SASA POLYESTER
SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 JUNE 2026 AND
THE LIMITED AUDITOR'S REPORT

(CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITOR'S REPORT AND THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

Shape the future
with confidence

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(Convenience translation of a report and condensed consolidated financial statements originally issued in Turkish)

Report on Review of Interim Condensed Consolidated Financial Statements

To the Board of Directors of Sasa Polyester Sanayi Anonim Şirketi

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Sasa Polyester Sanayi Anonim Şirketi (the Company) and its subsidiaries (the Group) as of June 30, 2026 and the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Group management is responsible for the preparation and fair presentation of these condensed consolidated financial statements in accordance with Turkish Financial Reporting Standards. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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 of interim financial information is substantially less in scope than an audit conducted in accordance withn Independent Auditing Standards and the objective of which is to express an opinion on the condensed consolidated financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be 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 condensed consolidated financial statements present fairly, in all material respects, the condensed consolidated financial position of the Group as at June 30, 2026, and its condensed consolidated financial performance and its condensed consolidated cash flows for the six-month period then ended in accordance with Turkish Financial Reporting Standards.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Bora Tanrısıpatapan, SMMM
Partner

August 10, 2026
Adana, Türkiye

TABLE OF CONTENTS **PAGE**

SASA POLYESTER SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026 AND 31 DECEMBER 2025

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

	Notes	**Current Period (Limited review) 30 June 2026**	**Prior Period (Audited) 31 December 2025**
ASSETS			
Current Assets		**41,999,806**	**35,049,496**
Cash and Cash Equivalents	3	3,812,019	1,266,467
Trade Receivables	5	12,810,987	11,648,410
- Trade Receivables from Third Parties	*5*	*11,326,119*	*10,812,986*
- Trade Receivables from Related Parties	*5,27*	*1,484,868*	*835,424*
Other Receivables	7	32,353	8,400
- Other Receivables from Third Parties	*7*	*32,353*	*8,400*
Inventories	8	21,423,325	17,226,826
Derivative Financial Instruments	29	35,842	174,871
Prepaid Expenses	9	503,673	1,455,211
Assets Related to Current Period Tax	25	49,132	56,710
Other Current Assets	15	3,332,475	3,212,601
Non-current Assets		**335,290,368**	**342,450,946**
Other Receivables		11	12
Property, Plant and Equipment	10	259,122,161	262,913,518
Intangible Assets	11	991,910	1,084,727
Prepaid Expenses	9	4,508,885	3,969,831
Deferred Tax Assets	25	70,667,401	74,482,858
TOTAL ASSETS		**377,290,174**	**377,500,442**
LIABILITIES			
Current Liabilities		**72,594,744**	**79,481,279**
Short Term Borrowings	4	37,970,963	52,681,241
- Bank Loans	*4*	*24,005,323*	*30,211,423*
- Short Term Portion of Long Term Borrowings	*4*	*13,896,537*	*22,391,879*
- Lease Liabilities	*4*	*69,103*	*77,939*
Trade Payables	5	32,445,805	24,435,610
- Trade Payables to Third Parties	*5*	*32,445,805*	*24,435,610*
Liabilities Related to Employee Benefits	6	296,830	316,496
Other Payables	7	41,179	56,202
- Other Payables to Third Parties	*7*	*41,179*	*56,202*
Obligations Arising from Customer Contracts	7	1,791,840	1,952,784
Contractual Obligations Arising from Sales of Goods and Services	*7*	*1,791,840*	*1,952,784*
- Contractual Obligations from Third Parties	*7*	*1,791,840*	*1,684,748*
- Contractual Obligations from Related Parties	*7,27*	-	*268,036*
Short Term Provisions	12	48,127	38,946
- Other Short Term Provisions	*12*	*48,127*	*38,946*
Non-Current Liabilities		**112,019,687**	**116,316,153**
Long Term Borrowings	4	101,996,134	91,853,346
- Bank Loans	*4*	*87,976,214*	91,739,989
- Issued Debt Instruments	*4*	*13,951,924*	-
- Lease Liabilities	*4*	*67,996*	*113,357*
Trade Payables	5	1,360,876	1,684,838
- Trade Payables to Third Parties	*5*	*1,360,876*	*1,684,838*
Other Payables		8,226,653	22,391,050
- Other Payables to Related Parties	*27*	*8,226,653*	22,391,050
Long Term Provisions	14	436,024	386,919
- Long Term Provisions Related to Employment Benefits	*14*	*436,024*	*386,919*
EQUITY		**192,675,743**	**181,703,010**
Paid in Share Capital	16	47,040,879	43,815,615
Differences from Capital Adjustments	16	35,157,746	35,157,746
Repurchased Share	16	(384,580)	(384,580)
Restricted Reserves Appropriated from Profits	16	28,226,484	28,226,484
Premiums Related to Shares	16	25,651,419	21,229,227
Accumulated Other Comprehensive Income / (Expenses) Not To Be Reclassified To Profit Or Loss	24	34,871,910	32,038,627
- Defined Benefit Plans Remeasurement Losses	*16,24*	*(67,824)*	*(67,824)*
- Revaluation Increase on Property, Plant and Equipment	*16,24*	*34,939,734*	*32,106,451*
Retained Earnings	16	21,619,891	47,509,642
Net (Loss) / Profit for the Period	16	491,994	(25,889,751)
TOTAL EQUITY AND LIABILITIES		**377,290,174**	**377,500,442**

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

SASA POLYESTER SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 30 JUNE 2026 - 2025

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

		Current Period		**Prior Period**	
		(Reviewed)	**(Not Reviewed)**	**(Reviewed)**	**(Not Reviewed)**
	Notes	**1 January - 30 June 2026**	**1 April - 30 June 2026**	**1 January - 30 June 2025**	**1 April - 30 June 2025**
Revenue	17	38,875,677	21,527,185	29,582,341	16,904,771
Cost of Sales (-)	17	(32,946,638)	(17,521,838)	(26,982,015)	(15,307,537)
GROSS PROFIT		**5,929,039**	**4,005,347**	**2,600,326**	**1,597,234**
General Administrative Expenses (-)	18	(541,782)	(280,400)	(596,549)	(305,345)
Marketing Expenses (-)	18	(1,638,116)	(868,115)	(1,437,510)	(941,022)
Research and Development Expenses (-)	18	(11,424)	(7,266)	(11,006)	(6,137)
Other Income from Operating Activities	19	3,360,883	1,882,076	5,012,546	2,277,813
Other Expenses from Operating Activities (-)	19	(3,619,091)	(2,302,610)	(5,008,818)	(2,546,933)
PROFIT FROM OPERATING ACTIVITIES		**3,479,509**	**2,429,032**	**558,989**	**75,610**
Income from Investing Activities	20	92,066	92,066	1,045	-
Expenses from Investing Activities (-)	20	(260,310)	(38,285)	(93,309)	(2,218)
OPERATING PROFIT BEFORE FINANCE EXPENSE		**3,311,265**	**2,482,813**	**466,725**	**73,392**
Financial Income	22	2,133,470	184,164	576,484	300,850
Financial Expenses (-)	23	(22,124,685)	(13,384,179)	(42,682,660)	(32,317,030)
Monetary Gain/Loss	30	23,820,684	16,488,775	26,323,204	19,442,787
(LOSS)/PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**7,140,734**	**5,771,573**	**(15,316,247)**	**(12,500,001)**
Tax (Expense)/Income from Continuing Activities		**(6,648,740)**	**(7,133,493)**	**3,642,370**	**(1,164,192)**
-Current Tax Expense (-)	25	-	-	-	-
- Deferred Tax (Expense)/Income	25	(6,648,740)	(7,133,493)	3,642,370	(1,164,192)
PROFIT FOR THE PERIOD / (LOSS)		**491,994**	**(1,361,920)**	**(11,673,877)**	**(13,664,193)**
Other comprehensive (expense) / income		**2,833,283**	**2,833,283**	**3,363**	**3,363**
Items not to be Reclassified to Profit or Loss		2,833,283	2,833,283	3,363	3,363
Tax Effect of Property, Plant and Equipment Revaluation Increases (-)	*24,25*	*2,833,283*	*2,833,283*	-	-
Defined Benefit Plans Remeasurement Gains/(Losses)	25	-	-	4,485	4,485
Tax Effect of Defined Benefit Plans Remeasurement Gains/(Losses)	24,25	-	-	(1,122)	(1,122)
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		**3,325,277**	**1,471,363**	**(11,670,514)**	**(13,660,830)**
Distribution of Profit for the Period:					
Parent Company’s Share		491,994	(1,361,920)	(11,673,877)	(13,664,193)
Non-Controlling Shares		-	-	-	-
Earnings Per Share	26	**0,0105**	**(0,0290)**	**(0,2482)**	**(0,2905)**
Distribution of Total Comprehensive (Expense) / Income					
Parent Company’s Share		3,325,277	1,471,363	(11,670,514)	(13,660,830)
Non-controlling Interests		-	-	-	-

SASA POLYESTER SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 30 JUNE 2026 AND 2025

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

						Other Comprehensive Income or Expenses not to be Reclassified to Profit or Loss			Retained Earnings		
(Reviewed)	Notes	Paid-in Capital	Share Capital Adjustment Differences	Share Premiums	Repurchased Shares	Revaluation Increase on Property, Plant and Equipment	Defined Benefit Plans Remeasurement Losses	Restricted Reserves Appropriated from Profits	Prior Years Profits	Net Profit / (Loss) for the Period	Total Equity
1 January 2025	**16**	**43,815,615**	**35,158,839**	**21,229,611**	**(43,966)**	**9,495,950**	**(73,902)**	**28,226,751**	**20,334,814**	**28,175,223**	**186,318,935**
Transfers from Retained Earnings		-	-	-	-	-	-	-	28,175,223	(28,175,223)	-
Total Comprehensive Income		-	-	-	-	-	3,363	-	-	(11,673,877)	(11,670,514)
Decrease from Share Repurchase Transactions		-	-	-	(372,508)	-	-	-	(1,518,518)	-	(1,891,026)
30 June 2025		**43,815,615**	**35,158,839**	**21,229,611**	**(416,474)**	**9,495,950**	**(70,539)**	**28,226,751**	**46,991,519**	**(11,673,877)**	**172,757,395**
(Reviewed)											
1 January 2026	**16**	**43,815,615**	**35,157,746**	**21,229,227**	**(384,580)**	**32,106,451**	**(67,824)**	**28,226,484**	**47,509,642**	**(25,889,751)**	**181,703,010**
Transfers from Retained Earnings (*)	16		-	-	-	-	-	-	(25,889,751)	25,889,751	-
Capital Increase (*)	**16**	3,225,264	-	4,422,192							7,647,456
Total comprehensive income		-	-	-	-	2,833,283	-	-	-	491,994	3,325,277
30 June 2026	**16**	**47,040,879**	**35,157,746**	**25,651,419**	**(384,580)**	**34,939,734**	**(67,824)**	**28,226,484**	**21,619,891**	**491,994**	**192,675,743**

(*) The Group has carried out the share conversions of its Convertible Bonds through a conditional capital increase. The conditional capital increase included TL 2,440,000 in nominal value and TL 3,739,800 in share premium on 13 May 2026, and TL 785,263 in nominal value and TL 1,202,450 in share premium on 10 June 2026.

SASA POLYESTER SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD 30 JUNE 2026 AND 2025

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

	Notes	Reviewed Current Period 1 January - 30 June 2026	Reviewed Prior Period 1 January - 30 June 2025
Cash Flows from Operating Activities:			
Loss for The Period Before Tax from Continuing Operations		**7,140,734**	**(15,316,247)**
Adjustments Related to Reconciliation of Net Profit / (Loss) for the Period		**(13,128,960)**	**6,104,443**
			-
Adjustments for Depreciation and Amortization	10.11	5,147,619	2,881,201
Adjustments Related to Interest (Income) /Expense		11,020,407	9,692,860
Adjustments Related to Interest Expenses	*4,22*	*11,341,721*	*9,866,492*
Adjustments Related to Interest Income	*22*	*(321,314)*	*(173,632)*
Adjustments Related to Loss on Disposal of Property, Plant and Equipment	20	260,310	92,264
Adjustments Related to Loss on Disposal of Property, Plant and Equipment	*20*	*260,310*	*92,264*
Adjustments Related to Provisions		149,489	194,101
Adjustments Related to Provision for Employee Benefits	*14*	*149,489*	*194,101*
Adjustments Related to Provision for Litigation	12	15,054	(4,682)
Adjustments to the Valuation of Derivative Instruments	29	139,029	-
Adjustments Related to Impairment / (Reversal)		3,546	-
Adjustments Related to Impairment / (Reversal) of Receivables	*5*	*3,546*	-
Adjustments for Unrealized Foreign Exchange Differences	4	10,782,964	32,603,340
Monetary Gain		(40,647,378)	(39,354,641)
Changes in Working Capital:		**2,404,214**	**27,674,607**
Adjustments Related to Increase in Trade Receivables		(1,166,123)	(10,382,773)
Increase in Trade Receivables from Third Parties		*(516,679)*	*(9,654,102)*
Increase in Trade Receivables from Related Parties		*(649,444)*	*(728,671)*
Adjustments Related to Increases in Other Receivables Related to Operations		(23,952)	(93,721)
Increase in Other Receivables		*(23,952)*	*(93,721)*
Adjustments for (Increase) / Decrease in Inventories		(4,196,499)	2,634,804
Adjustments for Decrease in Prepaid Expenses		420,062	2,163,988
Adjustments for (Increase)/Decrease in Other Current Assets		(119,874)	114,009
Adjustments Related to Increase in Trade Payables to Third Parties		7,686,233	16,297,404
Adjustments Related to (Decrease) / Increase in Other Payables		(15,023)	7,454,390
Adjustments Regarding Increases/(Decreases) in Obligations Arising from Customer Contracts		(160,944)	9,187,341
Adjustments Related to Increase/(Decrease) Increase in Employee Benefit Payables		(19,666)	299,165
Cash Flows (Used) /Generated from Operating Activities:		**(3,584,012)**	**18,462,803**
Payments for Provision Related to Employee Benefits	14	(42,037)	(23,332)
Net Cash Generated from Operating Activities		**(3,626,049)**	**18,439,471**
Cash Flows Used in Investing Activities:			
Cash Outflows from Acquisition of Tangible and Intangible Assets	10,11	(1,674,379)	(16,920,467)
Cash Outflows from Acquisition of Tangible and Intangible Assets	*10,11*	*(1,674,379)*	*(16,920,467)*
Cash Inflows from Sale of Tangible and Intangible Assets	10,11,20	150,624	2,554
Cash Inflows from Sale of Tangible Assets	*10,11,20*	*150,624*	*2,554*
Interest Received	22	321,314	173,632
Net Cash Used in Investing Activities		**(1,202,441)**	**(16,744,281)**
Cash Flows from Financing Activities:			
Cash Inflows from Borrowings	4	75,445,220	44,502,954
Cash Inflows from Loans	*4*	*53,845,840*	*44,502,954*
Cash Inflows from Issued Bonds	*4*	*21,599,380*	-
Cash Outflows Related to Debt Payments	4	(43,008,492)	(39,162,867)
Cash Outflows Related to Loan Repayments	*4*	*(42,970,797)*	*(39,144,352)*
Cash Outflows Related to Repayment of Finance Lease Liabilities	*4*	*(37,695)*	*(18,515)*
Interest Paid	4	(10,707,305)	(4,560,433)
Net Change Related to Increase in Other Payables to Related Parties	27	(14,164,397)	879,583
Cash Outflows Related to the Acquisition of Own Shares and Other Equity Instruments	16	-	(1,891,026)
Net Cash Used in from Financing Activities		**7,565,026**	**(231,789)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		2,736,536	1,463,401
NET EFFECT OF MONETARY LOSS / GAIN ON CASH AND CASH EQUIVALENTS		(190,984)	(483,914)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3	1,266,467	3,386,129
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3	**3,812,019**	**4,365,616**
			-

NOTE 1 – ORGANIZATION AND OPERATIONS OF THE GROUP

Sasa Polyester Sanayi A.Ş. ("the Company") was incorporated on 8 November 1966 in Adana. The Group is mainly engaged in the production and marketing of polyester fiber, yarns and related products and polyester chips. The Group is a subsidiary of Erdemoğlu Holding A.Ş. ("Erdemoğlu Holding"). The Group is controlled by Erdemoğlu Holding. The Company's shares are traded on the Borsa Istanbul Star Market and are included in the BIST 30 Index.

The address of the registered office is:

Sarıhamzalı Mahallesi Turhan Cemal Beriker Bulvarı No:559 Seyhan/Adana.

Subsidiaries

The Company has founded its subsidiary, Sasa Dış Ticaret A.Ş ("the Subsidiary"), with TL 2,000 paid in capital owning 100% of shares in accordance with the Board of Directors decision numbered 24 and dated 27 August 2015, in order to gain an effective structure to the Company's export operations.

The Company established its subsidiary Sasa Uluslararası Finansal Yatırım A.Ş. ("the Subsidiary") with a capital of TL 20,000 in accordance with the decision of the Board of Directors dated 8 November 2022 and numbered 55, in order to provide an effective structure for the Company's activities to access financial resources. The Company owns 100% of Sasa Uluslararası Finansal Yatırım A.Ş. As at the balance sheet date, the Subsidiary has not yet commenced its operations.

The Company established its subsidiary, Sasa Rafineri A.Ş. ("the Subsidiary"), with a capital of TL 100,000 in line with the Board of Directors' resolution dated 25 August 2025, for the purpose of effectively carrying out the refinery and petrochemical plant investment planned to be constructed by the Company in Adana/Yumurtalık, as well as the related logistics, infrastructure, and auxiliary production facilities within the scope of this investment. The Company holds 100% of the shares of Sasa Rafineri A.Ş. As of the balance sheet date, the Subsidiary has not yet commenced operations.

Sasa and its subsidiaries, together will be referred to as "the Group".

As of 30 June 2026, number of employees of the Company is 3,514 (31 December 2025: 3,681).

Approval of Consolidated Financial Statements

The consolidated financial statements are authorized for issue by the resolution of the Board of Directors dated 7 August 2026. The General Assembly is authorized to amend the consolidated financial statements.

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

<u>Statement of Compliance to TFRS</u>

The accompanying financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Financial Reporting Standards ("TFRS") that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communiqué.

The financial statements have been prepared in accordance with the formats of "TFRS Taxonomy Announcement" published by POA and Financial Statement Examples and Guidelines for Use published by CMB, on 3 July 2024.

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Statement of Compliance to TFRS (cont'd)

The Group has prepared its summary consolidated financial statements for the interim period ending June 30, 2026 in accordance with TAS 34 Interim Financial Reporting. The interim summary consolidated financial statements do not include all the information required to be included in the annual financial statements and should be read in conjunction with the Group's annual financial statements prepared as of December 31, 2025.

Financial statements are prepared on a historical cost basis, except for the revaluation of land and buildings and the fair value of derivative financial instruments. In determining historical cost, the fair value of the consideration paid for the asset is generally taken as the basis.

Currency Used

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates. The results and financial position of each entity are expressed in TL, which is the functional currency of the Group, and the presentation currency for the consolidated financial statements.

Going Concern

As of June 30, 2026, the Group's short-term liabilities exceed its current assets by TL 30,594,938. Furthermore, as of June 30, 2026, the Group's net profit for the period is TL 491,994. Some of the Group's loans are subject to covenants that must be complied with. In accordance with these covenants, as of 30 June 2026, since the performance criteria were not met, loans with original maturities in 2027, 2028, and 2029 amounting to EUR 109,956 thousand (TL 5,847,709) have been presented under short-term financial liabilities.

The consolidated financial statements are prepared on the going concern basis, with the assumption that the Group will benefit from its assets and fulfill its obligations in the next year and in the natural course of its activities. Management's plans regarding this matter are explained below:

In the declaration dated 30 June 2026, the Group's main shareholder, Erdemoğlu Holding Anonim Şirketi, stated their commitment to financially support the Group and to take all necessary measures to ensure that the Group has sufficient funds to meet its obligations and to continue its operations in the foreseeable future without any significant downsizing.

In line with the Group's business plans, management anticipates the continuity of operational profitability. The Group expects an increase in EBITDA and cash generation performance compared to previous periods, supported by the rise in production and sales volumes as newly completed investments become operational.

The Group's liquidity management safeguards the Group's ability to meet its payment obligations at any time. For this purpose, liquidity planning provides information about all cash flows arising from operating and financial activities within the planning framework. The Group has utilized a total of TL 3,884,168 in loans from the balance sheet date to the report publication date to cover its financial, operational activities and investment expenditures. The resulting financial requirements are met through the use of appropriate instruments for liquidity management, such as new bank loans, the availability of existing credit lines, and collateral provided by partners.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Basis of Consolidation

As of 30 June 2026, and 2025, the details of the Company's subsidiaries are as follows:

	30 June 2026	31 December 2025
Sasa Dış Ticaret A.Ş.	100%	100%
Sasa Uluslararası Finansal Yatırım A.Ş.	100%	100%
Sasa Rafineri A.Ş.	100%	100%

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

• has power over the investee;
• is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, accounting policies have been adjusted in the financial statements of subsidiaries in order to match the accounting policies followed by the Group, and all intragroup assets and liabilities, equity, income and expenses and cash flows from transactions between Group companies are eliminated on consolidation.

Financial Reporting in Hyperinflationary Economies.

The financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies. TAS 29 applies to the financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Türkiye are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after 31 December 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more than 100%.

POA made an announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation. In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Restatement of financial statements during periods of high inflation (cont'd)

In accordance with the relevant standard, the consolidated financial statements prepared in the currency of an economy classified as hyperinflationary are presented in terms of the purchasing power of that currency at the balance sheet date. The prior-period consolidated financial statements have also been expressed 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 June 30, 2025 and December 31, 2025 on a purchasing power parity basis as of June 30, 2026.

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute (TUIK):

Date	**Index**	**Adjustment coefficient**	**Three-year cumulative inflation rates**
30 June 2026	129.99	1.00000	206%
31 December 2025	110.39	1.17758	211%
30 June 2025	98.40	1.32109	220%

(*)As of 2026, the base year has been updated by TUIK to 2025=100. Therefore, index values reported with a different reference year and scaling in previous periods have been revised according to the new base year. To ensure comparability, historical data have also been adjusted to the same base year.

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

- The consolidated financial statements for the current period, which are prepared in TL, are expressed in terms of the purchasing power at the date of finance statement, and the amounts relating to previous reporting periods are also restated and presented in terms of the purchasing power at the end of the reporting period.

- As monetary assets and liabilities are already expressed in terms of the current purchasing power at the balance sheet date, they are not restated. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of IAS 36 Impairment of Assets and IAS 2 Inventories have been applied, respectively.

- Non-monetary assets and liabilities, as well as equity items, that were not expressed in terms of current purchasing power at the date of the financial statement have been adjusted using the relevant adjustment coefficients.

- Except for the items in the profit or loss statement that are affected by the indexation of non-monetary items in the consolidated statement of financial position and those that have an impact on the profit or loss statement, all items in the profit or loss statement are indexed with coefficients calculated over the periods in which the income and expense accounts are first reflected in the financial statements.

- The impact of inflation on the Group's net monetary asset position for the current period has been recorded under the net monetary gain/(loss) account in the consolidated statement of profit or loss (Note 30).

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.2 Offsetting

Financial assets and liabilities are shown in the balance sheet at their net value if there is a legal right to set them off, if net payment or collection is possible, or if the acquisition of the asset and the fulfillment of the liability can occur simultaneously.

2.3 The New Standards, Amendments and Interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of June 30, 2026 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2025 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective from 1 January 2026 are as follows:

In August 2025, POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The new amendment are applied retroactively by making adjustments to the opening balance of the retained earnings (losses) item for previous years.

This change has not had a significant impact on the Group's financial position or performance

Annual Improvements to TFRSs – Volume 11

In September 2025, POA issued Annual Improvements to TFRSs – Volume 11, amending the followings:

- *TFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter:* These amendments are intended to address potential confusion arising from an inconsistency between the wording in TFRS 1 and the requirements for hedge accounting in TFRS 9.

- *TFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition:* The amendments update the language on unobservable inputs in the Standard and include a cross reference to TFRS 13.

- *TFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price:* TFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with TFRS 9, the lessee is required to apply derecognition requirement of TFRS 9 and recognise any resulting gain or loss in profit or loss. TFRS 9 has been also amended to remove the reference to 'transaction price".

- *TFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent':* The amendments are intended to remove the inconsistencies between TFRS 10 paragraphs.

- *TAS 7 Statement of Cash Flows – Cost Method:* The amendments remove the term of "cost method" following the prior deletion of the definition of 'cost method'.

This effects is not applicable to the Group and has no impact on its financial position or performance.

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.3 The New Standards, Amendments and Interpretations (cont'd)

Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity

In August 2025, POA issued Contracts Referencing Nature-dependent Electricity (Amendments to TFRS 9 and TFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. Clarifications regarding "use for oneself" provisions apply retroactively, but provisions allowing hedge accounting apply prospectively to new hedging relationships defined on or after the initial application date.

This change does not apply to the Group and has no impact on its financial position or performance.

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The group will assess the impact of these changes once the standards in question have been finalized**.**

TFRS 17 Standard for Insurance Contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. Certain changes in future cash flow forecasts and risk adjustments are also accounted for during the period in which services are provided. Entities may choose to account for the effects of changes in discount rates in profit or loss or other comprehensive income. The standard includes specific guidance for the measurement and presentation of insurance contracts with participation features. Furthermore, according to the amendments published by the KGK in December 2021, entities have the option of transitioning to "classification alignment" to address potential accounting discrepancies between financial assets and insurance contract liabilities included in comparative information presented when IFRS 17 is first applied.

According to the announcement made by POA, the mandatory effective date of the Standard for the following businesses has been postponed to accounting periods beginning on or after January 1, 2027:

- Insurance and reinsurance companies and pension companies.
- Banks with partnerships/investments in insurance and reinsurance companies and pension companies.
- Other companies with partnerships/investments in insurance and reinsurance companies and pension companies.

This standard does not apply to the Group and will not have any impact on the Group's financial condition or performance.

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.3 The New Standards, Amendments and Interpretations (cont'd)

ii) Standards issued but not yet effective and not early adopted (cont'd)

TFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

In May 2025, POA issued TFRS 18 which replaces TAS 1. TFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. TFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as TAS 7, TAS 8 and TAS 34. TFRS 18 and the related amendments are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted. TFRS 18 will be applied retrospectively.

The effects of the said standard on the Group's financial position and performance are being evaluated.

TFRS 19 – The new Standard for Subsidiaries without Public Accountability: Disclosures

In August 2025, POA issued TFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other TFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply TFRS 19 will not need to apply the disclosure requirements in other TFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with TFRS accounting standards may elect to apply TFRS 19. TFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under TFRS 19.

The said Standard is not applicable to the Group.

Amendments to IAS 21 - Translation to a Hyperinflationary Presentation

The amendments issued by the Public Oversight, Accounting and Auditing Standards Authority ("POA") in April 2026 require the use of the closing rate when translating from the functional currency of an economy that is not hyperinflationary into the presentation currency of a hyperinflationary economy. Accordingly, an entity whose functional currency is the currency of a non-hyperinflationary economy, while its presentation currency is the currency of a hyperinflationary economy, uses the closing rate at the end of the current reporting period to translate all relevant amounts, including comparative amounts, in translating its financial performance and financial position (i.e., assets, liabilities, equity items, income and expenses). However, an entity whose functional currency and presentation currency are currencies of a hyperinflationary economy shall restate the comparative amounts of a foreign operation whose functional currency is the currency of a non-hyperinflationary economy in terms of the current measuring unit by applying a general price index in accordance with IAS 29. The amendments also introduce certain additional disclosure requirements.

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.3 The New Standards, Amendments and Interpretations (cont'd)

ii) Standards issued but not yet effective and not early adopted (cont'd)

Amendments to IAS 21 - Translation to a Hyperinflationary Presentation (cont'd)

The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. Where an entity's functional currency and presentation currency are currencies of a hyperinflationary economy (or currencies of different hyperinflationary economies) and the entity translates the financial performance and financial position of foreign operations whose functional currency is the currency of a non-hyperinflationary economy, the entity applies the amendments from the beginning of the annual reporting period in which it first applies the amendments. In addition, such an entity restates the comparative amounts relating to foreign operations presented in previously issued financial statements by applying the general price index that it had applied to the relevant amounts in accordance with IAS 29. Entities outside this scope apply the amendments retrospectively.

The amendments are not applicable to the Group and have no impact on its financial position or financial performance.

iii) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The amendments to IFRS 20 and IAS 28 described below has been issued by the IASB but has not yet been adapted/published into IFRS by the KGK (Turkish Accounting Standards Board). Therefore, these requirements do not currrently from part of TFRS. The Company/Group will make the necessary changes to its consolidated financial statements and related notes once this Standard and amendments become effective under TFRS.

IFRS 20 – Regulated Assets and Regulated Liabilities Standard

In May 2026, the IASB published IFRS 20, which sets out the accounting, measurement, presentation, and disclosure of regulated assets, regulated liabilities, regulated revenues, and regulated expenses. IFRS 20 introduces additional provisions requiring entities to provide supplementary information that complements the information they already provide by applying existing IFRS accounting standards such as IFRS 15. This supplementary information enables users of financial statements to understand the total consideration acceptable under tariffs for regulated goods or services provided in each reporting period, and the related rights and obligations.

This Standard does not apply to this Group.

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

The amendments published by the IASB in June 2026 clarify which entities can exercise the fair value option in IAS 28. The amendments state that the concept of a "similar entity" now includes entities whose main activity is investing in specific types of assets, as defined in paragraph 49(a) of IFRS 18. Furthermore, it clarifies that the right to exercise the fair value option should be assessed on a case-by-case basis for the entity directly holding the investment in the associate or joint venture.

These amendments do not apply to the Group and have no impact on its financial position or performance.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 Changes in the Accounting Policies and Errors

The accounting policy changes arising from the first-time application of a new standard are applied retrospectively or prospectively in accordance with the transitional provisions, if any. The changes that take place of any transitional provision, significant changes made optional in accounting policies or determined accounting errors are applied retrospectively by restating prior period financial statements. If changes in accounting estimates are related to only one period, they are applied both in the current period when the amendment is made and for the future periods, both in the current period and in the future. The accounting estimates used in the preparation of these consolidated financial statements for the year ended 30 June 2026 are consistent with those used in the preparation of financial statements for the year ended 31 December 2025.

2.5 Summary of Significant Accounting Policies

The condensed consolidated financial statements for the interim period ending June 30, 2026 have been prepared in accordance with TAS 34 for the preparation of interim financial statements. The significant accounting policies used in the preparation of the condensed consolidated financial statements are consistent with those described in detail in the consolidated financial statements as of December 31, 2025.

Accordingly, the condensed consolidated financial statements should be read in conjunction with the financial statements for the year ended December 31, 2025.

NOTE 3 – CASH AND CASH EQUIVALENTS

	30 June 2026	31 December 2025
Cash	4,852	158
Cash at Banks	3,807,167	1,266,309
-Demand Deposit	3,807,167	1,242,757
-Time Deposit	-	23,552
	3,812,019	**1,266,467**

The Group does not have any time deposits as of June 30, 2026 (December 31, 2025: as detailed below):

Currency	Interest Rate (%)	Maturity	31 December 2025
TL	38.00	2 January 2026	10,000
TL	38.25	2 January 2026	10,000

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 4 – FINANCIAL INSTRUMENTS

Financial Borrowings

Short-Term Financial Borrowings

	30 June 2026	31 December 2025
Short-term bank loans	24,005,323	30,211,423
Short-term portions of long-term borrowings	13,896,537	22,391,879
Lease liabilities	69,103	77,939
	37,970,963	**52,681,241**

Long-Term Financial Borrowings

	30 June 2026	31 December 2025
Long-term bank loans	87,976,214	91,739,989
Issued Debt Instruments	13,951,924	-
Lease liabilities	67,996	113,357
	101,996,134	**91,853,346**
	139,967,097	**144,534,587**

Some of the Group’s loans are subject to covenants that must be complied with. In accordance with these covenants, as of 30 June 2026, since the performance criteria were not met, loans with original maturities in 2027, 2028, and 2029 amounting to EUR 109,956 thousand (TL 5,847,709 thousand) have been presented under short-term financial liabilities.

a) Bank loans

As of 30 June 2026 and 31 December 2025, bank loans and interest accruals related to these loans are as follows:

Principal	**30 June 2026**			**31 December 2025**		
Original Currency	**Weighted average effective interest rate (%)**	**Original amount (*)**	**TL**	**Weighted average effective interest rate (%)**	**Original amount (*)**	**TL**
TL	22.80	-	7,393,499	23.81	-	7,913,666
US Dollar	7.93	280,701	13,097,106	8.34	273,651	13,831,710
Euro	6.87	1,961,896	103,305,638	6.14	2,016,713	119,636,202
			123,796,243			**141,381,578**
Interest accrues						
TL	-	-	133,014	-	-	196,811
US Dollar	-	17,939	836,991	-	23,800	1,202,978
Euro	-	20,906	1,111,826	-	26,327	1,561,924
			125,878,074			**144,343,291**

(*) Amounts are expressed in EUR 1,000 and USD 1,000.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 4 – FINANCIAL INSTRUMENTS (cont'd)

Financial Borrowings (cont'd)

a) Bank loans (cont'd)

The repayment schedule of the bank loans is as follows:

	30 June 2026	**31 December 2025**
Within 1 year	37,901,860	52,603,302
Within 1–2 years	17,586,994	16,543,050
Within 2–3 years	18,720,051	18,993,991
Within 3–4 years	19,112,651	16,426,872
Within 4–5 years	16,297,859	17,075,199
5 years and longer	16,258,659	22,700,877
	125,878,074	**144,343,291**

b) Lease liabilities

Distribution of lease liabilities	**30 June 2026**	**31 December 2025**
Short-term	69,103	77,939
Long-term	67,996	113,357
	137,099	**191,296**

Maturity distribution:	**30 June 2026**	**31 December 2025**
Within 1 year	69,103	77,939
Within 1–2 years	67,996	74,787
Within 2–3 years	-	38,570
	137,099	**191,296**

Leases are related to the purchase of production equipment with a lease term of 4-5 years. The Group's liabilities regarding financial leasing are secured by the ownership right of the lessor on the leased asset. On the contract date, interest rates for financial leasing transactions are fixed for the entire lease period. Average effective contract interest rate is approximately 5.46% annually (2025: 5.44%). Lease contracts currency is Euro.

Cash and non-cash changes in the Group's liabilities arising from financing activities are presented in the table below. Liabilities from financing activities are cash flows that have been or will be reclassified to cash flows from financing activities in the Group's consolidated statement of cash flows.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 4 – FINANCIAL INSTRUMENTS (cont'd)

Financial Borrowings (cont'd)

c) Issued Debt Instruments

The issuance of EUR 415,000,000 (four hundred and fifteen million Euros) of Convertible Bonds with an aggregate nominal value, denominated in Euros with a nominal value maturity of 5 (five) years, to be sold to qualified investors abroad, was completed as of January 7, 2026, and the net amount of the transaction was transferred to the company's accounts on January 15, 2026. The coupon yield for the bonds maturing on January 15, 2031 (ISIN Code: XS3243825851) will be 4.75% annually; the interest on the bonds will be paid in equal installments every three months, and the first interest payment was on April 15, 2026. The company agrees that all amounts payable under the bonds and the trustee agreement will be paid upon maturity. Guaranteed by SASA Dış Ticaret A.Ş., a wholly-owned, privately held subsidiary of the Company. The shares were sold in units with a minimum value of EUR 100,000 under the guarantee of SASA Dış Ticaret A.Ş. The Initial Conversion Price was determined as EUR 0.0568, calculated by adding a 20% premium to the Reference Share Price of EUR 0.0473 per lot (TL 1 nominal) traded on the Stock Exchange. The Reference Share Price is calculated as EUR 0.0473, with a 20% premium added, resulting in a price of EUR 0.0568.

Pursuant to the Capital Markets Board's decision dated 1 March 2026 and numbered 11/417, taking into consideration developments in the Borsa İstanbul A.Ş. markets and in accordance with Articles 1 and 128/1(a) of Capital Markets Law No. 6362, short selling transactions in the Borsa İstanbul equity markets were prohibited from 2 March 2026 until the end of the trading session on 6 March 2026.

As this restriction remained in effect for five consecutive Scheduled Trading Days from March 2, 2026 to March 6, 2026, the conversion price stipulated under the agreement was adjusted to EUR 0.0475.

	30 June 2026			**31 December 2025**		
Original Currency	**Interest rate (%)**	**Original amount (*)**	**TL**	**Interest rate (%)**	**Original amount (*)**	**TL**
Euro	4.75	261,800	13,951,924	-	-	-
Total			**13,951,924**			**-**

(*) Amounts are expressed in EUR 1,000.

The carrying amount of the convertible bond liability as of June 30, 2026 is presented in the table below:

	30 June 2026	**31 December 2025**
The original principal amount of the convertible bond	20,833,249	-
The amount converted into shares as of June 30	(7,647,456)	-
The outstanding convertible bond as of June 30	**13,185,793**	-
Interest accrual	766,131	-
Carrying amount of the convertible bond as of June 30	**13,951,924**	-

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 4 – FINANCIAL INSTRUMENTS (cont'd)

Financial Borrowings (cont'd)

d) Reconciliation of liabilities arising from financing activities

Cash and non-cash changes in the Group's liabilities arising from financing activities are presented in the table below. Liabilities from financing activities are cash flows that have been or will be reclassified to cash flows from financing activities in the Group's consolidated statement of cash flows.

	30 June 2026	31 June2025
Opening balance	**144,534,587**	**129,990,322**
Interest and commission expense	11,341,721	8,794,695
Interest and commission paid	(10,707,305)	(4,560,433)
Exchange rate difference	10,782,964	29,061,639
Payments for lease liabilities	(37,695)	(18,515)
Newly acquired loans	53,845,840	44,502,954
Repayments of loans	(42,970,797)	(39,144,352)
Cash inflows from debt instruments issued	21,599,380	-
Share conversions of issued debt instruments	(7,647,456)	-
Monetary gain	(40,774,142)	(8,881,620)
Closing balance	**139,967,097**	**159,744,690**

NOTE 5 - TRADE RECEIVABLES AND PAYABLES

Trade Receivables

	30 June 2026	31 December 2025
Trade receivables (*)	8,887,995	6,711,426
Checks received (**)	2,445,043	4,111,423
Provision for doubtful receivables	(6,919)	(9,863)
	11,326,119	**10,812,986**
Receivables from related parties (Note 27)	1,484,868	835,424
	12,810,987	**11,648,410**

(*) As of 30 June 2026, trade receivables are discounted by using monthly 4% for TL, 0.88% for US Dollar, 0.78% for Euro (As of 31 December 2025: 3.75% for TL, 0.65% for US Dollar, 0.60% for Euro).

(**) Notes received constitute the notes obtained from customers and kept in portfolio as a result of trade activities and consist of TL 1,599,067 with maturities of less than three months (31 December 2025: TL 1,924,031).

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 5 - TRADE RECEIVABLES AND PAYABLES (cont'd)

Trade Receivables (cont'd)

The table of trade receivables that are past due but not impaired is as follows.

Overdue period	**30 June 2026**	**31 December 2025**
Up to 1 month	3,598,061	2,120,817
1 - 3 months	645,405	318,048
More than 3 months	163,741	83,565
	4,407,207	**2,522,430**

As of 30 June 2026 and 31 December 2025, no provision for receivables has been recognized in these consolidated financial statements due to the existence of direct debit system, bank guarantees, mortgages and customer checks as collaterals for receivables that are past due but not impaired.

The analysis of overdue receivables and provision for doubtful receivables as follows

Overdue period	**30 June 2026**	**31 December 2025**
Over 6 months	6,919	9,863
	6,919	**9,863**

The Group measures impairment for trade receivables based on lifetime expected credit losses. Expected credit losses on trade receivables are estimated using an allowance matrix that is constructed by analyzing customers' past defaults, analyzing their current financial position and taking into account the general economic conditions of the industry in which the customer operates and the conditions at the reporting date. The Group provides 100% allowance for uncollateralized receivables that are 6 months or more past due based on past experience of uncollectibility risk.

	1 January – 30 June 2026	**1 January – 30 June 2025**
Balances as of 1 January	**(9,863)**	(12,911)
Provision for the period	(3,546)	-
Provisions utilized during the period	5,003	-
Monetary gain	1,487	1,846
Balances as of 30 June	**(6,919)**	**(11,065)**

Trade Payables (Short-term)

	30 June 2026	**31 December 2025**
Trade payables	32,445,805	24,435,610
	32,445,805	**24,435,610**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 5 - TRADE RECEIVABLES AND PAYABLES (cont'd)

Trade Receivables (cont'd)

Trade Payables (Long-term)

	30 June 2026	31 December 2025
Trade payables	1,360,876	1,684,838
	1,360,876	**1,684,838**

(*) As of 30 June 2026, trade payables are discounted at the rates of TL 4%, USD 0.88%, EUR 0.78% (31 December 2025: TL 3.75%, USD 0.65%, EUR 0.60%) per month. The average maturities of trade receivables and trade payables as of 30 June 2026 are 57 days and 131 days, respectively (31 December 2025: 64 days and 84 days).

NOTE 6 – PAYABLES RELATED TO EMPLOYEE BENEFITS

	30 June 2026	31 December 2025
Social security premiums payable	159,230	170,582
Due to personnel	137,600	145,914
	296,830	**316,496**

NOTE 7 – OTHER RECEIVABLES, PAYABLES AND DEFERRED INCOME

Other Current Receivables

	30 June 2026	31 December 2025
Deposits and guarantees given	25	48
Other receivables (*)	32,328	8,352
	32,353	**8,400**

(*) Other receivables comprise prepaid tax receivables and advances paid for goods and services.

Other Payables

	30 June 2026	31 December 2025
Taxes, duties and fees payable	41,179	56,202
	41,179	**56,202**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 7 – OTHER RECEIVABLES, PAYABLES AND DEFERRED INCOME (cont'd)

Obligations Arising from Customer Contracts (Short Term)

	30 June 2026	31 December 2025
Advances received for orders	1,791,840	1,684,748
Advances received for orders from related parties (Note 27)	-	268,036
	1,791,840	**1,952,784**

NOTE 8 – INVENTORIES

	30 June 2026	31 December 2025
Finished goods	5,540,617	2,653,698
Raw materials	4,683,043	5,308,179
Semi – finished goods	4,149,044	3,288,886
Spare parts	1,666,602	1,305,225
Other inventories	257,975	210,868
Goods in transit (*)	5,126,044	4,459,970
	21,423,325	**17,226,826**

(*) Related amount consists of raw material purchases that are in transit as of the reporting period.

NOTE 9 - PREPAID EXPENSES

Prepaid Expenses (Short-Term)

	30 June 2026	31 December 2025
Prepaid insurance expenses	1,647	881,578
Other prepaid expenses	502,026	573,633
	503,673	**1,455,211**

Prepaid Expenses (Long-Term)

	30 June 2026	31 December 2025
Given advances for fixed assets (*)	4,508,885	3,969,831
	4,508,885	**3,969,831**

(*) The balance consists of the advance payments made by the Group for the fixed assets purchases related to its investments.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 10 - PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment and related accumulated depreciation for the accounting periods ended 30 June 2026 and 2025 is as follows:

	1 January 2026	Additions	Transfers	Disposals	30 June 2026
Cost					
Land	51,149,274	61,856	-	(352,250)	50,858,880
Land improvements	705,247	27,414	-	-	732,661
Buildings	67,480,690	218,319	317,578	-	68,016,587
Machinery, plant and equipment	140,208,918	526,827	18,496,619	(128,014)	159,104,350
Vehicles	370,138	7,701	2,911	(1,948)	378,802
Furniture and fixtures	1,128,490	1,707	3,439	(961)	1,132,675
Construction in progress (*)	35,191,812	814,299	(18,820,547)	-	17,185,564
	296,234,569	**1,658,123**	**-**	**(483,173)**	**297,409,519**
Accumulated depreciation					
Land improvements	313,940	17,853	-	-	331,793
Buildings	4,966,987	1,247,190	-	-	6,214,177
Machinery, plant and equipment	27,299,167	3,687,226	-	(70,286)	30,916,107
Vehicles	226,104	26,887	-	(1,441)	251,550
Furniture and fixtures	514,853	59,390	-	(512)	573,731
	33,321,051	**5,038,546**	**-**	**(72,239)**	**38,287,358**
Net book value	**262,913,518**				**259,122,161**

(*) For the period ended 30 June 2026, there is no borrowing cost capitalized in construction in progress (31 December 2025: None) (Note 4). As of 30 June 2026, the Group has pledged machinery amounting to TL 132,331,544 on its property, plant and equipment (31 December 2025: TL 125,245,521) (Note 13)

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 10 – PROPERTY, PLANT AND EQUIPMENT (cont'd)

	1 January 2025	Additions	Transfers	Disposals	30 June 2025
Cost					
Land	28,559,893	62,687	645,194	-	29,267,774
Land improvements	446,030	-	5,099	(4,405)	446,724
Buildings	8,439,606	20,421	43,898,354	(23,135)	52,335,246
Machinery, plant and equipment	55,832,373	65,031	84,265,843	(254,541)	139,908,706
Vehicles	260,491	230	15,787	-	276,508
Furniture and fixtures	719,368	14,737	398,112	(6,463)	1,125,754
Construction in progress (*)	159,049,694	16,757,361	(130,399,127)	-	45,407,928
	253,307,455	**16,920,467**	**(1,170,738)**	**(288,544)**	**268,768,640**
Accumulated depreciation					
Land improvements	304,852	10,118	-	(3,999)	310,971
Buildings	3,167,785	575,555	-	(21,008)	3,722,332
Machinery, plant and equipment	21,786,683	2,086,362	-	(165,961)	23,707,084
Vehicles	201,194	18,852	-	-	220,046
Furniture and fixtures	414,096	51,120	-	(2,758)	462,458
	25,874,610	**2,742,007**	**-**	**(193,726)**	**28,422,891**
Net book value	**227,432,845**				**240,345,749**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 10 – PROPERTY, PLANT AND EQUIPMENT (cont'd)

Fair value measurement of the Group's freehold lands

The freehold land, plots and buildings owned by the Group are stated at their revalued amount as of balance sheet date. The fair value of the lands owned by the Group was determined by TSKB Gayrimenkul Değerleme ve Danışmanlık A.Ş., a valuation company independent from the Group, as of 31 December 2025. TSKB Gayrimenkul Değerleme ve Danışmanlık A.Ş is authorized by the CMB and provides real estate valuation services in accordance with the capital market legislation and has sufficient experience and qualifications in measuring the fair value of real estates in the relevant regions. The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties.

Details of the Group's freehold land, plots andbuildings and information about the fair value hierarchy as of 30 June 2026 are as follows:

There has been no transition between levels during the current period.

Movement of land, plots and buildings which is revalued in Level 2 is as follows:

	1 January – 30 June 2026	1 January – 30 June 2025
Opening balance	113,662,977	33,831,714
Additions	280,175	83,108
Transfers	317,578	44,543,548
Disposals	(352,250)	(2,127)
Depreciation expense for the period	(1,247,190)	(575,555)
Closing balance	**112,661,290**	**77,880,688**

If land,plots and buildings were recognized at their historical cost, carrying amount would be as follows:

	30 June 2026	31 December 2025
Land	14,862,531	15,959,265
Buildings	40,944,818	60,511,303
	55,807,349	**76,470,568**

Income statement related to the total depreciation expense and amortization (tangible fixed assets and intangible assets) for the accounting periods ended on 30 June 2026 and 2025 their accounts are as follows:

	1 January - 30 June 2026	1 January - 30 June 2025
Production cost (Note: 17)	5,058,249	2,796,689
General administrative expenses (Note: 18)	52,518	51,540
Marketing, selling and distribution expenses (Note: 18)	28,858	26,273
Research expenses (Note: 18)	7,994	6,699
	5,147,619	**2,881,201**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 11 – INTANGIBLE ASSETS

The movement of intangible assets and related accumulated amortization for the periods ended 30 June 2026 and 2025 is as follows:

	1 January 2026	Additions	Transfers	30 June 2026
Cost				
Software and development costs	1,742,551	16,256	-	1,758,807
	1,742,551	**16,256**	**-**	**1,758,807**
Accumulated amortization				
Software and development costs	657,824	109,073	-	766,897
	657,824	109,073	-	766,897
Net book value	**1,084,727**			**991,910**

	1 January 2025	Additions	Transfers	30 June 2025
Cost				
Software and development costs	1,459,536	-	1,170,738	2,630,274
Accumulated amortization				
Software and development costs	574,255	139,194	-	713,449
	574,255	**139,194**	**-**	**713,449**
			-	
Net book value	**885,281**			**1,916,825**

The income statement accounts related to the total amortization for the accounting periods ending on 30 June 2026 and 2025 are given in Note 10.

NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provision for Litigation

	30 June 2026	31 December 2025
Provision for litigation (*)	48,127	38,946
	48,127	**38,946**

(*) The related expense provision includes the probable expenses related to the lawsuits filed against the Group by the employees whose employment contracts have been terminated due to the changes in the work organization and the lawsuits filed against the Group for reinstatement and other receivable lawsuits. These lawsuits have not been finalized as of the report date.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

As of 30 June 2026 and 2025, the movement tables of the provision for litigation are as follows:

	1 January – 30 June 2026	1 January – 30 June 2025
Balances as of 1 January	**38,946**	**37,041**
Provision for the period	17,888	343
Provision written-off within the period	(2,834)	(5,025)
Monetary gain	(5,873)	(1,553)
Balances at 30 June	**48,127**	**30,806**

NOTE 13 – COMMITMENTS

As of 30 June 2026 and 31 December 2025, the total of commitments not included in the liabilities:

Commitments based on export incentive certificates

	30 June 2026	31 December 2025
Total amount of export commitment of certificates	112,226,338	124,796,855
Total amount of export commitment of documents which are presently fulfilled but closing transactions are not concluded yet	51,453,839	44,748,742
Total export commitment of open documents registered in the document	60,772,499	80,048,113
Open export commitments	32,309,566	49,388,646

	30 June 2026	31 December 2025
Open Letters of Credits	22,265,234	13,273,179

Collaterals, pledges and mortgages (CPM) given by the Group

	30 June 2026				31 December 2025			
	TL Equivalent	TL	US Dollar	Euro	TL Equivalent	TL	US Dollar	Euro
A. Total CPMs given for Company's Own Legal Entity (*)	168,459,981	29,098,980	231,452	2,417,379	142,123,401	9,571,939	216,839	2,302,158
B. Total CPMs Given on Behalf of Fully Consolidated Companies	-	-	-	-	-		-	-
C. CPMs Given in the Normal Course of Business Activities on Behalf of Third Parties	-	-	-	-	-	-	-	-
D. Total Amount of Other CPMs								
- Total Amount of CPMs Given on Behalf of the Parent	-	-	-	-	-	-	-	-
- Total Amount of CPMs Given to on Behalf of Other Group Companies Which are Not in Scope of B and C	-	-	-	-	-	-	-	-
- Total Amount of CPMs Given to on Behalf of Third Parties Which are Not in Scope of C	-	-	-	-	-	-	-	-
Total CPM	**168,459,981**	**29,098,980**	**231,452**	**2,417,379**	**142,123,401**	**9,571,939**	**216,839**	**2,302,158**

(*) The amounts are expressed in EUR 1,000 and US Dollar 1,000.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 13 – COMMITMENTS (cont'd)

Collaterals, pledges and mortgages (CPM) given by the Group (con'd)

Collaterals mainly consist of guarantees given to suppliers in relation to bank loans used for investments. In addition, there is a pledge of machinery amounting to TL 132,331,544 (31 December 2025: TL 125,245,521).

As of 30 June 2026, the percentage of the other CPM`s given by the Group to the total equity is 0% (31 December 2025: 0%).

Guarantees received as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026	31 December 2025
Letters of guarantee received	4,116,358	4,640,380
	4,116,358	**4,640,380**

NOTE 14 - PROVISIONS FOR EMPLOYEE BENEFITS

Provisions for long-term employee benefits

	30 June 2026	31 December 2025
Provision for employee termination benefits	380,231	345,878
Accumulated provision for unused vacation	55,793	41,041
	436,024	**386,919**

Provision for unused vacation

The Group grants paid annual leave to its employees on condition that they have worked for at least one year from the day they start to work, including the trial period.

Movements of accumulated provision for unused vacation as of 30 June 2026 and 2025 are as follows:

	1 January – 30 June 2026	1 January – 30 June 2025
Balances as of 1 January	**41,041**	**46,216**
Provision for the period	20,941	133,998
Provision released during the period	-	(104,027)
Monetary gain	(6,189)	(6,607)
Balances at 30 June	**55,793**	**69,580**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 14 - PROVISIONS FOR EMPLOYEE BENEFITS (cont'd)

Provision for Employment Termination Benefits

There are no agreements for pension commitments other than the legal requirement as explained below. Under Turkish Labor Law, the Group is obligated to pay severance pay to employees who have completed at least one year of service and whose employment is terminated due to retirement, who are called up for military service, who are dismissed by the Group for reasons other than Article 25/2 of the Labor Law, who leave their jobs according to Article 24 of the Labor Law, who have completed the conditions other than the age limit required to receive an old-age pension according to the Social Security Institution, and to women who leave their jobs within one year due to marriage, or to the legal heirs of any deceased employee. As of 8 September 1999, related labor law was changed and retirement requirements made gradual.

As at 30 June 2026, the maximum amount payable consists of TL 73.72 per month for each year of service (31 December 2025: TL 64.95) is subject to the ceiling.

The provision for severance pay is not legally subject to any funding. The reserve has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. Turkish Financial Reporting Standards require actuarial valuation methods to be developed to estimate the Group's obligation under defined benefit plans. Accordingly, following actuarial assumptions were used in the calculation of the total liability.

	30 June 2026	30 June 2025
Discount rate (%)	3.22	3.40
Retention rate to estimate probability of retirement (%)	95.63	95.00

Discount rate is derived upon the difference of long-term interest's rates in TL and the expected inflation rate. The principal assumption is that maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. The maximum amount of TL 73.72 (1 January 2026: TL 64.95), which is expected to be effective from 1 January 2026, has been taken into consideration in calculating the provision for employment termination benefits of the Group:

	1 January – 30 June 2026	1 January – 30 June 2025
Balances as of 1 January	345,878	306,864
Provision recognised during the period	128,548	164,130
Payment within the period	(42,037)	(23,332)
Actuarial (loss)/gain	-	4,485
Monetary gain	(52,158)	(72,641)
Balances at 30 June	**380,231**	**379,506**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 15 - OTHER ASSETS AND LIABILITIES

Other Current Assets

	30 June 2026	31 December 2025
VAT carried forward	1,506,334	2,002,329
VAT return receivables from export and domestic market sales (*)	1,826,141	1,210,272
	3,332,475	**3,212,601**

(*) As of 30 June2026, the Group has completed the application process for TL 925,239 of its TL 1,826,141 VAT receivable, and as of the report publication date, TL 774,781 of the amount for refund application has been collected (31 December 2025: TL 235,375).

NOTE 16 – EQUITY

Sasa Polyester Sanayi A.Ş.'s fully paid-in and issued capital consists of 4,704,087,851,469 shares (31 December 2025: 4,381,561,536,080 shares) with a nominal value of Kr 1 each. The shareholders of the Group and their shareholding percentages as of 30 June 2026 and 31 December 2025 are as follows:

	30 June2026		31 December 2025	
	Share amount	Share percentage	Share amount	Share percentage
Erdemoğlu Holding A.Ş. (*)	23,474,562	49.90	30,153,220	68.82
Other	23,566,317	50.10	13,662,395	31.18
Paid In Capital	**47,040,879**	**100**	**43,815,615**	**100**
Adjustments to share capital	35,157,746		35,157,746	
Total	**82,198,625**		**78,973,361**	

(*) SASA's principal and controlling shareholder, Erdemoğlu Holding A.Ş. ("Parent Shareholder"), entered into a share lending agreement with HSBC Bank plc in respect of a number of shares not less than the number of shares underlying the €415 million convertible bonds issued by SASA to qualified investors abroad. The purpose of this arrangement is to facilitate the participation of certain investors in the offering and to support investors' hedging activities. Shares lent under this arrangement have been classified under other assets. Upon completion of the conversion requests received from qualified foreign investors, the shares lent within the scope of this arrangement will be reclassified under Erdemoğlu Holding A.Ş. ("Parent Shareholder").

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 16 – EQUITY (Cont'd)

According to the Group's Communiqué Series: XI, No: 29, the equity statement as of June 30, 2026 and December 31, 2025 is as follows.

	30 June 2026	31 December 2025
Paid-in Capital	47,040,879	43,815,615
Capital Adjustment Differences	35,157,746	35,157,746
Repurchased Shares (**)	(384,580)	(384,580)
Restricted Reserves Appropriated from Profit	28,226,484	28,226,484
Share Premiums	25,651,419	21,229,227
Prior Years' Profits	21,619,891	47,509,642
Defined Benefit Plans Remeasurement Losses	(67,824)	(67,824)
Gain on Revaluation of Property, Plant and Equipment	34,939,734	32,106,451
Net (Loss) / Profit for the Period	491,994	(25,889,751)
Total Equity	**192,675,743**	**181,703,010**

(*) Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital restated for the effects of inflation. Adjustment to share capital is not available for any other use except to be added to share capital.

(**) These represent the publicly traded shares that have been repurchased by the Group. As of 30 June 2026, the total nominal value of Sasa shares held by the Group amounts to TL 384,580, and the proportion of these shares within the total share capital of TL 47,040,879 is 0.8175%. As of the reporting date, the Company holds 315,250,000 repurchased SASA shares.

Restricted Reserves Appropriated from Profit

The restricted reserves set aside from profits consist of the first and second legal reserves set aside in accordance with the Turkish Commercial Code. The first legal reserves are set aside at an annual rate of 5% of the past period commercial profit until all reserves reach 20% of the historical (non-indexed for inflation) paid-in capital. The second legal reserves are set aside at an annual rate of 10% of all cash dividend distributions after the first legal reserves and dividends. In accordance with the CMB's requirements which were effective until 1 January 2008, the amount generated from first-time application of inflation adjustments on financial statements and followed under the "accumulated loss" item was taken into consideration as a reduction in the calculation of profit distribution based on the inflation adjusted financial statements within the scope of the CMB's regulation issued on profit distribution. The related amount that was followed under the "accumulated loss" item could also be offset against the profit for the period (if any) and undistributed retained earnings and the remaining loss amount could be offset against capital reserves arising from the restatement of extraordinary reserves, legal reserves and equity items, respectively. In addition, in accordance with the CMB's requirements which were effective until 1 January 2008, at the first-time application of inflation adjustments on financial statements, equity items, namely "Capital issue premiums", "Legal reserves", "Statutory reserves", "Special reserves" and "Extraordinary reserves" were carried at nominal value in the balance sheet and restatement differences of such items were presented in equity under the "Shareholders' equity inflation restatement differences" line item in aggregate. "Shareholders' equity inflation restatement differences" related to all equity items could only be subject to the capital increase by bonus issue or loss deduction, while the carrying value of extraordinary reserves could be subject to the capital increase by bonus issue; cash profit distribution or loss offsetting.

In accordance with the Communiqué No: XI-29 and related announcements of CMB, effective from 1 January 2008, "Share capital", "Restricted Reserves Appropriated from Profit" and "Share Premiums" shall be carried at their statutory amounts. The valuation differences (such as differences arising from inflation adjustments) shall be disclosed as follows:

NOTE 16 – EQUITY (Cont'd)

Restricted Reserves Appropriated from Profit (cont'd)

- If the difference is arising due to the inflation adjustment of "Paid-in capital" and not yet been transferred to capital should be classified under the "Inflation adjustment to share capital".
- If the difference is due to the inflation adjustment of "Restricted reserves appropriated from profit" and "Share premium" and the amount has not been utilized in dividend distribution or capital increase yet, it shall be classified under "Prior years' profits / losses". Other equity items are presented at amounts that are valued under Turkish Accounting Standards.

There is no other usage other than the addition of capital adjustment differences to the capital.

Dividend Distribution

Listed companies shall distribute their profit in accordance with the Capital Market Board's Communiqué on Dividends II-19.1 which is effective from 1 February 2014.

Companies shall distribute their profits as part of the profit distribution policies to be determined by their general assemblies and in accordance with the related regulation provisions. The Group has adopted the principle of distributing 50% of the distributable profit to shareholders as cash dividend. of profit available for distribution according to dated 2013 Ordinary General Assembly decision which occurred on 24 March 2014.

Dividends shall be distributed to all existing shares equally, as soon as possible, regardless of their issuance and acquisition dates. In addition to the aforementioned, dividends shall be distributed to the shareholders on the date determined by the General Assembly following the approval of the General Assembly within the specified legal periods. Distribution of advance dividends to the shareholders is also possible by the decision of the Board of Directors, if the General Assembly authorizes, in accordance with the Group's Articles of Association.

Resources that can be Subject to Profit Distribution:

As of the reporting date, the Group has not profit for the period in its statutory records which can be subject to profit distribution.

In accordance with the Turkish Commercial Code (TCC), no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of a usufruct right certificate, to the members of the board of directors or to the employees unless the required reserves and the dividend for shareholders as determined in the main agreement or in the dividend distribution policy of the Group are set aside; and no dividend can be distributed to these persons unless the determined dividend for shareholders is paid in cash.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 17 - REVENUE AND COST OF SALES

The Group fulfills its performance obligations at a certain point in time by transferring goods. The amount that the Company will be entitled to recognize in the future from the remaining performance obligations is TL 3,597,945 (31 December 2025: TL 1,658,303) (Note 7). The Group expects to recognize this revenue in the financial statements within one year.

Revenue

	1 January-30 June 2026	**1 April-30 June 2026**	**1 January-30 June 2025**	**1 April-30 June 2025**
Polyester Chips (SPC)	17,703,077	9,678,576	12,591,231	7,977,893
Domestic	*9,750,245*	*5,801,228*	*5,018,989*	*2,560,688*
Foreign	*7,952,832*	*3,877,348*	*7,572,242*	*5,417,205*
Polyester Fiber	11,112,450	5,677,836	9,536,978	6,001,316
Domestic	*6,837,230*	*3,129,913*	*4,862,302*	*2,688,825*
Foreign	*4,275,220*	*2,547,923*	*4,674,676*	*3,312,491*
Polyester Yarn (Filament)	4,632,327	2,667,895	4,874,398	1,788,398
Domestic	*4,594,179*	*2,642,407*	*4,830,024*	*1,771,256*
Foreign	*38,148*	*25,488*	*44,374*	*17,142*
Poy (Filament)	3,354,450	2,073,720	2,278,179	868,164
Domestic	*3,335,105*	*2,059,758*	*2,253,752*	*867,816*
Foreign	*19,345*	*13,962*	*24,427*	*348*
Other	2,073,373	1,429,158	301,555	269,000
Domestic	*1,993,956*	*1,350,549*	*291,153*	*261,914*
Foreign	*79,417*	*78,609*	*10,402*	*7,086*
Revenue	**38,875,677**	**21,527,185**	**29,582,341**	**16,904,771**

Cost of Sales

	1 January-30 June 2026	**1 April-30 June 2026**	**1 January-30 June 2025**	**1 April-30 June 2025**
Raw materials expense	24,492,926	11,311,234	19,060,587	11,845,082
Energy expenses	1,873,067	905,072	1,671,180	1,095,647
Labor expenses	2,365,379	1,190,694	1,775,911	1,030,753
Depreciation and amortization expenses (Note 10)	4,702,868	2,370,225	2,125,635	1,661,170
Spare parts and maintenance expenses	433,985	262,882	314,278	193,119
Insurance expenses	243,399	110,396	488,782	352,837
Usage of semi-finished goods	(46,071)	108,542	(87,710)	(158,451)
Other expenses	413,212	259,158	386,308	250,276
Production Cost for the Period	**34,478,765**	**16,518,203**	**25,734,971**	**16,270,433**
Change in finished good inventory during the period	(2,225,177)	632,117	(233,907)	(1,937,191)
Cost of waste goods sold	93,046	39,672	94,120	61,648
Other idle period expense	244,623	130,197	715,777	425,576
Depreciation and amortization for the idle period (Note 10)	355,381	201,649	671,054	487,071
Cost of Goods Sold During the Period	**32,946,638**	**17,521,838**	**26,982,015**	**15,307,537**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 18 - MARKETING, GENERAL ADMINISTRATIVE AND RESEARCH & DEVELOPMENT EXPENSES

General Administrative Expenses

	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Personnel expenses	187,809	60,662	150,391	20,192
Severance and notice pay	128,548	109,616	164,130	139,473
Consultancy expenses	64,007	36,242	53,442	24,498
Depreciation and amortization expenses (Note 10)	52,518	27,067	51,540	31,944
Insurance expenses	32,271	14,738	52,460	25,031
Auxiliary service expenses	31,560	11,776	24,934	17,950
Supplies, repair and maintenance expenses	24,303	16,247	32,091	9,558
Provision for litigation (Note 12)	17,888	3,449	343	-
Energy expenses	825	277	1,209	483
Other expenses	2,053	326	66,009	36,216
	541,782	**280,400**	**596,549**	**305,345**

Marketing Expenses

	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Export and freight expenses	1,138,097	622,071	1,187,231	830,072
Taxes and duties expenses	245,810	124,005	39,662	16,237
Personnel expenses	129,891	64,502	113,634	57,304
Insurance expenses	32,959	16,348	25,579	6,800
Depreciation and amortization expenses (Note 10)	28,858	14,604	26,273	15,568
Other expenses	62,501	26,585	45,131	15,041
	1,638,116	**868,115**	**1,437,510**	**941,022**

Research and Development Expenses

	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Depreciation and amortization expenses (Note 10)	7,994	4,821	6,699	3,499
Labor and personnel expenses	1,412	682	1,211	969
Initial raw material and supplies cost	255	89	-	-
Other expenses	1,763	1,674	3,096	1,669
	11,424	**7,266**	**11,006**	**6,137**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 19 - OTHER INCOME / EXPENSE FROM OPERATING ACTIVITIES

Other Operating Income

	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Foreign exchange income on trade receivables/payables	3,045,081	1,739,596	4,597,698	2,108,134
Profits from insurance events	112,537	112,537	41,976	95
Income on miscellaneous sales	75,520	1,452	182,491	29,134
Raw materials sales income	5,523	1,551	111,520	101,497
Other income	122,222	26,940	78,861	38,953
	3,360,883	**1,882,076**	**5,012,546**	**2,277,813**

(*) Other income consists of spare parts sales income, compensation income and income from return invoices.

Other Operating Expenses

	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Foreign exchange losses on trade receivables/payables	3,454,999	2,220,662	4,544,962	2,219,159
Taxes, duties and charges	78,612	50,514	69,057	28,222
Miscellaneous cost of sales	36,941	20,066	144,671	124,401
Raw material cost of sales	2,587	968	-	-
Other expenses	45,952	10,400	250,128	175,151
	3,619,091	**2,302,610**	**5,008,818**	**2,546,933**

NOTE 20 – INCOME / (EXPENSES) FROM INVESTING ACTIVITIES

	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Gain on sale of property, plant and equipment (*)	-	-	1,045	-
Income from fund sales	92,066	92,066	-	-
Loss on sale of property, plant and equipment (*)	(260,310)	(38,285)	(93,309)	(2,218)
	(168,244)	**53,781**	**(92,264)**	**(2,218)**

(*) The disposals comprise the sale of land, machinery, and equipment that were idle within the Group.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 21 – EXPENSES BY NATURE

	1 January- 30 June 2026	1 January- 30 June 2025
Direct raw materials expense	24,492,926	19,060,587
Depreciation and amortization expenses (Note 10)	5,147,619	2,881,201
Labor and personnel expenses	2,684,491	2,041,147
Energy expenses	1,873,892	1,672,389
Export and freight costs	1,138,097	1,187,231
Spare parts and maintenance expenses	433,985	314,278
Insurance expenses	308,884	566,821
Taxes and duties expenses	245,810	39,662
Other idle period expense	244,623	715,777
Severance and notice pay	128,548	164,130
Cost of waste goods sold	93,046	94,120
Consultancy expenses	64,007	53,442
Auxiliary service expenses	31,560	24,934
Material maintenance and repair expenses	24,303	32,091
Litigation provision (Note 12)	17,888	343
Usage of semi-finished product	(46,071)	(87,710)
In-period product utilization	(2,225,177)	(233,907)
	35,137,960	**29,027,080**

NOTE 22 - FINANCIAL INCOME

	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Foreign exchange income	1,776,314	142,935	402,852	241,323
Interest income	321,314	41,229	173,632	59,527
Fair value difference of derivative financial instruments	35,842	-	-	-
	2,133,470	**184,164**	**576,484**	**300,850**

NOTE 23 - FINANCE EXPENSES

	1 January- 30 June 2026	1 April- 30 June 2026	1 January- 30 June 2025	1 April- 30 June 2025
Foreign exchange expenses	10,782,964	6,281,398	32,603,340	23,984,874
Interest expenses	10,393,843	6,819,190	9,866,492	8,220,503
Commission and other bank cost expenses	947,878	283,591	212,828	111,653
	22,124,685	**13,384,179**	**42,682,660**	**32,317,030**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 24 – ANALYSIS OF OTHER COMPREHENSIVE INCOME ITEMS

	30 June 2026	31 December 2025
Property, plant and equipment revaluation fund	34,939,734	32,106,451
Defined benefit plans remeasurement gain	(67,824)	(67,824)
	34,871,910	**32,038,627**

Property, plant and equipment revaluation fund

	1 January- 30 June 2026	1 January- 30 June 2025
Balances at the beginning of the period	32,106,451	9,495,950
Revaluation of property, plant and equipment (Note 10)	-	-
Arising from revaluation transaction deferred tax liabilities (Note 25)	2,833,283	-
Balances at the end of the period	**34,939,734**	**9,495,950**

Property, plant and equipment revaluation fund arises as a result of the revaluation of buildings and lands. In case of disposal of a revalued building or land, the part of the revaluation fund associated with the sold asset is transferred directly to retained earnings.

Defined benefits plan remeasurement gain

	1 January- 30 June 2026	1 January- 30 June 2025
Balances at the beginning of the period	(67,824)	(73,901)
Increase/(Decrase) during the period (Note 14)	-	4,485
Deferred tax effect (Note 25)	-	(1,122)
Balances at the end of the period	**(67,824)**	**(70,538)**

NOTE 25 - TAX ASSETS AND LIABILITIES

	30 June 2026	31 December 2025
Prepaid taxes and funds	(49,132)	(56,710)
Balances at the end of the period	**(49,132)**	**(56,710)**

Deferred Taxes

The Group calculates its deferred income tax assets and liabilities by taking into account the effects of temporary differences that arise as a result of different evaluations in the financial statements prepared in accordance with the Turkish Accounting Standards and the financial statements prepared in accordance with the Turkish Commercial Code and tax laws. These differences usually result in the recognition of revenue and expenses in different reporting periods for Turkish Financial Reporting Standards and tax purposes.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 25 - TAX ASSETS AND LIABILITIES (cont'd)

Deferred Taxes (cont'd)

With the amendment to Law No. 7582 published in the Official Gazette dated June 4, 2026, the corporate tax rate applicable to the earnings of institutions holding an industrial registration certificate and actually carrying out production activities, from January 1, 2027 onwards, has been reduced from 25% to 12.5%. While this regulation does not affect the Group's current period tax expense, the tax rate used in calculating deferred tax assets and liabilities arising from temporary differences expected to occur until January 1, 2027, is based on 25%, while the rate used for temporary differences expected to occur after this date is 12.5%.

The composition of cumulative temporary differences and the related deferred tax assets and liabilities in respect of items for which deferred income tax has been provided as of 30 June 2026 and 31 December 2025 using the enacted tax rates are as follows:

	Cumulative temporary difference		**Deferred tax asset /(liability)**	
	30 June 2026	**31 December 2025**	**30 June 2026**	**31 December 2025**
Net difference between recorded value of property, plant and equipment and intangible assets and tax value	67,479,280	34,727,688	(8,434,910)	(8,681,922)
Property, plant and equipment revaluation difference	36,773,142	36,773,142	(2,529,094)	(6,907,108)
Investment incentives deduction to be used (*)	(79,676,312)	(85,002,512)	73,898,317	78,356,297
Deductible accumulated financial losses (**)	(60,001,692)	(48,583,806)	7,500,212	11,332,334
Provision for employment termination benefits	(380,232)	(345,878)	47,529	86,470
Valuation differences of inventories	(533,268)	(1,248,841)	133,317	312,211
Adjustment for advances given and received, net	64,112	351,433	(16,028)	(87,858)
Adjustment of periodicity of sales	(412,732)	(83,444)	103,183	20,861
Provision for unused vacation	(55,792)	(41,041)	13,948	10,260
Provision for litigation	(48,128)	(38,946)	12,032	9,736
Provision for doubtful receivables	(6,920)	(9,863)	1,730	2,466
Provision for export expense	-	(40,445)	-	10,112
Adjustments for foreign currency exchange difference	(153,408)	(272,374)	38,352	68,094
Adjustments relating to derivative financial assets	829,936	75,623	(103,742)	(18,906)
Interest accrual on borrowings and amortized discount adjustment	35,840	174,871	(8,960)	(43,718)
Other Adjustments	(46,060)	(54,119)	11,515	13,529
Deferred tax assets	-	-	81,760,135	90,222,370
Deferred tax liabilities	-	-	(11,092,734)	(15,739,512)
Deferred tax asset, net			**70,667,401**	**74,482,858**

(*) The related amount is explained in the section of government incentives and grants.

(**) The deferred tax effect of deductible financial losses is calculated separately for each company within the scope of consolidation. As of 30 June 2026, the Group has recognized a deferred tax asset amounting to TL 7,500,212 to be utilized within the next five years from its deductible financial losses.

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 25 - TAX ASSETS AND LIABILITIES (cont'd)

Deferred Taxes (cont'd)

The details of the Group's available prior-year tax losses by their expiry dates as of 30 June 2026 and 31 December 2025 are presented below:

	30 June 2026	31 December 2025
Expired in 2029	15,523,330	15,523,330
Expired in 2030	33,060,476	33,060,476
Expired in 2031	11,417,886	-
	60,001,692	**48,583,806**

Allocation of deferred tax on group company basis is as follows:

	30 June 2026	31 December 2025
Sasa Polyester San. A.Ş.	70,640,292	74,450,935
Sasa Dış Ticaret A.Ş.	27,109	31,923
	70,667,401	**74,482,858**

Movement table of deferred tax is as follows:

	1 January - 30 June 2026	1 January - 30 June 2025
Balances at 1 January	74,482,858	83,566,426
Deferred tax (expense)/income of the period	(6,648,740)	3,642,370
Deferred tax expense recognized under other comprehensive income (Note 25)	2,833,283	(1,122)
Balances at 30 June	**70,667,401**	**87,207,674**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

Tax Reconciliation

	1 January – 30 June 2026	**1 January – 30 June 2025**
(Loss) / Profit before tax from operating activities	7,140,734	(15,316,247)
Income tax rate: 25% (2025: 25%)	(1,785,184)	3,829,062
Tax effects:		
-Non-deductible expenses	(481,225)	115,657
-Effects of reduced corporate tax application	4,457,980	(3,638,666)
-Effect of tax rate change (*)	(7,655,104)	-
-Other adjustments and monetary gain / (loss)	(1,185,207)	3,336,317
Tax provision income in the (expense) / income statement	**(6,648,740)**	**3,642,370**

(*) With the amendment to Law No. 7582 published in the Official Gazette dated June 4, 2026, the corporate tax rate applicable to the earnings of institutions holding an industrial registration certificate and actually carrying out production activities, from January 1, 2027 onwards, has been reduced from 25% to 12.5%. While this regulation does not affect the Group's current period tax expense, the tax rate used in calculating deferred tax assets and liabilities arising from temporary differences expected to occur until January 1, 2027, is based on 25%, while the rate used for temporary differences expected to occur after this date is 12.5%. The impact of this rate difference on the period's tax expense/income is shown in the tax reconciliation.

Corporate Tax

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

In Türkiye, the corporate income tax rate is 25% as of June 30, 2026 (December 31, 2025: 25%).

The corporate income tax rate is applied to taxable corporate income, which is determined by adding non-deductible expenses under tax legislation to accounting profit and deducting exemptions and incentives available under tax laws. Pursuant to Law No. 7582, published on June 4, 2026, the corporate income tax rate applicable to income derived from manufacturing activities of corporations holding an industrial registration certificate and actively engaged in production has been reduced from 25% to 12.5%, effective from January 1, 2027. While this amendment does not affect the current period tax calculations, it has been reflected in the deferred tax calculations included in the financial statements as of June 30, 2026, taking into consideration whether the related income is expected to arise from production or non-production activities.

NOTE 25 - TAX ASSETS AND LIABILITIES (cont'd)

Corporate Tax (cont'd)

Government Grants and Incentives

As a result of, a Company of the Group, Sasa Polyester Sanayi A.Ş.'s application to Ministry of Economy General Directorate of Incentive Practices and Foreign Capital for incentive certificate, the incentive application related to the Polymer Production Facility Investment is included in the Project-Based Government Incentives for Investments that is enacted with the resolution of the Council of Ministers, and it is approved by the 30 April 2018 dated Council of Ministers and published on the 23 June 2018 dated Official Gazette. The investment amount related to the incentive is TL 2,906,598 (thousand), and the incentives for the investment are as follows:

- Corporate Tax Reduction (tax reduction rate: 100%, investment contribution rate: 104%, available rate of the investment contribution amount for the investment period: 100%),
- VAT Exemption,
- Custom Duty Exemption,
- VAT Refund,
- Employer's National Insurance Contribution (10 years without a maximum amount limit),
- Income Tax Withholding Contribution (10 years),
- Qualified Personnel Contribution (maximum TL 10,000),
- Interest and/or Dividend Contribution (maximum 10 years as of loan usage date providing not exceeding TL 105,000),
- Energy Contribution (50% of energy consumption up to 10 years from the startup date providing not exceeding TL 300,000)

As a result of the incentive certificate application made by Sasa Polyester Sanayi A.Ş., one of the group companies, to the General Directorate of Incentives Implementation and Foreign Capital of the Ministry of Industry and Technology of the Republic of Turkey, it received an investment incentive certificate on January 4, 2021, for PTA and Polymer Chips Production Facilities Investment.

The amount of investment subject to incentive has reached to TL 56,296,668 (31 December 2025: TL 56,296,668) as of the report date after the revisions made and the incentive elements benefited by the investment are as follows.

- Custom Duty Exemption,
- VAT Exemption,
- VAT Return,
- Corporate Tax Reduction (tax reduction rate: 100%, investment contribution rate: 85%, available rate of the investment contribution amount for the investment period: 100%),
- Employer's National Insurance Contribution (10 years without a maximum amount limit),
- Income Tax Withholding Contribution (10 years),
- Qualified Personnel Contribution (maximum TL 30,000),
- Energy Contribution (50% of energy consumption up to 10 years from the startup date providing not exceeding TL 50,000),

NOTE 25 - TAX ASSETS AND LIABILITIES (cont'd)

Corporate Tax (cont'd)

Government Grants and Incentives (cont'd)

As a result of a Company of the Group, Sasa Polyester Sanayi A.Ş.'s application to the General Directorate of Incentive Implementation and Foreign Capital of the Ministry of Industry and Technology, it received an investment incentive certificate for Fiber Production Facility Investment on 13 September 2023.

The amount of investment subject to incentive has reached to TL 9,951,281 (31 December 2025: TL 9,951,281) as of the report date after the revisions made and the incentive elements benefited by the investment are as follows.

- Custom Duty Exemption,
- VAT Exemption,
- VAT Return,
- Corporate Tax Reduction (tax reduction rate: 80%, investment contribution rate: 40%)
- Employer's National Insurance Contribution (7 years),
- Interest Support (5 points will be applied for TL loan/dividend share, 2 points will be applied for foreign currency or foreign currency indexed loan/dividend share).

As a result of a Company of the Group, Sasa Polyester Sanayi A.Ş.'s application to the General Directorate of Incentive Implementation and Foreign Capital of the Ministry of Industry and Technology, it received an investment incentive certificate for Solar Power Plant (SPP) Investment on 5 September 2023.

The investment amount related to the incentive is TL 336,066 (31 December 2025: TL 336,066) and the incentives for the investment are as follows.

- VAT Exemption,
- Corporate Tax Reduction (tax reduction rate: 70%, investment contribution rate: 30%)
- Employer's National Insurance Contribution (6 years),

As a result of the incentive certificate application submitted by Sasa Polyester Sanayi A.Ş., one of the group companies, to the Republic of Türkiye Ministry of Industry and Technology, Directorate General of Incentive Implementation and Foreign Investment, investment incentive certificates were obtained on February 20 and 25, 2025 for the Solar Power Plant (SPP) Investment.

As of the report date, the investment amount subject to the incentive is 816,634 TL, and the incentive elements utilized by the investment are as follows:

- VAT Exemption,
- Corporate Tax Reduction (tax reduction rate: 70%, investment contribution rate: 30%)
- Employer's National Insurance Contribution (6 years),

The Group has taxable assets of TL 73,898,317 as of June 30, 2026, to be used in subsequent periods related to these investments (2025: TL 78,356,297).

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 25 - TAX ASSETS AND LIABILITIES (cont'd)

Corporate Tax (cont'd)

Government Grants and Incentives (cont'd)

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TFRS. These differences are generally due to the fact that the tax base amounts of some income and expense items take place in different periods in the legal financial statements and the financial statements prepared in accordance with TFRS. The Group has deferred tax assets amounting to TL 68,125,661 that can be deducted from future profits. The partially or wholly recoverable amount of deferred tax assets has been estimated under current conditions.

The main factors which are considered include future earnings potential and other tax assets expiring; the carry-forward period associated with the deferred tax assets and tax-planning strategies that would, if necessary, be implemented. As of 30 June 2026, the following assumptions were used in the calculation of the recoverable amount of deferred tax assets:

- There is no time restriction on this incentive.
- Based on the consolidated tax profit projections prepared by the management. The Company's growth assumptions are based on 2026 when the investments are planned to be completed.
- Long-term inflation expectation of 17% was used in the prepared profit projections. The 2026 year-end exchange rate expectation is 52.5 and the long-term exchange rate increase expectation is 10% - 15% (in USD basis).
- Possible tax planning strategies have been considered.

As a result of the assessments made according to the available analyses, the Group Management has concluded that the deferred tax asset calculated within the scope of the incentive certificate is recoverable. It is anticipated that the deferred tax assets in question will be recovered within 7 years starting from 2026. In the probability of 10% deviation in the profitability of the projections, there is no change in this predicted recovery period.

NOTE 26 - EARNINGS PER SHARE

Earnings per share disclosed in the consolidated statement of profit or loss are determined by dividing net income by the weighted average number of shares in existence during the year concerned. In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to shareholders from retained earnings. Such "bonus share" distributions are treated as issued shares in earnings per share computations. Accordingly, the weighted average number of shares used in earnings per share computations is calculated by taking into consideration the retrospective effect of such share distributions. As of 30 June 2026, the Company is not presenting the diluted earnings per share since the convertible debt is antidilutive.

	1 January- 30 June 2026	**1 April- 30 June 2026**	**1 January- 30 June 2025**	**1 April- 30 June 2025**
Net profit	491,994	(1,361,920)	(11,673,877)	(13,664,193)
Weighted average number of shares:				-
Weighted average number of ordinary shares	47,040,878,515	47,040,878,515	47,040,878,515	47,040,878,515
Earnings per share with a nominal value of 1 TL (full TL)	0,0105	(0.0290)	(0.2482)	(0.2905)

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 27 - RELATED PARTY DISCLOSURES

a) Trade receivables from related parties:

The Group's receivables from related parties consist of trade receivables arising from product sales to related parties.

	30 June 2026	31 December 2025
Özerdem Mensucat San. Tic. A.Ş. (3)	1,096,646	668,214
Merinos Halı San. Tic. A.Ş. (2)	361,771	167,210
Zeki Mensucat Sanayi ve Tic. A.Ş. (3)	23,985	-
Erdemoğlu Holding A.Ş. (1)	2,000	-
Akal İplik Tekstil San Tic. A.Ş. (2)	466	-
	1,484,868	**835,424**

b) Contract liabilities arising from customer contracts with related parties:

The Group’s contract liabilities arising from related parties consist of advances received in connection with product sales to be made to its related parties.

Obligations arising from short-term customer contracts	30 June 2026	31 December 2025
Merinos Halı San. Tic. A.Ş. (2)	-	267,869
Zeki Mensucat Sanayi ve Tic. A.Ş (3)	-	167
	-	**268,036**

c) Other payables to related parties:

	30 June 2026	31 December 2025
Erdemoğlu Holding A.Ş. (1)	8,226,653	8,868,505
Merinos Halı San. Tic. A.Ş. (2)	-	13,522,545
	8,226,653	**22,391,050**

Monthly interest is charged on the amount lent to the Group by Erdemoğlu Holding A.Ş. and Merinos Halı Sanayi ve Ticaret A.Ş.

The Group sells chips, fiber, yarn, and POY products to its related parties.

	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
	Product	Product	Product	Product
Zeki Mensucat Sanayi ve Tic. A.Ş. (3)	1,686,701	1,332,764	810,546	548,305
Merinos Halı San. Tic. A.Ş. (2)	1,209,982	839,533	1,167,866	693,509
Özerdem Mensucat San. Tic. A.Ş. (3)	1,092,247	724,085	811,230	342,183
Akal İplik Tekstil San Tic. A.Ş. (2)	2,279	1,908	1,334	1,009
Erdemoğlu Holding A.Ş. (1)	1,667	1,667	-	-
	3,992,876	**2,899,957**	**2,790,976**	**1,585,006**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 27 - RELATED PARTY DISCLOSURES (cont'd)

d) Purchases from related parties:

	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
	Product	**Product**	**Product**	**Product**
Erdemoğlu Holding A.Ş.	218,741	103,702	200,754	54,792
Merinos Halı San. Tic. A.Ş.	34,887	1,645	165,437	158,464
Zeki Mensucat Sanayi ve Tic. A.Ş.	314	314	444	444
	253,942	**105,661**	**366,635**	**213,700**

(1) Parent company
(2) Other companies controlled by the parent company
(3) Companies controlled by the shareholders of the parent company

e) Foreign exchange difference and interest income from related parties:

	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
Özerdem Mensucat San. Tic. A.Ş. (3)	35,391	16,116	42,037	19,297
Merinos Halı San. Tic. A.Ş. (2)	3,756	1,786	2,926	198
Zeki Mensucat Sanayi ve Tic. A.Ş. (3)	123	5	44	-
Akal İplik Tekstil San Tic. A.Ş. (2)	23	23	5	2
	39,293	**17,930**	**45,012**	**19,497**

(1) Parent company
(2) Other companies controlled by the parent company
(3) Companies controlled by the shareholders of the parent company

f) Remuneration of the Board of Directors and key management personnel amounts;

As of 30 June 2026 and 2025, remuneration of the Board of Directors and key management personnel amounts are as follows:

	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
Short-term benefits provided to key management	52,781	27,333	51,915	25,776
	52,781	**27,333**	**51,915**	**25,776**

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial Risk Management

Financial risk factors

The Group is exposed to various financial risks arising from its operations. These risks include market risk (comprising foreign currency risk and interest rate risk), credit risk, liquidity risk, and funding risk. The Group's overall risk management program focuses on the unpredictability of financial markets and aims to minimize the potential adverse effects on the Group's financial performance.

Financial Risk management is carried out by the Group's Finance Unit, within the framework of policies approved by the Management, excluding receivables. The Finance department establishes close cooperation with the other units of the Group and ensures that financial risks are identified, evaluated and protected from risk.

The Group is exposed to foreign exchange risk arising from exchange rate fluctuations due to the translation of foreign currency-denominated payables and receivables into Turkish Lira. This foreign exchange risk is monitored through analysis of the foreign currency position and is limited by foreign currency sales transactions.

Foreign exchange risk management

The Group is subject to foreign exchange risk due to foreign currency denominated liabilities and assets' conversion to Turkish Lira. Foreign exchange risk is traced through regular analysis of foreign currency position and minimized mostly with foreign currency sales.

Assets and liabilities denominated in foreign currencies as of 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026		
	TL Equivalent	**(thousand) US Dollar**	**(thousand) Euro**
Trade receivables	10,418,718	141,964	71,356
Monetary financial assets (Including cash and banks)	3,746,452	5,181	65,900
Other	7,849,200	94,537	64,650
Current assets	**22,014,370**	**241,682**	**201,906**
Total assets	**22,014,370**	**241,682**	**201,906**
Trade payables (including other payables)	29,173,831	176,219	393,960
Financial liabilities	27,333,960	66,854	455,314
Other	3,828,373	54,099	24,523
Current liabilities	**60,336,164**	**297,172**	**873,797**
Trade payables (including other payables)	1,166,465	25,000	-
Financial liabilities	92,195,695	231,786	1,530,225
Other	8,226,658	176,316	-
Non-current liabilities	**101,588,818**	**433,102**	**1,530,225**
Total liabilities	**161,924,982**	**730,274**	**2,404,022**
Net foreign currency position	**(139,910,612)**	**(488,592)**	**(2,202,116)**
Net foreign currency position of derivative contracts	35,792	-	673
Net foreign currency position	**(139,874,820)**	**(488,592)**	**(2,201,443)**

In the first half of 2026, imports amounted to USD 526 million (2025: USD 646 million) and exports amounted to USD 262 million (2025: USD 349 million).

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial Risk Management (cont'd)

Foreign exchange risk management (con'd)

	31 December 2025		
	TL Equivalent	(thousand) US Dollar	(thousand) Euro
Trade receivables	7,580,855	104,551	38,709
Monetary financial assets (Including cash and banks))	761,712	6,622	7,198
Other	4,215,466	81,298	1,791
Current assets	**12,558,033**	**192,471**	**47,698**
Total assets	**12,558,033**	**192,471**	**47,698**
Trade payables (including other payables)	23,326,108	232,780	194,871
Financial liabilities	43,310,835	60,200	678,800
Other	-	-	-
Current liabilities	**66,636,943**	**292,980**	**873,671**
Trade payables (including other payables)	1,684,821	33,333	-
Financial liabilities	92,987,382	237,250	1,365,346
Other	22,410,152	443,369	-
Non-current liabilities	**117,082,355**	**713,952**	**1,365,346**
Total liabilities	**183,719,298**	**1,006,932**	**2,239,017**
Net foreign currency position	**(171,161,265)**	**(814,461)**	**(2,191,319)**
Net foreign currency position of derivative contracts	174,871	-	2,948
Net foreign currency position	**(170,986,394)**	**(814,461)**	**(2,188,371)**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 28 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management (cont'd)

Foreign exchange risk management (con'd)

Foreign currency sensitivity

	Profit / (Loss)	
As of 30 June 2026;	**Appreciation of foreign currency**	**Depreciation of foreign currency**
20% change in USD against TL:		
USD net asset	(4,559,404)	4,559,404
Portion of hedged from the USD risk	-	-
USD Net effect	**(4,559,404)**	**4,559,404**
20% change in EUR against TL:		
EUR net asset	(23,415,560)	23,415,560
Portion of hedged from the EUR risk	-	-
EUR Net Effect	**(23,415,560)**	**23,415,560**
Total	**(27,974,964)**	**27,974,964**

	Profit / (Loss)	
As of 31 December 2025;	**Appreciation of foreign currency**	**Depreciation of foreign currency**
20% change in USD against TL:		
USD net asset	(7,600,322)	7,600,322
Portion of hedged from the USD risk	-	-
USD Net effect	**(7,600,322)**	**7,600,322**
20% change in EUR against TL:		
EUR net asset	(23,307,877)	23,307,877
Portion of hedged from the EUR risk	-	-
EUR Net Effect	**(23,307,877)**	**23,307,877**
Total	**(30,908,199)**	**30,908,199**

(Amounts expressed in thousand TL based on the purchasing power of Turkish Liras as of 30 June 2026, unless otherwise stated.)

NOTE 29 – DERIVATIVE INSTRUMENTS

The distribution of derivative instruments as at 30 June 2026 and 2025 is as follows:

	30 June 2026	31 December 2025
Fair Value Measurement of Derivative Financial Instruments	35,842	174,871
	35,842	**174,871**

Derivative instruments are recognized at their fair value as of the date on which the related derivative contract is entered into and are remeasured at their fair values at each subsequent reporting date. The Group does not have any derivative transactions that meet the criteria for hedge accounting; instead, it has derivative transactions held for trading purposes. Therefore, the fair values of the Group's derivative instruments are recognized in the consolidated statement of profit or loss.

NOTE 30 - DISCLOSURES ON NET MONETARY POSITION GAINS/LOSSES

	1 January – 30 June 2026	1 April – 30 June 2026	1 January – 30 June 2025	1 April – 30 June 2025
Non-monetary items				
Statement of financial position items	**12,165,314**	**5,465,778**	**13,362,740**	**7,765,579**
Inventories	275,368	83,288	195,486	59,127
Prepaid Expenses	8,389	2,822	16,495	(5,709)
Tangible Fixed Assets	39,283,095	17,933,850	38,681,118	18,534,866
Intangible Assets	180,140	71,233	310,014	113,117
Liabilities from customer contracts	(8,622)	(5,571)	(6,526)	(5,091)
Paid-in Capital	(11,908,963)	(6,022,180)	(12,127,529)	(6,217,081)
Restricted Reserves	(4,430,153)	(1,596,207)	(4,788,612)	(2,750,159)
Share Premiums	(2,681,326)	(549,906)	(3,033,935)	(1,092,970)
Accumulated losses not to be reclassified to profit or loss				
Other Comprehensive Income / (Expenses)	(4,831,450)	(2,789,289)	(2,290,840)	(1,719,301)
Retained Earnings	(3,721,164)	(1,662,262)	(3,592,931)	848,780
Statement of Profit or Loss Items	**11,655,370**	**11,022,997**	**12,960,464**	**11,677,208**
Revenue	(1,720,393)	(1,393,993)	(1,204,037)	(898,703)
Cost of Sales (-)	2,402,355	1,771,106	1,162,094	867,141
General Administrative Expenses (-)	24,537	18,935	26,959	20,581
Marketing Expenses (-)	13,027	10,336	10,509	7,935
Research and Development Expenses (-)	239	114	448	403
Other Operating Income	(191,024)	(166,021)	(90,736)	(84,197)
Other Operating Expenses (-)	217,242	182,127	293,917	280,214
Income/Expenses from Investing Activities	4,531	2,576	(98)	(1,164)
Financing Revenues	(125,349)	(120,586)	(19,734)	(11,562)
Finance Expenses (-)	996,430	718,055	839,401	712,316
Deferred Tax Income/Expense	10,033,775	10,000,348	11,941,741	10,784,244
Gains on Net Monetary Position	**23,820,684**	**16,488,775**	**26,323,204**	**19,442,787**

NOTE 31 - EVENTS AFTER THE BALANCE SHEET DATE

Within the scope of the Board of Directors' resolution dated 23 June 2026, an application was submitted to the Capital Markets Board ("CMB") on 23 June 2026 for the purpose of meeting the conversion requests received from the holders of the Convertible Bonds issued abroad between 8 May 2026 and 2 June 2026. Accordingly, it was resolved to increase the Company's issued share capital from TL 47,040,878 to TL 52,501,931 by TL 5,461,052 through a conditional and private placement capital increase and to amend Article 8 of the Company's Articles of Association. The application was approved on 8 July 2026, after the reporting date, and the amendment to the Articles of Association was registered by the Adana Trade Registry Office and announced in the Turkish Trade Registry Gazette dated 5 August 2026 and numbered 11637.

Of the convertible bonds with an aggregate nominal value of EUR 415,000,000 issued by Sasa Polyester Sanayi A.Ş., one of the Group companies, in January 2026, conversion requests were submitted on 8 July 2026 for bonds with a nominal value of EUR 259,400,000. The conversion was carried out at a conversion price of EUR 0.0475. As a result of the transaction, the Turkish lira equivalent of the converted bonds was calculated as TL 5,461,052.

Due to the Group's failure to meet the performance criteria stipulated in the contractual terms of some of its loans, a letter waiving the financial performance criteria for its loan classified as short-term borrowing was approved by the banks on July 31, 2026 and August 7, 2026.