

Daily View

Good morning. Tensions in the Middle East escalated again last night following an Iranian attack targeting U.S. vessels in the Strait of Hormuz and the subsequent response by U.S. forces. Despite the heightened geopolitical risks, global markets are not showing signs of panic pricing at this stage. Oil prices continue to hover around the \$100 level. U.S. futures are mildly positive this morning, while European futures and Asian equities are trading weaker. On the domestic front, Borsa Istanbul closed above the 15,000 level for the first time in its history yesterday, posting a 0.8% daily gain. We also observed continued fund inflows into the market. In this respect, the positive momentum in domestic equities remains intact and the technical outlook continues to point upward. The target zone of the flag formation we highlighted previously remains valid within the 15,500–16,000 range, while the 14,800–14,900 band stands out as the nearest support area. Despite renewed tensions in the Middle East, we believe Borsa Istanbul is likely to maintain its resilient stance. The top positive contributors to the BIST 100 Index yesterday were SASA, KLRHO, MPARK, YKBNK, and EREGL, while TUPRS, ASELS, MAGEN, SISE, and SAHOL weighed negatively on the index. Stocks attracting consistent inflows over the past week included YKBNK, ASTOR, EKGYO, MGROS, and TOASO. On today's agenda, March industrial production data will be monitored domestically, providing the third monthly reading for the first quarter. In the U.S., nonfarm payrolls, the unemployment rate, and average hourly earnings data will be released. Türkiye's 5-year CDS premiums are starting the day at 228 basis points.

Macro and Politics

*** TURKSTAT will release March industrial production figures today at 10:00 local time.** As a reminder, industrial production posted the rebound we had anticipated in February, with seasonally and calendar-adjusted industrial output rising by 2.6% m/m, while calendar-adjusted annual industrial production increased by 2.2% y/y. However, leading indicators for March point to a renewed loss of momentum in industrial activity. Imports of intermediate goods excluding gold and energy point to a contraction in industrial production in March. Meanwhile, another key leading indicator, the Istanbul Chamber of Industry Turkey Manufacturing PMI, declined from 49.3 to 47.9 in March, marking its lowest level since October and signaling a deterioration in manufacturing activity. Other leading indicators for industrial production also point to a weaker underlying trend in March. Overall, the recent flow of data suggests that, following February's rebound, industrial production likely recorded a modest contraction as of March.

*** The Treasury and Finance Ministry will release April cash budget figures @ 17:30 local time.** The primary balance posted a cumulative surplus of TL456bn in the first quarter of the year, while the rolling 12-month primary surplus increased from TL851.8bn to TL958.1bn. Meanwhile, the central government budget recorded a deficit of TL229.9bn in March, whereas the primary balance posted a surplus of TL6bn. As a result, the central government budget registered a cumulative deficit of TL420bn in the first quarter, while the rolling 12-month budget deficit remained broadly stable at TL1.5tn. Our year-end 2026 budget deficit forecast stands at TL3.3tn, corresponding to 4% of GDP.

*** Foreign investors recorded net outflows of USD228.4mn from the equity market and USD282.1mn from the bond market (excluding repo transactions) in the week of April 24 – 30.** Accordingly, following three consecutive weeks of foreign inflows into both equity and bond markets, last week marked a renewed episode of outflows, while foreigners' share in the total government bond stock declined from 6% to 5.9%. Meanwhile, the Eurobond market witnessed a net foreign outflow of USD358.4mn during the week. Moreover, in the week of April 24 – 30, residents' FX deposits (excluding gold, EUR/USD parity effect adjusted) declined by USD2.2bn, while their total FX deposits (including gold, price-adjusted) posted

a net decline of USD2.4bn in the week of April 24 – 30. In terms of official reserves, the CBT's gross FX reserves fell by USD5.6bn to USD165.5bn, net FX reserves declined by USD572mn to USD53.6bn and net reserves excluding swaps slid by USD130mn to USD36.2bn.

Sector and Company News

- **AGHOL** reported 1Q26 revenues of TL184.9bn, EBITDA of TL13.9bn and net income of TL1.8bn. In the same period last year, the company had posted TL174.9bn in revenues, TL9.8bn in EBITDA and TL759mn in net income. Accordingly, revenues increased by 6% YoY, while EBITDA rose by 41% YoY. The EBITDA margin improved to 7.5% from 5.6%. Supported by disciplined balance sheet management, consolidated net debt declined to TL92.7bn from TL110.5bn last year. As a result, the net debt/EBITDA ratio decreased to 1.2x from 1.6x as of end-1Q25.
- **DESA (Slightly Negative)** reported 1Q26 net sales of TL949mn, EBITDA of TL209mn and net income of TL111mn. Our forecasts were for TL1.1bn in revenues, TL277mn in EBITDA and TL127mn in net income. Accordingly, all three key lines came in below our estimates. Net sales declined by 4% YoY, while the gross margin improved to 56.8% from 53.5%. EBITDA decreased by 17% YoY, while the EBITDA margin contracted to 22.0% from 25.4%, mainly due to the YoY increase in operating expenses. We assess the results as slightly negative. We have a 12-month target price of TL18.00/share for Desa Deri, along with a BUY recommendation.
- **DOHOL (Slightly Positive)** reported 1Q26 net sales of TL23.9bn, EBITDA of TL2.6bn and net income of TL334mn, compared to a net loss of TL680mn in 1Q25. The YoY increase in investment income and the decline in financial expenses supported the recovery in net income, while the widening monetary loss, from TL988mn to TL3.3bn, limited the bottom line. On the operational side, Mining, the turnaround at Karel and the recovery in automotive lifted the EBITDA margin by 6.5pp YoY to 11.0%. We assess the results as slightly positive, supported by operational momentum and the recovery in net income. We maintain our BUY recommendation for Doğan Holding with a 12-month target price of TL29.35/share.
You may access the report via the link below: <https://tacirler.com.tr/en/dogan-holding-dohol-1q26-financial-results--4277>
- **KOTON (Neutral)** reported 1Q26 revenues of TL8.3bn, EBITDA of TL1.5bn and a net loss of TL278mn. Revenues came in broadly in line with both our estimate and market consensus, while EBITDA delivered an upside surprise. EBITDA was nearly double our TL887mn estimate and the market median estimate of TL901mn. The main drivers of this deviation were the better-than-expected improvement in gross margin and lower-than-expected operating expenses. The net loss, on the other hand, was broadly in line with our TL234mn estimate. Despite the strong operational performance, elevated financial expenses continued to weigh on the bottom line. While we view the operational performance positively, we assess the overall results as neutral due to the continued net loss. That said, as we believe the pressure from financial expenses is a temporary factor that should ease as the interest rate environment normalizes, we maintain our medium- to long - term investment thesis. We maintain our BUY recommendation with a 12-month target price of TL27.00/share.

- **SOKM** reported TRY 76.3 billion in revenue in line with market expectations, while EBITDA stood at TRY 456 million (Consensus: TRY 508 million), below expectations. The company also posted a net loss of TRY 736 million (Consensus: TRY 344 million net loss), worse than market forecasts. While revenue increased by 7% year-over-year, weak operational margins continued under pressure. We view the results negatively due to weaker-than-expected EBITDA and a higher-than-expected net loss.
- **HOROZ** reported a net loss of TL 25mn in 1Q26, shifting from net profit to net loss on a YoY basis, while maintaining its loss position on a QoQ basis. The weak net income performance continued to be driven by elevated costs and financial expenses. Net sales reached TL 3.4bn, increasing by 14% YoY and 1% QoQ. EBITDA rose to TL 427mn, up 2% YoY and 24% QoQ, while the EBITDA margin remained broadly flat at 12.4%.
- **AKSA** released its 1Q26 financial results with TL676mn net profit. The market expectation was TL326mn net profit. Net profit increased by 133% YoY, while declining by 54% QoQ.
- **BRSAN** released its 1Q26 financial results with TL274mn net profit. BRSAN had posted TL284mn net loss in the same period of last year and TL262mn net loss in the previous quarter.
- **AKFYE** released its 1Q26 financial results with TL482mn net profit. Net profit declined by 56% YoY and 54% QoQ.
- **A1YEN** released its 1Q26 financial results with TL4mn net profit. A1YEN had posted TL18mn net loss in the same period of last year and TL37mn net profit in the previous quarter.
- **AKFIS** released its 1Q26 financial results with TL810mn net profit. AKFIS had posted TL147mn net loss in the same period of last year and around TL1.4bn net profit in the previous quarter.
- **AKENR** released its 1Q26 financial results with TL389mn net profit. AKENR had posted TL142mn net profit in the same period of last year and TL4.9bn net loss in the previous quarter.
- **ZOREN** released its 1Q26 financial results with TL3,065mn net loss. ZOREN had posted TL4,355mn net loss in the same period of last year and TL11,013mn net loss in the previous quarter.
- **PEKGY** released its 1Q26 financial results with TL1.7bn net profit. PEKGY had posted TL163mn net profit in the same period of last year and TL226mn net loss in the previous quarter.
- **OYAKC** released its 1Q26 financial results with TL103mn net profit. The market expectation was TL556mn net profit. Net profit declined by 92% both YoY and QoQ.

- **GLYHO** released its 1Q26 financial results with TL710mn net profit. GLYHO had posted TL575mn net profit in the same period of last year and TL3.2bn net profit in the previous quarter.
- **EFOR** released its 1Q26 financial results with TL116mn net profit. Net profit increased by 61% YoY, while declining by 83% QoQ.
- **AGESA** announced its gross premium production data for April. Accordingly, premium production reached TL2.7bn, increasing by 46% YoY, while declining by 7% MoM.
- **AKFIS** announced that it decided to acquire 5 land plots in the US for USD14.5mn.
- **AKSEN** announced that EMRA approved the generation license application for its 10 MW storage-integrated SPP project, while work continues on storage-integrated SPP and WPP projects with a total installed capacity of 891 MW.
- **ANSGR** announced that its unaudited gross written premiums reached TRY 37.9 billion in the first four months of 2026, marking a 27.6% year-over-year increase.
- **ATAKP** decided to distribute a gross dividend of TL0.70 per share from its 2025 earnings. The proposed ex-dividend date is June 4, while the dividend yield stands at 1.8% based on the latest closing price.
- **CEMAS** announced that its subsidiary BND Elektrik sold 48mn CEMAS shares to Işıklar Holding at TL4.85 per share, for a total consideration of TL232.8mn.
- **EKOS** announced that it signed a contract worth EUR1.2mn.
- **FORTE** announced that its subsidiary signed a contract worth USD3.4mn.
- **IMASM** announced that it signed flour mill installation and capacity expansion contracts with its international customers, with a total contract value of USD 1.7mn.
- **KLKIM** will distribute a gross dividend of TL0.65 per share today, implying a dividend yield of 1.7% based on the latest closing price.
- **MEKAG** announced that it received an order from a Türkiye-based company for 4 concrete batching plants, with a total order value of USD 1.1mn, excluding VAT.

- **PEKGY** announced that Tera Portföy funds purchased a net 14.9mn PEKGY shares on May 5. Following the transaction, their stake in the company increased from 14.8% to 15.05%.
- **RAYSG** announced its gross premium production data for April. Accordingly, premium production reached TL3.2bn, declining by 9% YoY and 18% MoM.
- **RUBNS** announced that its individual shareholders applied for the conversion of around 7.4mn shares, corresponding to 9.0% of the company's capital, into tradable type.
- **TABGD** decided to distribute a gross dividend of TL5.00 per share from its 2025 earnings. The proposed ex-dividend date is June 4, while the dividend yield stands at 1.8% based on the latest closing price.
- **TAVHL** announced that T. Rowe Price sold 600k TAVHL shares at TL274.7 per share on May 5. Following the transaction, its stake in the company declined from 5.08% to 4.91%.
- **VBTYZ** announced that it signed a contract worth USD1.8mn.
- **ZERGY** announced that its portfolio value reached TL27.6bn as of 1Q26. Accordingly, total portfolio value increased by 62.4% compared to 2025-end.

Share Transactions

Important Disclosures

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