(CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONDENSED INTERIM FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH - SEE NOTE 18)

İSKENDERUN DEMİR VE ÇELİK A.Ş.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 30 SEPTEMBER 2026

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İSKENDERUN DEMİR VE ÇELİK A.Ş.

CONDENSED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2026

(Amounts are expressed as Turkish Lira ("TRY Thousand") unless otherwise indicated.)

ASSETS	Note	(Unaudited) Current Period 30 September 2026 USD'000	(Unaudited) Current Period 30 September 2026 TRY'000	(Audited) Previous Period 31 December 2025 USD'000	(Audited) Previous Period 31 December 2025 TRY'000
Current Assets		**2.063.114**	**100.948.727**	**2.383.179**	**102.108.960**
Cash and Cash Equivalents		789.437	38.627.406	1.184.181	50.737.047
Trade Receivables		110.828	5.422.876	182.129	7.803.468
Due From Related Parties	*3*	*87.668*	*4.289.643*	*127.894*	*5.479.725*
Other Trade Receivables from Third Parties		*23.160*	*1.133.233*	*54.235*	*2.323.743*
Other Receivables		4.859	237.729	5.122	219.463
Financial Derivative Instruments		159	7.763	41	1.745
Inventories	4	1.042.099	50.990.225	912.959	39.116.364
Prepaid Expenses		25.425	1.244.032	13.065	559.786
Other Current Assets		90.307	4.418.696	85.682	3.671.087
Non Current Assets		**3.174.936**	**155.350.631**	**3.153.992**	**135.134.996**
Financial Investments		1.460	71.433	1.699	72.798
Other Receivables		95	4.659	109	4.659
Investments Accounted For Using Equity Method	5	37.579	1.838.759	34.337	1.471.206
Property, Plant and Equipment	6	3.015.720	147.560.092	2.972.440	127.356.257
Right of Use Assets		23.758	1.162.492	21.385	916.253
Intangible Assets	6	38.875	1.902.178	40.543	1.737.102
Prepaid Expenses		57.449	2.811.018	83.479	3.576.721
Prepaid Expenses to Related Parties	*3*	*1.306*	*63.905*	*1.306*	*55.958*
Other Prepaid Expenses to Third Parties		*56.143*	*2.747.113*	*82.173*	*3.520.763*
TOTAL ASSETS		**5.238.050**	**256.299.358**	**5.537.171**	**237.243.956**

The details of presentation currency translation to TRY explained in Note 2.1.

İSKENDERUN DEMİR VE ÇELİK A.Ş.

CONDENSED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2026

(Amounts are expressed as Turkish Lira ("TRY Thousand") unless otherwise indicated.)

LIABILITIES	Note	(Unaudited) Current Period 30 September 2026 USD'000	(Unaudited) Current Period 30 September 2026 TRY'000	(Audited) Previous Period 31 December 2025 USD'000	(Audited) Previous Period 31 December 2025 TRY'000
Current Liabilities		**1.288.624**	**63.167.420**	**1.058.751**	**45.445.629**
Short Term Borrowings	7	5.324	260.994	122.404	5.253.933
Short Term Portion of Long Term Borrowings	7	446.490	21.886.206	90.684	3.892.436
Trade Payables		779.039	38.188.356	791.449	33.972.174
Due to Related Parties	*3*	*122.652*	*6.012.185*	*146.368*	*6.282.560*
Other Trade Payables to Third Parties		*656.387*	*32.176.171*	*645.081*	*27.689.614*
Payables for Employee Benefits	9	19.802	970.665	21.286	913.673
Other Payables		6.134	300.678	4.721	202.656
Financial Derivative Instruments		-	-	37	1.605
Deferred Revenue		14.525	711.972	9.645	414.012
Current Tax Liabilities	11	4.914	240.873	6.866	294.727
Short Term Provisions	8	11.056	541.971	9.063	388.998
Other Current Liabilities		1.340	65.705	2.596	111.415
Non Current Liabilities		**529.010**	**25.931.213**	**1.030.255**	**44.221.501**
Long Term Borrowings	7	313.941	15.388.874	712.898	30.599.656
Long Term Provisions		74.901	3.671.538	62.607	2.687.257
Long Term Provisions for Employee Benefits	*9*	*74.901*	*3.671.538*	*62.607*	*2.687.257*
Deferred Tax Liabilities	11	140.168	6.870.801	254.750	10.934.588
EQUITY		**3.420.416**	**167.200.725**	**3.448.165**	**147.576.826**
Share Capital	12	1.474.105	2.900.000	1.474.105	2.900.000
Inflation Adjustment to Capital		85	164	85	164
Other Comprehensive Income/Expense Not to be Reclassified to Profit/ (Loss)		(75.907)	86.931.338	(69.296)	75.212.219
Actuarial (Loss)/ Gain Funds		*(75.907)*	*(1.305.948)*	*(69.296)*	*(998.177)*
Foreign Currency Translation Reserves		-	*88.237.286*	-	*76.210.396*
Other Comprehensive Income/Expense to be Reclassified to Profit/ (Loss)		99	4.873	1	24
Cash Flow Hedging Gain (Loss)		*99*	*4.873*	*1*	*24*
Restricted Reserves Assorted from Profit		516.863	4.528.060	487.715	3.237.560
Retained Earnings		1.231.649	60.373.451	1.400.534	60.114.965
Net Profit for the Period		273.522	12.462.839	155.021	6.111.894
TOTAL LIABILITIES AND EQUITY		**5.238.050**	**256.299.358**	**5.537.171**	**237.243.956**

The details of presentation currency translation to TRY explained in Note 2.1.

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

İSKENDERUN DEMİR VE ÇELİK A.Ş.

CONDENSED STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2026

(Amounts are expressed as of Turkish Lira ("TRY Thousand") unless otherwise indicated.)

	Note	(Unaudited) Current Period 1 January - 30 September 2026 USD'000	(Unaudited) Current Period 1 January - 30 September 2026 TRY'000	(Unaudited) Current Period 1 July - 30 September 2026 TRY'000	(Unaudited) Previous Period 1 January - 30 September 2025 USD'000	(Unaudited) Previous Period 1 January - 30 September 2025 TRY'000	(Unaudited) Previous Period 1 July - 30 September 2025 TRY'000
Revenue	13	2.341.068	106.669.136	38.812.513	2.314.814	89.151.372	33.498.767
Cost of Sales	13	(2.111.454)	(96.206.945)	(34.272.265)	(2.130.165)	(82.039.919)	(30.984.722)
GROSS PROFIT/(LOSS)		**229.614**	**10.462.191**	**4.540.248**	**184.649**	**7.111.453**	**2.514.045**
Marketing, Sales and Distribution Expenses	14	(29.786)	(1.357.165)	(526.970)	(26.051)	(1.003.301)	(358.633)
General Administrative Expenses	14	(49.533)	(2.256.939)	(809.956)	(40.085)	(1.543.809)	(543.977)
Research and Development Expenses		(71)	(3.216)	(1.139)	(65)	(2.502)	(915)
Other Operating Income	14	22.918	1.044.222	350.155	22.174	853.994	266.853
Other Operating Expenses	14	(16.548)	(753.979)	(246.508)	(11.261)	(433.704)	(145.349)
OPERATING PROFIT/(LOSS)		**156.594**	**7.135.114**	**3.305.830**	**129.361**	**4.982.131**	**1.732.024**
Income from Investing Activities		210	9.549	1.039	-	-	-
Expenses from Investing Activities		(312)	(14.186)	(4.402)	(462)	(17.808)	(10.228)
Share of Investments' Profit Accounted by Using The Equity Method	5	6.289	286.532	71.393	2.080	80.098	41.077
OPERATING PROFIT/(LOSS) BEFORE FINANCE INCOME/ (EXPENSE)		**162.781**	**7.417.009**	**3.373.860**	**130.979**	**5.044.421**	**1.762.873**
Finance Income	15	55.662	2.536.191	692.422	58.059	2.236.058	480.927
Finance Expense	15	(53.676)	(2.445.688)	(833.514)	(79.170)	(3.049.089)	(824.756)
PROFIT/(LOSS) BEFORE TAX		**164.767**	**7.507.512**	**3.232.768**	**109.868**	**4.231.390**	**1.419.044**
Tax (Expense)/ Income	11	108.755	4.955.327	1.236	10.360	398.991	170.512
Current Corporate Tax (Expense)/ Income		(4.914)	(223.900)	(94.514)	(5.206)	(200.515)	(68.271)
Deferred Tax (Expense)/ Income		113.669	5.179.227	95.750	15.566	599.506	238.783
NET PROFIT/(LOSS) FOR THE PERIOD		**273.522**	**12.462.839**	**3.234.004**	**120.228**	**4.630.381**	**1.589.556**
Earnings/(Loss) per share (TRY 1 Nominal value per share)			4,2975	1,1152		1,5967	0,5481

The details of presentation currency translation to TRY explained in Note 2.1.

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

İSKENDERUN DEMİR VE ÇELİK A.Ş.

CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2026

(Amounts are expressed as of Turkish Lira ("TRY Thousand") unless otherwise indicated.)

	Note	(Unaudited) Current Period 1 January - 30 September 2026 USD'000	(Unaudited) Current Period 1 January - 30 September 2026 TRY'000	(Unaudited) Current Period 1 July - 30 September 2026 TRY'000	(Unaudited) Previous Period 1 January - 30 September 2025 USD'000	(Unaudited) Previous Period 1 January - 30 September 2025 TRY'000	(Unaudited) Previous Period 1 July - 30 September 2025 TRY'000
PROFIT/(LOSS) FOR THE PERIOD		**273.522**	**12.462.839**	**3.234.004**	**120.228**	**4.630.381**	**1.589.556**
OTHER COMPREHENSIVE INCOME							
Not to be reclassified subsequently to profit or loss							
Foreign Currency Translation Gain/(Loss)		-	20.513.982	7.900.732	-	20.843.010	5.968.502
Actuarial Gain/(Loss) of Defined Benefit Plans	9	(7.555)	(351.738)	-	(4.077)	(162.055)	-
Tax Effect of Actuarial Gain/(Loss) of Defined Benefit Plans	11	944	43.967	-	1.019	40.514	-
To be reclassified subsequently to profit or loss							
Gain/(Loss) in Cash Flow Hedging Reserves		131	6.465	6.497	(216)	(8.003)	48.450
Tax Effect of Gain/(Loss) in Cash Flow Hedging Reserves	11	(33)	(1.616)	(1.624)	54	2.001	(12.112)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**(6.513)**	**20.211.060**	**7.905.605**	**(3.220)**	**20.715.467**	**6.004.840**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**267.009**	**32.673.899**	**11.139.609**	**117.008**	**25.345.848**	**7.594.396**

The details of presentation currency translation to TRY explained in Note 2.1.

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

İSKENDERUN DEMİR VE ÇELİK A.Ş.

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2026

(Amounts are expressed as of Turkish Lira ("TRY Thousand") unless otherwise indicated.)

				Other Comprehensive Income (Expense) Not to be Reclassified to Profit/ (Loss)		Other comprehensive income (expense) to be reclassified subsequently to profit or loss		Retained Earnings		
(Unaudited)	Note	Share Capital	Inflation Adjustment to Capital	Foreign Currency Translation Reserves	Actuarial (Loss)/ Gain Funds	Cash Flow Hedging Gain (Loss)	Restricted Reserves Assorted from Profit	Retained Earnings	Net Profit for the Period	**Total Shareholders' Equity**
1 January 2026		**2.900.000**	**164**	**76.210.396**	**(998.177)**	**24**	**3.237.560**	**60.114.965**	**6.111.894**	**147.576.826**
Net profit for the period		-	-	-	-	-	-	-	12.462.839	12.462.839
Other comprehensive income/(loss)		-	-	20.513.982	(307.771)	4.849	-	-	-	20.211.060
Total comprehensive income/(loss)		-	-	20.513.982	(307.771)	4.849	-	-	12.462.839	32.673.899
Increase (decrease) due to other changes (**)	2.1	-	-	(8.487.092)	-	-	-	8.487.092	-	-
Dividends (*)		-	-	-	-	-	-	(13.050.000)	-	(13.050.000)
Transfers		-	-	-	-	-	1.290.500	4.821.394	(6.111.894)	-
30 September 2026		**2.900.000**	**164**	**88.237.286**	**(1.305.948)**	**4.873**	**4.528.060**	**60.373.451**	**12.462.839**	**167.200.725**
(Unaudited)										
1 January 2025		**2.900.000**	**164**	**62.593.965**	**(1.196.793)**	**4.217**	**3.179.560**	**34.861.452**	**14.254.008**	**116.596.573**
Net profit for the period		-	-	-	-	-	-	-	4.630.381	4.630.381
Other comprehensive income/(loss)		-	-	20.843.010	(121.541)	(6.002)	-	-	-	20.715.467
Total comprehensive income/(loss)		-	-	20.843.010	(121.541)	(6.002)	-	-	4.630.381	25.345.848
Increase (decrease) due to other changes (**)	2.1	-	-	(9.903.970)	-	-	-	9.903.970	-	-
Dividends (*)		-	-	-	-	-	-	(725.000)	-	(725.000)
Transfers		-	-	-	-	-	58.000	14.196.008	(14.254.008)	-
30 September 2025		**2.900.000**	**164**	**73.533.005**	**(1.318.334)**	**(1.785)**	**3.237.560**	**58.236.430**	**4.630.381**	**141.217.421**

(*) At Annual General Assembly Meeting of the Company held on 26 March 2026, dividend per share: TRY 4,50 (2025: TRY 0,25) from the profits of 2025 and retained earnings. The decision to distribute a cash dividend of TRY 13.050.000 thousand (26 March 2025: TRY 725.000 thousand) was approved by majority of vote. The dividend payment was started at 3 June 2026.

(**) Retained earnings; in the condensed financial statements, in accordance with TAS 21, the details of conversion of retained earnings to the presentation currency, Turkish Lira, in the condensed statement of financial position dated 30 September 2026 by converting to US Dollars at historical rates, are explained in Note 2.1

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

(Convenience Translation into English of Condensed Interim Financial Statements Originally Issued in Turkish – See Note 18)

İSKENDERUN DEMİR VE ÇELİK A.Ş.

CONDENSED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2026

(Amounts are expressed as Turkish Lira ("TRY Thousand") unless otherwise indicated.)

	Note	(Unaudited) Current Period 1 January - 30 September 2026 USD'000	(Unaudited) Current Period 1 January - 30 September 2026 TRY'000	(Unaudited) Previous Period 1 January - 30 September 2025 USD'000	(Unaudited) Previous Period 1 January - 30 September 2025 TRY'000
CASH FLOWS FROM OPERATING ACTIVITIES		**169.185**	**7.913.605**	**751.176**	**30.250.717**
Profit (Loss) for The Period		**273.522**	**12.462.839**	**120.228**	**4.630.381**
Adjustments to Reconcile Profit (Loss)		**899**	**565.560**	**93.326**	**3.654.128**
Adjustments for Depreciation and Amortisation Expenses	13/14	105.308	4.861.859	95.956	3.740.193
Adjustments for Impairment Loss (Reversal of Impairment Loss)		(6)	(250)	(3.590)	(138.253)
Adjustments for Provision (Reversal of Provision) for Inventories	*4*	*(6)*	*(250)*	*(3.590)*	*(138.253)*
Adjustments for Provisions		20.479	933.152	18.398	708.559
Adjustments for Provision (Reversal of Provision) for Employee Termination Benefits	*9*	*15.703*	*715.494*	*15.103*	*581.628*
Adjustments for Provision (Reversal of Provision) for Pending Claims and/or Lawsuits	*8*	*4.776*	*217.658*	*3.295*	*126.931*
Adjustments for Interest (Income) and Expenses		986	44.896	(6.201)	(238.840)
Adjustments for Interest Income	*15*	*(42.324)*	*(1.928.481)*	*(58.059)*	*(2.236.058)*
Adjustments for Interest Expense	*15*	*43.302*	*1.973.015*	*51.854*	*1.997.066*
Unearned Financial Income from Credit Sales		*8*	*362*	*4*	*152*
Adjustments for Unrealised Foreign Exchange Differences		(447)	(20.403)	(2.418)	(113.733)
Adjustments for Fair Value (Gains) Losses		(272)	(12.406)	4.150	159.836
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments		*(272)*	*(12.406)*	*4.150*	*159.836*
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	5	(6.289)	(286.532)	(2.080)	(80.098)
Adjustments for Tax (Income) Expenses	11	(108.755)	(4.955.327)	(10.360)	(398.991)
Adjustments for Losses (Gains) on Disposal of Non-Current Assets		13	571	400	15.455
Adjustments for Losses (Gains) on Disposal of Property, Plant and Equipment		*13*	*571*	*400*	*15.455*
Other Adjustments for Reconciliation of Profit (Loss)		(10.118)	-	(929)	-
Changes in Working Capital		**(95.011)**	**(4.648.917)**	**490.443**	**20.356.719**
Adjustments for Decrease (Increase) in Trade Receivables		74.216	3.631.411	8.704	361.275
Decrease (Increase) in Trade Receivables from Related Parties		*40.226*	*1.968.270*	*(12.378)*	*(513.771)*
Decrease (Increase) in Trade Receivables from Third Parties		*33.990*	*1.663.141*	*21.082*	*875.046*
Adjustments for Decrease (Increase) in Other Receivables Related from Operations		277	13.554	(815)	(33.828)
Decrease (Increase) in Other Receivables from Operations from Third Parties		*277*	*13.554*	*(815)*	*(33.828)*
Decrease (Increase) in Derivative Financial Instruments		(118)	(5.774)	816	33.870
Adjustments for Decrease (Increase) in Inventories		(123.666)	(6.051.014)	138.538	5.750.269
Decrease (Increase) in Prepaid Expenses		(22.401)	(1.096.088)	14.673	609.029
Adjustments for Increase (Decrease) in Trade Payables		(12.410)	(607.225)	369.754	15.347.305
Increase (Decrease) in Trade Payable to Related Parties		*(23.716)*	*(1.160.431)*	*89.371*	*3.709.504*
Increase (Decrease) in Trade Payable to Third Parties		*11.306*	*553.206*	*280.383*	*11.637.801*
Adjustments for Increase (Decrease) in Other Payables Related from Operations		(10.257)	(501.878)	(79.052)	(3.281.196)
Increase (Decrease) in Other Payables to Third Parties Related from Operations		*(10.257)*	*(501.878)*	*(79.052)*	*(3.281.196)*
Increase (Decrease) in Derivative Liabilities		349	17.077	(3.351)	(139.089)
Adjustments for Other Increase (Decrease) in Working Capital		(1.001)	(48.980)	41.176	1.709.084
Decrease (Increase) in Other Assets Related from Operations		*(4.625)*	*(226.303)*	*43.533*	*1.806.916*
Increase (Decrease) in Other Payables Related from Operations		*3.624*	*177.323*	*(2.357)*	*(97.832)*
Cash Flows Provided by Operating Activities		**179.410**	**8.379.482**	**703.997**	**28.641.228**
Payments Related to Provisions for Employee Termination Benefits	9	(1.971)	(89.781)	(11.563)	(445.329)
Payments Related to Other Provisions	8	(1.786)	(81.369)	(127)	(4.879)
Income Taxes Refund (Paid)		(6.468)	(294.727)	(5.331)	(205.298)
Other Cash Inflow (Outflow)		-	-	64.200	2.264.995
CASH FLOWS FROM INVESTING ACTIVITIES		**(105.820)**	**(4.816.340)**	**(169.592)**	**(6.539.042)**
Cash Inflow from Sales of Property, Plant, Equipment and Intangible Assets		232	10.595	5	127
Cash Inflow from Sales of Property, Plant and Equipment		*232*	*10.595*	*5*	*127*
Cash Outflow from Purchase of Property, Plant, Equipment and Intangible Assets		(88.000)	(4.009.647)	(123.883)	(4.771.172)
Cash Outflow from Purchase of Property, Plant and Equipment		*(87.870)*	*(4.003.732)*	*(123.879)*	*(4.771.010)*
Cash Outflow from Purchase of Intangible Assets		*(130)*	*(5.915)*	*(4)*	*(162)*
Cash Advances and Debts Given		(21.099)	(961.365)	(55.560)	(2.139.798)
Other Cash Advances and Debts Given		*(21.099)*	*(961.365)*	*(55.560)*	*(2.139.798)*
Dividends Received		3.047	144.077	4.418	180.298
Other Cash Inflows (Outflows)		-	-	5.428	191.503
CASH FLOWS FROM FINANCING ACTIVITIES		**(455.456)**	**(20.886.874)**	**(52.851)**	**(1.893.122)**
Cash Inflow from Borrowings		11.456	521.983	299.744	11.544.147
Cash Inflow from Loans		*11.456*	*521.983*	*299.744*	*11.544.147*
Cash Outflow from Repayments of Borrowings		(164.479)	(7.537.210)	(317.595)	(12.059.359)
Cash Outflow from Loan Repayments		*(164.479)*	*(7.537.210)*	*(317.595)*	*(12.059.359)*
Cash Outflow from Debt Payments for Leasing Contracts		(3.608)	(164.410)	(3.493)	(134.521)
Dividends Paid		(284.572)	(13.045.521)	(18.189)	(724.834)
Interest Paid		(52.934)	(2.411.897)	(66.733)	(2.570.114)
Interest Received		38.681	1.750.181	53.415	2.051.559
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		**(392.091)**	**(17.789.609)**	**528.733**	**21.818.553**
Effect of Exchange Rate Changes on Cash and Cash Equivalents		(3.376)	5.634.713	(9.861)	3.029.558
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(395.467)**	**(12.154.896)**	**518.872**	**24.848.111**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		1.182.555	50.667.362	531.826	18.763.006
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**787.088**	**38.512.466**	**1.050.698**	**43.611.117**

- As of 30 September 2026, the total accrual of interest on time deposits is TRY 114.940 thousand (USD 2.349 thousand) (30 September 2025: TRY 59.453 thousand (USD 1.432 thousand)).

NOTE 1 – COMPANY'S ORGANIZATION AND NATURE OF OPERATIONS

İskenderun Demir ve Çelik A.Ş. ("the Company") registered in 12 November 1968 and published at 19 November 1968 in the trade registry gazette. The Company established in 3 October 1970 in the southern of Türkiye on the Mediterranean coast in the distance of 17 km from İskenderun in Payas region. The principal activities of the Company are production and sale of iron products, flat and long steel products and their by-products. The Company's main products are billet, slab, coil, plate, wire rod and by-products are coke,tar, benzol, ammonium sulphate and slag.

The Company had become an affiliated company of the Turkish Iron and Steel Administration with the decision no 93/T-85 dated 10 September 1993 of Supreme Planning Committee. Then with the decision no 98/20 of Privatization Committee dated 2 March 1998, the Company was transferred to Turkish Privatization Administration. Ultimately, shares of the Company were transferred to Ereğli Demir ve Çelik Fabrikaları T.A.Ş. ("Erdemir") in 31 January 2002 by the Turkish Privatization Administration with the decision no 2001/08 which dated 8 February 2001. The immediate parent of Ereğli Demir ve Çelik Fabrikaları T.A.Ş is Ataer Holding A.Ş. The ultimate controlling party is Ordu Yardımlaşma Kurumu (OYAK). İskenderun Demir ve Çelik A.Ş. stocks continue to be traded on Borsa Istanbul since 28 March 2016.

The registered address of the Company is Karayılan Mahallesi, 31319 İskenderun/HATAY.

The main operations of the subsidiaries of the Company and the share percentages of İsdemir for these companies are as follows:

			Share of Capital and right to vote of Company (%)	
Shares in Subsidiaries and Joint Ventures	Business Area	Valid Currency	30 September 2026	31 December 2025
Teknopark Hatay A.Ş.	R&D Centre	TRY	5%	5%
İsdemir Linde Gaz Ortaklığı A.Ş.	Industrial Gas Production and Sales	US Dollars	50%	50%

The number of the personnel employed by the Company as of reported period 30 September 2026 are as follows:

	30 September 2026 Personnel	31 December 2025 Personnel
Paid Hourly Personnel	3.552	3.560
Paid Monthly Personnel	1.352	1.369
	4.904	4.929

NOTE 2 – BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Basis of Presentation

The Company maintains its legal books of account and prepares their statutory financial statements ("Statutory Financial Statements") in accordance with accounting principles issued by the Turkish Commercial Code ("TCC") and tax legislation.

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

2.1 Basis of Presentation (cont'd)

The accompanying condensed 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 and interpretations ("TFRS") that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communiqué.

In addition, interim condensed financial statements are prepared in accordance with TFRS Taxonomy Announcement published by the POA on 3 July 2024 and Financial Statement Examples formats specified in the User's Guide published by CMB.

Financial statements are prepared on the basis of historical cost, except for derivative financial instruments and financial investments carried at fair value. In determining historical cost, the fair value of the amount paid for the assets is generally taken as basis.

In accordance with the Turkish Accounting Standard No: 34 "Interim Financial Reporting", entities are allowed to prepare a complete or condensed set of interim financial statements. In this respect, the Company has preferred to prepare condensed financial statements in the interim period. Accordingly, these condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2025.

Functional and Reporting Currency

Although the currency of the country in which is the Company is domiciled is Turkish Lira (TRY), the Company's functional currency is determined as US Dollar. US Dollar is used to a significant extent in, and has a significant impact on the operations of the Company and reflects the economic substance of the underlying events and circumstances relevant to the Company. Therefore, the Company uses the US Dollar in measuring items in its financial statements and as the functional currency.

The accompanying condensed financial statements are prepared in Turkish Lira (TRY) 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.

Functional currency of the joint venture

The functional currency of the Company's joint venture İsdemir Linde Gaz Ortaklığı A.Ş. is US Dollars.

Inflation accounting

The Public Oversight, Accounting and Auditing Standards Authority ("POA") 23 November 2023, in accordance with the announcement "Adjustment of the Financial Statements of Companies Subject to Independent Audit in Accordance with Inflation"; It has been decided that the financial statements of the enterprises applying the Turkish Financial Reporting Standards for the annual reporting period ended on or after 31 December 2023, in accordance with the relevant accounting principles contained in the Turkish Accounting Standard 29 "Financial Reporting in High-Inflation Economies" (TAS 29) will be presented adjusted for the effect of inflation.

In line with the above explanations, the Company does not need to make any adjustments in accordance with TAS 29 in its financial statements to be prepared in accordance with TFRS due to the fact that the functional currency of the Company is US dollars as of the reporting date.

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

2.1 Basis of Presentation (cont'd)

Presentation currency translation

Company; Pursuant to the Public Oversight, Accounting and Auditing Standards Authority's "POA" announcement dated 15 March 2021, "On the Next Measurement of Foreign Currency Monetary Items According to Turkish Accounting Standards", the assets and liabilities in the condensed financial statements are used by using the buying and selling rates valid as of the end of the reporting period. It has been valued and translated into the presentation currency at the same exchange rates.

According to TAS 21 ("The Effects of Changes in Foreign Exchange Rates") financial statements that are prepared in US Dollars for the Company have been translated in TRY as the following method:

a) The assets on condensed financial position as of 30 September 2026 are translated from US Dollars into TRY using the Central Bank of the Republic of Türkiye's buying rate of exchange which is 48,9303 TRY = 1 US $ and the liabilities selling rate of exchange which is 49,0184 TRY = 1 US $ (31 December 2025 foreign exchange buying rate: 42,8457 TRY = 1 US $, foreign exchange selling rate: 42,9229 TRY = 1 US $).
b) For the nine months period ended 30 September 2026, condensed profit or loss statements are translated from the nine months average 45,5643 TRY = 1 US $ rates of 2026 January-September period (30 September 2025: 38,5134 TRY = 1 US $).
c) Retained earnings; In the condensed interim financial statements, in accordance with TAS 21, they are converted to US Dollars at historical rates and followed in US Dollars. In order to show the Turkish Lira equivalent amounts as of the reporting dates retained earnings in the statement of financial position dated 30 September 2026 are presented by converting them into TRY using the foreign exchange selling rate effective as of 30 September 2026 announced by the Central Bank of the Republic of Türkiye, 49,0184 TRY = 1 US $ (31 December 2025: 42,9229 TRY= 1 US $).
d) Exchange differences arising from translation to TRY presentation currency are shown in other comprehensive income as of foreign currency translation reserve.
e) Share Capital and other reserves are presented with their legal values in the accompanying financial statements, and other equity items are presented with their historical cost values. The translation differences between the historical values of these items translated into the presentation currency and their carrying values from legal records are accounted for as foreign currency translation differences in the other comprehensive income statement.

USD amounts presented in the condensed interim financial statements

The figures in USD amounts presented in the accompanying condensed interim financial statements comprising the statements of financial position as of 30 September 2026 and 31 December 2025, condensed statement of profit or loss and other comprehensive income and condensed statement of cash flows for the nine month interim period ended 30 September 2026 and 2025 represent the condensed financial statements prepared according to USD reporting currency within the frame of functional currency change that the Company has made, which is effective as of 1 July 2013, prepared in accordance with the TAS 21- Effects of Changes in Foreign Exchange Rates.

Going concern

The Company prepared its condensed interim financial statements in accordance with the going concern assumption.

Approval of the financial statements

The condensed interim financial statements have been approved on 22 October 2026 by the Board of Directors. The General Assembly has the authority to revise the financial statements.

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

2.2 Comparative Information and Restatement of Financial Statements with Prior Periods

The Company's financial statements are prepared in comparison with the previous period in order to allow for the determination of the financial position and performance trends. Comparative information is reclassified when necessary and important differences are explained in order to ensure compliance with the presentation of the current period condensed financial statements.

2.3 Adoption of New and Revised Financial Reporting Standards

The accounting policies adopted in preparation of the interim condensed financial statements as at 30 September 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 1 January 2026 summarized below.

a) Amendments that are mandatorily effective from 1 January 2026

Amendments to TFRS 9 and TFRS 7	: Classification and Measurement of Financial Instruments
Amendments to TFRS 9 and TFRS 7	: Contracts Referencing Nature-dependent Electricity
Annual Improvements to TFRSs	: Volume 11

The effects of these standards and comments on the financial statements and performance of the company are explained in the relevant paragraphs.

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

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 derecognized on the settlement date.

It also introduces an accounting policy option to derecognize 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 requirements are applied retrospectively with an adjustment to opening retained earnings.

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.

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

2.3 Adoption of New and Revised Financial Reporting Standards (cont'd)

a) Amendments that are mandatorily effective from 1 January 2026 (cont'd)

Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity (cont'd)

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. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.

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".
- 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".

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

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

Amendments to TFRS 10 and TAS 28	:Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
TFRS 17	:Standard for Insurance Contracts
TFRS 18	:Standard for Presentation and Disclosure Financial Statements
TFRS 19	:Subsidiaries without Public Accountability:Disclosures
TAS 21	:Translation to a Hyperinflationary Presentation
TAS 28	:Fair Value Option for Associates and Joint Ventures

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

2.3 Adoption of New and Revised Financial Reporting Standards (cont'd)

b) New and revised TFRSs in issue but not yet effective and not early adopted (cont'd)

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 these amendments to TFRS 10 and TAS 28 indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

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. The mandatory effective date of the Standard postponed to accounting periods beginning on or after 1 January 2027 with the announcement made by the POA.

TFRS 18 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.

TFRS 19 –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 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.

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

2.3 Adoption of New and Revised Financial Reporting Standards (cont'd)

b) New and revised TFRSs in issue but not yet effective and not early adopted (cont'd)

Amendments to TAS 21 - Translation to a Hyperinflationary Presentation

The amendments issued by the POA in April 2026 require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.

Accordingly, if an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the end of the current reporting period. Furthermore, an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with TAS 29, to the foreign operation's comparative figures. The amendments also introduce certain additional disclosure requirements.

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. If an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and it translates the results and financial position of foreign operations whose functional currency is that of a non-hyperinflationary economy, then it is required to apply the amendments from the beginning of the annual reporting period in which it first applies the amendments. In addition, it restates the comparative amounts of its foreign operations included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures in accordance with TAS 29. Other entities will apply the amendments retrospectively.

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

The amendments issued by the POA in July 2026 clarify which entities are eligible to apply the fair value option under TAS 28. The amendments specify that the concept of a "similar entity"as described in paragraph 49(a) of TFRS 18 encompasses entities whose primary activity is investing in specific types of assets. Furthermore, it is clarified that the eligibility to apply the fair value option must be assessed at the level of the specific entity that directly holds the investment in an associate or joint venture.

The amendments are effective for the period in which an entity first applies TFRS 18. If an entity chooses to adopt TFRS 18 early, these amendments shall be applied concurrently with such early adoption. However, if an entity adopts TFRS 18 early for a reporting period that began prior to the issuance of these amendments, the amendments shall apply starting from the first reporting period ending on or after the date of their issuance. The amendments are to be applied retrospectively.

The potential impact of these standards, amendments, and improvements on the Company's financial position and performance is currently being evaluated.

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

2.4 Summary of Significant Accounting Policies

The condensed interim financial statements for the nine months period ended 30 September 2026 have been prepared in accordance with TAS 34. The accounting policies used in the preparation of these condensed interim financial statements for the period ended 30 September 2026 are consistent with those used in the preparation of annual financial statements for the year ended 31 December 2025.

Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2025.There has been no change in total ownership interests and effective interests of the subsidiaries, included in the scope as of 30 September 2026, from the interests reported as of 31 December 2025.

2.5 Restatement and errors in the accounting policies and estimates

Any change in the accounting policies resulted from the first time adoption of a new standards is made either retrospectively or prospectively in accordance with the transition requirements of the standards. Changes without any transition requirement, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period financial statements.

If changes in accounting estimates are related to only one period, they are recognized in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively.

2.6 Segment Reporting

The segments with similar economic characteristics have been combined into a single operating segment considering the nature of the products and the production processes, methods to allocate the products and the type of customers or to provide services.

NOTE 3 –RELATED PARTY TRANSACTIONS

The immediate parent and ultimate controlling parent of the Company are Ereğli Demir ve Çelik Fabrikaları T.A.Ş. and Ordu Yardımlaşma Kurumu respectively (Note 1).

The details of trade receivables between the Company and related parties are disclosed below:

Due from related parties (short term)	30 September 2026	31 December 2025
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (1)	4.183.996	5.435.982
OYAK Sentetik Karbon Ürünleri San. Ve Tic. A.Ş. (5)	11.888	2.924
Erdemir Romania S.R.L. (2)	91.285	28.772
İsdemir Linde Gaz Ortaklığı A.Ş. (4)	2.474	12.047
	4.289.643	5.479.725

The trade receivables from related parties mainly arise from sales of iron, steel and by-products.

The details of trade payables between the Company and related parties are disclosed below**:**

Due to related parties (short term)	30 September 2026	31 December 2025
Amsterdam Scrap Terminal B.V. (3)	2.156.282	3.403.140
Erdemir Madencilik San. ve Tic. A.Ş. (2)	670.440	456.711
OYAK Pazarlama Hizmet ve Turizm A.Ş. (3)	658.158	426.216
Erdemir Asia Pacific PTE LTD (2)	513.040	433.859
Omsan Lojistik A.Ş. (3)	639.292	528.727
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (3)	167.499	97.272
OYAK Denizcilik ve Liman İşletmeleri A.Ş. (3)	432.933	180.568
Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş. (2)	43.167	16.385
Erdemir Müh. Yön. ve Dan. Hiz. A.Ş. (2)	56.681	53.584
Kümaş Manyezit Sanayi A.Ş. (2)	267.009	206.408
OYAK Çimento Fabrikaları A.Ş. (5)	29.856	54.233
Other	377.828	425.457
	6.012.185	6.282.560

The trade payables from related parties are generally due to the purchase of raw material and service transactions.

(1) Immediate parent company
(2) Subsidiaries of the immediate parent company
(3) Subsidiaries of the ultimate company
(4) Joint venture
(5) Participations of the ultimate company

NOTE 3 –RELATED PARTY TRANSACTIONS (cont'd)

The details of prepaid expenses between the Company and related parties are disclosed below:

Prepaid expenses to related parties (long term)	30 September 2026	31 December 2025
OYAK Savunma ve Güvenlik Sistemleri A.Ş. [3]	63.905	55.958
	63.905	55.958

Prepaid expenses to related parties arise from advances given for tangible assets.

The details of sales between the Company and related parties are disclosed below:

Major sales to related parties	1 January - 30 September 2026	1 January - 30 September 2025
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. [1]	65.154.402	53.060.558
Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş. [2]	6.293	5.536
İsdemir Linde Gaz Ortaklığı A.Ş. [4]	325.150	336.418
Erdemir Romania S.R.L. [2]	238.998	144.991
OYAK Çimento Fabrikaları A.Ş. [5]	22.459	17.547
OYPOWER Elektrik Ticareti ve Hizmetleri A.Ş. [3]	82.585	102.073
OYAK Pazarlama Hizmet ve Turizm A.Ş. [3]	117	29
OYAK Denizcilik ve Liman İşletmeleri A.Ş. [3]	1.256	984
OYAK Savunma ve Güvenlik Sistemleri A.Ş. [3]	31	29
Kümaş Manyezit Sanayi A.Ş. [2]	92	170
Other	3.539	4.268
	65.834.922	53.672.603

The major sales to related parties are generally due to the sales transactions of iron, steel, service, energy and by-products.

[1] Immediate parent company
[2] Subsidiaries of the immediate parent company
[3] Subsidiaries of the ultimate company
[4] Joint venture
[5] Participations of the ultimate company

NOTE 3 –RELATED PARTY TRANSACTIONS (cont'd)

The details of purchases between the Company and related parties are disclosed below:

Major purchases from related parties	1 January - 30 September 2026	1 January - 30 September 2025
Doco Petrol ve Danışmanlık A.Ş. (3)	109.604	84.034
OYPOWER Elektrik Ticareti ve Hizmetleri A.Ş. (3)	100.260	111.198
Erdemir Madencilik San. ve Tic. A.Ş. (2)	7.577.702	6.591.295
Erdemir Asia Pacific PTE LTD (2)	4.272.204	13.369
Ereğli Demir ve Çelik Fabrikaları T.A.Ş. (1)	1.022.702	574.731
OYAK Pazarlama Hizmet ve Turizm A.Ş. (3)	1.617.510	1.076.955
Amsterdam Scrap Terminal B.V. (3)	3.453.072	4.026.499
OYAK Savunma ve Güvenlik Sistemleri A.Ş. (3)	317.051	303.932
Omsan Lojistik A.Ş. (3)	1.794.843	1.233.641
Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş. (2)	239.432	144.325
Erdemir Müh. Yön. ve Dan. Hiz. A.Ş. (2)	537.009	430.979
İsdemir Linde Gaz Ortaklığı A.Ş. (4)	639.015	585.979
OYAK Denizcilik ve Liman İşletmeleri A.Ş. (3)	963.186	496.317
Kümaş Manyezit Sanayi A.Ş. (2)	559.010	374.625
AST Trade FZCO (3)	150.694	-
OYAK Çimento Fabrikaları A.Ş. (5)	170.306	197.870
Other	664.554	636.249
	24.188.154	16.881.998

The major purchases from related parties are generally due to the purchased service transactions, energy and raw material.

The Company earned TRY 281.043 thousand of forward sales interest income from related party transactions of the first nine months period of 2026, amounting to all of which consisted interest income from forward sales (30 September 2025: TRY 310.435 thousand total finance income from related party receivables, TRY 294.684 thousand of interest income from forward sales and TRY 15.751 thousand of interest income from related parties).

The terms and policies applied to the transactions with related parties performed:

As of 30 September 2026, the balances realized in the status of commercial goods are secured and their collections will be done in cash. Other receivables from related parties balances are un-secured, interest - bearing and their collections will be done in cash. Certain maturity differences are applied for transactions made with related parties, depending on market conditions and product types, and delay interest is applied for overdue sales, again depending on market conditions and product types.

For the nine months period ended 30 September 2026, the Company did not set aside any provision for doubtful receivables from related parties (31 December 2025: None).

(1) Immediate parent company
(2) Subsidiaries of the immediate parent company
(3) Subsidiaries of the ultimate company
(4) Joint venture
(5) Participations of the ultimate company

NOTE 3 –RELATED PARTY TRANSACTIONS (cont'd)

Benefits provided to executive managers:

The company's executive management team consists of the Board of Directors, General Manager and Assistant General Managers. For the nine months period ended 30 September 2026, the total compensation consisting of short term benefits such as salaries, bonuses and other benefits of the executive management of the Company is TRY 17.531 thousand (30 September 2025: TRY 39.343 thousand).

NOTE 4 – INVENTORIES

The details of the Company's inventories for the reporting period are as follows:

	30 September 2026	31 December 2025
Raw materials	14.658.686	10.745.538
Work in progress	9.446.784	7.986.759
Finished goods	6.754.679	3.318.024
Spare parts	7.990.456	6.757.410
Goods in transit	8.328.346	6.889.567
Other inventories	4.837.938	4.318.297
Allowance for impairment on inventories (-)	(1.026.664)	(899.231)
	50.990.225	39.116.364

The movement of the allowance for impairment on inventories:

	1 January – 30 September 2026	1 January – 30 September 2025
Opening balance	899.231	1.113.085
Provision released (-)	(250)	(138.253)
Translation difference	127.683	185.699
Closing balance	1.026.664	1.160.531

The Company has provided an allowance for the impairment on the inventories of finished goods and work in progress within the scope of aging reports in the cases when their net realizable values are lower than their costs or for slow moving inventories. The provision released has been recognized under cost of sales (Note 13).

NOTE 5 – INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

The detail of the investments accounted for using equity method is follows:

Joint Venture	Right to vote ratio %	30 September 2026	Right to vote ratio %	31 December 2025	Business segment
İsdemir Linde Gaz Ortaklığı A.Ş.	50	1.838.759	50	1.471.206	Industrial Gas Production and Sale

NOTE 5 – INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (cont'd)

The movement of the Company's investments accounted for using equity method is as follows:

	1 January - 30 September 2026	1 January - 30 September 2025
Opening balance	1.471.206	1.280.062
Net profit(loss) for the period	286.532	80.098
Dividend	(144.077)	(180.298)
Translation difference	225.098	219.029
Closing balance	1.838.759	1.398.891

Company's share on net assets of investments accounted for using equity method is as follows:

	30 September 2026	31 December 2025
Total assets	3.847.070	3.116.147
Total liabilities	169.552	173.736
Net assets	3.677.518	2.942.411
Company's share on net assets	1.838.759	1.471.206

	30 September 2026	31 December 2025
Share capital	140.000	140.000

İsdemir Linde Gaz Ortaklığı A.Ş has the right of to deduct TRY 118.710 thousand (31 December 2025: TRY 24.485 thousand) from corporate tax of the investment deduction where profit will occur in the upcoming years pursuant to the Resolution No 2012/3305 on Government Aids in Investments and the Cabinet Decision issued in the Official Gazette on 22 February 2017. The deferred tax asset of TRY 94.225 thousand of additional investment deduction (its effect in the profit or loss statement of Company is TRY 47.113 thousand) is included in the financial statements prepared as of reporting date.

At the Ordinary General Assembly Meeting of İsdemir Linde Gaz Ortaklığı A.Ş. held on 28 July 2026, the decision to distribute cash dividend TRY 288.153 thousand (the impact on the Company's cash flow statement is TRY 144.077 thousand) from the 2025 net profit was unanimously approved. The dividend payment was completed on 10 August 2026.

Company's share in profit of investments accounted for using equity method is as follows:

	1 January – 30 September 2026	1 January – 30 September 2025
Revenue	688.543	650.736
Operating Profit	139.506	159.178
Net profit (loss) for the period	573.063	160.195
Company's share in net profit (loss)	286.532	80.098

NOTE 6 – TANGIBLE AND INTANGIBLE ASSETS

The movement of tangible assets for the reporting period is as follows:

	30 September 2026	30 September 2025
Opening balance as of 1 January		
Cost	266.400.892	210.619.833
Accumulated depreciation	(139.044.635)	(110.567.844)
Net book value	127.356.257	100.051.989
Net book value at the beginning of the period	127.356.257	100.051.989
Additions (*)	6.873.936	7.193.622
Disposals (-)	(11.166)	(15.582)
Cost of disposals	*(57.577)*	*(40.051)*
Accumulated depreciation disposals	*46.411*	*24.469*
Transfers to intangible assets	(17.221)	(23.068)
Currency translation difference	18.231.790	17.930.185
Cost currency translation difference	*38.365.013*	*37.696.338*
Accumulated depreciation currency translation difference	*(20.133.223)*	*(19.766.153)*
Current period depreciation (-)	(4.873.504)	(3.650.922)
Net book value at the end of the period	147.560.092	121.486.224
Closing balance end of period		
Cost	311.565.043	255.446.674
Accumulated depreciation	(164.004.951)	(133.960.450)
Net book value	147.560.092	121.486.224

(*) The amount of capitalized borrowing cost is TRY 264.157 thousand for the current period (30 September 2025: TRY 489.644 thousand).

As of reporting period, the Company has no collaterals or pledges upon its tangible assets (30 September 2025: None).

NOTE 6 – TANGIBLE AND INTANGIBLE ASSETS (cont'd)

The movement of intangible assets for the reporting period is as follows:

	30 September 2026	30 September 2025
Opening balance as of 1 January		
Cost	3.906.366	3.136.368
Accumulated amortisation	(2.169.264)	(1.685.706)
Net book value	1.737.102	1.450.662
Net book value at the beginning of the period	1.737.102	1.450.662
Additions	5.915	162
Transfers from tangible assets	17.221	23.068
Currency translation difference	241.074	251.426
Cost currency translation difference	*556.459*	*555.333*
Accumulated depreciation currency translation difference	*(315.385)*	*(303.907)*
Current period amortisation (-)	(99.134)	(82.342)
Net book value at the end of the period	1.902.178	1.642.976
Closing balance end of period		
Cost	4.485.961	3.714.931
Accumulated amortisation	(2.583.783)	(2.071.955)
Net book value	1.902.178	1.642.976

As of reporting period, the Company has no collaterals or pledges upon its intangible assets (30 September 2025: None).

The breakdown of depreciation and amortisation expenses related to tangible, intangible and right of use assets amounting to TRY 74.766 thousand (30 September 2025: TRY 55.112 thousand) are as follows:

	30 September 2026	30 September 2025
Associated with cost of production	4.732.801	3.662.113
General administrative expenses	82.389	36.668
Marketing, sales and distribution expenses	232.214	89.595
	5.047.404	3.788.376

NOTE 7 – BORROWINGS

Breakdown of borrowings is as follows:

	30 September 2026	31 December 2025
Short term bank borrowings	260.994	5.253.933
Short term portion of long term bank borrowings	21.696.934	3.740.255
Long term bank borrowings	14.784.437	30.089.997
Total bank borrowings	36.742.365	39.084.185
Short term portion of long term lease payables	206.159	163.305
Cost of short term portion of long term lease payables (-)	(16.887)	(11.124)
Long term lease payables	3.283.756	2.697.021
Cost of long term lease payables (-)	(2.679.319)	(2.187.362)
Total leases payables	793.709	661.840
Total borrowings	37.536.074	39.746.025

As of 30 September 2026, the breakdown of the Company's loans with their original currency and their weighted average interest rates is presented as follows:

Interest Type	Type of Currency	Weight Average Rate of Interest (%)	Short Term Portion	Long Term Portion	30 September 2026
Fixed	US Dollars	7,59	15.607.110	10.985.614	26.592.724
Floating	US Dollars	TERM SOFR+2,85	5.710.762	2.558.753	8.269.515
Floating	EURO	Euribor+0,5	379.062	1.240.070	1.619.132
Fixed	TRY	No-interest	260.994	-	260.994
			21.957.928	14.784.437	36.742.365

As of 31 December 2025, the breakdown of the Company's loans with their original currency and their weighted average interest rates is presented as follows:

Interest Type	Type of Currency	Weight Average Rate of Interest (%)	Short Term Portion	Long Term Portion	31 December 2025
Fixed	US Dollars	7,49	6.627.106	21.639.711	28.266.817
Floating	US Dollars	TERM SOFR+2,81	647.843	7.048.276	7.696.119
Floating	EURO	Euribor+0,5	350.501	1.402.010	1.752.511
Fixed	TRY	42,00	1.368.738	-	1.368.738
			8.994.188	30.089.997	39.084.185

NOTE 7 – BORROWINGS (cont'd)

The breakdown of loan repayment is as follows:

	30 September 2026			31 December 2025		
	Bank Borrowings	Lease Payables	Total Borrowings	Bank Borrowings	Lease Payables	Total Borrowings
Within 1 year	21.957.928	189.272	22.147.200	8.994.188	152.181	9.146.369
Between 1-2 years	11.054.072	17.285	11.071.357	18.643.239	15.136	18.658.375
Between 2-3 years	1.448.821	10.841	1.459.662	7.987.819	9.493	7.997.312
Between 3-4 years	712.797	9.263	722.060	1.443.441	8.111	1.451.552
Between 4-5 years	441.103	8.280	449.383	211.690	7.250	218.940
Five years or more	1.127.644	558.768	1.686.412	1.803.808	469.669	2.273.477
	36.742.365	793.709	37.536.074	39.084.185	661.840	39.746.025

NOTE 8 – PROVISIONS

The Company's short term provisions are as follows:

	30 September 2026	31 December 2025
Provision for lawsuits	539.555	367.208
Penalty provision for employment shortage of disabled personnel	2.416	16.600
Provision for land occupation	-	5.190
	541.971	388.998

As of reporting period, lawsuits filed by and against the Company are as follows:

	30 September 2026	31 December 2025
Lawsuits filed by the Company	268.775	257.458

The provisions for the lawsuits filed by the Company represents the doubtful trade receivables.

	30 September 2026	31 December 2025
Lawsuits filed against the Company	439.703	265.316
Provision for lawsuits filed against the Company	539.555	367.208

NOTE 8 – PROVISIONS (cont'd)

The movement of the short term provisions is as follows:

	1 January 2026	Change for the period	Payments	Provision released	Translation Difference	30 September 2026
Provision for lawsuits	367.208	277.496	(66.891)	(56.424)	18.166	539.555
Penalty provision for employment shortage of disabled personnel	16.600	10.241	(14.478)	(8.209)	(1.738)	2.416
Provision for land occupation	5.190	-	-	(5.446)	256	-
	388.998	287.737	(81.369)	(70.079)	16.684	541.971

	1 January 2025	Change for the period	Payments	Provision released	Translation Difference	30 September 2025
Provision for lawsuits	170.725	188.750	(4.879)	(69.848)	9.838	294.586
Penalty provision for employment shortage of disabled personnel	5.960	7.218	-	-	130	13.308
Provision for land occupation	3.969	1.122	-	(311)	33	4.813
	180.654	197.090	(4.879)	(70.159)	10.001	312.707

NOTE 8 – PROVISIONS (cont'd)

The Decision of the Constitutional Court for Electricity and Air Gas Consumption Tax

The claims filed every month since May 2012 for refunding of taxes paid and deduction thereof from Electric and Coal Gas Tax collected by the Municipality on the Electric and Coal Gas consumption quantity produced by the Company in the facilities and used for industrial production of the Company were concluded in the court of first instance and the Council of State against the company. Thereafter, the Company used its right on 15 January 2015 to apply the Constitutional Court individually. As a result of the General Assembly Resolution of the Constitutional Court the Company, which was issued on 25 October 2018 and published in the Official Gazette on 25 December 2018, was notified and stated that the property rights of the Company were violated, and retrial was decided 22 trials for the applicable claims to eliminate the consequences of the violation of the property rights.

Similarly, it was decided by the Constitutional Court that it was combined within the scope of our individual application and that the Company's right to property was violated in 34 cases that were concluded, and that the trials in the relevant lawsuits were taken to eliminate the consequences of the violation of the right to property.

56 lawsuits, which were decided to be retrial by the Constitutional Court, were heard again at the Hatay Tax Court, and the Local Court decided to accept the cases in favor of the Company. In addition, in 9 cases, based on the decision of the Constitutional Court, in favor of the Hatay 1st Tax Court, and in favor of the Adana Regional Court of Justice after the Council of State reversed 12 cases, the cases were decided to be accepted in a total of 77 cases. All of these 77 files have been finalized in favor of the Company. The total number of lawsuits filed by the company in this regard is 80, and the Constitutional Court's review for 3 files is still ongoing.

Litigation provision amounts is provided by taking legal opinion of Company's lawyers. It is evaluated by the Company Management that it will not cause a more significant loss than the provision amount reserved for lawsuits.

NOTE 9 – EMPLOYEE BENEFITS

Short term payables of the employee benefits of the Company is as follows:

	30 September 2026	31 December 2025
Due to personnel	704.812	531.565
Social security premiums payable	265.853	382.108
	970.665	913.673

NOTE 9 – EMPLOYEE BENEFITS (cont'd)

Long term provision of the employee termination benefits of the Company is as follows:

	30 September 2026	31 December 2025
Provisions for employee termination benefits	2.805.820	2.102.435
Provisions for seniority incentive premium	328.372	255.165
Provision for unused vacations	537.346	329.657
	3.671.538	2.687.257

According to the Turkish Labor Law, the company is obliged to pay severance pay to every employee who has completed at least one year of service and retired after 25 years of working life, who has been dismissed, called for military service or deceased.

As of 30 September 2026, the employee termination benefit has been updated to a maximum of TRY 73.729,87 (31 December 2025: TRY 53.919,68).

The employee termination benefit legally is not subject to any funding requirement.

The employee termination benefit has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees. TAS 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the Company's obligation under defined benefit plans. The obligation as of 30 September 2026 has been calculated by an independent actuary and projected unit credit method is used in the calculation. Actuarial assumptions, used in calculating the present value of liabilities are below.

	30 September 2026	31 December 2025
Interest rate	32,56%	27,12%
Inflation rate	28,04%	22,06%

Discount rates are determined considering the expected duration of the retirement obligations and the currency in which the obligations will be paid. In calculations as of 30 September 2026, a fixed discount rate is used. Long term inflation estimates are made using an approach consistent with discount rate estimates and long term inflation rate fixed over years is used.

The anticipated rate of resignation which do not result in the payment of employee benefits is also considered in the calculation. The anticipated rate of resignation is assumed to be related with the past experience, therefore past experiences of employees are analyzed and considered in the calculation. In the actuarial calculation as of reporting period, the anticipated rate of resignation is considered to be inversely proportional to the past experience. The anticipated rate of resignation is between 2%-0% for the employees with past experience between 0-15 years or over.

NOTE 9 – EMPLOYEE BENEFITS (cont'd)

The movement of the provision for employee termination benefits is as follows:

	1 January – 30 September 2026	1 January – 30 September 2025
Opening balance	2.102.435	2.254.266
Service cost	97.334	69.999
Interest cost	329.178	302.157
Actuarial loss/(gain)	351.738	162.055
Termination benefits paid	(79.583)	(405.717)
Translation difference	4.718	13.124
Closing balance	2.805.820	2.395.884

According to the current labor agreement, employees completing their 10th, 15th and 20th service years receive seniority incentive premium payments.

The movement of the provision for seniority incentive premium is as follows:

	1 January – 30 September 2026	1 January – 30 September 2025
Opening balance	255.165	125.065
Service cost	39.345	22.077
Interest cost	54.548	27.936
Actuarial loss/(gain)	(21.641)	33.603
Translation difference	955	862
Closing balance	328.372	209.543

The movement of the provision for unused vacation is as follows:

	1 January – 30 September 2026	1 January – 30 September 2025
Opening balance	329.657	276.308
Provision for the period	357.898	264.135
Vacation paid during the period (-)	(10.198)	(39.612)
Provisions released (-)	(141.168)	(138.279)
Translation difference	1.157	5.150
Closing balance	537.346	367.702

NOTE 10 – COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

The guarantees received reporting period by the Company are as follows:

	30 September 2026	31 December 2025
Letters of guarantees received	5.317.229	7.720.861
	5.317.229	7.720.861

The Collaterals, Pledges and Mortgages (CPM) given by the Company are as follows:

	30 September 2026	31 December 2025
A. Total CPM given for the Company's own legal entity	6.843.818	8.916.700
B. Total CPM given in favour of subsidiaries consolidated on line-by-line basis	-	-
C. Total CPM given in favour of other 3rd parties for ordinary trading operations	-	-
D. Other CPM given	-	-
i. Total CPM given in favour of parent entity	-	-
ii. Total CPM given in favour of other Group companies out of the scope of clause B and C	-	-
iii. Total CPM given in favour of other 3rd parties out of the scope of clause C	-	-
	6.843.818	8.916.700

As of reporting period, the ratio of the other CPM given by the Company to shareholders equity is 0% (31 December 2025: 0%).

The breakdown of the collateral given by the Company in TRY equivalent to original currency is as follows:

	30 September 2026	31 December 2025
US Dollars	2.798.951	2.450.898
TRY	3.933.554	6.365.049
EURO	111.313	100.753
	6.843.818	8.916.700

NOTE 11 – TAX ASSETS AND LIABILITIES

The details of the Company's tax expenses as of the reporting period are as follows:

Corporate tax payable:	30 September 2026	31 December 2025
Current corporate tax provision	240.873	294.727
	240.873	294.727

Taxation:	1 January - 30 September 2026	1 January - 30 September 2025
Current corporate tax expense	223.900	200.515
Deferred tax expense/(income)	(5.179.227)	(599.506)
	(4.955.327)	(398.991)

Corporate Tax

The Company is subject to corporation tax applicable in Türkiye. The necessary provisions are allocated in the financial statements for the estimated liabilities based on the Company's results for the current period.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and other deductions (retained losses if any, used investment allowance if required).

With the Law No. 7456 published in the Official Gazette dated 15 July 2023, the first paragraph of Article 32 of the Corporate Tax Law was amended, and the corporate tax rate was increased to 25% for the corporate earnings of 2023 and the following taxation periods. The valid corporate tax rate is 25% as of reporting date. The exemption rate applied to the gains arising from the sale of immovable properties in the assets of institutions before 15 July 2023 is 25% and will be applied to the deferred tax to be calculated on the temporary differences arising in case of revaluation of the relevant immovable properties. The tax rate should be taken into account as 18,75% if the book value of the relevant real estate is recovered through sale.

The total corporate tax payments made by the Company during the nine months interim period of 2026 amounted to TRY 294.727 thousand.

A legal amendment, published in the Official Gazette dated 25 December 2025, and numbered 33118, added to the Tax Procedure Law No. 213, stipulates that for the accounting periods of 2025 (including provisional tax periods), legal financial statements will not be subject to inflation adjustment, regardless of whether the conditions for inflation adjustment under Article 298 of the Tax Procedure Law are met, for the accounting periods of 2026 and 2027.

Law No. 7582, published in the Official Gazette dated 4 June 2026, and numbered 33270, amended the eighth paragraph of Article 32 of the Corporate Tax Law No. 5520.According to the amendment, the corporate tax rate to be applied to the profits exclusively derived from the production activities of institutions holding an industrial registration certificate and actually engaged in production activities, and to the profits exclusively derived from agricultural production activities of institutions engaged in agricultural production activities, has been determined as 12,5%.This rate change will be applied to profits earned in 2027 and subsequent tax periods.

NOTE 11 – TAX ASSETS AND LIABILITIES (cont'd)

Deferred tax

The Company recognizes deferred tax assets and liabilities based upon the temporary differences arising between its statutory financial statements and its financial statements prepared in accordance with the TFRS. These differences usually result in the recognition of some income and expenses tax bases in different reporting periods in the financial statements prepared according to TFRS.

As a result of Law No. 7582, published in the Official Gazette dated 4 June 2026, and numbered 33270, the corporate tax rate applicable to the profits earned from production activities of institutions holding an industrial registration certificate and actually engaged in production activities, as well as profits earned from agricultural production activities, has been determined as 12,5% for the year 2027 and subsequent tax periods. This rate change has been taken into account in the deferred tax calculations as of the reporting date, and the tax rate used in calculating deferred tax assets and liabilities (excluding land and plots) related to temporary differences expected to reverse in 2027 and beyond has been based on 12,5% (31 December 2025: 24%).

Deferred tax on temporary timing differences arising from land and plots is calculated with 18,75% (31 December 2025: 18,75%).

Deferred tax assets and liabilities by the Company are as follows:

	30 September 2026	31 December 2025
Deferred tax assets:		
Provisions for employee benefits	458.942	639.567
Leasing payables	99.214	157.518
Provision for lawsuits	129.493	88.631
Adjustment of receivable rediscount	2.351	4.542
Other	207.342	294.756
	897.342	1.185.014
Deferred tax liabilities:		
Tangible and intangible fixed assets (net)	(7.054.290)	(11.694.035)
Right of use assets	(145.573)	(218.461)
Amortized cost adjustment on loans	(889)	(2.168)
Fair values of the derivative financial instruments	(1.866)	(34)
Inventories	(565.525)	(204.904)
	(7.768.143)	(12.119.602)
Deferred tax assets/(liabilities) net:	(6.870.801)	(10.934.588)

The provisional differences and deferred tax assets and liabilities shown above are based on gross values, and the net deferred tax position is shown in the financial statement.

NOTE 11 – TAX ASSETS AND LIABILITIES (cont'd)

Deferred tax (cont'd)

The breakdown of deferred tax asset (liability) movement is as follows:

	1 January - 30 September 2026	1 January - 30 September 2025
Opening balance	(10.934.588)	(8.041.404)
Deferred tax (expense)/income	5.179.227	599.506
The amount in comprehensive income/(expense)	42.351	42.515
Translation difference	(1.157.791)	(1.369.339)
Closing balance	(6.870.801)	(8.768.722)

Reconciliation of tax provision is as follows:

Reconciliation of tax provision	1 January - 30 September 2026	1 January - 30 September 2025
Profit before tax	7.507.512	4.231.390
Statutory tax rate	25%	25%
Calculated tax acc. to statutory tax rate	(1.876.878)	(1.057.848)
Reconciliation between the tax provision and calculated tax:		
- Non-deductible expenses	(11.104)	(8.395)
- Investment incentive	2.167.859	1.948.407
- 1 point reduction from the statutory tax rate	75.075	42.314
- The impact of investments accounted for using the	68.768	20.025
- Effect of currency translation (*)	(1.032.137)	(545.512)
- The effect of the difference between the statutory tax	5.563.744	-
Tax (expense)/income in the profit or loss statement	4.955.327	398.991

(*) The difference between the Company's functional currency and the currency in basis of tax base cause to translation difference.

The Company has a strategic investment incentive certificate based on the Council of Ministers Decision No. 2012/3305 published in the Official Gazette dated 19 June 2012. As of the reporting date, TRY 2.167.859 thousand in reduced corporate tax was used within the scope of the strategic investment incentive certificate as a result of meeting the valid conditions in the current period.

NOTE 12 – EQUITY

The capital structure reporting period by the Company is as follows:

Shareholders	(%)	30 September 2026	(%)	31 December 2025
Ereğli Demir ve Çelik Fabrikaları T.A.Ş.	94,87	2.751.326	94,87	2.751.326
Quoted in Stock Exchange	5,13	148.674	5,13	148.674
Historical capital		2.900.000		2.900.000
Inflation adjustment to capital		164		164
Restated capital		2.900.164		2.900.164

NOTE 13 – SALES AND COST OF SALES

The Company derives its revenue from the transfer of goods at a point in time. As of reporting date, the amount of performance obligations in the ongoing contracts of the Company will be eligible for recognition in the future is TRY 652.441 thousand. The Company plans to recognize related revenue amount as a revenue in a year.

As of the reporting date the detail of the sales revenue is as follows:

Sales Revenue	1 January - 30 September 2026	1 July - 30 September 2026	1 January - 30 September 2025	1 July - 30 September 2025
Domestic sales	83.949.058	30.479.693	64.856.139	25.567.078
Export sales	19.789.156	7.369.768	20.684.222	6.110.404
Other revenues (*)	2.603.399	854.856	3.293.029	1.711.449
Interest income from sales with maturities	338.864	114.759	341.269	123.762
Sales returns (-)	(11.341)	(6.563)	(23.287)	(13.926)
	106.669.136	38.812.513	89.151.372	33.498.767
Cost of sales (-)	(96.206.945)	(34.272.265)	(82.039.919)	(30.984.722)
Gross profit	10.462.191	4.540.248	7.111.453	2.514.045

(*) The total amount of by product exports in other revenues is TRY 1.521.898 thousand (30 September 2025: TRY 1.058.621 thousand).

NOTE 13 – SALES AND COST OF SALES (cont'd)

As of the reporting date the detail of the cost of sales is as follows:

	1 January - 30 September 2026	1 July - 30 September 2026	1 January - 30 September 2025	1 July - 30 September 2025
Raw material usage	(70.391.023)	(24.868.339)	(59.965.180)	(21.707.325)
Personnel costs	(8.134.668)	(2.954.964)	(5.894.571)	(2.265.587)
Energy costs	(4.240.646)	(1.709.065)	(3.732.500)	(1.451.053)
Depreciation and amortization expenses	(4.483.721)	(1.553.392)	(3.569.348)	(1.414.130)
Manufacturing overheads	(4.737.983)	(1.757.906)	(4.418.162)	(1.952.138)
Other cost of goods sold	(2.390.607)	(819.149)	(2.917.515)	(1.645.219)
Non-operating costs	(41.669)	(993)	(88.682)	(2.499)
Freight costs for sales delivered to customers	(1.023.226)	(339.794)	(963.651)	(354.545)
Inventory provision released (Note 4)	250	6	138.253	3.897
Amortisation of right of use assets	(63.535)	(22.489)	(44.582)	(17.591)
Other	(700.117)	(246.180)	(583.981)	(178.532)
	(96.206.945)	(34.272.265)	(82.039.919)	(30.984.722)

NOTE 14 – OPERATING EXPENSES ACCORDING TO THEIR NATURE AND OTHER OPERATING INCOME / (EXPENSES)

The breakdown of marketing expenses according to their nature for the reporting period is as follows:

	1 January - 30 September 2026	1 July - 30 September 2026	1 January - 30 September 2025	1 July - 30 September 2025
Personnel expenses (-)	(269.184)	(96.744)	(213.025)	(75.341)
Depreciation and amortization (-)	(232.214)	(130.247)	(89.595)	(31.848)
Tax, duty and charges (-)	(1.491)	(551)	(792)	(277)
Benefits and services from third parties (-)	(854.276)	(299.428)	(699.889)	(251.167)
	(1.357.165)	(526.970)	(1.003.301)	(358.633)

The breakdown of general administrative expenses according to their nature for the reporting period is as follows:

	1 January - 30 September 2026	1 July - 30 September 2026	1 January - 30 September 2025	1 July - 30 September 2025
Personnel expenses (-)	(619.477)	(214.585)	(423.801)	(149.082)
Depreciation and amortization expenses (-)	(71.158)	(25.303)	(26.138)	(9.812)
Amortization of right of use assets (-)	(11.231)	(3.813)	(10.530)	(3.689)
Tax, duty and charges (-)	(30.063)	(7.533)	(29.936)	(5.089)
Benefits and services from third parties (-)	(1.525.010)	(558.722)	(1.053.404)	(376.305)
	(2.256.939)	(809.956)	(1.543.809)	(543.977)

NOTE 14 – OPERATING EXPENSES ACCORDING TO THEIR NATURE AND OTHER OPERATING INCOME / (EXPENSES) (cont'd)

The breakdown of other operating income and expense for the reporting period is as follows:

Other operating income	1 January - 30 September 2026	1 July - 30 September 2026	1 January - 30 September 2025	1 July - 30 September 2025
Foreign exchange gains from trade receivables and payables	691.998	227.185	459.695	124.409
Discount income	273	87	280	89
Provisions released	64.633	17.635	69.848	18.647
Service income	85.681	29.749	66.548	23.700
Maintenance repair and rent income	20.380	5.875	16.585	5.168
Lawsuit income	2.286	420	3.872	270
Indemnity and penalty detention income	31.382	15.672	22.716	6.139
Previous period insurance indemnity income	3.137	75	29.447	830
Warehouse income	5.530	2.066	9.537	1.933
Overdue interest income	603	362	164	128
Other income and gains	138.319	51.029	175.302	85.540
	1.044.222	350.155	853.994	266.853

Other operating expenses (-)	1 January - 30 September 2026	1 July - 30 September 2026	1 January - 30 September 2025	1 July - 30 September 2025
Provision expenses	(287.737)	(74.973)	(195.968)	(60.769)
Donation expenses	(22.956)	(3.968)	(17.625)	(5.210)
Penalty expenses	(7.138)	(2.479)	(6.477)	(527)
Service expenses	(93.028)	(35.933)	(60.675)	(24.827)
Lawsuit compensation expenses	(185.908)	(69.822)	(15.471)	(5.688)
Other expenses and losses	(157.212)	(59.333)	(137.488)	(48.328)
	(753.979)	(246.508)	(433.704)	(145.349)

NOTE 15 – FINANCE INCOME AND EXPENSES

The breakdown of financial income for the reporting period is as follows:

Finance income	1 January - 30 September 2026	1 July - 30 September 2026	1 January - 30 September 2025	1 July - 30 September 2025
Interest income on bank deposits	1.928.481	671.983	2.220.307	480.815
Foreign exchange gains	587.376	20.457	-	-
Interest income from related party receivables	-	-	15.751	112
Fair value differences of derivative financial instruments (net)	12.406	(207)	-	-
Other financial income	7.928	189	-	-
	2.536.191	692.422	2.236.058	480.927

The breakdown of financial expenses for the reporting period is as follows:

Finance expenses (-)	1 January - 30 September 2026	1 July - 30 September 2026	1 January - 30 September 2025	1 July - 30 September 2025
Interest expenses on borrowings	(1.858.203)	(603.907)	(1.923.958)	(672.125)
Foreign exchange loss (net)	-	-	(502.823)	(32.311)
Interest cost of employee benefits	(383.726)	(166.090)	(330.093)	(129.706)
Interest expenses on leasing	(114.812)	(38.547)	(73.108)	(31.174)
Other financial expenses	(88.947)	(24.970)	(59.271)	(26.667)
Fair value differences of derivative financial instruments (net)	-	-	(159.836)	67.227
	(2.445.688)	(833.514)	(3.049.089)	(824.756)

During the reporting period, the borrowing cost of TRY 264.157 thousand have been capitalized as part of the Company's property, plant and equipment (30 September 2025: TRY 489.644 thousand).

NOTE 16 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Additional information about financial instruments

Foreign currency risk management

As of reporting period, the foreign currency position of the Company in terms of original currency is calculated as it as follows:

	30 September 2026			
	TRY (Presentation currency)	TRY (Original currency)	EURO (Original currency)	Jap.Yen (Original currency)
1. Trade Receivables	402.281	180.393	4.180	-
2a. Monetary financial assets	7.125.367	7.100.042	477	23
2b. Non- monetary financial assets	382.824	375.888	131	-
3. Other	-	-	-	-
4. Current assets (1+2+3)	**7.910.472**	**7.656.323**	**4.788**	**23**
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	76.092	76.092	-	-
6b. Non- monetary financial assets	491.335	71	9.254	-
7. Other	-	-	-	-
8. Non-current assets (5+6+7)	**567.427**	**76.163**	**9.254**	**-**
9. Total assets (4+8)	**8.477.899**	**7.732.486**	**14.042**	**23**
10. Trade payables	7.299.639	6.627.393	12.640	-
11. Financial liabilities	829.325	450.263	7.128	-
12a. Other monetary financial liabilities	2.055.125	2.049.500	106	-
12b. Other non-monetary financial liabilities	58.623	-	1.102	-
13. Current liabilities (10+11+12)	**10.242.712**	**9.127.156**	**20.976**	**-**
14. Trade payables	-	-	-	-
15. Financial liabilities	1.844.506	604.437	23.317	-
16a. Other monetary financial liabilities	3.671.538	3.671.538	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
17. Non-current liabilities (14+15+16)	**5.516.044**	**4.275.975**	**23.317**	**-**
18. Total liabilities (13+17)	**15.758.756**	**13.403.131**	**44.293**	**-**
19. Net asset/liability position of off-balance sheet derivative financial instruments (19a-19b)	**(153.002)**	**-**	**(2.877)**	**-**
19a. Off-balance sheet foreign currency derivative financial assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative financial liabilities	153.002	-	2.877	-
20. Net foreign currency asset/liability position (9-18+19)	**(7.433.859)**	**(5.670.645)**	**(33.128)**	**23**
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**(8.096.393)**	**(6.046.604)**	**(38.534)**	**23**
22. Fair value of derivative financial instruments used in foreign currency hedge	1.362	-	26	-
23. Hedged foreign currency assets	153.002	-	2.877	-
24. Hedged foreign currency liabilities	-	-	-	-
25. Exports	21.311.054			
26. Imports	49.966.461			

NOTE 16 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (cont'd)

Additional information about financial instruments (cont'd)

Foreign currency risk management (cont'd)

	31 December 2025			
	TRY (Presentation currency)	TRY (Original currency)	EURO (Original currency)	Jap.Yen (Original currency)
1. Trade Receivables	806.865	168.912	12.687	-
2a. Monetary financial assets	6.868.422	6.808.527	1.191	21
2b. Non- monetary financial assets	140.220	134.247	119	-
3. Other	-	-	-	-
4. Current assets (1+2+3)	**7.815.507**	**7.111.686**	**13.997**	**21**
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	77.457	77.457	-	-
6b. Non- monetary financial assets	2.318.453	170	46.102	-
7. Other	-	-	-	-
8. Non-current assets (5+6+7)	**2.395.910**	**77.627**	**46.102**	**-**
9. Total assets (4+8)	**10.211.417**	**7.189.313**	**60.099**	**21**
10. Trade payables	6.950.734	4.504.828	48.009	99.582
11. Financial liabilities	1.871.421	1.520.920	6.958	-
12a. Other monetary financial liabilities	1.839.860	1.822.822	338	-
12b. Other non-monetary financial liabilities	40.598	-	806	-
13. Current liabilities (10+11+12)	**10.702.613**	**7.848.570**	**56.111**	**99.582**
14. Trade payables	-	-	-	-
15. Financial liabilities	1.911.672	509.659	27.831	-
16a. Other monetary financial liabilities	2.687.257	2.687.257	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
17. Non-current liabilities (14+15+16)	**4.598.929**	**3.196.916**	**27.831**	**-**
18. Total liabilities (13+17)	**15.301.542**	**11.045.486**	**83.942**	**99.582**
19. Net asset/liability position of off-balance sheet derivative financial instruments (19a-19b)	**(524.119)**	**-**	**(10.404)**	**-**
19a. Off-balance sheet foreign currency derivative financial assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative financial liabilities	524.119	-	10.404	-
20. Net foreign currency asset/liability position (9-18+19)	**(5.614.244)**	**(3.856.173)**	**(34.247)**	**(99.561)**
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**(7.508.200)**	**(3.990.590)**	**(69.258)**	**(99.561)**
22. Fair value of derivative financial instruments used in foreign currency hedge	233	-	5	-
23. Hedged foreign currency assets	524.119	-	10.404	-
24. Hedged foreign currency liabilities	-	-	-	-
25. Exports	26.978.372			
26. Imports	54.202.635			

NOTE 16 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (cont'd)

Additional information about financial instruments (cont'd)

Foreign currency risk management (cont'd)

The following table shows the Company's sensitivity to a 10% (+/-) change in the TRY, EURO and JPY 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates.

For assets with foreign currency balances in the summary statement of financial position as of 30 September 2026: 48,9303 TRY = US $ 1, 55,5567 TRY = Euro 1; 0,3110 TRY = JPY 1 for liabilities: 49,0184 TRY = US $ 1, 55,6568 TRY = Euro 1, 0,3130 TRY = JPY 1 converted at rates (31 December 2025: For assets; 42,8457 TRY = US $ 1, 50,2859 TRY = Euro 1; 0,2729 TRY = JPY, 1 For Liabilities; 42,9229 TRY = US $ 1, 50,3765 TRY = Euro 1, 0,2747 TRY = JPY 1).

	Profit/(loss) before tax after capitalization on tangible assets	
30 September 2026	Appreciation of foreign currency	Depreciation of foreign currency
1- TRY net asset/liability	(604.660)	604.660
2- Hedged portion from TRY risk (-)	-	-
3- Effect of capitalization (-)	-	-
4- TRY net effect (1+2+3)	**(604.660)**	**604.660**
5- Euro net asset/liability	(204.980)	204.980
6- Hedged portion from Euro risk (-)	(15.301)	15.301
7- Effect of capitalization (-)	-	-
8- Euro net effect (5+6+7)	**(220.281)**	**220.281**
9- Jap. Yen net asset/liability	1	(1)
10- Hedged portion from Jap. Yen risk (-)	-	-
11- Effect of capitalization (-)	-	-
12- Jap. Yen net effect (9+10+11)	**1**	**(1)**
TOTAL (4+8+12)	**(824.940)**	**824.940**

NOTE 16 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (cont'd)

Additional information about financial instruments (cont'd)

Foreign currency risk management (cont'd)

	Profit/(loss) before tax after capitalization on tangible assets	
31 December 2025	Appreciation of foreign currency	Depreciation of foreign currency
1- TRY net asset/liability	(399.059)	399.059
2- Hedged portion from TRY risk (-)	-	-
3- Effect of capitalization (-)	-	-
4- TRY net effect (1+2+3)	**(399.059)**	**399.059**
5- Euro net asset/liability	(349.026)	349.026
6- Hedged portion from Euro risk (-)	(52.412)	52.412
7- Effect of capitalization (-)	-	-
8- Euro net effect (5+6+7)	**(401.438)**	**401.438**
9- Jap. Yen net asset/liability	(2.735)	2.735
10- Hedged portion from Jap. Yen risk (-)	-	-
11- Effect of capitalization (-)	-	-
12- Jap. Yen net effect (9+10+11)	**(2.735)**	**2.735**
TOTAL (4+8+12)	**(803.232)**	**803.232**

NOTE 16 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (cont'd)

Additional information about financial instruments (cont'd)

Categories of the financial instruments and their fair values

	Financial assets/ liabilities at amortized cost	Fair value through other comprehensive income	Fair value through profit/loss	Carrying value
30 September 2026				
Financial Assets				
Cash and cash equivalents	38.627.406	-	-	38.627.406
Trade receivables	5.422.876	-	-	5.422.876
Financial investments	-	-	71.433	71.433
Other receivables	242.388	-	-	242.388
Derivative financial instruments	-	6.401	1.362	7.763
Financial Liabilities				
Financial liabilities	37.536.074	-	-	37.536.074
Trade payables	38.188.356	-	-	38.188.356
Other liabilities	1.401.205	-	-	1.401.205
31 December 2025				
Financial Assets				
Cash and cash equivalents	50.737.047	-	-	50.737.047
Trade receivables	7.803.468	-	-	7.803.468
Financial investments	-	-	72.798	72.798
Other receivables	224.122	-	-	224.122
Derivative financial instruments	-	-	1.745	1.745
Financial Liabilities				
Financial liabilities	39.746.025	-	-	39.746.025
Trade payables	33.972.174	-	-	33.972.174
Other liabilities	952.780	-	-	952.780
Derivative financial instruments	-	92	1.513	1.605

Company management, considers that the fair values of financial assets and liabilities approximate book values.

NOTE 16 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (cont'd)

Additional information about financial instruments (cont'd)

Categories of the financial instruments and their fair values (cont'd)

30 September 2026

Financial asset and liabilities at fair value		Fair value level as of reporting date		
	Book Value	Level 1	Level 2	Level 3
Financial assets and liabilities at fair value through profit/loss				
Venture capital investment fund	70.106	-	70.106	-
Derivative financial assets	1.362	-	1.362	-
Financial assets and liabilities at fair value through other comprehensive income/expense				
Derivative financial assets	6.401	-	6.401	-
Total	**77.869**	**-**	**77.869**	**-**

31 December 2025

Financial asset and liabilities at fair value		Fair value level as of reporting date		
	Book Value	Level 1	Level 2	Level 3
Financial assets and liabilities at fair value through profit/loss				
Venture capital investment fund	71.637	-	71.637	-
Derivative financial assets	1.745	-	1.745	-
Derivative financial liabilities	(1.513)	-	(1.513)	-
Financial assets and liabilities at fair value through other comprehensive income/expense				
Derivative financial liabilities	(92)	-	(92)	-
Total	**71.777**	**-**	**71.777**	**-**

First Level: Quoted (non-adjusted) prices in active markets for identical assets or liabilities.

Second Level: Other valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Third Level: Valuation techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

NOTE 17 – SUBSEQUENT EVENTS

None.

NOTE 18 – OTHER ISSUES AFFECTING THE CONDENSED INTERIM FINANCIAL STATEMENTS MATERIALLY OR THOSE REQUIRED TO BE DISCLOSED FOR A CLEAR, UNDERSTANDABLE AND INTERPRETABLE PRESENTATION

Convenience translation to English:

As of 30 September 2026, the accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) to the accompanying financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting, certain reclassifications and also for certain disclosures requirement of the POA/CMB. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in accordance with IFRS.