included in the consolidated statement of comprehensive income from the date of acquisition or until the date of sale.

The balance sheets and statements of income of the subsidiaries are consolidated and the carrying value of the investment held by the Company and its subsidiaries is netted off against the related shareholders’ equity. Intercompany transactions and balances between the Company and its Subsidiaries are netted off during the consolidation. The cost of and the dividends arising from, shares held by the Group in its subsidiaries are netted off from shareholders’ equity and other comprehensive income, respectively.

2.5 New and Amended Turkish Financial Reporting Standards

a) <u>Amendments that are mandatorily effective from 2026</u>

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

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

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

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

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

Annual Improvements to TFRSs – Volume 11

The pronouncement comprises the following amendments:

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

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 New and Amended Turkish Financial Reporting Standards (cont'd)

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

The aforementioned standard, amendments and improvements on the Group's consolidated financial position and performance.

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

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

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

TFRS 17 *Insurance Contracts*

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2027.

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

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

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

TFRS 18 *Presentation and Disclosures in Financial Statements*

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

2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.5 New and Amended Turkish Financial Reporting Standards (cont’d)

TFRS 19 *Subsidiaries without Public Accountability: Disclosures*

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

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

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

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

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

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

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

3. SEGMENT REPORTING

The Group’s operating segments are identified based on the information provided to and analyzed by the Board of Directors, which represents the chief operating decision maker (CODM), as a result of the performance and resource allocation assessments made by the management responsible for monitoring the day-to-day operations of the Group.

The information reported includes information used by the Board of Directors to evaluate the performance of operating segments and to make decisions about resource allocation. In measuring and reporting segment income from transactions between the Group's operating segments and other segments, intersegment transfers are recognized at normal market prices and terms. Information regarding the segment reporting of the Group's domestic and foreign subsidiaries is as follows:

1 January - 30 June 2026

	Türkiye	**CIS Countries (*)**	**Other International Countries (**)**	**Total**
-Retail	11,126,628,365	1,726,936,584	2,097,758,468	**14,951,323,417**
-E-Commerce	1,036,522,000	642,470,134	227,011,064	**1,906,003,198**
-Wholesale	913,700,227	16,214,002	131,891,788	**1,061,806,017**
Total sales	**13,076,850,592**	**2,385,620,720**	**2,456,661,320**	**17,919,132,632**
Cost of sales	**(5,806,814,821)**	**(1,291,584,337)**	**(1,024,137,401)**	**(8,122,536,559)**
Gross profit	**7,270,035,771**	**1,094,036,383**	**1,432,523,919**	**9,796,596,073**
EBITDA	**2,859,507,357**	**203,787,499**	**766,175,727**	**3,829,470,583**
Adjusted EBITDA	**1,750,356,253**	**(36,367,723)**	**533,135,602**	**2,247,124,132**
Profit / (loss) for the period	**(278,903,457)**	**(347,586,562)**	**313,263,989**	**(313,226,030)**

The Group Management utilizes Earnings Before Interest, Depreciation, Tax and Amortization (EBITDA) values to measure the financial performance of the Group on a consolidated basis. EBITDA is calculated by adding finance income/(expenses), discount interest expenses on purchases of goods, income/(expense) from investing activities and depreciation and amortization expenses and other one-off provisions to profit before tax and deducting gains from net monetary position.

The Chief Operating Decision Maker (CODM) relies primarily on EBITDA and Adjusted EBITDA to assess the performance of the segment and to make decisions about resources to be allocated to the segment.

(*) The Commonwealth of Independent States (CIS) consists of the countries Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Ukraine, and Turkmenistan.

(**) The foreign subsidiaries of the Group operating in different countries are aggregated as "Other" due to their similar economic characteristics and individual revenues, profits and losses, or asset sizes not exceeding 10% of the total revenues, profits and losses, or asset amounts, respectively.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

3. SEGMENT REPORTING (cont’d)

The reconciliation of Adjusted EBITDA to consolidated Operating Profit Before Finance Income/Expense and the components of Adjusted EBITDA are as follows:

1 January - 30 June 2026 (cont’d)

	Türkiye	CIS Countries (*)	Other International Countries (**)	Total
Profit/(loss) before tax	**(198,202,770)**	**(413,063,772)**	**300,583,405**	**(310,683,137)**
Finance expense, net	(1.239.802.342)	(123,610,061)	(32,774,902)	(1,396,187,305)
Monetary gain	833,345,448	-	-	833,345,448
Operating profit / (loss) before finance income / (expense)	**208,254,124**	**(289,453,711)**	**333,358,307**	**252,158,720**
Income from investing activities	3,958,542	-	-	3,958,542
Expenses from investing activities	(4,116,010)	-	-	(4,116,010)
Operating profit/(loss)	**208,411,592**	**(289,453,711)**	**333,358,305**	**252,316,188**
Depreciation and amortization expenses (Note 18)	(1,755,479,351)	(287,890,423)	(305,638,937)	(2,349,008,711)
Discount interest expense on purchases of goods (Note 19)	(895,616,414)	(205,350,787)	(127,178,483)	(1,228,145,684)
EBITDA	**2,859,507,357**	**203,787,499**	**766,175,727**	**3,829,470,583**
Cash outflows related to debt payments arising from lease agreements (Note 11)	(1,109,151,104)	(240,155,222)	(233,040,125)	(1,582,346,451)
Adjusted EBITDA	**1,750,356,253**	**(36,367,723)**	**533,135,602**	**2,247,124,132**

1 January - 30 June 2025

	Türkiye	CIS Countries (*)	Other International Countries (**)	Total
-Retail	11,809,645,999	1,838,584,851	1,640,903,929	**15,289,134,779**
-E-Commerce	1,069,555,410	700,124,571	352,401,059	**2,122,081,040**
-Wholesale	810,586,437	11,919,476	133,065,938	**955,571,851**
Total sales	**13,689,787,846**	**2,550,628,898**	**2,126,370,926**	**18,366,787,670**
Cost of sales	**(5,654,482,153)**	**(1,697,493,631)**	**(1,057,441,642)**	**(8,409,417,426)**
Gross profit	**8,035,305,693**	**853,135,267**	**1,068,929,284**	**9,957,370,244**
EBITDA	**4,006,568,196**	**303,209,985**	**466,591,177**	**4,776,369,358**
Adjusted EBITDA	**3,076,011,815**	**34,975,394**	**270,548,664**	**3,381,535,873**
Profit / (loss) for the period	**147,375,318**	**(336,513,221)**	**97,313,021**	**(91,824,882)**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

3. SEGMENT REPORTING (cont’d)

The reconciliation of Adjusted EBITDA to consolidated Operating Profit Before Finance Income/Expense and the components of Adjusted EBITDA are as follows:

1 January - 30 June 2025 (cont’d)

	Türkiye	CIS Countries (*)	Other International Countries (**)	Total
Profit before tax	**288,561,273**	**(346,876,197)**	**94,741,083**	**36,426,159**
Finance expense, net	(1,762,127,693)	(117,556,765)	(45,248,526)	(1,924,932,984)
Monetary loss/gain	799,680,655	-	-	799,680,655
Operating loss before finance income / (expense)	**1,251,008,311**	**(229,319,432)**	**139,989,609**	**1,161,678,488**
Income from investing activities	3,832,655	-	72,661	3,905,316
Expenses from investing activities	(559,017)	-	(72,661)	(631,678)
Operating loss	**1,247,734,673**	**(229,319,432)**	**139,989,6091,158,404,850**	
Depreciation and amortization expenses (Note 18)	(1,835,081,653)	(298,839,001)	(222,131,298)	(2,356,051,952)
Discount interest expense on purchases of goods (Note 19)	(923,751,870)	(233,690,416)	(104,470,270)	(1,261,912,556)
EBITDA	**4,006,568,196**	**303,209,985**	**466,591,177**	**4,776,369,358**
Cash outflows related to debt payments arising from lease agreements (Note 11)	(930,556,381)	(268,234,591)	(196,042,513)	(1,394,833,485)
Adjusted EBITDA	**3,076,011,815**	**34,975,394**	**270,548,664**	**3,381,535,873**

(*) The Commonwealth of Independent States (CIS) consists of the countries Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Ukraine, and Turkmenistan.

(**) The foreign subsidiaries of the Group operating in different countries are aggregated as "Other" due to their similar economic characteristics and individual revenues, profits and losses, or asset sizes not exceeding 10% of the total revenues, profits and losses, or asset amounts, respectively.

Information regarding the Group's domestic and international subsidiaries, including segment reporting is as follows:

1 April - 30 June 2026

	Türkiye	CIS Countries (*)	Other International Countries (**)	Total
-Retail	5,412,748,234	912,509,991	1,173,839,774	**7,499,097,999**
-E-Commerce	559,444,013	410,053,847	108,672,836	**1,078,170,696**
-Wholesale	416,810,643	5,972,831	56,097,069	**478,880,543**
Total sales	**6,389,002,890**	**1,328,536,669**	**1,338,609,679**	**9,056,149,238**
Cost of sales	**(2,601,200,592)**	**(674,447,314)**	**(490,964,615)**	**(3,766,612,521)**
Gross profit	**3,787,802,298**	**654,089,355**	**847,645,064**	**5,289,536,717**
EBITDA	**1,390,054,239**	**206,943,065**	**524,238,600**	**2,121,235,904**
Adjusted EBITDA	**842,978,914**	**94,247,775**	**398,946,710**	**1,336,173,399**
Profit / (loss) for the period	**(227,060,010)**	**(94,039,142)**	**291,964,274**	**(29,134,878)**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

3. SEGMENT REPORTING (cont’d)

The reconciliation of Adjusted EBITDA to consolidated Operating Profit Before Finance Income/Expense and the components of Adjusted EBITDA are as follows:

1 April - 30 June 2026 (cont’d)

	Türkiye	CIS Countries (*)	Other International Countries (**)	Total
Profit before tax	**(224,322,124)**	**(100,390,923)**	**280,697,472**	**(44,015,575)**
Finance expense, net	(548,332,471)	(55,263,232)	(16,414,346)	(620,010,049)
Monetary loss/gain	222,051,936	-	-	222,051,936
Operating profit / loss before finance income / (expense)	**101,958,411**	**(45,127,691)**	**297,111,818**	**353,942,538**
Income from investing activities	1,480,402	-	-	1,480,402
Expenses from investing activities	(2,580,264)	-	-	(2,580,264)
Operating loss	**103,058,273**	**(45,127,691)**	**297,111,818**	**355,042,400**
Depreciation and amortization expenses (Note 18)	(870,887,528)	(147,235,509)	(167,794,384)	(1,185,917,421)
Discount interest expense on purchases of goods (Note 19)	(416,108,438)	(104,835,247)	(59,332,398)	(580,276,083)
EBITDA	**1,390,054,239**	**206,943,065**	**524,238,600**	**2,121,235,904**
Cash outflows related to debt payments arising from lease agreements	(547,075,325)	(112,695,290)	(125,291,890)	(785,062,505)
Adjusted EBITDA	**842,978,914**	**94,247,775**	**398,946,710**	**1,336,173,399**

Information regarding the Group's domestic and international subsidiaries, including segment reporting is as follows:

1 April - 30 June 2025

	Türkiye	CIS Countries (*)	Other International Countries (**)	Total
-Retail	6,010,173,534	1,015,725,776	855,071,940	7,880,971,250
- E-Commerce	590,162,068	428,594,428	204,469,880	1,223,226,376
-Wholesale	272,817,188	7,444,242	53,078,959	333,340,389
Total sales	**6,873,152,790**	**1,451,764,446**	**1,112,620,779**	**9,437,538,015**
Cost of sales	**(1,882,209,357)**	**(1,003,190,691)**	**(424,606,439)**	**(3,310,006,487)**
Gross profit	**4,990,943,433**	**448,573,755**	**688,014,340**	**6,127,531,528**
EBITDA	**3,170,846,718**	**6,410,833**	**298,429,511**	**3,475,687,062**
Adjusted EBITDA	**2,690,876,053**	**(126,627,666)**	**182,258,608**	**2,746,506,995**
Profit / (loss) for the period	**655,589,447**	**(312,890,988)**	**96,743,870**	**439,442,329**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

3. SEGMENT REPORTING (cont’d)

The reconciliation of Adjusted EBITDA to consolidated Operating Profit Before Finance Income/Expense and the components of Adjusted EBITDA are as follows:

1 April - 30 June 2025 (cont’d)

	Türkiye	CIS Countries (*)	Other International Countries (**)	Total
Profit before tax	**853,636,274**	**(320,911,097)**	**95,528,417**	**628,253,594**
Finance expense, net	(929,819,504)	(56,245,558)	(52,780,060)	(1,038,845,122)
Monetary loss/gain	199,193,187	-	-	199,193,187
Operating loss before finance income / (expense)	**1,584,262,591**	**(264,665,539**	**148,308,477**	**1,467,905,529**
Income from investing activities	1,508,877	-	(4,365)	1,504,512
Expenses from investing activities	19,013	-	4,365	23,378
Operating loss	**1,582,734,701**	**(264,665,539)**	**148,308,4771,466,377,639**	
Depreciation and amortization expenses (Note 18)	(1,139,917,811)	(146,417,784)	(99,003,039)	(1,385,338,634)
Discount interest expense on purchases of goods (Note 19)	(448,194,206)	(124,658,588)	(51,117,995)	(623,970,789)
EBITDA	**3,170,846,718**	**6,410,833**	**298,429,511**	**3,475,687,062**
Cash outflows related to debt payments arising from lease agreements	(479,970,665)	(133,038,499)	(116,170,903)	(729,180,067)
Adjusted EBITDA	**2,690,876,053**	**(126,627,666)**	**182,258,608**	**2,746,506,995**

4. CASH AND CASH EQUIVALENTS

	30 June 2026	**31 December 2025**
Cash	21,513,633	33,168,224
Cash at banks	1,329,087,700	1,552,415,846
-Time deposits	*633,800,905*	*853,467,563*
- Demand deposits	*695,286,795*	*698,948,283*
Credit card receivables (*)	100,272,564	108,201,521
Cash And Cash Equıvalents In Statement Of Cash	**1,450,873,897**	**1,693,785,591**
Interest income accruals	1,877,640	5,479,061
	1,452,751,537	**1,699,264,652**

(*) The maturity of credit card receivables is less than 1 day.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

4. CASH AND CASH EQUIVALENTS(cont’d)

As of 30 June 2026 and 31 December 2025 the details of time deposits, maturity dates and interest rates of the Group are as follows:

	Maturity	Interest Rate	30 June 2026
TL	30 June 2026 - 1 July 2026	41.58%	633,800,905
			633,800,905

	Maturity	Interest Rate	31 December 2025
TL	31 December 2025 - 1 January 2026	38.91%	591,364,487
Euro	31 December 2025 - 1 January 2026	0.60%	252,507,973
Tenge	31 December 2025 - 1 January 2026	12%	9,595,103
			853,467,563

5. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

As of reporting date, details of the Group’s trade receivables are as follows:

	30 June 2026	31 December 2025
Short-term trade receivables		
Trade receivables	1,549,844,036	1,661,720,911
Notes receivable	320,239,251	188,897,875
Provision for doubtful trade receivables (-)	(98,156,689)	(114,590,262)
	1,771,926,598	**1,736,028,524**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. The average maturity of trade receivables is 52 days (31 December 2025: 58 days).

Movement of doubtful trade receivables during the period are as follows:

	1 January 30 June 2026	1 January 30 June 2025
Opening balance 1 January	**114,590,262**	**101,956,328**
Expense for the period (Note 19)	503,347	6,202,506
Collections	(128,399)	(732,196)
Translation gain	870,518	461,941
Inflation effect	(17,679,039)	(15,142,835)
Closing balance 30 June	**98,156,689**	**92,745,744**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

5. TRADE RECEIVABLES AND PAYABLES (cont'd)

b) Trade Payables:

The Group's trade payables are as follows as of the reporting date:

	30 June 2026	31 December 2025
Short-term trade payables		
Trade payables (*)	4,234,884,153	3,928,494,705
Trade Payables to Related Parties	1,261,730	829,231
Notes payable	4,584,384,751	4,164,543,218
Less: Deferred finance income from forward purchases	(863,822,631)	(790,928,235)
	7,956,708,003	**7,302,938,919**

(*) A total of TL 357,617,444 (31 December 2025: TL 305,324,684) of trade payables consist of supplier financing payables. The Group's payment terms do not change after supplier financing

The average payment maturity for the purchase of trade goods is 140 days (31 December 2025: 111 days).

6. INVENTORIES

	30 June 2026	31 December 2025
Raw materials and supplies	2,239,797,904	2,044,095,964
Semi-finished goods	23,522,562	22,531,679
Finished goods	442,860,468	469,419,237
Trade goods	8,045,220,869	8,423,431,495
Other inventories	76,486,007	67,931,773
Provision for impairment in inventory (-)	(87,690,344)	(90,231,320)
	10,740,197,466	**10,937,178,828**

In the current year, the Group has identified inventory items where the net realizable values were below the cost of the related inventory. For these identified inventories, a cumulative inventory impairment allowance of TL 87,690,344 (31 December 2025: TL 90,231,320) has been recognized as of 30 June 2026. As of 30 June 2026, the total amount of inventory reported at net realizable value is TL 10,740,197,466 (31 December 2025: TL 10,937,178,828).

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

6. INVENTORIES (cont’d)

Movement table of provision for impairment on inventories for the years ended 30 June 2026 and 30 June 2025 is as follows:

	2026	**2025**
Opening balance 1 January	**90,231,320**	**111,948,282**
Charge for the period	15,462,271	113,625,357
Reversed provision	(16,246,707)	(105,524,327)
Translation gain	(1,756,540)	(1,703,517)
Closing balance 30 June	**87,690,344**	**118,345,795**

As of 30 June 2026, there is no pledge/mortgage on inventories (31 December 2025: None)

7. PREPAID EXPENSES AND DEFERRED INCOME

Short-Term Prepaid Expenses	**30 June 2026**	**31 December 2025**
Inventory advances given	2,308,601,463	1,988,810,431
Prepaid expenses (*)	170,119,187	250,079,716
Other	818,846	249,918
	2,479,539,496	**2,239,140,065**

(*) Consists of prepaid insurance and transportation expenses for the following months and years.

Short-Term Deferred Income	**30 June 2026**	**31 December 2025**
Order advances received (*)	193,982,086	143,502,823
Deferred income (**)	84,864,672	132,232,929
	278,846,758	**275,735,752**

(*)TL 94,450,215 of the order advances received (31 December 2025: TL 92,137,385) consists of unused and unexpired gift and return checks.

(**) Deferred income consists of lease incentives. Lease incentives received are the result of the lessor paying this construction cost to the Group in advance, in cases where the Group has completed the interior decoration construction of new stores rented by the Group in certain shopping centers. This amount paid in advance to the Group is recorded as deferred income and transferred proportionally to profit or loss during the lease period.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

8. PROPERTY, PLANT AND EQUIPMENT

	Plant, machinery and Equipment	**Vehicles**	**Furniture and Fixtures**	**Leasehold Improvements**	**Construction in progress (*)**	**Total**
<u>Cost Value</u>						
Opening balance as of 1 January 2026	**192,961,805**	**25,837,194**	**9,235,716,155**	**7,297,228,552**	**163,099,706**	**16,914,843,412**
Foreign currency translation differences	(2,069,795)	(168,786)	(78,472,835)	(184,993,713)	(29,865,315)	(295,570,444)
Additions	10,845,026	8,967,680	207,403,702	64,206,655	107,560,478	398,983,541
Transfers	-	-	36,614,573	-	(79,742,216)	(43,127,643)
Disposals	-	(6,016,258)	(64,536,427)	(193,580,184)	-	(264,132,869)
Closing balance as of 30 June 2026	**201,737,036**	**28,619,830**	**9,336,725,168**	**6,982,861,310**	**161,052,653**	**16,710,995,997**
<u>Accumulated Depreciation</u>						
Opening balance as of 1 January 2026	(108,372,396)	(23,115,578)	(7,974,244,504)	(5,668,545,803)	-	(13,774,278,281)
Foreign currency translation differences	1,208,995	32,275	46,718,747	125,128,628	-	173,088,645
Charge for the period	(2,679,099)	(578,947)	(180,160,522)	(212,543,647)	-	(395,962,215)
Disposals	-	6,016,258	42,267,048	171,982,341	-	220,265,647
Closing balance as of 30 June 2026	**(109,842,500)**	**(17,645,992)**	**(8,065,419,231)**	**(5,583,978,481)**	**-**	**(13,776,886,204)**
Net book value as of 30 June 2026	**91,894,536**	**10,973,838**	**1,271,305,937**	**1,398,88,.829**	**161,052,653**	**2,934,109,793**

(*) Amounts transferred from ongoing investments to rights and licenses consist of projects capitalized by the design center.

(**) TL 67,733,937 of the purchases during the period consists of financial lease additions (Note 11).

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

8. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Plant, machinery and Equipment	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in progress (*)	Total
Cost Value						
Opening balance as of 1 January 2025	**184,938,736**	**26,780,129**	**8,716,115,069**	**6,768,586,111**	**60,469,638**	**15,756,889,683**
Foreign currency translation differences	(31,257,147)	(56,142)	135,077,774	218,039,680	664,998	322,469,163
Additions	4,299,718	-	200,294,853	205,212,336	90,569,434	500,376,341
Transfers	-	-	-	-	(15,084,600)	(15,084,600)
Disposals	(4,148,825)	-	(27,923,113)	(19,103,257)	-	(51,175,195)
Closing balance as of 30 June 2025	**153,832,482**	**26,723,987**	**9,023,564,583**	**7,172,734,870**	**136,619,470**	**16,513,475,392**
Accumulated Depreciation						
Opening balance as of 1 January 2025	**(95,378,238)**	**(23,296,844)**	**(7,578,089,309)**	**(5,129,779,335)**	**-**	**(12,826,543,726)**
Foreign currency translation differences	2,949,183	(154,142)	(52.456.182)	(160,804,369)	-	(210,465,510)
Charge for the period	(7,280,698)	(387,079)	(190,243,579)	(218,648,873)	-	(416,560,229)
Disposals	2,096,189	-	15,998,517	17,731,126	-	35,825,832
Closing balance as of 30 June 2025	**(97,613,564)**	**(23.838.065)**	**(7,804,790,553)**	**(5,491,501,451)**	**-**	**(13,417,743,633)**
Net book value as of 30 June 2025	**56,218,918**	**2,885,922**	**1,218,774,030**	**1,681,233,419**	**136,619,470**	**3,095,731,759**

TL 8,052,130 (30 June 2025: TL 6,090,520) of depreciation expenses are included in research and development expenses, TL 364,543,512 (30 June 2025: TL 389,903,557) in marketing expenses and TL 23,366,573 (30 June 2025: TL 20,566,151) in general administrative expenses.

As of 30 June 2026, the Company has capitalized personnel expenses amounting to TL 87.876.841 within the scope of design center activities. (30 June 2025: TL 79,177,870)

As of 30 June 2026 and 30 June 2025, there are no guarantees, pledges and mortgages on property, plant and equipment.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

9. INTANGIBLE ASSETS

Cost Value	**Rights and Licenses**
Opening balance as of 1 January 2026	**2,889,165,361**
Foreign currency translation differences	(6,281,755)
Additions	177,519,482
Transfers	43,127,643
Disposals	-
Closing balance as of 30 June 2026	**3,103,530,731**
Accumulated Amortization	
Opening balance as of 1 January 2026	**(1,814,274,026)**
Foreign currency translation differences	14,416,751
Charge for the period	(203,259,922)
Disposals	-
Closing balance as of 30 June 2026	**(2,003,117,197)**
Net book value as of 30 June 2026	**1,100,413,534**

Cost Value	**Rights and Licenses**
Opening balance as of 1 January 2025	**2,514,186,857**
Foreign currency translation differences	1,353,522
Additions	122,782,047
Transfers	15,084,601
Disposals	(3,288,180)
Closing balance as of 30 June 2025	**2,650,118,847**
Accumulated Amortization	
Opening balance as of 1 January 2025	**(1,534,396,122)**
Foreign currency translation differences	(28,053,973)
Charge for the period	(129,953,010)
Disposals	-
Closing balance as of 30 June 2025	**(1,692,403,105)**
Net book value as of 30 June 2025	**957,715,742**

TL 4,133,413 (30 June 2025: TL 1,900,041) of depreciation expenses are included in research and development expenses, TL 187,131,709 (30 June 2025: TL 121,637,010) in marketing expenses and TL 11,994,800 (30 June 2025: TL 6,415,959) in general administrative expenses.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

10. RIGHT-OF-USE ASSETS

The details of the items recognized in the consolidated profit and loss statement related to right-of-use assets for the periods 1 January – 30 June 2026 and 1 January – 30 June 2025 are as follows:

Cost Value	**Building**	**Motor vehicles**	**Total**
Opening balance as of 1 January 2026	**21,439,673,677**	**148,537,408**	**21,588,211,085**
Additions	613,487,989	-	613,487,989
Rent change	1,399,490,669	-	1,399,490,669
Disposals	(504,078,814)	-	(504,078,814)
Foreign currency translation differences	(514,817,062)	-	(514,817,062)
Closing balance as of 30 June 2026	**22,433,756,459**	**148,537,408**	**22,582,293,867**
Accumulated Depreciation			
Opening balance as of 1 January 2026	**(15,501,259,034)**	**(29,680,407)**	**(15,530,939,441)**
Charge for the period	(1,725,256,220)	(24,530,354)	(1,749,786,574)
Disposals	454,389,497	-	454,389,497
Foreign currency translation differences	173,084,254	-	173,084,254
Closing balance as of 30 June 2026	**(16,599,041,503)**	**(54,210,761)**	**(16,653,252,264)**
Net book value as of 30 June 2026	**5,834,714,956**	**94,326,647**	**5,929,041,603**

Cost Value	**Buildings**	**Motor vehicles**	**Total**
Opening balance as of 1 January 2025	**18,461,712,184**	**133,352,732**	**18,595,064,916**
Additions	400,621,548	19,816,594	420,438,142
Rent change	1,343,451,278	-	1,343,451,278
Disposals	(289,701,732)	(133.352.739)	(423,054,471)
Foreign currency translation difference	484,443,225	-	484,443,225
Closing balance as of 30 June 2025	**20,400,526,503**	**19,816,587**	**20,420,343,090**
Accumulated Depreciation			
Opening balance as of 1 January 2025	**(12,069,890,780)**	**(132,618,247)**	**(12,202,509,027)**
Charge for the period	(1,808,053,322)	(1,485,390)	(1,809,538,712)
Disposals	286,352,923	118.168,615	404,521,538
Foreign currency translation differences	(438,112,589)	1,551,445	(436,561,144)
Closing balance as of 30 June 2025	**(14,029,703,768)**	**(14,383,577)**	**(14,044,087,345)**
Net book value as of 30 June 2025	**6,370,822,735**	**5,433,010**	**6,376,255,745**

The average useful lives of right-of-use assets is between 2-15 years.

Depreciation expenses amounting to TL 1,610,944,983 (30 June 2025 TL 1,693,742,061) are included in marketing expenses.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

10. RIGHT OF USE ASSETS (cont’d)

Depreciation expenses:

	30 June 2026	30 June 2025
Buildings	1,725,256,220	1,808,053,322
Motor vehicles	24,530,354	1,485,390
	1,749,786,574	**1,809,538,712**

Profit or loss statement items related to leasing transactions

	30 June 2026	30 June 2025
Depreciation and amortization expenses	1,749,786,574	1,809,538,712
Interest expenses	173,950,061	297,180,853
Foreign exchange expenses	(1,607,988)	(6,565,190)
	1,922,128,647	**2,100,154,375**

11. BORROWINGS

Financial Borrowings

Details of borrowings at amortized cost are as follows:

Financial Borrowings	30 June 2026	31 December 2025
Short-term bank loans	5,164,516,125	5,597,015,136
Short-term portion of long-term financial borrowings	310,277,231	342,102,428
Short-term financial leasing transactions	37,361,184	15,420,941
Short-term lease liabilities	2,119,731,696	2,108,006,808
Long-term bank loans	16,957,533	16,521,571
Long-term financial leasing transactions	64,554,503	36,252,998
Long-term lease liabilities	2,732,187,049	2,740,883,405
	10,445,585,321	**10,856,203,287**

Bank Loans

As of 30 June 2026 and 31 December 2025 bank loan details are as followed:

	30 June 2026	31 December 2025
To be paid within 1 year	5,474,793,356	5,939,117,564
To be paid within 1 - 2 years	16,957,533	16,521,571
	5,491,750,889	**5,955,639,135**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

11. BORROWINGS (cont'd)

Bank Loans (cont'd)

Short-Term Financial Borrowings as of 30 June 2026

Currency	Effective intereset rate(%)	Nominal value (*)	Carrying value
TL	43.06%	3,278,374,197	2,851,210,897
Euro	6.23%	2,187,713,413	2,130,742,373
US Dollar	8.21%	31,377,909	31,067,000
Georgian Lari	16%	121,053,223	114,960,069
Kazakhstan Tenge	22.42%	85,243,229	79,802,026
Russian Ruble	20.71%	281,248,184	267,010,991
		5,985,010,155	**5,474,793,356**

Short-Term Financial Borrowings as of 31 December 2025

Currency	Effective intereset rate(%)	Nominal value (*)	Carrying value
TL	43.78%	3,296,086,772	2,769,649,158
EUR	6.47%	2,670,177,987	2,557,253,168
US Dollar	6.12%	124,254,497	122,913,736
Georgian Lari	16%	116,924,176	115,272,187
Kazakhstan Tenge	20.97%	83,634,395	77,674,380
Russian Ruble	22.65%	315,213,580	296,354,932
		6,606,291,407	**5,939,117,564**

(*) Financial debts consist of principal and interest payments based on nominal amounts.

Long-Term Financial Borrowings as of 30 June 2026

Currency	Effective intereset rate(%)	Nominal value (*)	Carrying value
EUR	6%	10,525,453	7,434,775
Georgian Lari	16%	9,522,758	9,522,758
		20,048,211	**16,957,533**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

11. BORROWINGS (cont’d)

Bank Loans (cont’d)

Long-Term Financial Borrowings as of 31 December 2025

Currency	Effective intereset rate(%)	Nominal value (*)	Carrying value
EUR	6%	17,105,160	16,521,571
		17,105,160	**16,521,571**

(*) Financial debts consist of principal and interest payments based on nominal amounts.

Financial Lease Liabilities

As of 30 June 2026 and 31 December 2025, details of finance lease payables are as follows:

Financial Borrowings	30 June 2026	31 December 2025
Short-term lease liabilities	2,119,731,696	2,108,006,808
Long-term lease liabilities	2,732,187,049	2,740,883,405
	4,851,918,745	**4,848,890,213**

Liabilities Arising from Financial Leasing Transactions

As of 30 June 2026 and 31 December 2025 financial lease liabilities details are as followed:

Financial Leasing	30 June 2026	31 December 2025
Short-term lease liabilities	37,361,184	15,420,941
Long-term lease liabilities	64,554,503	36,252,998
	101,915,687	**51,673,939**

Liabilities Arising from Financial Leasing Transactions

Short-Term Financial Borrowings as of 30 June 2026

Currency	Interest rate (%)	Nominal value (*)	Carrying value
TL	6%-%40	57,388,189	37,361,184
		57,388,189	**37,361,184**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

11. BORROWINGS (cont'd)

Long-Term Financial Borrowings as of 30 June 2026

Currency	Interest rate (%)	Nominal value (*)	Carrying value
TL	6%-40%	89,000,601	64,554,503
		89,000,601	**64,554,503**

Borrowings Arising from Financial Leasing Transactions as of 31 December 2025

Currency	Interest rate (%)	Nominal value (*)	Carrying value
TL	39%	26,859,352	26.859.352
EUR	6%	24,814,588	24,814,588
		51,673,940	**51,673,940**

Net Financial Debt Reconciliation	30 June 2026	31 December 2025
Cash and cash equivalents	1,452,751,537	1,699,264,652
Bank loans	(5,491,750,889)	(5,955,639,135)
Lease liabilities	(4,851,918,745)	(4,848,890,213)
Financial lease liabilities	(101,915,687)	(51,673,939)
Total borrowings	**(8,992,833,784)**	**(9,156,938,635)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

11. BORROWINGS (cont'd)

	Bank loans	Lease liabilities	Financial lease liabilities	Net borrowings
1 January 2026	**5,955,639,135**	**4,848,890,213**	**51.673.939**	**10,856,203,287**
Cash inflows from borrowings	4,115,388,227	-	67,733,937	4,183,122,164
Cash outflows related to debt payments	(3,885,334,741)	(1,582,346,451)	(10,802,378)	(5,478,483,570)
Effect of contract changes/reversals	-	1.877.013.378	-	1,877,013,378
Change in foreign exchange differences	132,813,646	65,351,672	1,103,370	199,268,688
Change in interest accruals	27,336,571	272,241,773	-	299,578,344
Foreign currency translation differences	44,105,012	102,051,297	-	146,156,309
Inflation effect	(898,196,961)	(731,283,137)	(7,793,181)	(1,637,273,279)
30 June 2026	**5,491,750,889**	**4,851,918,745**	**101,915,687**	**10,445,585,321**

	Bank loans	Lease liabilities	Financial lease liabilities	Net borrowings
1 January 2025	**5,055,661,754**	**4,885,941,146**	**-**	**9,941,602,900**
Cash inflows from borrowings	4,235,436,599	-	-	4,235,436,599
Cash outflows related to debt payments	(2,550,810,952)	(1,394,833,485)	-	(3,945,644,437)
Effect of contract changes/reversals	-	1,499,163,379	-	1,499,163,379
Change in foreign exchange differences	708,138,613	(64,390,286)	-	643,748,327
Change in interest accruals	17,300,341	298,873,505	-	316,173,846
Foreign currency translation differences	29,505,652	428,588,145	-	458,093,797
Inflation effect	(722,507,178)	(698,252,322)	-	(1,420,759,500)
30 June 2025	**6,772,724,829**	**4,955,090,082**	**-**	**11,727,814,911**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

12. PROVISIONS

Short-term provisions	**30 June 2026**	**31 December 2025**
Provision for litigation	25,258,433	28,238,178
	25,258,433	**28,238,178**

As of 30 June 2026 and 30 June 2025, the movement of provisions for litigation is as follows:

	2026	**2025**
As of 1 January	**28,238,178**	**38,507,394**
Provision recognised in the period	7,596,513	9,747,101
Payments	(6,070,671)	(9,411,844)
Provision used in the period	(246,858)	(543,322)
Inflation effect	(4,258,729)	(5,342,619)
As of 30 June	**25,258,433**	**32,956,710**

Significant litigations

In 2012, the Company became a party to damage compensation lawsuits concerning a fire that occurred in a shopping center where it had leased a store to a third party, with whom it had a franchise relationship through a sublease agreement. The claim asserted that the Company is strictly liable for the damage arising from the sub-tenant's fault. The Company has been named as a party in the damage compensation lawsuits, some of which have been notified to the Company, and has intervened in the criminal case.

The first-instance court where the criminal case, in which the Company intervened, was heard found the Company's sub-tenant, who was the operational manager, to be at fault, and the criminal case resulted against the individual in question. The Company appealed the decision in the criminal case in which it intervened. The Court of Cassation completed its review of the appeal, and the decision of the first-instance court was overturned by the Court of Cassation on the grounds of insufficient evidence. The first-instance court, Kocaeli 8th Criminal Court of First Instance, complied with the Court of Cassation's decision, and the defendant was acquitted. Subsequently, the acquittal decision was appealed by the parties involved, and following the appellate review, on 25 June 2019, the decision confirmed that the appeal objections indicating the fire originated from the Koton Store were rejected, affirming the acquittal decision for the sub-tenant and the franchise's store manager.

However, in the compensation lawsuit filed by Iss Management Services Inc. through the file numbered 2020/40 E. of Istanbul 18th Commercial Court, imputed due to the fire, the court ruled in favor of the Company by rejecting the lawsuit, stating that the fire originated from the cleaning room.

12. PROVISIONS (cont’d)

Significant litigations (cont’d)

Following the appeal to the Supreme Court of Appeals against the decision, the decision of the Local Court in favor of the Company was approved as a result of the appeal review carried out by the Supreme Court of Appeals. A request for correction of decision has been made against the approval decision given by the Supreme Court of Appeals and the file is at the Court of Cassation for revision review. Since the dismissal decision—based on an expert report stating that the company bore no liability for the fire—was upheld by the Court of Cassation and became final, the expert report in question has been characterized as strong evidence by the appellate courts reviewing other cases.

The Group management, in the opinion of the Group management and lawyers, has not recognized any provision amount in the consolidated financial statements for the liabilities that may arise in relation to these lawsuits, taking into account the defenses that the building owner has the primary responsibility because of the fact that Koton cannot be held legally liable even if the sub-lessee and its employee are at fault, since there is no service or auxiliary person/employee relationship between the sub-lessee and Koton even if the fire started in the Koton store and that there is no primary fault; at the same time, that the fate of these cases is directly related to the final outcome of the criminal case, that in some of the existing compensation cases, it was decided that the finalization of the decision given in this criminal case should be made as a matter of waiting, and that the proceedings should be suspended, and in some of them, although the proceedings continue, it has been decided to wait for the finalization of the decision given in the criminal case; the store was not a defendant in some of these compensation cases, but only a reported one; the verdict of the court of first instance acquitting the accused employee in the criminal case was upheld by the relevant criminal chamber of the Court of Cassation “rejecting the grounds of appeal that the fire originated from the Koton store”; the high probability that the lawsuits filed on behalf of our group would have been rejected due to the fact that the aforementioned acquittal decision would have affected the fault examinations in the damage compensation lawsuits and the shopping mall is a defective building built in violation of the building license and does not have a fire report.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

13. COMMITMENTS

Guarantee-Pledge-Mortgages (“GPM”)

The Group’s guarantees/pledges/mortgage position (“GPM”) as of 30 June 2026 and 31 December 2025 are as follows:

30 June 2026

		Original currency			
		TL	**US Dollar (*)**	**Euro (*)**	**TL Equivalents**
A. GPMs Given for Company’s Own Legal Personality		295,647,623	748,942	1,169,851	392,627,932
	-Guarantee	295,647,623	748,942	1,169,851	392,627,932
	-Pledge	-	-	-	-
	-Mortgage	-	-	-	-
B. GPMs Given on Behalf of Fully Consolidated Companies		-	97,970	1,173,930	66,890,816
	-Guarantee	-	97,970	1,173,930	66,890,816
	-Pledge	-	-	-	-
	-Mortgage	-	-	-	-
C. GPMs Given in the Normal Course of Business Activities on Behalf of Third Parties		-	-	-	-
	-Guarantee	-	-	-	-
	-Pledge	-	-	-	-
	-Mortgage	-	-	-	-
D. Total Amount of Other GPMs		-	-	-	-
i. Total GPM given in favour of parent entity		-	-	-	-
	-Guarantee	-	-	-	-
	-Pledge	-	-	-	-
	-Mortgage	-	-	-	-
ii. Total GPM given in favour of other Group companies		-	-	-	-
	-Guarantee	-	-	-	-
	-Pledge	-	-	-	-
	-Mortgage	-	-	-	-
iii. Total GPM given in favour of other 3rd parties out of the scope of clause C		-	-	-	-
	-Guarantee	-	-	-	-
	-Pledge	-	-	-	-
	-Mortgage	-	-	-	-
Total		**295,647,623**	**846,912**	**2,343,781**	**459,518,748**

Guarantees, pledges and mortgages given to the equity ratio of the Group is 0% as of 30 June 2026.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

13. COMMITMENTS (cont'd)

Guarantee-Pledge-Mortgages ("GPM") (cont'd)

31 December 2025

	Original currency			
	TL	**US Dollar (*)**	**Euro(*)**	**TL Equivalents**
A. GPMs Given for Company's Own Legal Personality	323,277,782	852,452	1,741,799	469,791,580
-Guarantee	323,277,782	852,452	1,741,799	469,791,580
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
B. GPMs Given on Behalf of Fully Consolidated Companies	-	97,970	1,289,223	81,542,396
-Guarantee	-	97,970	1,289,223	81,542,396
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
C. GPMs Given in the Normal Course of Business Activities on Behalf of Third Parties	-	-	-	-
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
D. Total Amount of Other GPMs	-	-	-	-
i.Total GPM given in favour of parent entity	-	-	-	-
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
ii. Total GPM given in favour of other Group Companies	-	-	-	-
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
iii. Total GPM given in favour of other 3rd parties out of the scope of clause C	-	-	-	-
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
Total	**323,277,782**	**950,422**	**3,031,022**	**551,333,976**

Guarantees, pledges and mortgages given to the equity ratio of the Group is 0% as of 31 December 2025.

(*) The related amounts are presented in original currency and TL equivalents are expressed in terms of the purchasing power of 30 June 2026.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

13. COMMITMENTS (cont'd)

Guarantee-Pledge-Mortgages (“GPM”) (cont'd)

Guarantees given in relation to the loans obtained from Eximbank are included in the guarantees given on behalf of the Company's legal entity. Loans related to these guarantees are recognized in the financial liabilities note (Note 11) and the Group's liabilities are limited to the amounts disclosed in Note 11.

The financial liabilities of the Group's subsidiaries are recognized on a line-by-line basis in the consolidated financial statements and disclosed in the financial liabilities note (Note 11). Koton Mağazacılık has given guarantees to the financial institutions as a guarantor for the use of these loans. The Group's liabilities are limited to the amounts disclosed in Note 11. As at 30 June 2026, the total amount of these loans, for which the Company is a guarantor and which are already recognized as financial liabilities in the consolidated financial statements due to full consolidation method of accounting, is GEL 7 million (TL 114,960,069) , RUB 836 million (TL 79,802,026) and KZT 449 million (TL 266,493,994), respectively. (As at 31 December 2025, the total amount of these loans, for which the Company is a guarantor and which are already recognized as financial liabilities in the consolidated financial statements due to full consolidation method of accounting, is 6 million GEL (TL 95.583.000), 461 million RUB (TL 250,927,201) and 776 million KZT (TL 65,809,073) .

14. EMPLOYEE BENEFITS

Payables related to employee benefits

	30 June 2026	31 December 2025
Payables to personnel	284,225,044	332,876,251
Social security premiums payable	147,031,916	134,356,575
	431,256,960	**467,232,826**

Short-term provisions for employee benefits

	30 June 2026	31 December 2025
Unused vacation provision	254,419,970	315,483,129
Bonus provisions	7,737,463	19,673,783
	262,157,433	**335,156,912**

The Group provides reserve for the vacation pay liability due to the earned and unused vacation rights of its employees in accordance with the labor laws of the respective countries where the Group operates since the Group has to make payments for unused vacation days when the employment agreement was discharged for any reason. Vacation pay liability is the undiscounted amount calculated over the unused vacation days of the employee as of the reporting date.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

14. EMPLOYEE BENEFITS (cont’d)

Short-term provisions for employee benefits (cont’d)

Movement of unused vacation provisions:

	2026	**2025**
As of 1 January	**315,483,129**	**291,015,237**
Period expense / Used (Net)	67,043,653	132,454,799
Vacation provision paid	(41,756,356)	(34,719,050)
Foreign currency translation differences	5,499,373	4,207,617
Inflation effect	(91,849,829)	(48,523,679)
As of 30 June	**254,419,970**	**344,434,924**

Movement of provisions for bonuses:

	2026	**2025**
As of 1 January	**19,673,783**	**22,531,294**
Provision made during the period	7,737,463	2,804,688
Bonus provision paid	(16,706,690)	(536,894)
Inflation effect	(2,967,093)	(3,219,958)
As of 30 June	**7,737,463**	**21,579,130**

Long-term provisions for employee benefits

Provision for employment termination benefits:

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, is called up for military service, dies or achieves the retirement age (58 for women and 60 for men).

The amount payable consists of one month’s salary limited to a maximum of TL 73,729.87 for each period of service as of 1 July 2026 (1 July 2025: TL 53,919.68).

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 *Employee Benefits* stipulates the development of Group’s liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

14. EMPLOYEE BENEFITS (cont’d)

Long-term provisions for employee benefits (cont’d)

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as of 30 June 2026, the provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated with the assumption of 28.53% real discount rate (31 December 2025: 22.28%) calculated by using 22.28% annual inflation rate and 5.11% discount rate. Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration as 2.44% (31 December 2025: 4.14%). The maximum amount of TL 73,729.87 effective from 1 January 2026 has been taken into account in the calculation of the severance pay provision of the Group (1 July 2025: TL 53,919.68 TL).

Significant assumptions used in the calculation of employee termination benefit is likely to leave the job depends on the discount rate and demand.

	2026	**2025**
As of January 1	**172,064,346**	**171,295,564**
Service cost	27,271,518	23,682,471
Interest cost	35,150,398	27,938,992
Employment termination benefit paid	(59,044,153)	(55.263.022)
Actuarial loss	31,067,192	61,390,202
Inflation effect	(25,949,807)	(32,876,139)
As of 30 June	**180,559,494**	**196,168,068**

15. OTHER ASSETS AND LIABILITIES

As of 30 June 2026 and 31 December 2025, other current assets and current liabilities are as follows:

	30 June 2026	**31 December 2025**
Deferred VAT	211,127,179	389,162,887
Turquality income accruals (*)	176,860,154	118,634,858
Other	99,590,816	63,826,191
	487,578,149	**571,623,936**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

15. OTHER ASSETS AND LIABILITIES (cont'd)

Movements of Turquality income accruals

	2026	2025
As of 1 January	**118,634,858**	**2,032,496**
Period Income (Note 19)	61,343,774	105,080,754
Collections	(16,182,215)	(1,742,031)
Inflation effect	13,063,737	(290,465)
Closing balance as of 30 June	**176,860,154**	**105,080,754**

(*) Koton Mağazacılık is entitled to receive a government incentive calculated periodically for investments made abroad under a branding program called "Turquality" conducted by the Ministry of Economy of the Republic of Turkey. Turquality income accruals consist of the portion of the incentive amount calculated based on the investment costs and certain expenses applied for under this branding program that has not yet been paid. As of 30 June 2025, there were no Turquality incentive applications.

	30 June 2026	31 December 2025
Taxes and funds payable	211,843,784	310,897,680
Other	223,283,267	58,450,653
	435,127,051	**369,348,333**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

16. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

Paid-in capital

As of 30 June 2026 and 31 December 2025, the structure of paid in capital is as follows:

	%	**30 June 2026**	**%**	**31 December 2025**
Nemo Apparel BV	39.6%	328,508,456	39.6%	328,508,456
Yılmaz Yılmaz	23.6%	195,902,787	23.6%	195,902,787
Şükriye Gülden Yılmaz	23.6%	195,902,787	23.6%	195,902,787
Shares publicly held	13.2%	109,335,970	13.2%	109,335,970
	100.0%	**829,650,000**	**100.0%**	**829,650,000**
Capital adjustment differences (*)		8,174,395,748		8,174,395,748
Adjusted capital		9,004,045,748		9,004,045,748

(*) Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital in accordance with CMB Financial Reporting Standards. Adjustment to share capital is not available for any other use except to be added to share capital.

As of 30 June 2026, the Company's paid-in capital amounting to TL 829,650,000 consists of 829,650,000 registered nominal shares with a unit nominal share value of TL 1. (As of 31 December 2025, the Company's paid-in capital amounting to TL 829,650,000 consists of 829,650,000 registered nominal shares with a unit nominal share value of TL 1).

In addition, inflation adjustment differences arising from reserves, on which there is no record preventing profit distribution, can be used in profit distribution.

Restricted reserves appropriated from profit

Restricted reserves are reserves which are reserved for specific purposes from previous period profit other than due to law or contractual obligations or dividend payments. These reserves are presented as the same amount in Company's statutory books and differences arising preparing the financial statements in accordance with TFRS are associated with prior years' profit or losses.

In accordance with the Turkish Commercial Code TCC numbered 519, the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital.

As of 30 June 2026, the Group have allocated reserves amounting to TL 269,399,356 (31 December 2025: TL 269.399.356) in the restricted reserves in the consolidated financial statements for the treasury shares of the Group.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

16. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (cont'd)

Share issuance premiums / discounts

The Company increased its paid-in capital from TL 795,500,000 to TL 829,650,000 through the public offering method, and the public offering income obtained above the nominal capital increase amount was recognized in the share premiums account after the public offering expenses were deducted.

The Group's share issue premiums as of 30 June 2026 are explained below:

	30 June 2026
Share issuance premiums / discounts	1,811,939,483
Capital increase	(34,150,000)
Public share costs	(148,568,500)
Inflation effect	41,722,150
	1,670,943,133

Additional Information on Capital, Reserves and Other Equity Items

The reserve items such as “Capital Adjustment Differences”, “Premiums (discounts) Relating to Shares” (Emission Premiums) and “Legal Reserves” and “Other Reserves”, including status reserves and special reserves, etc. in the financial statements prepared in accordance with the CMB legislation, have been shown in terms of CPI starting from the TFRS balance sheets for the reporting period ending in 2026 and in terms of PPI in the TPL financial statements.

30 June 2025	**PPI Indexed Legal records**	**CPI Indexed amount**	**Differences to be followed in prior years' profit/losses**
Capital adjustment differences	6,990,970,050	8,174,395,748	(1,183,425,698)
Legal reserve inflation adjustment differences	263,025,794	269,399,356	(6,373,562)
Premiums related to shares	1,098,476,641	1,670,943,133	(572,466,492)
	8,352,472,485	**10,114,738,237**	**(1,762,265,752)**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

16. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (cont’d)

Other accumulated comprehensive income or expenses that will be reclassified in profit or loss

Foreign currency translation differences

Foreign currency translation differences consist of foreign currency exchange differences arising from the translation of the Group's financial statements from the functional currency to the reporting currency. As of 30 June 2026, the Group has foreign currency translation differences amounting to TL (4,623,100,736), 31 December 2025: TL (4,112,016,204) in the accompanying consolidated financial statements.

Other accumulated comprehensive income or expenses that will not be reclassified in profit or loss

Defined benefit plans remeasurement losses

As of 30 June 2026, actuarial losses amounting to TL (247,326,513) (31 December 2025: TL 224,026,120) consist of actuarial losses recognized as other comprehensive expense related to provision for employment termination benefits.

Profit Distribution:

Listed companies processes their profit distributions according to the II-19.1 numbered CMB profit distribution declaration become effective on or after 1 February 2014.

Companies distributes dividends within the frame of dividend distribution policies determined by general assembly and according to the related declaration by the approval of general assembly. Within the mentioned declaration, minimum rate of distribution is not determined. Companies distribute their dividends according to the predetermined terms in their articles of incorporation or dividend distribution policies.

Resources that may be subject to profit distribution:

As of the reporting date, the Group has no resources that can be subject to profit distribution in the financial statements prepared in accordance with the Tax Procedure Law (31 December 2025: None).

Analysis of other comprehensive expense items

	30 June 2026	**31 December 2025**
Defined Benefit Plans Remeasurement Losses	(247,326,513)	(224,026,120)
Hedge Fund	(105,323,718)	(139,978,520)
Foreign Currency Translation Fund	(4,623,100,736)	(4,112,016,204)
	(4,975,750,967)	**(4,476,020,844)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

17. REVENUE AND COST OF SALES

a) Sales

Sales of goods and services	1 January 30 June 2026	1 January 30 June 2025	1 April 30 June 2026	1 April 30 June 2025
-Retail	14,951,323,417	15,289,134,779	7,499,097,999	7,880,971,251
-E-Commerce	1,906,003,199	2,122,081,039	1,078,170,696	1,223,226,375
-Wholesale	1,061,806,016	955,571,852	478,880,543	333,340,389
	17,919,132,632	**18,366,787,670**	**9,056,149,238**	**9,437,538,015**

The Group fulfills its performance obligations by transferring goods and services at a certain point in time.

b) Cost of sales

	1 January 30 June 2026	1 January 30 June 2025	1 April 30 June 2026	1 April 30 June 2025
Cost of trade goods sold	(7,338,953,931)	(7.790.325,187)	(3,351,549,777)	(3,022,041,287)
Cost of goods sold	(783,582,628)	(619,092,239)	(415,062,744)	(287,965,200)
	(8,122,536,559)	**(8,409,417,426)**	**(3,766,612,521)**	**(3,310,006,487)**

18. EXPENSES BY NATURE

The details of depreciation and amortization expenses for the periods ended 30 June 2026 and 30 June 2025 are as follows:

Depreciation and amortization expenses	1 January - 30 June 2026	1 January - 30 June 2025	1 April- 30 June 2026	1 April - 30 June2025
Research and development expenses	47,768,505	34,447,796	27,132,767	18,519,620
Marketing expenses	2,162,620,204	2,205,282,628	1,068,423,703	1,343,057,365
General administrative expenses	138,620,002	116,321,528	90,360,951	23,761,649
	2,349,008,711	**2,356,051,952**	**1,185,917,421**	**1,385,338,634**

The details of personnel expenses for the periods ended 30 June 2026 and 30 June 2025 are as follows:

Personnel expenses	1 January - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Research and development expenses	138,431,780	157,946,362	86,732,520	63,234,847
Marketing expenses	2,250,244,444	2,440,898,104	1,277,962,156	945,405,283
General administrative expenses	1,151,532,127	1,179,359,706	676,034,833	440,948,194
	3,540,208,351	**3,778,204,172**	**2,040,729,509**	**1,449,588,324**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

19. OTHER INCOME/(EXPENSES) FROM OPERATING ACTIVITIES

Other Income From Operating Activities	1 January - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Foreign exchange gains from operating activities	418,882,194	1,291,978,719	279,236,663	595,987,849
Discont interest income from trade transactions	218,128,266	129,568,856	137,749,866	28,321,916
Turquality income	61,343,774	105,080,754	43,559,432	34,375,756
Other income	132,565,703	97,065,722	33,856,464	8,726,263
	830,919,937	**1,623,694,051**	**494,402,425**	**667,411,784**

Other Expense From Operating Activities	1 January - 30 June 2026	January - 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Discount interest expense on purchases of goods	1,228,145,684	1,261,912,556	580,276,083	623,970,789
Foreign exchange losses from operating activities	160,254,074	242,447,125	20,973,110	132,425,910
Provision for doubtful trade receivables (Note 5)	503,347	6,202,506	434,841	2,288,310
Litigation provision expenses	7,596,513	9,747,101	(2,540,494)	9,747,101
Other	112,206,300	97,395,035	18,170,810	52,053,648
	1,508,705,918	**1,617,704,323**	**617,314,350**	**820,485,758**

20. FINANCE INCOME AND EXPENSES

The details of finance income for the years ended 30 June 2026 and 30 June 2025 are as follows:

	1 January - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Interest income	182,750,526	116,932,899	141,811,344	53,810,469
	182,750,526	**116,932,899**	**141,811,344**	**53,810,469**

The details of finance expenses for the years ended 30 June 2026 and 30 June 2025 are as follows:

	1 January - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2026	1 April - 30 June 2025
Interest expenses	665,924,997	968,489,566	326,807,090	427,222,942
Credit card commissions	349,343,346	402,445,381	181,793,536	220,628,380
Interest expense on lease liabilities	299,532,168	324,578,250	113,382,292	163,731,105
Foreign exchange losses (net)	212,938,616	275,532,110	125,954,511	232,154,799
Banking and guarantee expenses	34,718,172	33,807,752	12,122,483	19,717,856
Other	16,480,532	37,012,824	1,761,481	29,200,509
	1,578,937,831	**2,041,865,883**	**761,821,393**	**1,092,655,591**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Current Period Tax Assets	**1 January - 30 June 2026**	**1 January - 31 December 2025**
Corporate tax and income tax payable	-	-
Less: prepaid taxes (-)	(75,232,130)	(99,145,583)
	(75,232,130)	**(99,145,583)**

	1 January - 30 June 2026	**1 January - 30 June 2025**
Current period corporate tax expense (-)	-	(343,344)
Deferred tax (expense) / income	(2,542,893)	(127,907,697)
	(2,542,893)	**(128,251,041)**

Corporate Tax

Türkiye

The Group is subject to Turkish corporate taxes. Provision is made in the accompanying consolidated financial statements for the estimated charge based on the Group’s results for the years and periods.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting tax-exempt earnings, other exempt income and other incentives (prior year’s losses if any and investment incentives used if preferred) utilized.

The effective tax rate in 2026 is 25% in Türkiye (2025: 25%).

The Law numbered 7061 on Amendment of Certain Taxes and Laws and Other Acts was published on the Official Gazette dated 5 December 2017 and numbered 30261. Article 5 entitled "Exceptions" of the Corporate Tax Law has been amended in Article 89 of the Law. In accordance with (a) clause in the first paragraph of the Article, the exemption of 75% applied to gains from the sales of lands and buildings held by the entities for two full years has been reduced to rate of 50%. This regulation has been effective from 5 December 2017.

There is also a withholding tax on the dividends paid and is accrued only at the time of such payments. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Türkiye through their operations or permanent representatives and the resident institutions is 15%. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account.

21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont’d)

Corporate Tax (cont’d)

Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back.

In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their corporate tax returns within four months following the close of the related fiscal year. Returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings.

In Türkiye, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes shown in the consolidated financial statements reflects the total amount of taxes calculated on each entity that are included in the consolidation.

Transfer pricing regulations

In Türkiye, the transfer pricing provisions have been stated under Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm’s length basis, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as a tax deductible for corporate income tax purposes.

Russia

The taxation system in the Russia is relatively new and is characterized by frequent changes in legislation, official pronouncements and court decisions. The applicable tax rate for current and deferred tax is 25% (31 December 2025: 25%). Taxes are subject to review and investigation by a number of authorities, which have the authority to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years; however, under certain circumstances a tax year may remain open longer. Recent events within the Russia suggest that the tax authorities are taking a more assertive position in their interpretation and enforcement of tax legislation. Tax losses can be carried forward to be offset against future taxable income for the next ten taxable years after the year when this loss appeared.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred Tax

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TFRS and tax purposes and they are given below.

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

The Group recognizes deferred tax assets and liabilities on the temporary timing differences between the legal books and the financial statements prepared in accordance with TFRS. Such differences generally arise from timing differences of some revenue and expense balances in legal books and financial statements prepared in accordance with TFRS and are explained below.

	Accumulated Temporary Differences		Deferred Tax Assets/Liabilities	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
Inventories	2,677,497,468	2,681,645,144	(669,552,440)	(670,582,656)
Property, plant and equipment and intangible assets	1,018,600,768	897,078,109	(254,650,192)	(224,269,527)
Provision for vacation	(238,741,174)	(300,955,218)	59,697,513	75,238,805
Provision for employment termination benefits	(180,559,494)	(172,064,346)	45,139,874	43,016,086
Litigation provision	(25,258,433)	(28,238,178)	6,314,608	7,059,545
Cash capital deduction	(317,226,105)	(314,828,508)	79,306,526	78,707,127
Adjustments related to trade payables	862,467,549	785,041,810	(215,519,227)	(196,180,906)
Adjustments related to trade receivables	42,197,842	(493,591,745)	(10,549,460)	123,397,936
Prior years' losses	(3,972,404,224)	(4,313,739,953)	993,101,770	1,078,434,988
Adjustments related to financial liabilities	130,660,510	118,665,104	(32,665,128)	(29,666,276)
Right-of-use asset and liability	1,034,096,972	1,146,016,013	(258,524,243)	(290,571,850)
Hedge accounting	(140,431,624)	(186,638,028)	35,107,906	46,659,507
Premium accrual	(5,914,156)	(11,222,010)	1,478,539	2,805,503
Return provisions	23,504,621	11,976,539	(5,876,156)	(2,994,136)
Design centre discount	(304,623,951)	(229,297,961)	76,155,988	57,324,491
Other	(61,315,343)	717,157,613	15,328,836	(179,289,416)
Deferred Tax Asset Net	**542,551,226**	**307,004,385**	**(135,705,286)**	**(80,910,779)**

The tax rate used in the calculation of deferred tax assets and liabilities is 25% on temporary timing differences expected to reverse in 2026 and beyond (2025 : 25%).

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

21. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred Tax (cont'd):

The movement of deferred tax (assets) / liabilities for the years ended 30 June 2026 and 30 June 2025 is given below:

	2026	2025
Opening balance as of 1 January	**(80,910,779)**	**(335,211,473)**
Tax (expense)/income for the period	(2,542,893)	(128,251,041)
Recognized in other comprehensive income	(3,784,802)	108,097,049
Translation gain	(48,466,812)	105,872,843
Closing balance as of 30 June	**(135,705,286)**	**(249,492,622)**

Pursuant to Law No. 7582 dated 4 June 2026, the corporate tax rate applicable to earnings derived from production activities by entities holding an industrial registry certificate and actively engaged in production has been reduced from 25% to 12.5%, effective 1 January 2027. Although the legislation does not alter the current-period tax liability, the deferred tax calculations in the financial statements dated 30 June 2026, have been adjusted to reflect the tax rate expected to apply when the temporary difference is taxed in future periods.

The amount of the prior year's losses for which deferred tax assets are not allocated is TL 3,972,404,224 (31 December 2025: TL 4,425,489,034) and may be offset against future earnings for a period of ten years.

The expiration dates of unused accumulated losses are as follows:

	30 June 2026	31 December 2025
Within 1 year	342,124,245	424,149,351
Within 2 year	461,930,786	499,534,165
Within 3 year	1,172,304,235	172,936,679
Within 4 year	1,238,384,680	1,827,363,037
Within 5 year	757,660,278	1,501,505,802
Closing balance	**3,972,404,224**	**4,425,489,034**

22. RELATED PARTY DISCLOSURES

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Payables due to related parties generally arise from lease transactions and have approximate maturities of one month.

As of 30 June 2026 and 31 December 2025, there are no trade payables to related parties.

The trade payables to related parties consist of lease payments for the stores leased by Gülyılmaz Yatırım, Geliştirme, İşletme ve Ticaret A.Ş.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

22. RELATED PARTY DISCLOSURES (cont'd)

Transactions with related parties	**1 January- 30 June 2026**	**1 January - 30 June 2025**	**1 April - 30 June 2026**	**1 April - 30 June 2025**
Gülyılmaz Gayrimenkul Yatırım Geliştirme İşletme ve Ticaret A.Ş.	13,552,661	7,564,066	16,989,199	6,797,998
	13,552,661	**7,564,066**	**16,989,199**	**6,797,998**

Compensation of key management personnel:

	1 January- 30 June 2026	**1 January - 30 June 2025**	**1 April - 30 June 2026**	**1 April- 30 June 2025**
Salaries and other short-term benefits	120,491,895	103,852,260	67,979,944	59,524,535
	120,491,895	**103,852,260**	**67,979,944**	**59,524,535**

Key management personnel consists of Company's Senior Management and members of Board of Directors. The key management personnel consists of the General Manager, Deputy General Managers and Directors. The compensation of key management personnel includes salaries, bonus, health insurance and transportation.

23. EARNINGS PER SHARE

Earnings per share disclosed in the consolidated statements of income are determined by dividing net income by the weighted average number of shares in existence during the period concerned.

Companies can increase their share capital by making a pro-rata distribution of shares ("Bonus Shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus shares are regarded as issued shares. Accordingly, the weighted average number of shares used in the computation of earnings per share is derived by giving retroactive effect to the bonus issue of shares.

Earnings per share	**1 January - 30 June 2026**	**1 January - 30 June 2025**	**1 April - 30 June 2026**	**1 April - 30 June 2025**
Number of shares as of end of the period (full value)	829,650,000	829,650,000	829,650,000	829,650,000
Weighted Average number (full value) of shares outstanding during the period	829,650,000	829,650,000	829,650,000	829,650,000
Net (loss) /profit	(313,226,030)	(91,824,882)	(29,134,878)	439,442,329
Less: Minority shareholders	33,312,697	4,315,735	19,440,919	(11,545,668)
Net profit / (loss) for the period attributable to the parent company	(346,538,727)	(96,140,617)	(48,575,797)	450,987,997
Earnings per share (TL)	(0.418)	(0.116)	(0.059)	0.544

The Company's shares began trading on the stock exchange on 10 May 2024. With the public offering, the Company's capital was increased from TL 795,500,000 to TL 829,650,000, and shares with a nominal value of TL 34,150,000, which were increased in cash, were added to the capital. The Company's paid-in capital of TL 829,650,000 consists of 829,650,000 registered nominal shares with a unit nominal share value of TL 1.

There have been no other transactions involving shares or potential shares between the balance sheet date and the date of approval of these financial statements.

24. EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION

Foreign currency risk

The Group’s activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Market risks are also evaluated with sensitivity analyzes and stress scenarios.

In the current period, there has been no change in the market risk that the Group is exposed to or in the risk management and measurement methods compared to the previous year.

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

24. EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (cont’d)

Foreign currency risk management

	30 June 2026			
	TL Equivalent (Functional Currency)	**US Dollar**	**Euro**	**GBP**
1. Trade Receivables	901,350,427	10,488,933	7,779,209	-
2a. Monetary Financial Assets	98,141,017	1,060,323	912,126	5,668
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	15,348,807	293,789	31,480	-
4. Current Assets (1+2+3)	**1,014,840,251**	**11,843,045**	**8,722,815**	**5,668**
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)				
9. Total Assets (4+8)	**1,014,840,251**	**11,843,045**	**8,722,815**	**5,688**
10. Trade Payables	1,540,735,224	32,094,150	869,877	6,555
11. Financial Liabilities	2,195,036,892	706,366	40,722,327	-
12a. Other Monetary Liabilities	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	**3,735,772,116**	**32,800,516**	**41,592,204**	**6,555**
14. Trade Payables				
15. Financial Liabilities	22,920,161	(363,423)	750,341,	-
16a. Other Monetary Liabilities	-	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**22,920,161**	**(363,423)**	**750,341**	**-**
18. Total Liabilities(13+17)	**3,758,692,277**	**32,437,093**	**42,342,545**	**6,555**
19. Net asset/(liability) position of off balance sheet derivative instruments (19a-19b)	**(105,323,702)**	**-**	**(1,983,684)**	**-**
19a. Amount of foreign currency derivative products out of statement of financial position with active character	**-**	**-**	**-**	**-**
19b. Amount of foreign currency derivative products excluded from the financial position statement with liable character	**105,323,702**	**-**	**1,983,684**	**-**
20. Net foreign currency asset/(liability) position (9-18+19)	**(2,849,175,728)**	**(20,594,048)**	**(35,603,414)**	**(887)**
21. Monetary items net foreign currency liability position (1+2a+5+6a-10-11-12a-14-15-16a)	**(2,759,200,833)**	**(20,887,837)**	**(33,651,210)**	**(887)**
22. . Financial instruments used for currency hedging total fair value	**-**	**-**	**-**	**-**
23. The amount of the hedged portion of foreign currency assets	**-**	**-**	**-**	**-**
24. The amount of the hedged portion of foreign currency liabilities	**-**	**-**	**-**	**-**
23. Export	**4,100,244,331**	**29,374,643**	**91,188,190**	**-**
24. Import	**910,100,156**	**20,539,758**	**9,963**	**-**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

24. EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (cont'd)

Foreign currency risk management

	31 December 2025			
	TL Equivalent (Functional Currency)	**US Dollar**	**Euro**	**GBP**
1. Trade Receivables	1,130,408,825	13,232,250	8,087,768	-
2a. Monetary Financial Assets	398,938,359	918,764	6,176,919	2,716
2b. Non-Monetary Financial	-	-	-	-
3. Other	2,522,464	51,617	-	-
4. Current Assets (1+2+3)	**1,531,869,648**	**14,202,631**	**14,264,687**	**2,716**
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)				
9. Total Assets (4+8)	**1,531,869,648**	**14,202,631**	**14,264,687**	**2,716**
10. Trade Payables	1,565,222,438	30,868,493	984,002	5,412
11. Financial Liabilities	2,596,353,276	2,435,160	43,244,009	-
12a. Other Monetary Liabilities	-	-	-	-
12b. Other Non-Monetary Liabilities	56,932	1,165	-	-
13. Current Liabilities (10+11+12)	**4,161,632,646**	**33,304,818**	**44,228,011**	**5,412**
14. Trade Payables				
15. Financial Liabilities	28,695,948	-	500,909	-
16a. Other Monetary Liabilities	-	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**28,695,948**	**-**	**500,909**	**-**
18. Total Liabilities(13+17)	**4,190,328,594**	**33,304,818**	**44,728,920**	**5,412**
19. Net asset/(liability) position of off balance sheet derivative instruments (19a-19b)	**(134,969,855)**	**-**	**(2,356,000)**	**-**
19a. Amount of foreign currency derivative products out of statement of financial position with active character	**-**	**-**	**-**	**-**
19b. Amount of foreign currency derivative products excluded from the financial position statement with liable character	**134,969,855**	**-**	**2,356,000**	**-**
20. Net foreign currency asset/(liability) position (9-18+19)	**(2,793,428,801)**	**(19,102,187)**	**(32,820,233)**	**(2,696)**
21. Monetary items net foreign currency liability position (1+2a+5+6a-10-11-12a-14-15-16a)	**(2,660,924,478)**	**(19,152,639)**	**(30,464,233)**	**(2,696)**
22. Financial instruments used for currency hedging total fair value	**-**	**-**	**-**	**-**
23. The amount of the hedged portion of foreign currency assets	**-**	**-**	**-**	**-**
24.The amount of the hedged portion of foreign currency liabilities	**-**	**-**	**-**	**-**
23. Export	**7,387,773,018**	**50,333,135**	**145,822,269**	**-**
24. Import	**2,566,757,759**	**55,408,007**	**39,196**	**-**

24. EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (cont'd)

Foreign currency risk management (cont'd)

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The following table details the Group's sensitivity to a 20% appreciation and depreciation in US Dollar and Euro against TL. 20% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 20% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit/loss or equity.

30 June 2026

	Profit/Loss		**Equity(*)**	
	Appreciation of Foreign Currency	**Depreciation of Foreign Currency**	**Appreciation of Foreign Currency**	**Depreciation of Foreign Currency**
In case of US Dollar appreciation by 20 % against TL				
1 - US Dollar net asset / liability	(191,751,592)	191,751,592	(191,751,592)	191,751,592
2- The portion hedged from US Dollar risk (-)	318,200	(318,200)	(1,315,256)	1,315,256
3- Net effect of US Dollar	**(191,433,392)**	**191,433,392**	**(193,066,848)**	**193,066,848**
In case of Euro appreciation by 20 % against TL				
4 - Euro net asset / liability	(378,072,653)	378,072,653	(378,072,653)	378,072,653
5 - The portion hedged from Euro risk (-)	(4,777,989)	(4,777,989)	(19,749,488)	19,749,488
6- Net effect of Euro	**(373,294,664)**	**373,294,664**	**(397,822,141)**	**397,822,141**
TOTAL (3+6)	**(564,728,056)**	**564,728,056**	**(590,888,989)**	**590,888,989**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

24. EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (cont'd)

Foreign currency risk management (cont'd)

Foreign currency sensitivity (cont'd)

31 December 2025

If the US Dollar appreciates by 20% against the Turkish Lira;

	Profit/Loss		Equity(*)	
	Appreciation of Foreign Currency	**Depreciation of Foreign Currency**	**Appreciation of Foreign Currency**	**Depreciation of Foreign Currency**
In case of US Dollar appreciation by 20 % against TL				
1 - US Dollar net asset / liability	(158,542,039)	158,542,039	(158,542,039)	158,542,039
2- The portion hedged from US Dollar risk (-)	(933,329)	933,329	(1,484,391)	1,484,391
3- Net effect of US Dollar	**(159,475,368)**	**159,475,368**	**(160,026,430)**	**160,026,430**
In case of Euro appreciation by 20 % against TL				
4 - Euro net asset / liability	(319,327,083)	319,327,083	(319,327,083)	319,327,083
5 - The portion hedged from Euro risk (-)	(14,014,577)	14,014,577	(22,289,154)	22,289,154
6- Net effect of Euro	**(333,341,660)**	**333,341,660**	**(341,616,237)**	**341,616,237**
TOTAL (3+6)	**(492,817,028)**	**492,817,028**	**(501,642,667)**	**501,642,667**

25. MONETARY GAINS /(LOSSES)

The monetary position gains / losses for the period of 30 June 2026 and 2026 are as follows:

Non Monetary Items	**30 June 2026**	**30 June 2025**
Balance Sheet Items		
Subsidiaries	95,643,482	117,854,450
Deferred Income	1,367,368	417,122
Property, Plant and Equipment	14,379,142	49,883,882
Intangible Assets	(18,100,289)	(67,353,142)
Right of use Assets	(189,188,635)	(89,440,311)
Prepaid Expenses	(69.301.301)	38,722,346
Inventories	23,141,570	431,388,583
Capital Adjustments Differences	(324,649,236)	(402,670,235)
Accumulated other comprehensive expenses not to be reclassified to profit or loss	15,638,110	23,581,873
Retained Earnings	(251,190,686)	(380,290,276)
Total Balance Sheet Items	**(702,260,475)**	**(277,905,708)**

(Amounts expressed in Turkish Lira (”TL”) in terms of the purchasing power of Turkish Lira ("TL") as of 30 June 2026, unless otherwise stated.)

25. MONETARY GAINS /(LOSSES) (cont'd)

	30 June 2026	**30 June 2025**
Income Statement Items	**1,535,605,924**	**1,077,586,362**
Revenue	(756,160,724)	(701,260,412)
Cost of Sales	1,120,882,112	617,345,913
Research and Development Expenses	27,283,594	26,834,888
Marketing Expenses	837,847,689	858,841,795
General Administrative Expenses	116,473,901	117,490,139
Other Income from operating activities	(23,370,684)	(77,843,800)
Other Expenses from operating activities	119,480,707	101,209,181
Income from investing activities	(201,237)	(182,511)
Expense from investing activities	200,616	26,620
Financial expenses	61,205,602	76,640,009
Deferred tax Expense/Income	31,964,347	58,484,541
	833,345,448	**799,680,655**

26. EVENTS AFTER THE REPORTING PERIOD

After the reporting period of 30 June 2026, three stores abroad were opened. Thus, as of 13 August 2026, the total number of stores increased to 466.

As a result of UAV attacks carried out by Ukraine against the Russian Federation on 17 July 2026, two warehouses belonging to Wildberries, one of the marketplaces where our Company conducts its e-commerce operations in Russia, sustained damage. According to initial assessments, a portion of our inventory located in these warehouses was affected; the value of the damaged stock corresponds to approximately 0.4% of our total assets as reported in our financial statements dated 31 March 2026. Based on current evaluations, the damage is not expected to have a material impact on our Company's financial position, activities, or operational continuity. Wildberries is continuing damage assessment efforts and has announced that measures will be implemented to support business partners affected by the incident. Furthermore, our Company is closely monitoring the damage assessment and compensation processes regarding the affected inventory, in coordination with our local and regional insurance brokers, under existing insurance policies. Our Company continues its operations as planned.

Under Law No. 7582, published in the Official Gazette on 4 June 2026, the corporate income tax rate applicable to income from production and agricultural activities has been set at 12.5%, effective from 1 January 2027. Since the relevant legislative amendment was not in effect as of the balance sheet date, it did not result in any change in the measurement of the Group's deferred tax assets and liabilities included in the statement of financial position as of 31 December 2025. However, anticipating the effects of the new rate on temporary differences that will reverse after the effective date and on carried-forward tax losses, the Group's management is evaluating the potential impacts on future financial statements.