2H25 OUTLOOK

'WHAT WE HOPED FOR & WHAT WE FOUND'

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TACİRLER INVESTMENT

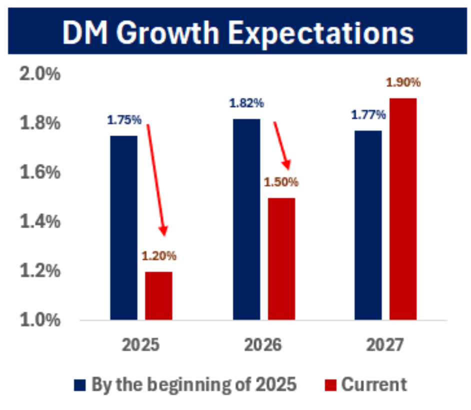
What we hoped for & what we found

At the beginning of 2025, **in Türkiye,** we anticipated an easing of domestic interest rates, an acceleration of growth and an improvement in financials. At present, CBRT policy rate is approximately 1,000 basis points higher than expected. Risks of a loss of growth momentum have increased, and the financial sector has experienced significant pressure in the first half of the year. **On the external front**, just a few months after Donald Trump won the U.S. presidential election by promising for ‘’bring an end to all wars in the world," we began the year by leaving behind one of the biggest fears of the modern world: The current state of affairs between Iran and Israel is a source of concern. However, the US tariff threats persist, albeit with temporary reprieve from the agreement with China and country-by-country extensions and exemptions.

In USA, while concerns over President Trump's tariff wall hikes in the US seem to have subsided or stabilized for the time being, we believe that time is needed for a full global relief. At the beginning of 2025, global economic growth expectations, which are expected to be close to ideal rates, continue to be subject to downward revisions in the shadow of trade wars. While these revisions primarily stem from the downward revision in growth expectations for developed countries, we observe that growth expectations for emerging economies are less affected.

Source: Bloomberg

Source: Bloomberg



Source: Bloomberg

In Europe, the political uncertainties and electoral atmosphere in the region at the start of the year have become clearer in some places, particularly in Germany. However, issues remain to be resolved in prominent countries such as France and the Netherlands. The politics of fear in Europe, driven by supporters of enlargement and reform and rising nationalism and populist rhetoric, continue to influence the mainstream. In this context, the European Central Bank (ECB) has maintained a policy of lowering interest rates to stimulate growth in the face of declining inflation. However, we anticipate a shift in the ECB's approach, leading to a cessation of further rate cuts. Furthermore, the plans of different countries in the region to increase their defense spending directly and indirectly create an expectation for the economies of the region. However, no concrete steps have yet been taken in this regard.

In Asia, the pressure from the US over tariffs is being set aside for the time being, but the foundation for mutual trust is yet to be fully established. China's stable outlook and ongoing stimulus measures are contributing to the region's stability. Markets in the region are also beginning the second half of the year on a more optimistic note. The course of oil prices in Asia may become increasingly critical. In this regard, it is encouraging that the recent escalation of tensions between Iran and Israel, which occurred over the past two weeks and then subsided, has been resolved. However, the profound concerns that emerged as a result of these tensions are still salient, and it may require a considerable amount of time to reach a comprehensive ceasefire agreement.

What we hoped for & what we found

Our expectations for FX markets, interest rates and Borsa Istanbul in Türkiye

Foreign Exchange Markets: Despite the CBRT's high reserve utilization in the four weeks following March 19, the TL has remained stable, largely due to the persistence of tight monetary conditions and a high real positive interest rate environment. However, despite the TL's appreciable value against the USD and EUR over the past year, there has been no significant appreciation since March, and a 3% depreciation since early 2025. Nevertheless, we believe that the real appreciation in TL will continue due to the deceleration in FX demand, the recovery in reserves, and the ongoing high real interest rate environment. Our year-end forecast for the basket exchange rate, which is currently around TL 43, is TL 47.5, implying a TL depreciation of around 9% in the second half of the year. ***Our year-end inflation expectation of 31% CPI implies an inflation expectation of around 12% in the second half of the year and a real appreciation in TL of around 2% in 2H25.***

Interest rates: The CBRT's Monetary Policy Committee (MPC) initiated a gradual reduction of the policy rate from 50% to 42.5% by 250 basis points, with the first reduction occurring on December 26, 2024, followed by subsequent reductions on January 23, 2025, and March 6, 2025. It was anticipated that there would be an additional 250 basis point reduction on April 17, with further reductions of 100 to 200 basis points anticipated before the end of the year. However, after March 19, the CBRT raised the policy rate and increased the Weighted Average Funding Cost from 42.5% to 46-49%, which had a negative effect on the projected interest rate path and many parameters such as market rates, valuation parameters, banks' funding costs, financing opportunities, etc. ***While we anticipate a gradual normalization in these rates over the remainder of the year, we believe we will conclude the year at levels above our initial expectations at the beginning of 2025. Our 2025 year-end expectations, which were valid before March 19, are on track to be achieved in the first half of 2026 under optimal scenarios.***

Borsa Istanbul: The BIST 100 index, which began the year with year-end index targets close to 14,000 and climbed up to 11,000 in mid-March, saw a retreat to 9,000 levels in the period after March 19, and a retreat to around 13,500 in 12-month index targets. It is important to note that changes in interest rates in particular put companies under pressure from two sides: i) costs and ii) valuations. Additionally, heightened uncertainty has led to a softening of growth and volume expectations, as well as a decline in turnover and profitability projections. ***However, we believe that the gradual normalization of interest rates will support BIST and make it more attractive in the second half of the year. We anticipate a continuation of sensitivity to non-economic (domestic and foreign political) developments. However, as these issues are not measurable risks, we believe that developments should be monitored and that cautious optimism should be maintained. Our current 12-month target index value for the BIST 100 index is 13,600, indicating 36% upside potential.***

We started 2025 by saying "Another year of riddles".
We hope to see clues to the solution in the rest of the year.

''Hope does not feed'', she said,
''Does not feed, but sustains you'', replied colonel.
Gabriel Garcia Marquez

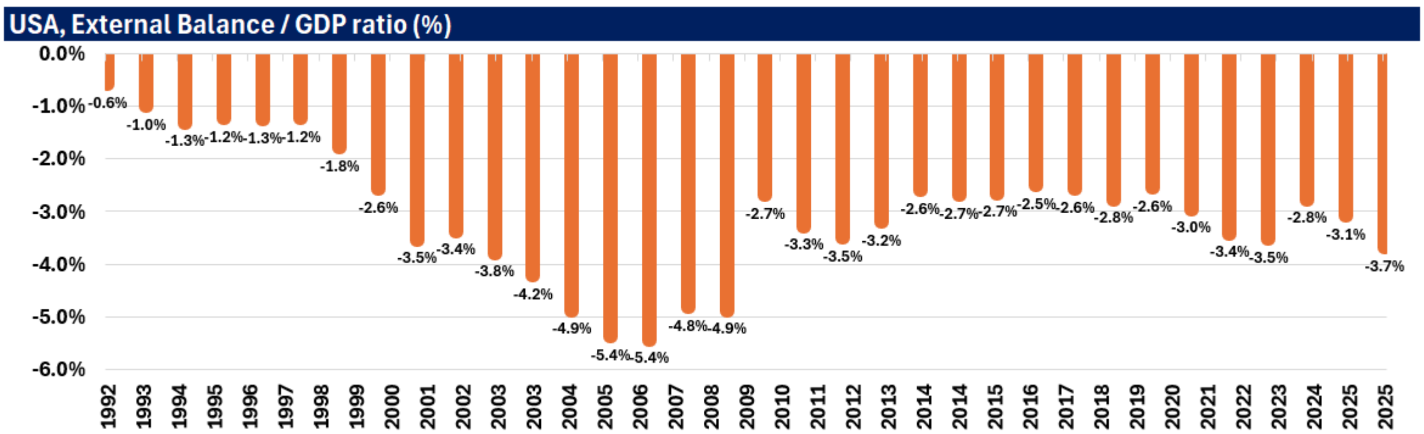
Global Outlook

Global Outlook

US: How much can we trust Trump's messages of reconciliation?

On April 2, US President Donald Trump declared Economic Freedom Day, announcing tariffs on all countries and igniting the trade war. Despite a 10-20% drop in global stock markets over the next few days, the exceptions, extensions of time, and mutual negotiations since mid-April indicate that the negotiation process has commenced at a high level. However, the substantial rise in the ratio of the US external deficit to GDP will likely prompt Trump to maintain his current stance. Consequently, we do not anticipate a lasting easing in the trade wars or a return to the pre-April conditions.

The graph below illustrates the ratio of the US foreign trade deficit to GDP since 1992. The escalation that preceded the crisis that erupted in the US in 2008, with the rapid depreciation of subprime housing loans given to unqualified masses and the mortgage-based bonds securitized based on these loans, has recently been experienced again in a similar manner. At that time, mounting budgetary constraints made it challenging to manage non-performing loans, leading to the global credit crisis of 2008. This crisis had far-reaching global implications and initiated a process whose effects on monetary policy approaches are still being felt today.



Source: Bloomberg, Tacirler Investment Research

When analyzing the expectations for the US stock markets during the period when high tariff rates were being discussed, it became evident that the markets anticipated an increase in both inflationary and recessionary risks within the US economy. This led to a significant decline in the S&P 500 index targets due to a surge in panic selling. ***However, recent revisions to the S&P 500 index targets have been triggered by several factors, including the Trump administration's reconciliation messages, country-based agreements, particularly with China, and the introduction of tax reduction plans. The current 12-month targets stand above 6650, indicating 7% upside potential in USD terms. These revisions indicate that concerns over trade wars have partially eased and that markets are confident in Trump's conciliatory stance.***

Concurrent with the weak US activity data and the Trump Administration's pressure on the Fed to "cut rates," the Fed is expected to take its first rate cut step in September or October. However, "core personal consumption expenditures (core PCE)," the primary inflation indicator that the Fed closely monitors, remains above the 2% target and is anticipated to persist in rising trend until the close of the year. Consequently, we anticipate that the Fed will maintain its reluctance to reduce interest rates. ***Due to this situation, we expect that the recent global weakness in the dollar will continue and that the rise in the EUR/USD parity and the easing in the DXY Dollar Index will persist, despite the dollar's occasional appreciation against major currencies globally.***

Global Outlook

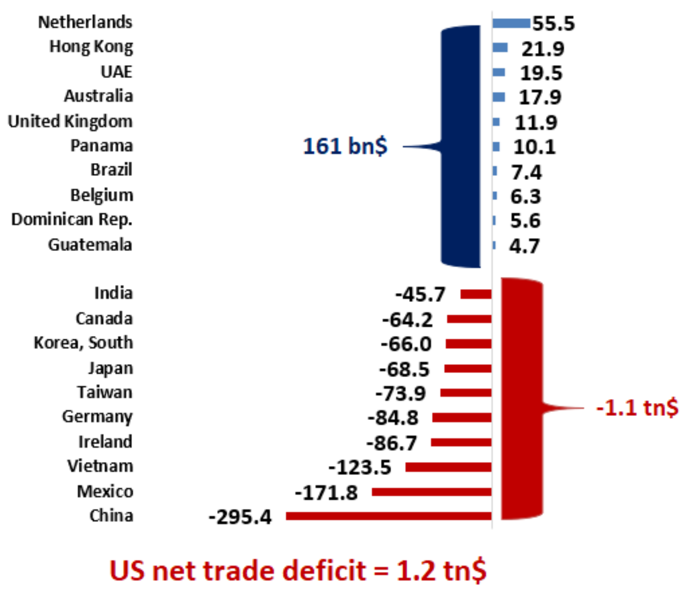
So, is Trump right?

Despite the agreements reached, it is evident that US President Trump is intensifying the pressure on China. This is based on the fact that, as the chart on the right shows, the US has the highest trade deficit with China.

According to year-end 2024 data, the US economy is running a net trade deficit of $1.2 trillion, equivalent to 3.1% of GDP in 2024. In 2025, this figure is projected to rise to 3.7%, and if no measures are taken, it could climb as high as 5%.

The US deficit with China and other countries is just one of several potential risks that Trump is considering. The fact that China accounts for 86% of the global net trade surplus also complicates Trump's plans for the US to have a say in global trade. Additionally, Trump has expressed a desire to impose restrictions on the movement of Chinese intermediate products, both directly to China and indirectly through supply chains. It should be noted that these policies were also on the agenda under former President Joe Biden, albeit not as prominently as under Trump.

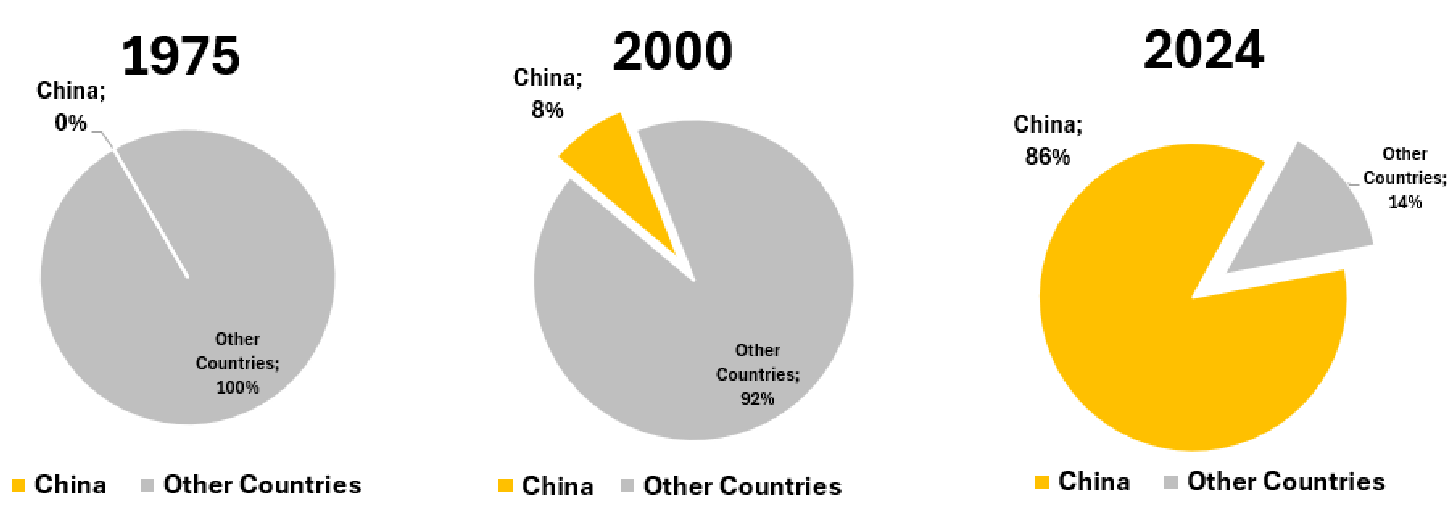
USA, foreign trade balances by country (top & bottom 10, 2024, bln$)



Source: US Department of Commerce

The graph below illustrates China's percentage contribution to the global net trade surplus in 1975, 2000, and 2024. As illustrated here, 50 years ago, China's share in global trade volume was significant, but its share in the net trade surplus was negligible. However, China's robust economic growth in the subsequent years and its accelerated rise as a net exporter led to a substantial increase in its share of the global net trade surplus, rising from 8% in 2000 to a notable 86% in 2024. As the leader of the world's largest economy, Trump is also seeking to address China's rapid ascent, the world's second largest economy, and its progress towards becoming the largest global economy.

China's Share in Global Net Foreign Trade Surplus (1975, 2000 and 2024)



Source: World Trade Organization - WTO

Global Outlook

Europe unties one knot while tying another

The political deadlock in **Germany** at the start of the year has been resolved with the government led by Chancellor Merkel receiving a vote of confidence. Notably, this marks the first instance in Germany's history that a vote has proceeded to a second round, suggesting the potential for future divisions among the coalition partners in Germany. Consequently, the region's leading country may experience a lack of cohesive leadership. **In France**, the political deadlock persists following the dissolution of the Barnier Government at the conclusion of 2024. President Macron has announced his intention to dissolve the National Assembly and schedule elections for the fall. **In the Netherlands**, the Schoof Government, which had not even completed one year since its establishment, resigned after the Freedom Party, one of the coalition partners, criticized the immigration policies of the coalition partners and left the coalition, finding it insufficiently strict. The country is expected to hold early elections in October.

In this environment, the European Central Bank (ECB) has continued to cut interest rates to support growth amid falling inflation. However, the ECB is expected to remain on watch until the first quarter of next year after its last rate cut in June. Furthermore, the plans of different regional countries to increase their defense spending directly and indirectly create expectations for the regional economies. However, no concrete steps have been taken so far. Additionally, the strategic intentions of prominent US funds to augment their investments in Europe have garnered notable interest recently.

To sum it up, European politics is experiencing significant turbulence, marked by the rise of far-right movements, government crises, and economic instability. Political uncertainties are straining the EU's internal cohesion, while the Ukraine and Palestinian issues are shaping foreign policies. The politics of fear, driven by supporters of enlargement and reform and rising nationalism and populist rhetoric, is influencing the mainstream. This has led to questions about how far economic policies can be coordinated and sustained in this environment.

Asia growth relatively strong, but risks rise

In Asia, we observe a multifaceted landscape, marked by robust growth prospects and potential risks. Growth forecasts for the region as a whole remain close to double the global average, but below historical averages. Despite the agreements reached with the US, the ongoing tariff increases, concerns over the security of trade routes, and rising energy costs continue to pose challenges to both export revenues and supply chains.

In China, while the ongoing customs negotiations with the US have reached a conclusion, the weakening of the domestic housing sector is also a significant macro issue that suppresses domestic demand. To address this, large-scale incentives and support packages in various areas are necessary. Among the steps taken in this regard, measures such as loosening interest rates and reserve requirements to ease the financial system, refinancing packages for housing to support consumption, and project-based special loan mechanisms stand out.

Although **Japan** has historically enjoyed strong economic ties with the US, the relationship has experienced challenges during the Trump administration. Japan, which has been grappling with deflation risks for an extended period, has witnessed the highest CPI rates since the 1980s, driven by the recent surge in inflation. The risk of real wage contraction despite high wage negotiations, known as Shunto, has emerged as a potential threat to the country's economy. Japan's economy is not expected to achieve an annual growth rate of 1% for two consecutive years.

A comparison of the growth dynamics of other Asian economies reveals that **India** is experiencing an improvement, with employment and production growth through exports. **Pakistan's** growth remains stagnant, though efforts are underway to address inflation through IMF support. **Vietnam** stands out with its high growth rates and increasing foreign investor interest. **Malaysia** remains stable, with strong electronics exports that may be affected by the slowdown in global demand. **Singapore** is in a technical recession, and the weak growth outlook remains unchanged for now.

Macro Outlook

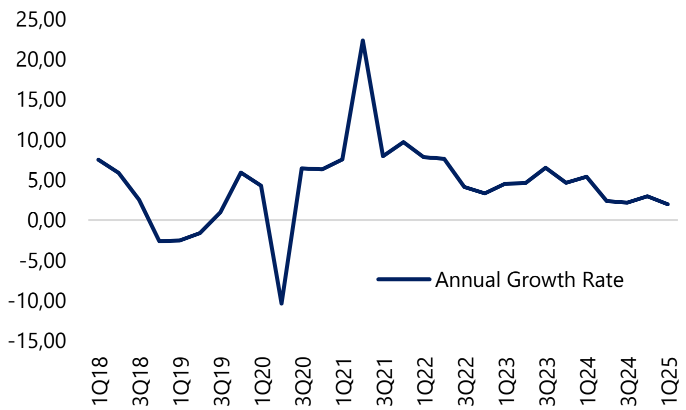
Macro Outlook

Economic Growth

We project GDP growth at 3.1% in 2025 and 3.9% in 2026. In 1Q25, household consumption emerged as the main driver of annual growth, contributing 1.6ppts, supported by the sustained momentum in credit expansion and the lagged impact of rate cuts implemented prior to March 19. In the second quarter, we expect the contribution of household consumption to ease modestly, while anticipating a further slowdown in industrial activity. Although recently retightening financial conditions have amplified downside risks to the activity, high-frequency indicators have yet to signal a rapid cooling in domestic demand dynamics. Meanwhile, public spending continues to provide support to the growth outlook. Accordingly, we maintain our 2025 growth forecast at 3.1%, while closely monitoring the mounting downside risks.

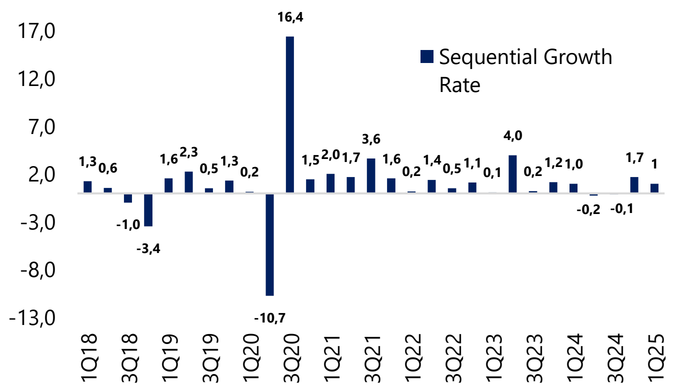
The adverse impact of rising idiosyncratic concerns since March 19 on leading indicators became more pronounced in June. The Real Sector Confidence Index (RSCI), which had already declined in April and May, dropped further in June to its lowest level of the year. Likewise, the Istanbul Chamber of Industry (ICI) Türkiye Manufacturing PMI fell from 47.3 in May to 47.2, marking its weakest reading since October 2024. Amid weakening momentum in new orders, industrial production and purchasing activity have also softened. While household consumption shows some signs of stabilization, its overall momentum remains intact. As demand-supply imbalances persist across the economy, we remain of the view that the exclusive focus on monetary policy – coupled with the absence of meaningful fiscal consolidation – continues to pose risks to the delicate balance between inflation and growth.

GDP Growth Rate *(annual, %)*



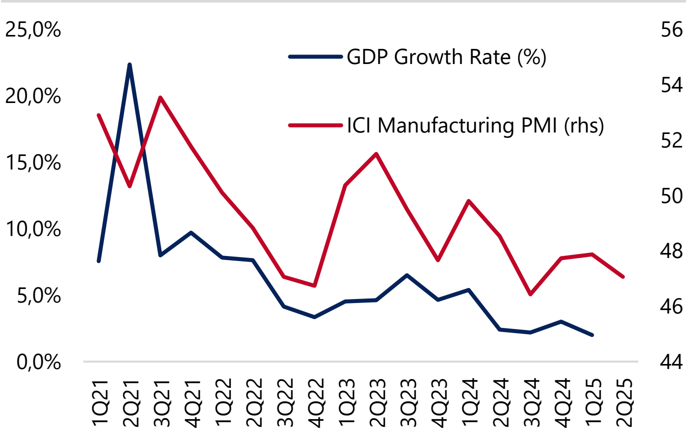
Source: TURKSTAT, Tacirler Investment

GDP Growth Rate *(sequential, %)*



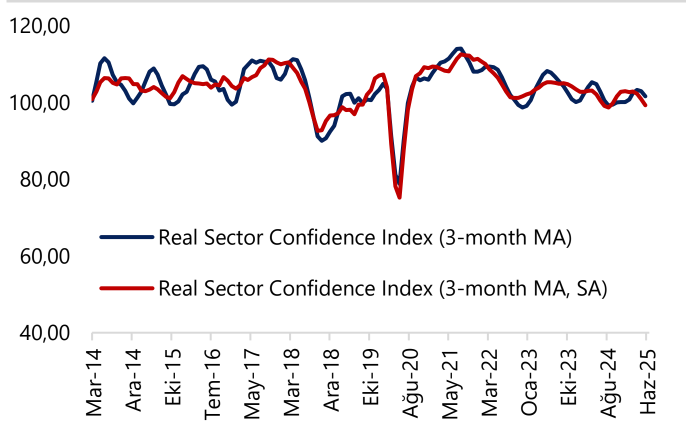
Source: TURKSTAT, Tacirler Investment

ICI Manufacturing PMI & GDP *(quarterly basis)*



Source: Istanbul Chamber of Industry , TURKSTAT, Tacirler Investment

Real Sector Confidence Index *(3-month MA)*



Source: CBT, Tacirler Investment

Macro Outlook

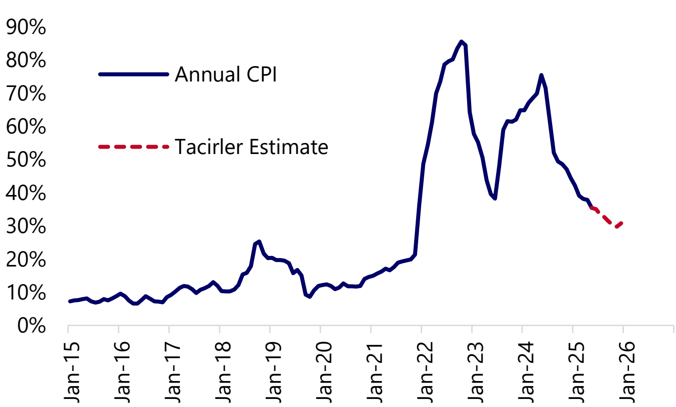
Price Dynamics

Our year-end inflation forecast stands at 31% for 2025, followed by a further decline to 19.1% in 2026. Our 2025 inflation forecast is based on the following assumptions: (i) USD/TL ending the year at around 45 level, (ii) a gradual slowdown in economic activity from the second quarter onward, with full-year GDP growth materializing at 3.1%, and (iii) Brent crude averaging approximately USD 66/bbl in the second half of the year.

Headline inflation came in at 1.37% m/m in June, broadly in line with our house forecast at 1.38%. On an annual basis, moreover, CPI declined to 35.0%. For July, we expect a notable acceleration in the monthly CPI 2.%. We estimate that the 24.6% increase in the state-run natural gas distributor Botas' residential natural gas tariffs will add approximately 0.45pp to headline inflation in July. However, with the prevailing positive base effect, we expect the annual CPI to sustain its decline in July, potentially falling below 34%.

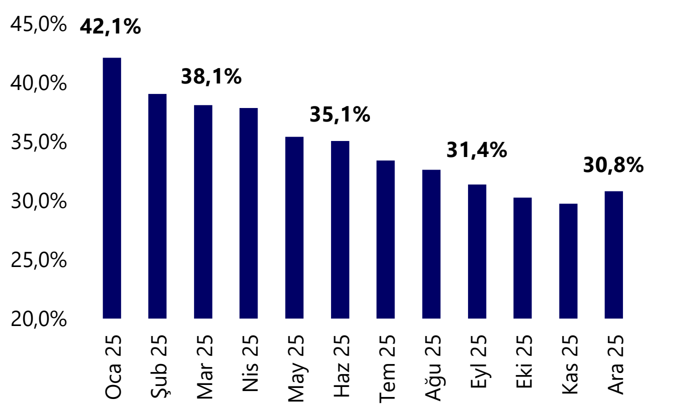
Despite the palpable improvement in the underlying trend of monthly inflation, the broader inflation outlook remains vulnerable. Following the Israel-Iran ceasefire and Brent crude stabilizing below US$70/bbl, no upward revision to our inflation forecast has been warranted. However, we maintain a cautious stance on food prices, particularly given ongoing drought risks, and intend to closely monitor food inflation developments in the coming months. As a result, we maintain our year-end inflation forecast at 31%, downside risks attached.

Tacirler Investment CPI Projections *(%)*



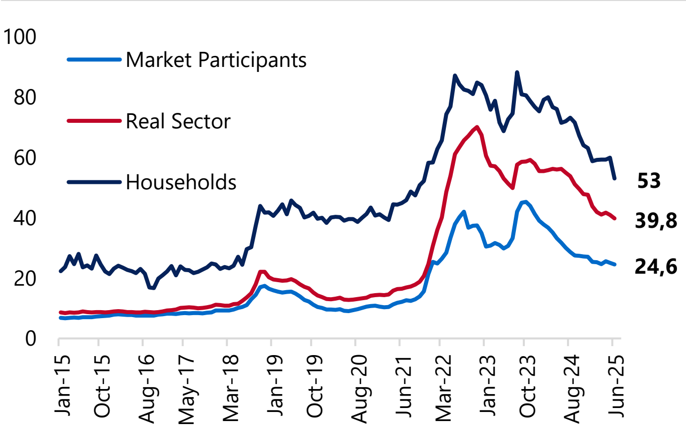
Sourse: TURKSTAT, Tacirler Investment

Tacirler Investment CPI Projections *(%)*



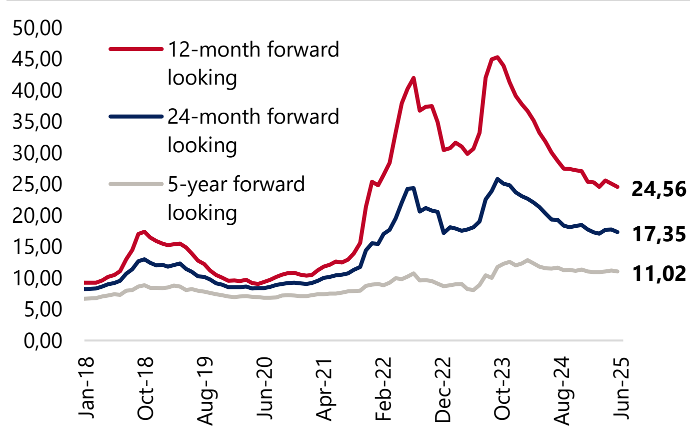
Sourse: TURKSTAT, Tacirler Investment

Sectoral Inflation Expectations *(12-month-ahead , %)*



Source: TURKSTAT, CBT, Tacirler Investment

Market Participants Survey Inflation Expectations *(%)*



Source: TURKSTAT, Tacirler Investment

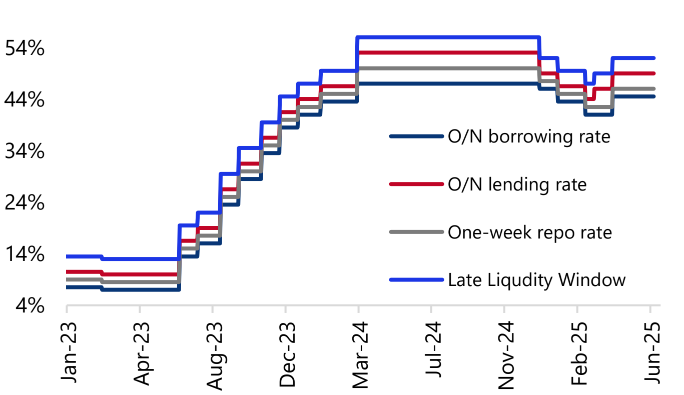
Macro Outlook

Monetary Policy

We anticipate that the Monetary Policy Committee (MPC) will initiate a 250-bps rate cut in July, resulting in a policy rate of 36% by year-end. The ongoing gradual accumulation of reserves, coupled with nine consecutive weeks of decline in residents' FX deposits, creates room for monetary easing in July. We also expect that the continued slowdown in the underlying trend of monthly inflation will strengthen the Central Bank's position. The neutralization of the emphasis on potential additional tightening in the June policy statement signals a higher likelihood that the initial rate adjustment will be a cut rather than a hike, thus increasing the probability of a reduction in July.

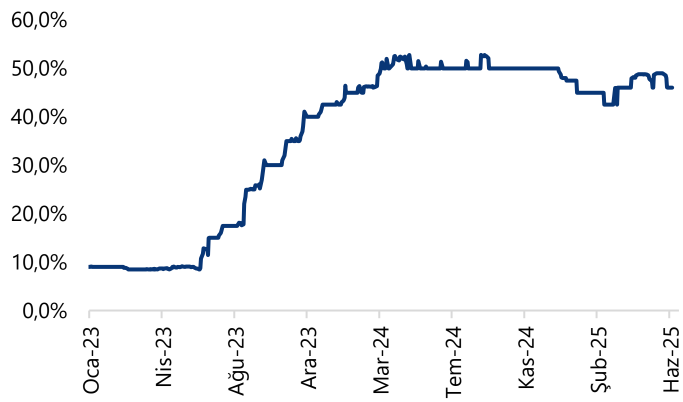
Although June's policy statement softened its hawkish tone, maintaining the interest rate corridor's upper bound at 49% signals the Central Bank's sustained caution. Accordingly, we remain cautious toward recent market expectations of a robust rate cut. With the increase in funding through weekly repo auctions, market rates and the weighted average cost of funding (WACF) have declined from 49% to 46% over the past three weeks. Following the effective 300-bps cut in June and given that conditions have not yet fully normalized to pre-March 19 levels, we anticipate a measured approach to further rate reductions. Furthermore, we believe the Committee continues to monitor dollarization risks closely and seeks to preserve policy flexibility in managing uncertainties by keeping the upper bound steady. As a result, we expect consecutive 250-bps cuts starting in July, resulting in a policy rate of approximately 36% by year-end. We anticipate the policy rate to decline further to 24% by the end of 2026.

The CBT Interest Rates (%)



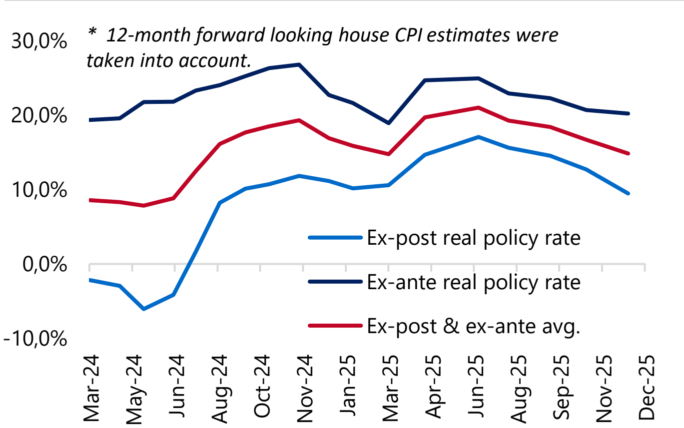
Source: CBT, Tacirler Investment

Weighted Average Cost of Funding *(%)*



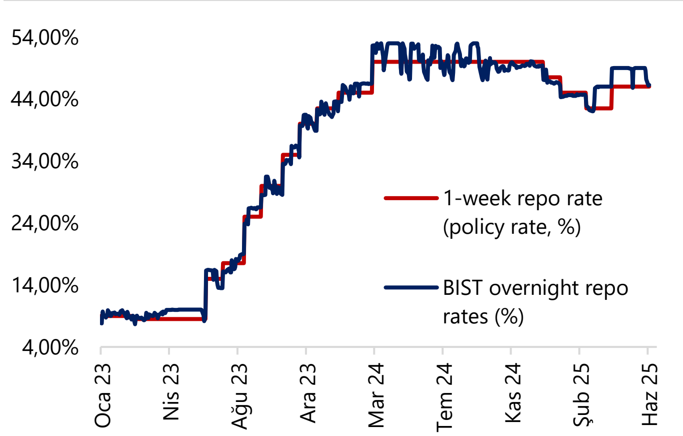
Source: CBT, BIST, Treasury, Tacirler Investment

Real Policy Rate Forecasts* *(%)*



Source: CBT, Tacirler Investment

Policy Rate % BIST Overnight Repo *(%)*



Source: CBT, Tacirler Investment

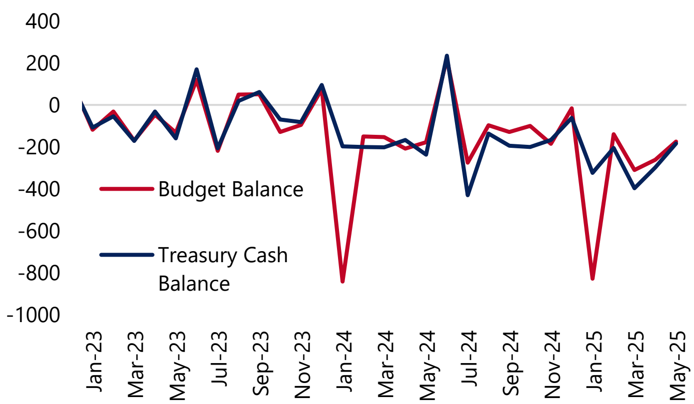
Macro Outlook

Fiscal Policy

We forecast the 2025 budget deficit at TL1.9tn, corresponding to 3% of GDP, with upside risks attached. The central government budget posted a surplus of TL235.2bn in May, broadly in line with our house estimate, while the primary balance registered a surplus of TL346bn. It is worth noting that the sizeable surplus recorded in May was largely driven by a surge in corporate tax revenues, stemming from the structural impact of the removal of the fourth corporate provisional tax payment, which was abolished starting in May 2023. The removal of this instalment has led to a concentration of corporate tax declarations in May, reflecting both the first-quarter provisional taxes for the current year and corporate taxes announced for the previous year's last quarter. Consequently, we expect this effect to dissipate in June, with the budget reverting back to a deficit.

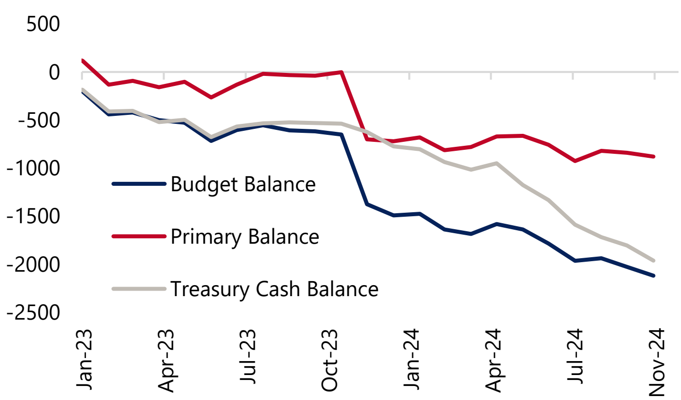
The elevated trajectory of public expenditures underscores a sustained accommodative fiscal stance. We consider disciplined fiscal consolidation, primarily through stringent expenditure control, essential for reinforcing the balance between inflation and growth throughout the remainder of the year. In the absence of meaningful fiscal tightening, the moderation in growth dynamics may fall short of expectations. As a result, we maintain our year-end 2025 budget deficit forecast at TL1.9tn (3% of GDP), while remaining attentive to upward risks. Our budget deficit projection for the end of 2026 stands at TL2.4tn (3% of GDP).

Budget Balance & Treasury Cash Realizations *(TLbn)*



Source: The Treasury and Finance Ministry, Tacirler Investment

Budget Indicators *(12-months trailing, TLbn)*



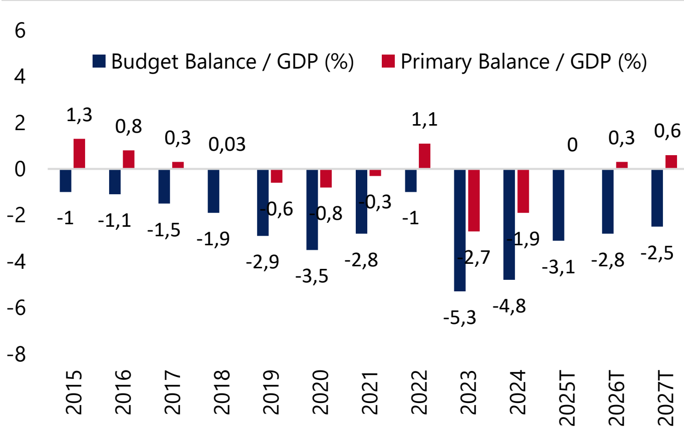
Source: The Treasury and Finance Ministry, Tacirler Investment

Budget Realizations *(mn TL)*

(mn TL)	Jan - May 25	2025 Budget Projection	Realization Rate
Revenues	4,689.2	12,800.00	36.6%
Taxes	4,006.5	11,138.70	36%
Non-tax revenues	682.6	1,661.60	41.1%
Expenditures	5,339.5	14,731.00	36.2%
Interest Payments	835.8	1,950.00	42.9%
Primary Expenditures	4,503.7	12,781.00	35.2%
Primary Balance	185.5	19.310	960.4%
Budget Balance	- 650.3	- 1,930.70	33.7%

Source: The Treasury and Finance Ministry, Tacirler Investment

MTEP Budget Estimates



Source: The Treasury and Finance Ministry, Tacirler Investment

Macro Outlook

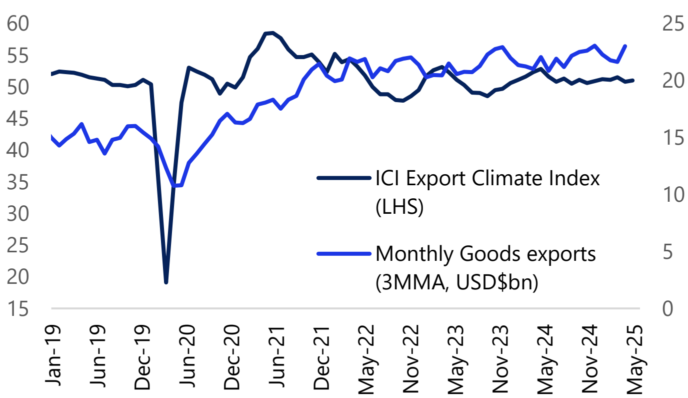
External Balance

Our current account deficit forecast for the end of 2025 stands at USD22bn (1.5% of GDP), while we project the deficit to widen to USD30bn by the end of 2026. Following a sizeable current account deficit of USD7.86bn recorded in April, we anticipate the deficit to narrow to below USD1bn in May, supported by an ameliorating financing outlook.

As of July, both domestic and external uncertainties have somewhat abated, ushering in a calmer environment. Reduced volatility in global energy prices and a partial dampening of fluctuations in TL assets contribute to a more favorable financing outlook for May. The easing of uncertainties related to customs tariffs further supports this positive sentiment. Nonetheless, geopolitical risks expected to persist throughout the remainder of the year continue to cast uncertainty over the outlook.

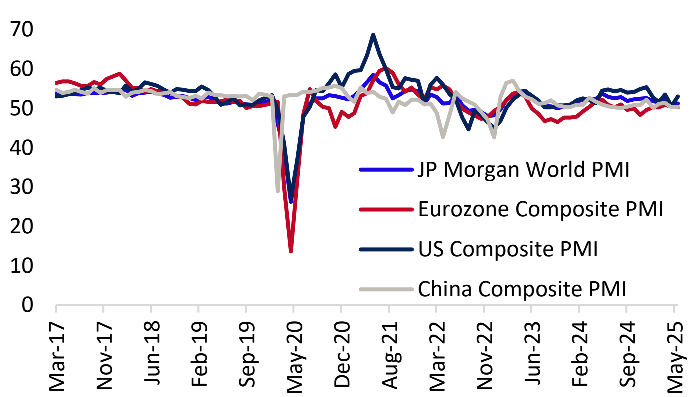
Our projections assume that external demand conditions will remain broadly stable in the second half of the year, with geopolitical risks maintaining a lower profile and energy prices settling at levels below those seen in the first half. Although tensions in the Middle East have somewhat eased, their persistence and vulnerabilities in regional trade continue to weigh on the external demand outlook. Weak growth in key export markets, particularly Germany and Italy, exacerbates downside risks to foreign earnings. Moreover, the trajectory of global interest rates, rising beyond expectations, does little to support demand prospects in our main export destinations. Therefore, while some normalization is evident across various indicators, fragilities have yet to fully dissipate, underscoring the need to maintain a cautious stance.

ICI Export Climate Index & Exports



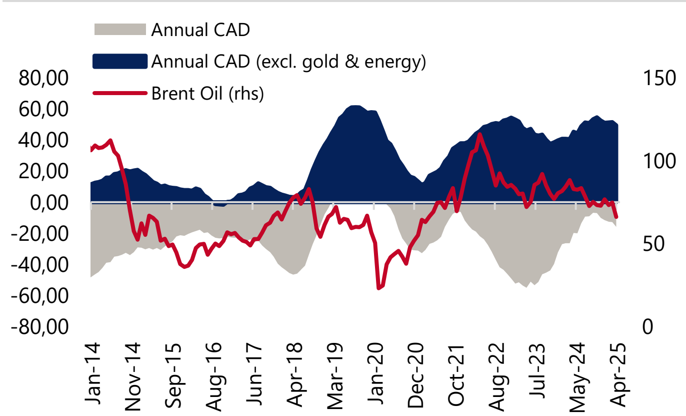
Source: Istanbul Chamber of Industry (ICI), S&P Global, Tacirler Investment

Global PMI Outlook



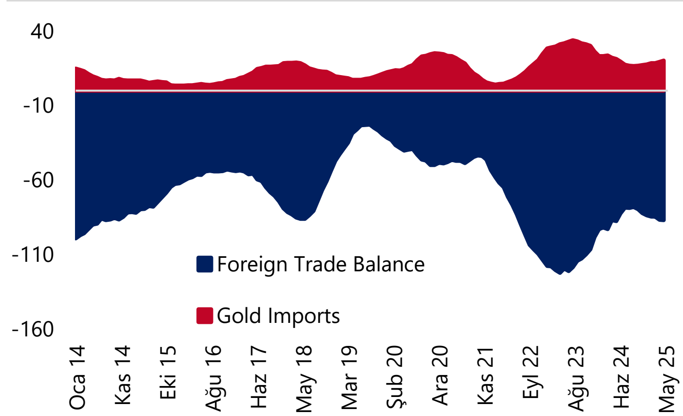
Source: Bloomberg, Tacirler Investment

Current Account Balance *(annual, US$bn)*



Source: CBT, Bloomberg, Tacirler Investment

Foreign Trade Balance & Gold Imports *(annual, US$bn)*



Source: TURKSTAT, Tacirler Investment

Macro Outlook

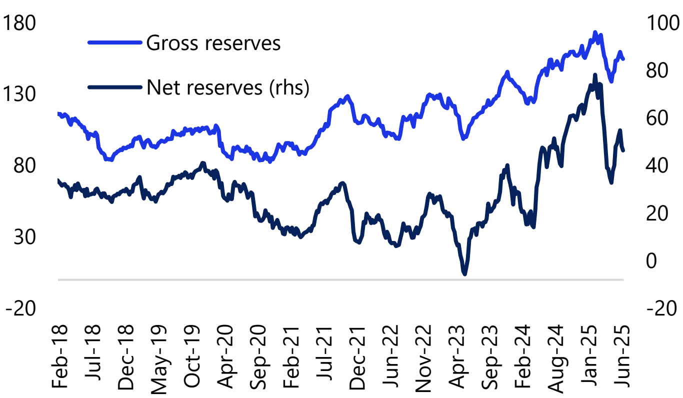
External Financing and Reserve Dynamics

The sharp decline in reserves following the surge in political uncertainty since March 19 has significantly altered the thematic outlook for 2025. Net reserves excluding swaps, which had exceeded USD65bn prior to March 19, plunged below USD15bn by early May amid heightened domestic political turbulence. Since then, with ongoing reserve accumulation, the figure has recovered to around USD30bn; however, the recent two-week stagnation in reserves is noteworthy. After six consecutive weeks of reserve gains, net and gross reserves declined over the two weeks from June 13 to June 27, with the pace of decline slowing in the latter week. Based on our analytical balance sheet calculations, we anticipate a resurgence in official reserves in the first week of July.

Besides, we observe a modest but uninterrupted nine-week decline in residents' FX deposits. This trend indicates a reversal of outflows following the domestic political tensions and suggests a restoration of confidence. Consequently, we have recalibrated our overall 2025 scenario set in light of these developments. While recovery is underway, pre-March levels have yet to be fully restored.

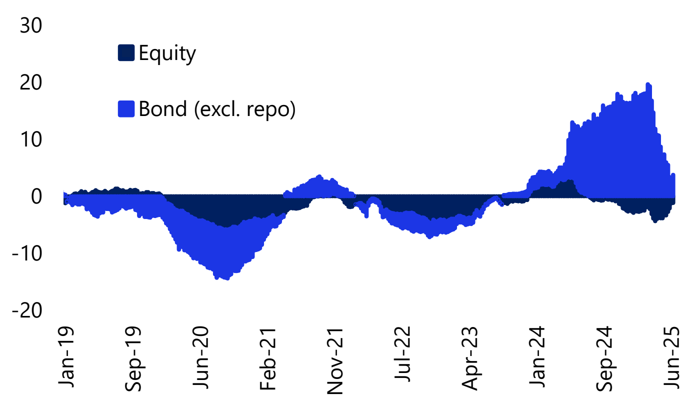
Looking ahead to the second half of the year, we expect a gradual continuation of reserve accumulation alongside a cautious stance in foreign portfolio inflows. We anticipate the CBT to persist with FX purchases, while effectively managing the sterilization process through macroprudential measures. The recovery in reserves supports external financing conditions; however, the domestic political backdrop and residents' dollarization tendency remain key risks, closely watched for their implications on the sustainability of inflows and the TL's liquidity dynamics.

The CBT's Gross & Net Reserves *(US$bn)*



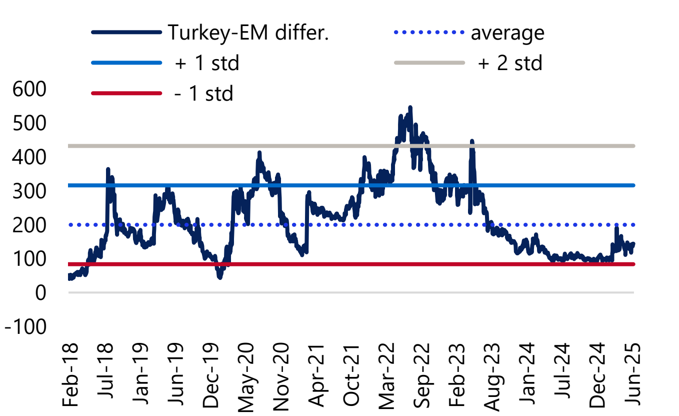
Source: CBT, Tacirler Investment

Net Foreign Portfolio Flows *(annual, US$ bn)*



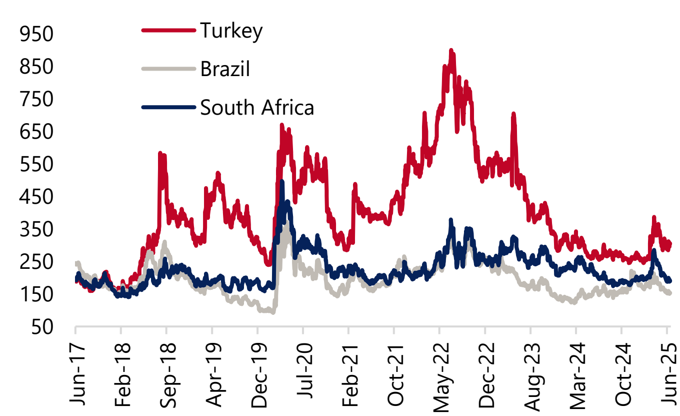
Source: CBT, Tacirler Investment

Türkiye - EM CDS Difference *(bps)*



Source: Bloomberg, Tacirler Investment

5y CDS Levels_ Comparison With Selected Countries



Source: Bloomberg, Tacirler Investment

Macro Forecasts

	2022	2023	2024	2025E	2026E
Economic Activity					
Nominal GDP *(TL tn)*	15	26.5	43.8	60.9	79.1
Nominal GDP *(USD tn)*	0.9	1.12	1.33	1.47	1.61
GDP real growth	5.5%	5.1%	3.2%	3.1%	3.9%
External Balance					
Current Account Balance *(USD bn)*	-49.1	-45.2	-9.97	-22	-30
Current Account Balance / GDP	-5.4%	-4.1%	-0.7%	-1.5%	-1.9%
Fiscal Dynamics					
Budget Balance *(TL tn)*	-0.14	-1.38	-2.1	-1.85	-2.40
Budget Balance / GDP	-1.0%	-5.2%	-4.8%	-3.0%	-3.0%
Prices					
CPI *(eop)*	64.3%	64.8%	44.4%	31%	19%
CPI *(average)*	72%	53.4%	60%	34.7%	25%
One-week repo rate *(simple, eop)*	9%	42.5%	47.5%	36%	24%
USD/TRY *(eop)*	18.7	29.5	35.4	45	52
USD/TRY *(average)*	16.6	23.8	32.9	41.3	49
EUR/TRY *(eop)*	20	32.7	36.7	50	57
EUR/TRY *(average)*	17.4	25.8	35.6	46.4	54

Source: CBT, Treasury and Finance Ministry, TURSTAT, Tacirler Investment

Model Portfolio and Strategy

Model Portfolio and Strategy

Tacirler Investment Model Portfolio

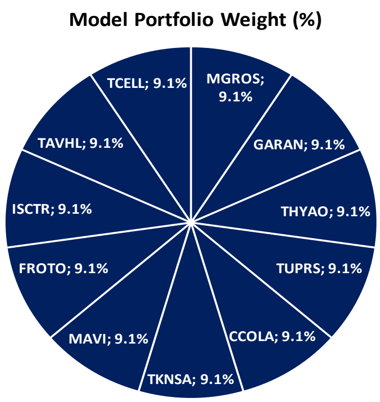
Launched in June 2023, our Tacirler Yatırım Model Portfolio has generated a **nominal return of 168%** in the two years since its inception, while the BIST 100 index rose by 86% during the same period. Accordingly, the Model Portfolio's performance relative to the index since inception indicates a **positive return of 44%.** Over the past year, the performance has remained consistent with the index.

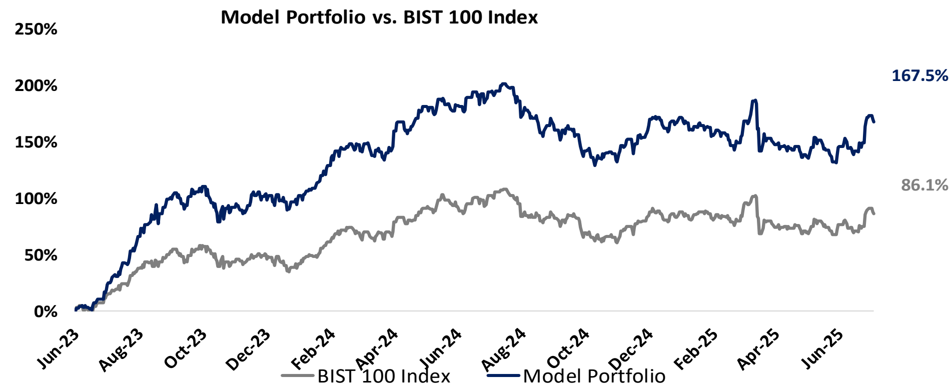
As we enter the second half of 2025, we are removing **Yapı Kredi Bank** from our revised and redesigned Model Portfolio and adding **Garanti Bank** in its place. Additionally, we are removing **Aselsan** from our portfolio, as it has yielded a 65% index relative return since its inclusion in our Model Portfolio in February. **Turkish Airlines, Coca Cola İçecek, Ford Otomotiv, Mavi Giyim, Migros, Teknosa, TAV Airports, Turkcell and Tüpraş** remain in our Model Portfolio. It is important to note that we meticulously monitor the performance of the companies in our Model Portfolio.

Company Name	Ticker	Last Price (TL)	12m Target Price (TL)	Return (%)	Upside Potential (%)	Inclussion Date
Migros	MGROS	₺478.00	₺715.00	172%	50%	June 6, 2023
Türk Hava Yolları	THYAO	₺280.50	₺439.00	73%	57%	June 6, 2023
Tüpraş	TUPRS	₺140.50	₺200.30	144%	43%	June 6, 2023
Coca Cola	CCOLA	₺49.66	₺73.00	39%	47%	November 27, 2023
Teknosa	TKNSA	₺22.26	₺39.00	-35%	75%	December 12, 2024
Mavi Giyim	MAVI	₺42.10	₺67.50	-12%	60%	August 27, 2024
Ford Otosan	FROTO	₺92.85	₺135.00	6%	45%	August 28, 2024
İşbank (C)	ISCTR	₺14.03	₺19.20	11%	37%	December 24, 2024
Tav Havalimanları	TAVHL	₺264.00	₺360.00	-6%	36%	December 24, 2024
Turkcell	TCELL	₺94.00	₺143.00	6%	52%	December 24, 2024
Garanti	GARAN	₺137.30	₺180.40	0%	31%	July 9, 2025

MP Performance, Inception to date (%)	168%
BIST 100 Index Performance (%)	86%
MP / BIST 100 Relative Return (%)	**44%**
MP Performance, Last 12m (%)	-9%
BIST 100 Index Performance (%)	-7%
MP / BIST 100 Relative Return (%)	**-1%**
MP Perfromance, 2025 (%)	0%
BIST 100 Index Performance (%)	2%
MP / BIST 100 Relative Return (%)	**-1%**

**MP: Tacirler Model Portfolio*





Model Portfolio and Strategy

Our BIST 100 Index target is 13.600

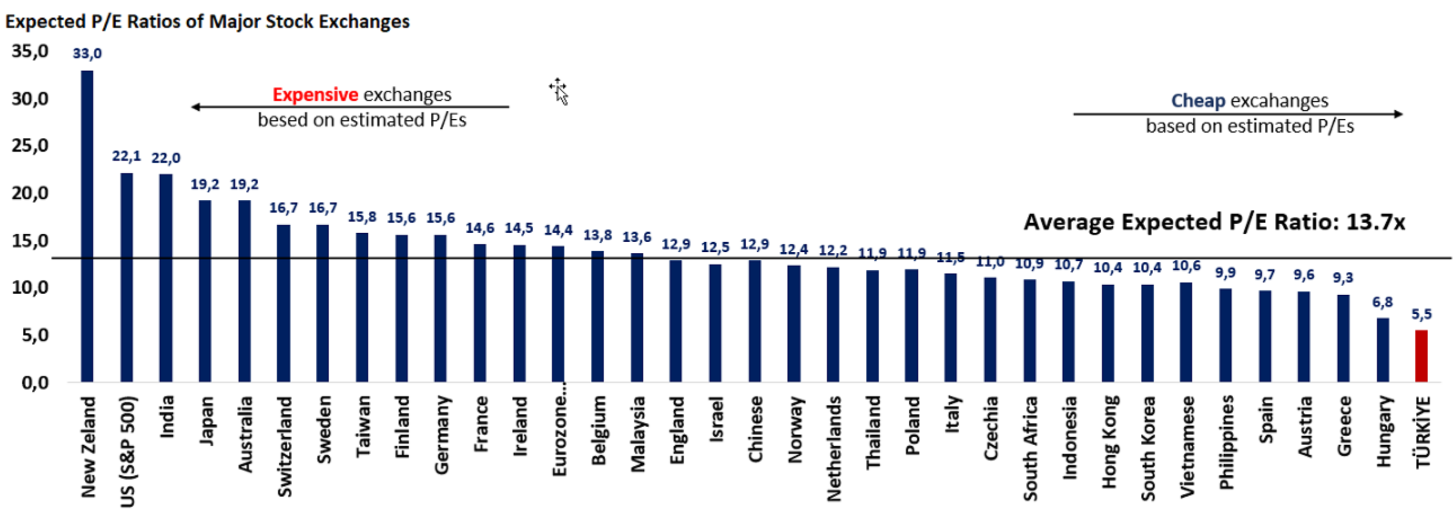
While there are currently 31 companies in our coverage that we follow with valuation models, there are approximately 20 more companies that we follow with a plan to include them in the coming period. The companies we value constitute 56% of the BIST 100 index and 67% of the BIST 30 index.

Our BIST 100 index target, which we calculated based on the target values of these companies and their potential impact on the index, points to a level of 13,600 in the 12-month term and a 36% return potential on an index basis. This potential exceeds the 24% annualized CPI rate projected for the upcoming one-year period and closely aligns with the rates derived from our simulations of average net deposit returns over this timeframe. Conversely, the average potential return for companies with above-index returns is notably higher, reaching approximately 46%.

BIST and multiple comparisons

The chart below illustrates the estimated price/earnings ratios of selected developed and emerging markets. With an estimated P/E multiple of 5.5x, Borsa Istanbul is traded at the lowest multiple globally. Due to inflation accounting, it is necessary to carefully consider the expectations of companies regarding their future profits and the multiples calculated based on these estimated profits.

As the effects of inflation accounting are expected to diminish with the easing of inflation, it will be more meaningful and efficient to compare the multiples of Turkish companies on a global scale in the future. However, upon adjusting the data, we believe that the following image will remain largely unchanged, and Turkish companies will continue to garner attention for their low multiples and high discounts.



Source: Bloomberg, Tacirler Investment Research

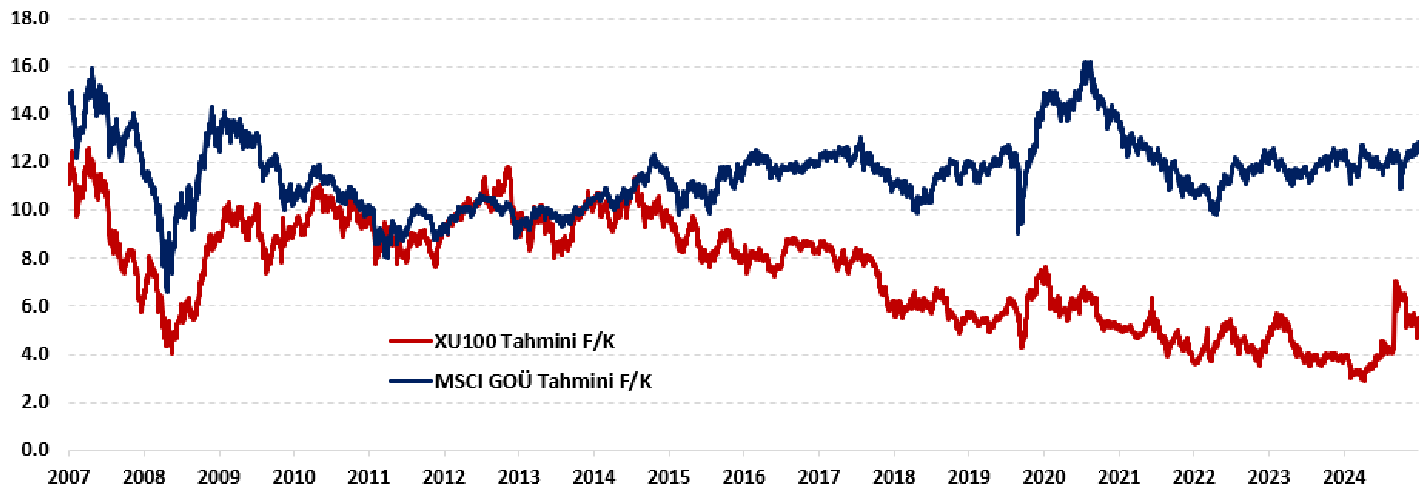
Model Portfolio and Strategy

BIST and multiple comparisons

The first chart below illustrates the estimated price-to-earnings (P/E) ratios of the BIST 100 index and the MSCI EM index, calculated since 2007. It is evident that the BIST 100 index, which traded at nearly the same multiples as the MSCI EM index until 2014, has exhibited a consistent negative divergence since then. Currently, BIST's discount rate on a multiple basis has reached 57% (see the second chart for reference). This is close to the highest discount rates for the period under review and significantly higher than the average discount rate of 33%.

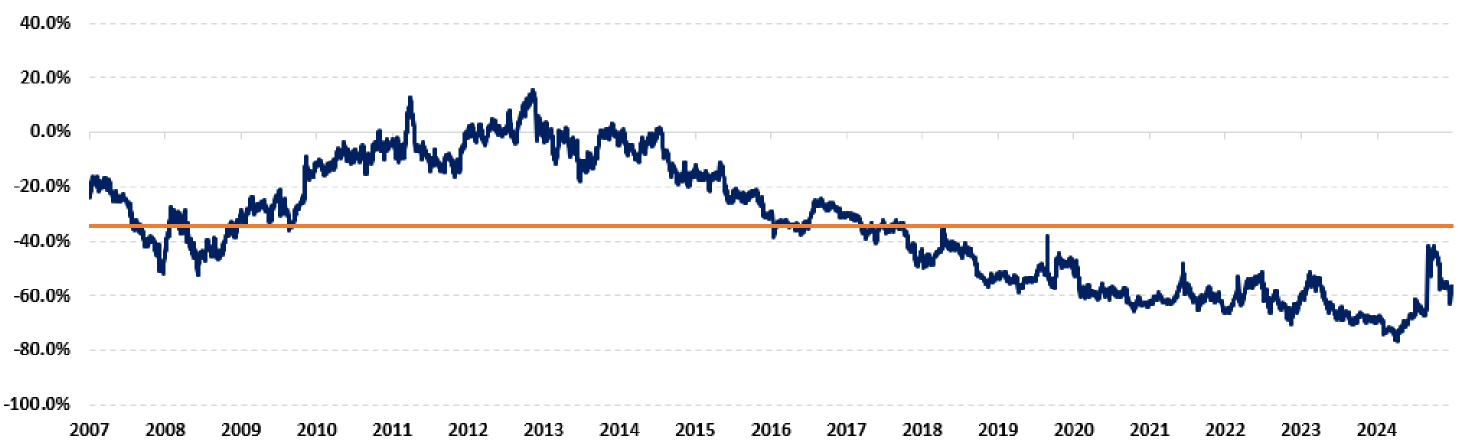
The ongoing disinflation process, coupled with the MPC's efforts to stimulate growth through interest rate cuts, may enhance the resilience of TL assets. This, in turn, could positively impact the risk perception of sovereign assets and discount rates. We anticipate that Turkish companies will trade at higher multiples and lower discounts under a normalized economy and risk outlook. This should support the BIST 100 index. In this regard, the course of domestic and external political developments outside the economy will also be important and decisive. In the latter half of 2025, we will initiate the second half of the year with an agenda marked by the sustained escalation in political risk perception, which will exert pressure on TL assets. If the markets return to an economy-oriented pricing floor, we expect to see some normalization of the negative divergence and high discount seen in the charts.

XU100 Index and MSCI EM Index Forecast P/E ratios



Source: Bloomberg, Tacirler Investment Research

XU100 Index / MSCI EM Index discount rate (%) on estimated P/E basis



Source: Bloomberg, Tacirler Investment Research

Research Coverage And Sectors Outlook

Banks

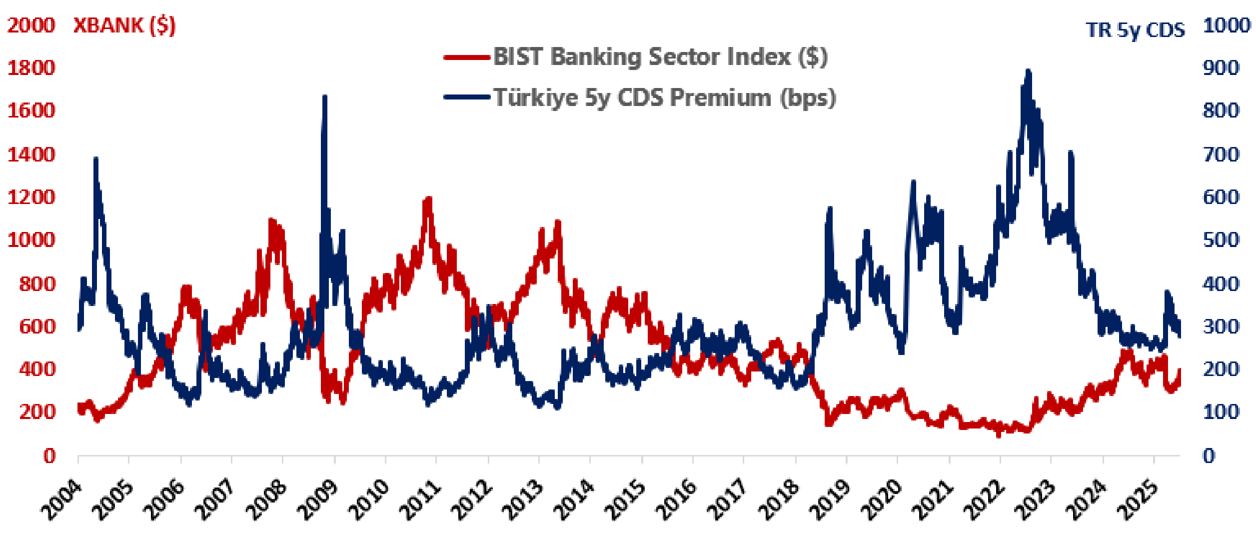
Banks had a positive start to 2025, with expectations of interest rate cuts by the CBRT Monetary Policy Committee. These rate cuts are expected to result in improved operational margins and profitability. However, following March 19, the MPC increased the Weighted Average Funding Cost from 42.5% to 49%, resulting in a weak Q2 with projections of rising funding costs. At this juncture, it is evident that upward revisions in the target prices of banks are gaining momentum once more, as the MPC is once again leaning towards interest rate cuts.

We anticipate that interest rate cuts from the MPC and the decline in Türkiye's risk premium will continue to support banks, with a more evident recovery in margins in the last quarter of the year. Our analysis of bank equity growth rates and valuation multiples indicates a 12-month target index value of 19,400 for the XBANK Banking Index. This indicates a potential upside of approximately 25% compared to the current index value. We anticipate that **ISCTR, GARAN, and TSKB** will outperform the XBANK Banking Index over the next 12 months.

Bank	*Last P.	Target P.	Upside (%)	Rating
AKBNK	67.70	80.20	18%	HOLD
ISCTR	14.03	19.20	37%	BUY
YKBNK	32.34	38.80	20%	HOLD
GARAN	137.30	180.40	31%	BUY
VAKBN	27.30	33.10	21%	HOLD
TSKB	12.89	20.30	57%	BUY
HALKB	25.88	23.00	-11%	HOLD
ALBRK	8.25	9.40	14%	HOLD
SKBNK	6.76	7.00	4%	HOLD

** As of 07/08/2025*

The chart below illustrates the relationship between the XBANK Banking Index in USD terms and TR 5y CDS premiums. From 2004 to 2018, a clear inverse correlation between bank performance and CDS premiums was evident. With the normalization process in monetary policies that began in 2023, we believe that this relationship has reentered the normalization process, and this trend is expected to continue in the coming period. **The disinflation process, coupled with the anticipated enhancement in growth dynamics due to the ongoing interest rate cuts by the MPC, will also contribute to the sustained improvement in Türkiye's risk perception. Furthermore, for Türkiye's 5-year CDS premiums to return to approximately 250 basis points, it is essential to maintain a balanced perception of political risk. In this case, the expectation of an improvement in banks' external funding costs will be another factor supporting sector shares.** If these conditions are realized, we believe that the XBANK Banking Index will reach approximately 400 dollars in 2025.



Source: Bloomberg, Tacirler Investment Research

Automotive

Following record-breaking years, normalization is expected in the Turkish and Global Automotive Market, with a promising 2025 outlook...

The global automotive market faced challenges in 2024 due to economic fluctuations and supply chain disruptions, causing difficulties in the industry. Demand stagnation and global economic slowdown impacted the sector's trajectory. However, export opportunities in Europe and China helped mitigate some of the stagnation. Turkish automotive exports achieved a positive performance in 2024, despite limited domestic sales. Particularly, exports to Europe accounted for 57% of Türkiye's total automotive exports, proving to be a crucial driver for the sector. The Turkish market witnessed a 34% growth in production in 2024. However, employment in the automotive sector is not expected to rise significantly in 2025 due to reduced domestic sales.

In 2025, we expect a breakthrough in Türkiye's electric vehicle production and exports... In 2025, Türkiye aims for a 9.8-10% growth in automotive exports, driven mainly by developments in Europe's green transformation policies and environmental regulations. Turkish companies are expected to increase competitiveness and demand in critical markets, primarily in the electric vehicle segment. Brands like TOGG will play a leading role in achieving this goal. The sector's target includes increased electric vehicle exports to Europe in 2025. It is anticipated that the domestic market will expand by 16-18%, supported by incentives. This growth is expected to strengthen Türkiye's production, exports, and competitiveness on the global stage.

The outlook for export-focused automotive companies is mixed...The sector's major markets, such as the Eurozone and Europe, continue to face recession concerns, declining demand, and deglobalization policies. These factors impact regional demand. Turkish companies, which are key suppliers to European automakers, face challenges from this environment. However, exports to emerging markets such as the US, China, and North Africa are promising. Notably, the performance of Turkish companies such as FROTO and TOASO is expected to remain solid due to their investments and competitive advantages.

Automotive sales are expected to close 2024 with a 13% decline after record-breaking 2023 levels... In January-October 2024, Türkiye's total passenger and commercial vehicle sales declined by 13% to 1,068,260 units. Passenger car sales fell by 16.8% year-on-year to 845,350 units, while light commercial vehicle sales dropped by 9.4% to 222,370 units. December sales are expected to reflect seasonal increases, leading to a full-year total of approximately 1 million units—a significant decline compared to 2023's 1.22 million units.

Normalization persist in the second-hand automotive market... As of September 2024, Türkiye's second-hand automotive market shrank by 6.1%, declining to 7,779,756 units. The second-hand passenger and commercial vehicle market contracted by 7.3%, falling to 6,639,457 units, with the passenger car market leading at 77.1% share and 5,118,939 units. Meanwhile, the pickup truck market accounted for 17.7% share with 1,175,043 units. In 2025, we anticipate a revival in the second-hand automotive market due to expected interest rate cuts and improvements in credit conditions. Additionally, the average vehicle age in Türkiye remains high, reaching 14.1 years as of 2024. Specifically, the average age of passenger cars stands at 14.1, while light commercial vehicles average 13.6 years. This trend indicates that users prefer to keep their vehicles for longer periods. However, due to rising maintenance costs and safety issues with older vehicles, demand for new vehicles is expected to remain strong.

Regulatory changes and environmental shifts continue in the automotive sector... In 2025, global environmental targets and emission regulations will lead to increased costs and green-focused investments. While production incentives support the sector, uncertainties regarding financing and affordability persist. This transformation is expected to cause some disruptions in local production while strengthening the sector's long-term sustainability and competitiveness.

Aviation

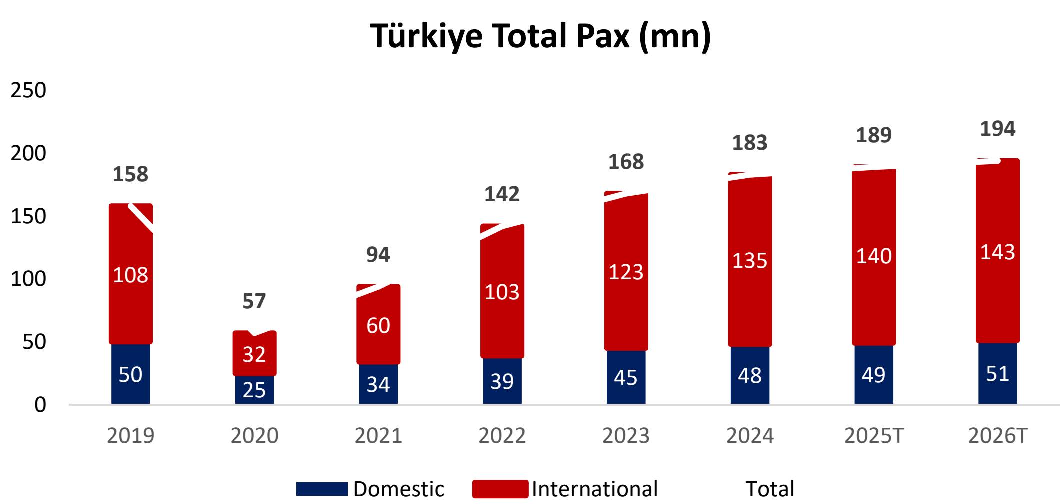
Growth continues with the onset of the high season. Following a record-breaking performance in 2024, the aviation sector delivered a strong start to the first half of 2025. In line with our expectations, we anticipate sector-wide growth to continue throughout the remainder of the year.

Despite a strong base, recovery momentum persists into the high season. Demand has remained robust, particularly with the start of the summer season, and growth in passenger traffic across the sector continued uninterrupted on both a monthly and annual basis. Although the first quarter was seasonally weaker, domestic passenger traffic was supported by public holidays and religious breaks, while strong tourism demand drove a higher growth trend in international traffic relative to domestic. According to data from the General Directorate of State Airports Authority (DHMİ), domestic passenger traffic across Turkey reached 8.5 million in May, while international traffic stood at 12.7 million. Including direct transit passengers, total monthly traffic reached 21.2 million, marking a 3.7% increase compared to the same period last year. Between January and May 2025, domestic passenger numbers totaled 37.3 million, while international passengers reached 48.1 million. Including transit passengers, total traffic rose to 85.4 million, representing a 3.5% year-on-year increase. While domestic traffic showed a slight decline since the beginning of the year, the sector's overall growth was largely driven by the strong performance in international traffic. As activity picks up through the summer, we expect to see some recovery in domestic traffic and a partial normalization in international passenger flows due to the high base effect.

Despite the sector's overall strength, performance divergence among companies is notable. Among the names under our coverage and within our model portfolio, national flag carrier THYAO carried 34 million passengers in the January–May 2025 period, marking a 3.7% year-on-year increase. While domestic passenger numbers declined by 1.7%, international traffic rose 6.7% to 22.3 million passengers. PGSUS recorded a stronger performance over the same period, with total passenger numbers increasing by 14% to 16.1 million, supported by 6% growth in domestic traffic (5.8 million passengers) and a 19% rise in international traffic (10.3 million passengers). TAVHL served 9.8 million passengers in the January–May period, up 5% YoY, with international traffic growing by 6% and domestic by 3%.

We expect passenger growth for **PGSUS**, **TAVHL**, and **THYAO** to continue in the second half of 2025 and into 2026, assuming no major pandemic-related disruptions and geopolitical risks remain at current levels. In this scenario, rising passenger volumes are also likely to support growth in per-passenger revenues, contributing positively to total top-line expansion. For THYAO in particular, we note that momentum in the cargo segment is also gaining pace. While passenger revenues remain the primary driver, incremental gains from cargo operations may have a modest but increasing contribution to consolidated revenue growth in the second half of 2025.

Table: Turkey Market Development



Defence

In 2025, the defense industry is entering a historic growth phase, driven by global geopolitical tensions and rapid technological transformation. Rising defense budgets are expected to push global defense spending to USD 2.5 trillion, representing 7% growth year-on-year. Meanwhile, investments in autonomous systems, AI-powered solutions, space technologies, and cybersecurity are reshaping the industry's underlying paradigm.

Turkey's defense sector continues to stand out with a rising localization rate, robust order backlog, and expanding export markets. On the domestic front, the industry's total revenue is expected to exceed TL600 billion by the end of 2025, supported by digital transformation initiatives enhancing operational efficiency and state-backed R&D investments. Looking ahead, intensifying global competition, the increasing share of high-tech products, and evolving supply chain dynamics are anticipated to shape the next phase of growth. Against this backdrop, we expect sector-wide expansion to continue, reinforcing both its economic contribution and strategic role in national security. Turkey has emerged as a significant global player in defense through its recent initiatives. Domestically developed UAVs, UCAVs, naval platforms, and armored land vehicles have addressed internal security needs while also fueling a strong export momentum. In the January–June 2025 period, defense and aerospace exports reached approximately USD 3.6 billion, with land and air systems accounting for a significant share of total exports. Companies such as ASELSAN, Otokar, and Katmerciler signed key new contracts in markets including Qatar, the UAE, and several African countries. Overall, defense exports grew by 18% in the first half of the year. These developments reflect Turkey's concrete progress in reducing external dependency and enhancing its global competitiveness in the defense sector.

In 2025, defense industry companies listed on Borsa Istanbul are contributing to sector growth through strong financial performance and strategic moves. Led by ASELSAN, defense stocks generally delivered solid results in the first half of the year. ASELSAN increased its revenues by 9% to TL22.8 billion, boosted net profit by 25%, and allocated USD 250 million to R&D, reinforcing its technological leadership. Katmerciler raised its net profit by 52% to TL350 million and significantly improved its EBITDA. Otokar, despite strong sales, reported a net loss in Q1; however, recovery is expected through new production agreements in Romania and export-driven projects. For the remainder of the year, sustaining R&D spending, entering new export markets, and expanding existing international contracts will be critical for performance. In addition, enhancing supply chain management, optimizing costs, and implementing effective financial risk management strategies to reduce FX volatility exposure are expected to support profitability. We believe that continued investment in innovative technologies and a stronger competitive position in global markets will enable Turkish defense companies to deliver improved results in the second half of 2025.

Telecommunication

The global transformation in the telecom industry is accelerating… The telecommunications sector is undergoing a profound transformation on a global scale. The rapid increase in data consumption, the accelerated transition to 5G, and advancements in artificial intelligence technologies are pushing industry players to reposition themselves strategically. Companies are increasingly investing in device upgrades, integration, and infrastructure development. These investments bring higher financing costs, which in turn make cost control, operational efficiency, and the search for new growth areas essential.

From traditional operators to tech-driven platforms… To ensure sustainable growth, traditional telecom operators must now evolve into technology-driven platforms rather than remaining solely as connectivity providers. In this context, digitalization, AI-supported automation, cloud services, and data-centric solutions are becoming central to strategy. Moreover, companies are aiming to diversify their revenue streams through value-added services such as the Internet of Things (IoT), dedicated network solutions for corporate clients, digital infrastructure services, and platform-based subscription models.

Telecom companies enter 2025 with strong momentum… During the period of elevated inflation domestically, telecom companies experienced relatively limited revenue growth due to their commitment-based (subscription-based) revenue structure. However, with the gradual decline in inflation throughout 2024 and the delayed impact of price adjustments coming into effect, the telecom sector began showing signs of recovery. The sector closed the previous year with positive results in both sales and profitability, and companies have started 2025 on solid footing. In this context, Turkcell (TCELL), which is included in our model portfolio, continues to stand out with its strong financial performance, expanding digital services, broad customer base, and robust cash generation capacity. We maintain a positive view on Turkcell (TCELL), and continue to closely monitor Türk Telekom (TTKOM), another key player in the sector.

A new era begins with 5G infrastructure… One of the most critical items on the sector’s agenda in the coming period is the rollout of 5G infrastructure. According to recent announcements by the Ministry of Transport and Infrastructure, the 5G tender is expected to be completed in 2025, with commercial usage set to begin in 2026. Thanks to the low latency and high bandwidth capabilities of 5G, the sector is expected to create new use cases and revenue opportunities across a wide range of industries including manufacturing, healthcare, and transportation.

White Goods

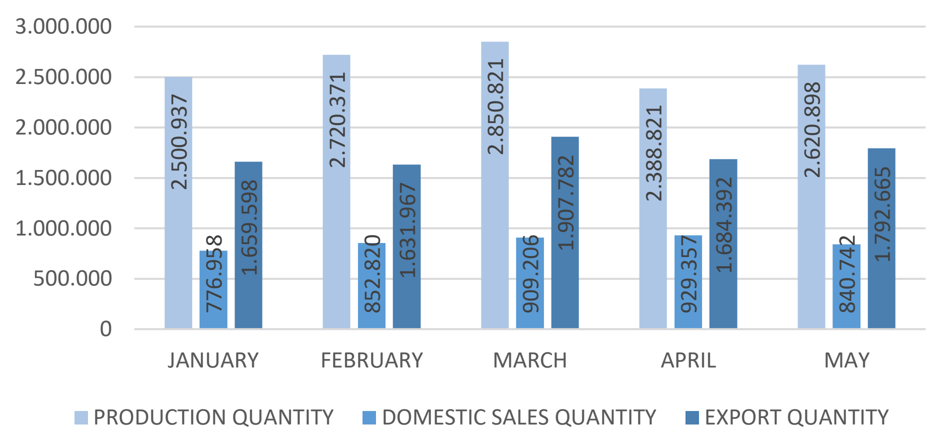
After a challenging 2024, pressures across the sector continued into the first half of 2025. The weak period experienced in 2024 due to the global economic slowdown, rising interest rates, and cost pressures has persisted similarly in the first quarter of 2025. We expect that with the anticipated start of an interest rate cut cycle and a decline in inflation during the remainder of the year, costs will also decrease, leading to a gradual positive movement in the sector. In particular, the recovery in consumer confidence and the reactivation of postponed demand could boost sales volumes in both domestic and international markets. The expected decline in raw material prices and logistics costs may support producers' margins and provide a gradual improvement in profitability. On the export front, strengthening signals of demand recovery—especially in Europe—could positively impact sales. In light of all these developments, we expect a gradual improvement in both revenue generation and profitability from the second half of the year onwards.

Demand pressures were felt in the domestic market during the first half of the year. In the white goods sector, domestic sales decreased by 15% in Q1 2025, while exports continued to contract with a 3% decline in unit sales. Production also fell by 4%. The decline in domestic demand and contraction in export markets adversely affected the sector in Turkey.

In May, the contraction in the domestic white goods market persisted. Domestic sales of the six main product groups decreased by 14% compared to the same month last year. On the export side, there was a 15% decline compared to the previous year's same month. In the January-May period, domestic sales of the six main product groups decreased by 11% compared to the same period last year, while exports declined by 4% in the same period.

A relative improvement was recorded in export performance during the January-May period. Despite some positive growth signals in certain regions, trade tensions and ongoing economic uncertainties limited momentum across the sector. Globally, growth hovered around 1-2%, with consumer demand remaining strong in emerging markets. However, in developed markets, high inflation led to more cautious consumer behavior and weak demand. On the cost side, especially energy and raw material prices showed volatile pricing, while logistics costs remained more stable.

In 2025, Turkish white goods companies continue to maintain their positional advantage in the European region. Consolidated foreign sales account for approximately 65.6% of total consolidated sales in the Turkish white goods sector. On a company basis, ARCLK generates 66% of its revenue from international markets. We expect its position and revenues to strengthen further with contributions from European and MENA operations. VESBE earns 70% of its revenues from exports but could not perform well in Q1 2025 due to global inflation and ongoing disinflationary measures. Net sales in TL terms declined by 18% compared to the same period last year, with a 14% drop in unit sales. Along with interest rate cuts and gradual easing of inflation, the optimization of costs and contributions from R&D investments support the expectation of sales recovery in the second half of the year.



Source: Beysad, Tacirler Investment Research

Retail

The apparel retail sector emerged from a difficult 2024, when tight monetary policy and anti-inflation measures dampened domestic demand; similar pressures persisted through the first half of 2025. Elevated interest rates sapped credit-card spending momentum, and volume contraction was felt most acutely in the middle-income segment. Even so, inflation-driven ticket sizes, buoyant tourism flows, and the brands' pricing power kept nominal top-line growth positive. Sector shares saw profit-taking in January–March but rebounded in May–June on supportive base effects.

Looking into the second half, we expect policy rates to stay high, yet wage hikes and a gradual easing of inflation should help consumer confidence recover partially. This "moderate recovery" in domestic demand is set to reward companies that pair strong brand equity with constantly refreshed product mixes. Mavi's net-cash shield should finance new sustainable collections and underpin growth, while the lira's orderly depreciation could lift the brand's volumes in Europe and the MENA region. Koton could return to profitability if it accelerates inventory turns, strengthens its loyalty programme, and reins in financing costs. Suwen's plan to lift its store count beyond 210 and maintain pricing power will be its main volume engine, with a new click-and-collect model reinforcing e-commerce traction. At Desa, selective wholesale deals in the US and EU will diversify hard-currency revenue, and pushing higher-margin accessories toward a 40 % sales share should provide extra gross-margin flexibility.

Arçelik

For Arçelik, which is within our research scope, we are revising our 12-month target price from the previous level of 206.60 TL to 170.00 TL. We are revising our recommendation from “BUY” to “HOLD” due to the target potential being relatively limited compared to our index-based return expectation. After a challenging 2024 and the first half of this year, we foresee a limited recovery in operational profitability in the second half of 2025. Increasing financing expenses, high costs and vulnerabilities on the demand side continue to put pressure on profitability in the short term. However, in the medium-long term; i) the restructuring process in foreign operations, ii) steps providing cost optimization and efficiency increase, iii) fundamental dynamics such as a sustainable growth-oriented product portfolio continue to be among the long-term main catalysts in our valuation and support the company's long-term outlook. Arçelik trades at a P/E multiple of 21.2x and EV/EBITDA multiple of 5.9x, according to our 2025 estimates.

The domestic market showed a weak performance. The company predicts that Turkey's turnover will remain flat in its expectations for 2025. While the consolidated turnover in domestic sales was realized at 37.5 billion TL in the first quarter of the year, the share of Turkey's sales in total turnover decreased to 34% and an annual decrease of 11.6% was recorded in real terms. On the other hand, after the suppressive course in the first half of the year, we predict that a more balanced outlook may emerge with gradual recoveries in the second half, as expectations for the interest rate reduction process regain strength..

With the support of both international revenues and cost optimization, operational profit margins are expected to recover. The company targets a growth of approximately 15% in international revenues in its 2025 forecasts. However, the first quarter results of the year indicated a performance above this expectation, showing a strong increase of 24.8% in real terms in international sales. This outlook supports optimism for the second half of the year, especially on the margin side. When looked at regionally, approximately 20% growth was recorded in euro terms in Africa and MENA regions. For Arçelik, where more than 60% of its total sales come from international markets, this situation may be supportive in terms of second half performance. The company’s consolidated revenues increased by 9% YoY to TL 109.1 billion in 1Q25. While domestic sales contracted by 11.6% in real terms due to the high base effect, strong growth in international markets continued to support revenues. The European market increased its share in total sales to 47%, strengthening the company’s global footprint and demonstrating that its regional diversification strategy is effectively continuing. On the other hand, with the Whirlpool acquisition, which was carried out in line with the strategy of increasing market share in Europe and growing globally, activity began to increase, especially in key markets such as the UK and Italy. In the medium-long term, restructuring steps are expected to reduce the pressure on margins of Whirlpool operations and contribute to profitability.

ARCLK	HOLD
Target Price	**TL 170**
Return potential	**39%**

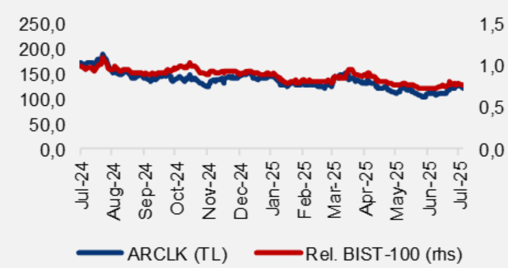
Share Data	
Ticker:	**ARCLK TI**
Share price (as of 08.07.2025)	122,60
Share price (52 week range)	105 / 191
Market cap. (TL mn - USD mn)	82.844 - 2.075
# of shares (mn) & free float	676 - 15%
Foreign Ownership Rate	16.39%
Market	Star
Industry	White Goods

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	6,3	7,1	8,8

Price performance	1M	3M	Y-t-D
TL	10%	-11%	-14%
USD	8%	-15%	-24%
Rel. to BIST-100	5%	-15%	-15%

Forecasts (TL mn)	2023	2024	2025E
Revenues	408.557	471.672	573.140
EBITDA	32.307	24.541	34.763
Net Earnings	21.468	1.859	3.910

Valuation	2023	2024	2025E
P/E	3,9x	44,6x	21,2x
P/BV	0,9x	1,1x	1,1x
EV/EBITDA	6,4x	8,5x	6,0x



Arçelik – Summary

Balance Sheet	2023	2024	2025E
Cash	77.534	55.929	42.193
Accounts receivables	105.706	102.278	133.652
Inventory	75.399	78.941	90.099
Financial investments	0	0	0
Fixed assets	102.480	139.922	162.731
Other non-current assets	49.082	60.678	67.707
Total assets	**410.200**	**437.748**	**496.381**
Short-term financial loans	91.290	68.533	81.635
Accounts payables	86.135	112.693	142.330
Long-term financial loans	70.652	83.401	75.472
Other long-term payables	72.715	99.191	120.159
Non-current liabilities	**320.792**	**363.818**	**419.597**
Shareholders' equity	**89.408**	**73.930**	**76.785**
Paid in Capital	744	676	676
Other Equity	88.664	73.254	76.109
Total liabilities & equity	**410.200**	**437.748**	**496.381**
Net debt	84.408	96.005	114.914
Net working capital	94.970	68.526	81.420

Per share (TL)			
EPS	31,77	2,75	5,79
BVPS	132,31	109,41	113,63
DPS	7,59	1,84	8,88

Ratios			
Profitability			
ROE	24,8%	2,3%	5,2%
Net margin	5,3%	0,4%	0,7%
Asset turnover	1,0x	1,1x	1,2x
Leverage	4,5x	5,2x	6,2x
ROA	5,5%	0,4%	0,8%
Leverage			
Financial debt/Total assets	39%	35%	32%
Net debt/Equity	0,94	1,30	1,50
Net debt/EBITDA	2,61	3,91	3,31

Income statement	2023	2024	2025E
Revenues	**408.557**	**471.672**	**573.140**
Gross profit	119.781	129.986	160.740
Operating expenses	-101.323	-123.661	-147.945
Operating profit	18.459	6.326	12.794
EBITDA	**32.307**	**24.541**	**34.763**
Other income, net	-2.317	1.513	2.325
Financial income, net	5.365	-10.388	-11.541
Earnings before taxes	20.660	-1.772	3.442
Tax expense	1.966	-657	-1.168
Net earnings	**21.468**	**1.859**	**3.910**

Cashflow statement			
EBITDA	**32.307**	**24.541**	**34.763**
Taxes on EBIT	1.966	-657	-1.168
Capital expenditures	-19.371	-25.448	-13.607
Chg. in NWC	6.203	-26.444	-4.669
Free cashflows to firm	**8.699**	**24.880**	**24.657**

Growth & margins			
Revenues	0%	15%	22%
EBITDA	25%	-24%	42%
Net earnings	115%	-91%	110%
Gross margin	29,3%	27,6%	28,0%
Operating margin	4,5%	1,3%	2,2%
EBITDA margin	7,9%	5,2%	6,1%
Net margin	5,3%	0,4%	0,7%
Free cashflow margin	2,1%	5,3%	4,3%

Valuation			
P/E	3,9x	44,6x	21,2x
P/BV	0,9x	1,1x	1,1x
EV/EBITDA	6,4x	8,5x	6,0x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TL unless otherwise stated.*

ASELSAN

For ASELSAN, which is included in our model portfolio, we revise our estimates upward following the strong momentum in its 1Q25 financial results, raising our 12-month target price from TL120.00 to TL180.00 per share. As the updated target price indicates a limited upside potential relative to current levels and remains broadly in line with the market, we revise our recommendation from "BUY" to "HOLD." Taking into account the stock's relatively strong recent performance, we also remove ASELSAN from our model portfolio. In the short term, we expect the company's high order backlog to continue contributing to revenue generation, while effective cost management should support margins. Over the long term, we anticipate ASELSAN will maintain its strong position in the defense industry and continue its profitable growth. The company's value-added product portfolio, strategic export potential, and elevated geopolitical risks, coupled with increasing global defense expenditures, stand out as key catalysts supporting its growth outlook. Based on our 2025 forecasts, the stock is trading at 31.9x P/E and 7.2x EV/EBITDA multiples.

A first-quarter performance in line with expectations, with continued YoY margin recovery. ASELSAN reported a net profit of TL2,275 million in 1Q25, broadly in line with both market and our estimate (Tacirler Investment: TL2,386 million). Supported by deferred tax income, net profit grew by 17% YoY, while the net margin improved by 0.7 points to 10%. Revenue reached TL22.8 billion, posting 9% real growth YoY, driven by ongoing projects and additional contract acquisitions. EBITDA came in at TL5.1 billion, marking a 10% YoY increase. Backed by strong revenue generation and sustained cost discipline, the company maintained its upward trend in operational profitability throughout the first quarter.

Cautious guidance for 2025 remains unchanged. Following the 1Q25 results, the company reiterated its full-year outlook. Having achieved 13% real revenue growth in 2024, ASELSAN targets consolidated revenue growth of over 10% in 2025. The EBITDA margin, excluding FX gains/losses, is expected to remain above 23% (2024: 25.2%), while capital expenditures are projected to exceed TL20 billion.

Our updated estimates for 2025. Under TMS29 inflation accounting, ASELSAN recorded 13% real growth in revenue generation in 2024, and we expect this real growth trend to continue into 2025. We project 2025 revenues to increase by 31% YoY in nominal terms, reaching TL173.3 billion, accompanied by EBITDA of TL42.3 billion with a margin of 24.4%. The company closed 2024 with a net profit of TL16.8 billion at a 12.73% margin; for 2025, we forecast net profit of TL21.6 billion with a margin of 12.5%.

ASELS	HOLD
Target Price	**TL 180**
Return potential	**18%**

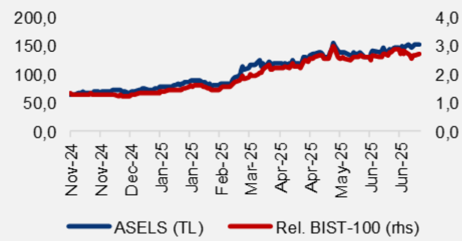
Share Data	
Ticker:	**ASELS TI**
Share price (as of 08.07.2025)	152,20
Share price (52 week range)	63 / 154
Market cap. (TL mn - USD mn)	694.032 - 17.380
# of shares (mn) & free float	4.560 - 26%
Foreign Ownership Rate	47.30%
Market	Star
Industry	Defence Industry

Avg. trading volume	1M	3M	12M
USD mn	126,2	129,3	109,8

Price performance	1M	3M	Y-t-D
TL	9%	28%	110%
USD	7%	22%	85%
Rel. to BIST-100	4%	21%	106%

Forecasts (TL mn)	2023	2024	2025E
Revenues	116.944	132.302	175.159
EBITDA	25.469	33.277	42.784
Net Earnings	11.585	16.838	22.246

Valuation	2023	2024	2025E
P/E	59,9x	41,2x	31,2x
P/BV	5,0x	4,5x	3,9x
EV/EBITDA	12,7x	9,4x	7,2x



ASELSAN - Summary

Balance Sheet	2023	2024	2025E
Cash	10.504	18.311	21.219
Accounts receivables	32.724	31.209	32.180
Inventory	51.131	47.846	50.580
Financial investments	0	0	0
Fixed assets	57.012	65.202	73.378
Other non-current assets	87.909	104.662	117.798
Total assets	**239.279**	**267.230**	**295.155**
Short-term financial loans	29.888	25.134	33.416
Accounts payables	23.620	21.749	25.982
Long-term financial loans	1.795	10.706	580
Other long-term payables	45.233	55.225	58.514
Non-current liabilities	**100.536**	**112.813**	**118.492**
Shareholders' equity	**138.744**	**154.417**	**176.663**
Paid in Capital	5.019	4.560	4.560
Other Equity	133.725	149.857	172.103
Total liabilities & equity	**239.279**	**267.230**	**295.155**
Net debt	21.179	17.528	12.776
Net working capital	60.234	57.306	56.778

Per share (TL)			
EPS	2,54	3,69	4,88
BVPS	30,43	33,86	38,74
DPS	0,08	0,04	0,35

Ratios			
Profitability			
ROE	8,7%	11,5%	13,4%
Net margin	9,9%	12,7%	12,7%
Asset turnover	0,5x	0,5x	0,6x
Leverage	1,8x	1,7x	1,7x
ROA	4,9%	6,6%	7,9%

Leverage			
Financial debt/Total assets	13%	13%	12%
Net debt/Equity	0,15	0,11	0,07
Net debt/EBITDA	0,83	0,53	0,30

Income statement	2023	2024	2025E
Revenues	**116.944**	**132.302**	**175.159**
Gross profit	31.949	41.998	54.593
Operating expenses	-11.886	-12.353	-15.168
Operating profit	20.062	29.645	39.425
EBITDA	**25.469**	**33.277**	**42.784**
Other income, net	19.623	419	1.507
Financial income, net	-28.281	-20.997	-28.092
Earnings before taxes	11.457	9.098	12.873
Tax expense	262	7.657	9.358
Net earnings	**11.585**	**16.838**	**22.246**

Cashflow statement			
EBITDA	**25.469**	**33.277**	**42.784**
Taxes on EBIT	262	7.657	9.358
Capital expenditures	-19.291	-22.711	-23.285
Chg. in NWC	2.912	-2.928	1.799
Free cashflows to firm	**3.527**	**21.151**	**27.058**

Growth & margins			
Revenues	10%	13%	32%
EBITDA	14%	31%	29%
Net earnings	469%	45%	32%
Gross margin	27,3%	31,7%	31,2%
Operating margin	17,2%	22,4%	22,5%
EBITDA margin	21,8%	25,2%	24,4%
Net margin	9,9%	12,7%	12,7%
Free cashflow margin	3,0%	16,0%	15,4%

Valuation			
P/E	59,9x	41,2x	31,2x
P/BV	5,0x	4,5x	3,9x
EV/EBITDA	12,7x	9,4x	7,2x
EV/Sales	6,1x	5,4x	4,0x
Dividend Yield	0,1%	0,0%	0,2%
Free cashflow yield	0,5%	3,0%	3,9%

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

BİM Birleşik Mağazalar

BİM continues to stand out with its ability to offer affordable products through effective cost management and to maintain sector leadership with its extensive store network amid high inflation. In light of our updated macro and micro assumptions, we have revised our forecasts and target price for BİM, which is under our research coverage. Considering the company's widespread store network, private label product strategy, and efficient cost management, we set our 12-month target price at TL705 per share and maintain our BUY recommendation. Based on our 2025E forecasts, the stock is trading at 14,1x P/E and 7,9x EV/EBITDA multiples.

Margins Remain Under Pressure, Store Network Expands…In Q1 2025, BİM posted limited revenue growth but displayed weak profitability. Although the gross margin was above last year's level, both EBITDA and net profit declined YoY, mainly due to rising operating expenses, financing costs, and tax burden. As of March 2025, the company operated 13.809 stores in total, including 828 in Morocco and 425 in Egypt, with international operations accounting for 5% of total revenue. Same-store sales increased by 35.1%, while customer traffic declined by 3.7% and basket size rose by 40.3%. The share of private label products in Turkey reached 57%, while in the FİLE format it stood at 32%. Net debt declined by TL13,0 bn on a quarterly basis, reaching TL18,6 bn.

The company's self-reported "BIMflation" rate was 36% in Q1 2025, while official TÜİK data showed continued high inflation in food and non-alcoholic beverages. Rising producer prices and the significant minimum wage hike at the beginning of 2025 pushed up costs, especially in store operations and logistics, creating pressure on the retail sector. While discount retailing continues to gain momentum, BİM maintains its leading position through low-margin operations and disciplined cost control.

Excluding the impact of IAS 29, the company guided for 45% (±5%) sales growth, 7.5% (±0.5%) EBITDA margin, and 3.5–4.0% capex as a share of revenue. Under IAS 29, these expectations were revised to 8% (±2%), 5.0% (±0.5%), and 3.5–4.0%, respectively. Supported by strong cash generation, BİM does not rely on external financing and maintains operational flexibility. Its private label strategy also strengthens its competitive edge under high inflation. However, elevated cost pressures continue to pose risks to profit margins, while a TL1,29 bn fine imposed by the Competition Authority and ongoing investigations add further uncertainty to the financial outlook. Still, the company expects customer traffic, which remained weak in Q1, to normalize in the second half of the year.

BIMAS **BUY**

Target Price	**TL 705.00**
Return potential	**44%**

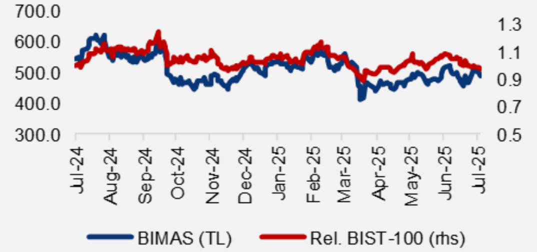
Share Data	
Ticker:	**BIMAS TI**
Share price (as of 08.07.2025)	488.00
Share price (52 week range)	411.1 / 618.0
Market cap. (TL mn - USD mn)	292,800 - 7,332
# of shares (mn) & free float	600.0 - 68%
Foreign Ownership Rate	46.3%
Market	Bist Star
Industry	Retail Trade

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	63.1	65.9	81.7

Price performance	1M	3M	Y-t-D
TL	-6%	4%	-8%
USD	-8%	-1%	-19%
Rel. to BIST-100	-11%	-1%	-10%

Forecasts (TL mn)	2023	2024	2025E
Revenues	474,200	519,567	729,038
EBITDA	19,854	22,558	37,601
Net Earnings	22,300	18,382	20,827

Valuation	2023	2024	2025E
P/E	13.1x	15.8x	14.1x
P/BV	2.9x	2.3x	2.0x
EV/EBITDA	15.0x	13.2x	7.9x



BİM - Summary

Balance Sheet	2023	2024	2025E
Cash	5,207	3,098	20,433
Accounts receivables	23,765	27,147	37,950
Inventory	39,455	40,818	55,953
Financial investments	4,882	5,970	9,478
Fixed assets	71,932	99,382	107,686
Other non-current assets	68,630	83,166	87,485
Total assets	**213,872**	**259,582**	**318,984**
Short-term financial loans	6,726	8,966	9,863
Accounts payables	65,179	66,712	98,741
Long-term financial loans	25,525	31,731	36,490
Other long-term payables	15,750	21,706	29,162
Non-current liabilities	**41,274**	**53,436**	**65,652**
Shareholders' equity	**99,783**	**129,478**	**144,729**
Paid in Capital	607	607	607
Total liabilities & equity	**213,872**	**259,582**	**318,984**
Net debt	22,162	31,628	16,443
Working capital	-1,959	1,253	-4,838

Income statement	2023	2024	2025E
Revenues	**474,200**	**519,567**	**729,038**
Gross profit	74,619	90,817	128,366
Operating expenses	-69,769	-85,472	-114,824
Operating profit	4,849	5,345	13,542
EBITDA	**19,854**	**22,558**	**37,601**
Other income, net	868	-44	-159
Financial income, net	24,885	16,525	16,039
Earnings before taxes	31,828	25,934	32,338
Tax expense	-9,528	-7,552	-11,511
Net earnings	**22,300**	**18,382**	**20,827**

Cashflow statement			
EBITDA	**19,854**	**22,558**	**37,601**
Taxes on EBIT	-9,528	-7,552	-11,511
Capital expenditures	-14,992	-17,708	-25,516
Chg. in NWC	2,486	3,211	-6,090
Free cashflows to firm	**-7,152**	**-5,913**	**6,664**

Per share (TL)			
EPS	37.17	30.64	34.71
BVPS	166.31	215.80	241.21
DPS	8.26	11.96	9.29

Growth & margins			
Revenues	70%	10%	40%
EBITDA	46%	14%	67%
Net earnings	34%	-18%	13%
Gross margin	15.7%	17.5%	17.6%
Operating margin	1.0%	1.0%	1.9%
EBITDA margin	4.2%	4.3%	5.2%
Net margin	4.7%	3.5%	2.9%
Free cashflow margin	-1.5%	-1.1%	0.9%

Ratios			
Profitability			
ROE	28.3%	16.0%	15.2%
Net margin	4.7%	3.5%	2.9%
Asset turnover	2.8x	2.2x	2.5x
Leverage	2.2x	2.1x	2.1x
ROA	13.1%	7.8%	7.2%
Leverage			
Financial debt/Total assets	15%	16%	15%
Net debt/Equity	0.22	0.24	0.11
Net debt/EBITDA	1.12	1.40	0.44

Valuation			
P/E	13.1x	15.8x	14.1x
P/BV	2.9x	2.3x	2.0x
EV/EBITDA	15.0x	13.2x	7.9x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TL unless otherwise stated.*

Coca-Cola İçecek

In line with updated expectations, we have revised our forecasts and target price for Coca-Cola, which is included in both our research coverage and model portfolio. Considering the company's focus on profitable sales channels, diversification in international operations, and macroeconomic outlook for the upcoming period, we set our 12-month target price at TL73 per share and maintain our Buy recommendation. Based on our 2025E estimates, the stock is trading at 7,5x P/E and 6,0x EV/EBITDA multiples.

Balancing Growth Catalysts and Operational Risks…Coca-Cola İçecek (CCOLA) stood out in Q1 2025 with strong volume growth and a focus on operational efficiency despite challenging macro conditions, increasing consolidated sales volume by 13.4% YoY to 387 million unit cases. In addition to 8.4% growth in Turkey operations, double-digit volume growth in international markets such as Pakistan, Kazakhstan, Azerbaijan, and Iraq made a significant contribution to overall performance. Operating across 12 countries with 33 production plants and 3 fruit processing facilities, CCOLA continues to strengthen its production capacity through its broad sales network and the ongoing Baghdad facility investment. On the financial side, excluding the impact of IAS 29, net sales revenue rose by 33.2% YoY to TL35,9 bn, while the EBITDA margin stood at 14.2%. However, due to rising interest expenses and lower monetary gains, net income declined by 66% YoY to TL1,3 bn. High net debt (TL34,5 bn) and increasing financing costs were key factors pressuring profitability. To support volume growth, the company ramped up consumer-focused marketing efforts and implemented appropriate pricing strategies. On the cost side, it focused on stability by hedging the majority of its raw material needs, and has already initiated hedge transactions for 2026 and beyond.

CCOLA continues to invest in new production facilities and line expansions to enhance operational efficiency. Ahead of Ramadan, increased marketing spending and weak pricing led to a decline in gross profit margin. Additionally, low consumer purchasing power and geopolitical risks in the Middle East weighed on profitability. On the other hand, easing inflation in Pakistan and the resulting macroeconomic stabilization, slowing inflation trends in large markets, and the company's diversified geographic footprint — which provides a natural hedge against currency volatility — are expected to continue supporting volume growth and market share gains going forward. Looking ahead, the company's volume-driven growth strategy, pricing and cost flexibility, new facility and category investments, and geographic expansion will remain key catalysts for sustainable growth. However, margin pressure arising from its affordable pricing strategies is likely to persist for some time.

CCOLA	**BUY**
Target Price	**TL 73.00**
Return potential	**47%**

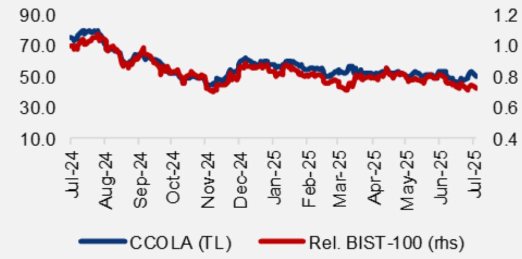
Share Data	
Ticker:	**CCOLA TI**
Share price (as of 08.07.2025)	49.66
Share price (52 week range)	44.2 / 79.9
Market cap. (TL mn - USD mn)	138,953 - 3,480
# of shares (mn) & free float	2798.1 - 25%
Foreign Ownership Rate	81.6%
Market	Bist Star
Industry	Retail Trade

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	6.5	6.8	10.2

Price performance	**1M**	**3M**	**Y-t-D**
TL	-6%	-3%	-15%
USD	-8%	-8%	-25%
Rel. to BIST-100	-11%	-9%	-17%

Forecasts (TL mn)	**2023**	**2024**	**2025E**
Revenues	145,884	137,683	172,930
EBITDA	25,869	24,143	30,436
Net Earnings	30,576	14,896	18,469

Valuation	**2023**	**2024**	**2025E**
P/E	4.7x	9.3x	7.5x
P/BV	2.4x	2.4x	1.8x
EV/EBITDA	7.0x	7.5x	6.0x



Coca Cola İçecek - Summary

Balance Sheet	2023	2024	2025E
Cash	31,409	25,594	28,906
Accounts receivables	13,095	15,082	19,425
Inventory	18,744	16,929	20,325
Financial investments	543	105	1,729
Fixed assets	85,443	92,411	100,469
Other non-current assets	9,811	13,132	15,564
Total assets	**159,045**	**163,253**	**186,417**
Short-term financial loans	26,080	23,560	23,324
Accounts payables	26,849	28,196	39,087
Long-term financial loans	27,398	30,530	32,057
Other long-term payables	13,813	13,110	15,564
Non-current liabilities	**41,211**	**43,640**	**47,620**
Shareholders' equity	**56,722**	**59,108**	**76,386**
Paid in Capital	254	2,798	2,798
Total liabilities & equity	**159,045**	**163,253**	**186,417**
Net debt	21,526	28,391	24,746
Working capital	4,990	3,815	663

Income statement	2023	2024	2025E
Revenues	**145,884**	**137,683**	**172,930**
Gross profit	47,702	48,590	58,796
Operating expenses	-27,157	-30,224	-37,007
Operating profit	20,546	18,366	21,789
EBITDA	**25,869**	**24,143**	**30,436**
Other income, net	353	519	582
Financial income, net	16,639	1,136	2,075
Earnings before taxes	37,500	19,947	24,352
Tax expense	-6,924	-5,051	-5,883
Net earnings	**30,576**	**14,896**	**18,469**

Cashflow statement	2023	2024	2025E
EBITDA	**25,869**	**24,143**	**30,436**
Taxes on EBIT	-6,924	-5,051	-5,883
Capital expenditures	-8,525	-12,255	-13,834
Chg. in NWC	1,016	-1,175	-3,152
Free cashflows to firm	**9,404**	**8,012**	**13,870**

Per share (TL)	2023	2024	2025E
EPS	10.93	5.32	6.60
BVPS	20.27	21.12	27.30
DPS	0.57	0.88	0.43

Growth & margins	2023	2024	2025E
Revenues	57%	-6%	26%
EBITDA	61%	-7%	26%
Net earnings	112%	-51%	24%
Gross margin	32.7%	35.3%	34.0%
Operating margin	14.1%	13.3%	12.6%
EBITDA margin	17.7%	17.5%	17.6%
Net margin	21.0%	10.8%	10.7%
Free cashflow margin	6.4%	5.8%	8.0%

Ratios	2023	2024	2025E
Profitability			
ROE	62.7%	25.7%	27.3%
Net margin	21.0%	10.8%	10.7%
Asset turnover	1.1x	0.9x	1.0x
Leverage	2.7x	2.8x	2.6x
ROA	23.0%	9.2%	10.6%
Leverage			
Financial debt/Total assets	34%	33%	30%
Net debt/Equity	0.38	0.48	0.32
Net debt/EBITDA	0.83	1.18	0.81

Valuation	2023	2024	2025E
P/E	4.7x	9.3x	7.5x
P/BV	2.4x	2.4x	1.8x
EV/EBITDA	7.0x	7.5x	6.0x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

DESA

We maintain our 12-month target price of TL 16.00 for Desa Deri (DESA) and reiterate our "BUY" rating; the target implies c. 66 % upside from current levels. A solid balance-sheet position and a more balanced sector backdrop make this level attainable, in our view. Turkey's gradual disinflation should restore purchasing power, while the pullback in funding costs after punitive policy-rate hikes eases margin pressure—supporting domestic demand in 2H25 and creating room for export orders. We therefore favour DESA's flexible business model, which meets rising local demand through store openings while ramping up production when export markets improve.

Founded in 1972, DESA is vertically integrated with manufacturing plants in Istanbul and Düzce plus a tannery in Çorlu, and since 2023 it has run an R&D and artisan workshop in Tuscany that allows it to produce high-value "Made in Italy" lines. Long-standing clients include luxury houses such as Prada, Miu Miu, Bulgari, Tumi and Chloé. Domestically, DESA is also the distributor for Samsonite, and since 2007 it has operated in Azerbaijan, Georgia, Armenia and Northern Cyprus via a regional JV model. As of 1Q25 the company had 110 stores with 14.7 k sqm of retail space.

We viewed the 1Q25 results positively: revenue rose 2 % y/y to TL 759 mn, while the gross margin held at 53.5 % and the EBITDA margin at 25.4 %. Net profit climbed to TL 122 mn. Net cash reached a record TL 1.58 bn (USD 41.6 mn). In January 2025 the company increased paid-in capital to TL 490 mn via a bonus issue, and in April it approved a TL 100 mn cash dividend to be paid in three instalments (Sep–Nov 2025).

Looking ahead, several factors will set the growth pace. Export share—which was about 50 % pre-Covid—now fluctuates between 15 % and 20 % despite stronger domestic demand and tourist traffic. Key catalysts are: (i) a B2C e-export push to offset weak European consumption; (ii) expansion into the Gulf via planned stores in Erbil and Baghdad; (iii) incremental orders from US brands (e.g., Ralph Lauren, Marc Jacobs) as they shift sourcing away from Asia. Main risks include FX volatility and a sudden contraction in global discretionary spending. Overall, we believe DESA can lift its export share again and, alongside a domestic rebound, enhance profitability.

DESA	BUY
Target Price	**TL16.00**
Return potential	**66%**

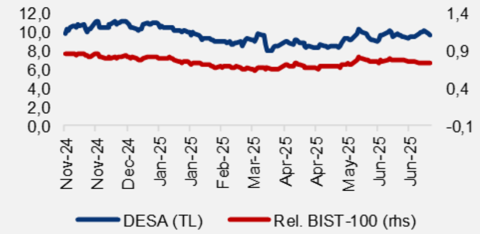
Share Data	
Ticker:	**DESA TI**
Share price (as of 08.07.2025)	9,61
Share price (52 week range)	08 / 11
Market cap. (TL mn - USD mn)	4.709 - 118
# of shares (mn) & free float	490 - 22%
Foreign Ownership Rate	10.36%
Market	Main
Industry	Leather

Avg. trading volume	1M	3M	12M
USD mn	0,3	0,6	0,5

Price performance	1M	3M	Y-t-D
TL	0%	5%	-10%
USD	-2%	0%	-21%
Rel. to BIST-100	-5%	0%	-12%

Forecasts (TL mn)	2023	2024	2025E
Revenues	3.536	2.980	3.904
EBITDA	1.162	870	1.132
Net Earnings	716	313	484

Valuation	2023	2024	2025E
P/E	6,6x	15,0x	9,7x
P/BV	2,0x	1,6x	1,4x
EV/EBITDA	2,0x	2,6x	2,0x



DESA – Summary

Balance Sheet	2023	2024	2025E
Cash	943	26	463
Accounts receivables	296	386	447
Inventory	465	706	763
Financial investments	471	1.586	1.586
Fixed assets	603	675	780
Other non-current assets	961	1.047	1.183
Total assets	**3.739**	**4.427**	**5.222**
Short-term financial loans	135	151	159
Accounts payables	602	683	837
Long-term financial loans	154	167	169
Other long-term payables	504	477	625
Non-current liabilities	**658**	**644**	**794**
Shareholders' equity	**2.345**	**2.948**	**3.432**
Paid in Capital	245	245	245
Other Equity	2.100	2.703	3.187
Total liabilities & equity	**3.739**	**4.427**	**5.222**
Net debt	-654	292	-136
Net working capital	160	409	373

Per share (TL)			
EPS	1,46	0,64	0,99
BVPS	4,78	6,02	7,00
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	41,5%	11,8%	15,2%
Net margin	20,3%	10,5%	12,4%
Asset turnover	1,2x	0,7x	0,8x
Leverage	1,8x	1,5x	1,5x
ROA	23,6%	7,7%	10,0%
Leverage			
Financial debt/Total assets	8%	7%	6%
Net debt/Equity	-0,28	0,10	-0,04
Net debt/EBITDA	-0,56	0,34	-0,12

Income statement	2023	2024	2025E
Revenues	**3.536**	**2.980**	**3.904**
Gross profit	1.757	1.710	2.239
Operating expenses	-1.008	-1.168	-1.529
Operating profit	749	541	710
EBITDA	**1.162**	**870**	**1.132**
Other income, net	144	8	15
Financial income, net	-144	-281	-356
Earnings before taxes	913	496	683
Tax expense	-197	-183	-200
Net earnings	**716**	**313**	**484**

Cashflow statement			
EBITDA	**1.162**	**870**	**1.132**
Taxes on EBIT	-187	-135	-178
Capital expenditures	85	42	51
Chg. in NWC	66	250	-37
Free cashflows to firm	**823**	**444**	**940**

Growth & margins			
Revenues	39%	-16%	31%
EBITDA	50%	-25%	30%
Net earnings	264%	-56%	54%
Gross margin	49,7%	57,4%	57,4%
Operating margin	21,2%	18,2%	18,2%
EBITDA margin	32,8%	29,2%	29,0%
Net margin	20,3%	10,5%	12,4%
Free cashflow margin	23,3%	14,9%	24,1%

Valuation			
P/E	6,6x	15,0x	9,7x
P/BV	2,0x	1,6x	1,4x
EV/EBITDA	2,0x	2,6x	2,0x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

Doğan Holding

We have raised our 12-month target price for Doğan Holding to TL 23.10 and, with the shares still offering roughly 50 % upside versus the current market price, we reiterate our “BUY” call. A c. USD 650 million standalone net-cash position and modest leverage give the group ample headroom for dividends, share buy-backs and selective acquisitions. Management’s ambition to lift Net Asset Value (NAV) from USD 2.5 billion today to USD 4 billion over the medium term sits at the heart of the re-rating story, and is underpinned by USD 1 billion valuation targets in its core growth pillars—renewable energy, financial services and mining—together with Galata Wind’s >1.1 GW capacity roadmap, Hepiyi Sigorta’s fast-growing digital insurance book, and an expanding portfolio of mining licences.

Doğan Holding’s portfolio spans a broad spectrum, from Galata Wind’s renewable-power assets and Gümüştaş’s mining operations to Hepiyi Sigorta and D Yatırım Bankası in financial services, plus technology-focused ventures such as Daiichi and Karel. In 1Q25, group NAV reached USD 2.5 billion while the market capitalisation stood at USD 1.0 billion. Consolidated revenue came in at TL 19.0 billion and EBITDA at TL 1.8 billion. The mining segment, with a 55 % margin, supported profitability, yet a top-line contraction at Doğan Trend and weaker performance at Karel weighed on overall results, leading to a TL 520 million net loss; even so, the company preserved its strong USD 646 million net-cash position on a standalone basis.

Management continues to steer the portfolio toward long-term, high-growth arenas. Galata Wind is widening its global footprint with investments in Italy and Germany alongside its domestic wind projects, while Gümüştaş has brought the first phase of its USD 90 million capex plan onstream in 2025. In financial services, Hepiyi Sigorta has lifted its motor-insurance market share from 1.9 % to 4.3 %, and D Yatırım Bankası has accelerated scale-up following a capital increase. The purchase of 25 % of Daiichi and the ongoing restructuring at Karel further reinforce the technology arm.

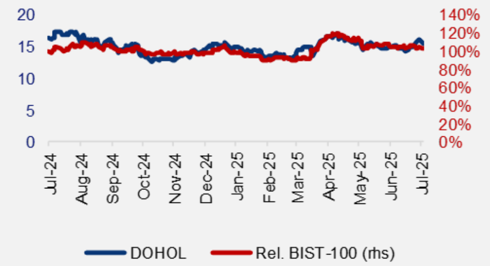
Excluding investments and finance activities, the group guides for real revenue growth of 5–8 %, real EBITDA growth of 6–10 % and a 5–10 % rise in USD NAV during 2025. Given the robust net-cash balance and balanced, opportunity-rich portfolio, we believe Doğan Holding’s intrinsic value is still not fully reflected in the share price.

DOHOL	BUY
Target Price	TL23.10
Return Potential	%50

Share Data	
Ticker	DOHOL TI
Share Price (08 July 2025)	15,43
Share price (52 week range)	13 / 17
Market cap. (TL mn - USD mn)	38077,3 - 987,2
# of shares outstanding (mn)	2.617
Free Float	18,53%
Market	BIST Star
Industry	Conglomerate

Avg. trading volume	1M	3M	12M
USDmn	7,9	10,0	10,0

Price Performance	1M	3M	Y-t-D
TL	-11%	8%	0%
USD	-13%	0%	-8%
Rel. to BIST-100	-12%	14%	5%



Doğan Holding – NAV Table

DOHOL Target NAV - Tacirler Investment							
	Valuation Basis	Current Mcap mln TL	Holding Stake %	Stake Value	% of NAV	12M Target Mcap mln TL	Stake
Electricity Production							
GWIND	Market Cap	12.852	70%	8.996	11%	11.650	11%
				8.996		**11.650**	**11%**
Electronics, Technology & Industrials							
Ditas	Market Cap	2.338	68%	1.595	2%	2.066	2%
Doğan Dış Ticaret	Book Value	160	100%	160	0%	207	0%
Sesa Ambalaj	EV/L12M EBITDA @7.94x	3.870	70%	2.709	3%	3.508	3%
KAREL	Market Cap	6.689	40%	2.676	3%	3.465	3%
Daiichi	Transaction Value	2.403	25%	601	1%	778	1%
				7.741		**10.024**	**9%**
Automotive							
Doğan Trend Otomotiv	Book Value @ 1.9x	1.321	100%	1.321	2%	1.711	2%
				1.321		**1.711**	**2%**
Finance and Investments							
D Yatırım Bank	Book Value @ 1.5x	1.442	100%	1.442	2%	1.867	2%
Doruk Faktoring	Book Value @ 1.5x	2.002	100%	2.002	3%	2.593	3%
Hepiyi Sigorta	Book Value @ 2,0x	9.020	85%	7.667	10%	9.929	10%
Öncü Girişim Sermaye	Value of Insider Shares	935	100%	935	1%	1.211	1%
				12.046		**15.599**	**15%**
Internet and Entertainment							
Kanal D Romania	EV/L12M EBITDA @3.8x	1.522	100%	1.522	2%	1.971	2%
Glokal (Hepsi Emlak)	EV/L12M Revenue @7.4x	3.191	79%	2.528	3%	3.274	3%
				4.050		**5.245**	**5%**
Real Estates							
D Gayrimenkul							
D Yapı - Romanya	Independent Expert Valuation	7.295	100%	7.295	9%	9.447	9%
Dogan Holding İstanbul	Independent Expert Valuation	910	100%	910	1%	1.179	1%
Kandilli Gayrimenkul	Independent Expert Valuation	301	100%	301	0%	390	0%
M Investment	Independent Expert Valuation	2.553	50%	1.277	2%	1.653	2%
	Independent Expert Valuation	2.911	22%	645	1%	835	1%
				10.428		**13.504**	**13%**
Other							
Doğan Yayıncılık	Transaction Value	3.564	100%	3.564	4%	4.615	5%
Milta Turizm	Transaction Value	25	100%	25	0%	32	0%
				3.589		**4.648**	**5%**
Mining							
Gümüştaş	Transaction Value	6.567	75%	4.925	6%	6.379	6%
Doku	Transaction Value	721	75%	541	1%	700	1%
Total				**5.466**		**7.079**	**7%**
Toplam				**53.637**		**69.460**	
Listed				13.267		17.181	17%
Unlisted				40.370		52.279	52%
Holding Net Cash				25.869		31.137	31%
Total NAV				79.506		100.597	
MCap				**40.380**		**40.380**	
Prem. / Disc. (%)				-49%		-60%	
Holding Discount (%)						40%	
Current Price						**15,43**	
Target Price						**23,10**	
Upside Potential						**50%**	

Source: Tacirler Investment Research, Company Data

Doğuş Otomotiv

Following a pressured first quarter, automobile sales gained momentum on a YoY basis in the second quarter, prompting us to update our forecasts for Doğuş Otomotiv and revise our 12 month target price per share from TL231.70 (TL259 excluding dividend impact) to TL235.00. As our target price implies a return potential in line with our BIST index expectation and considering our view that the recovery in sector-wide profitability margins will materialize more gradually, we maintain our Hold recommendation. Based on our 2025 estimates, the stock is trading at 8.6x P/E and 1.8x EV/EBITDA multiples.

Following the 1Q25 financial results, the 2025 guidance remains intact. The company expects the total domestic vehicle market, which closed 2024 at 1.28 million units, to be around the 1 million unit level in 2025 (Tacirler Investment forecast: 1.146 million units). For Doğuş Otomotiv, excluding Skoda, total vehicle sales are projected at 115 thousand units (Tacirler Investment: 136.8 thousand units). We forecast Doğuş Otomotiv's 2025 revenues to grow by a nominal 11% YoY to TL208.8 billion, with an EBITDA generation of TL14.5 billion at a 7% margin. The company ended 2024 with a net profit of TL7.6 billion, while our 2025 expectation stands at TL4.6 billion.

Growth in value-added segments stands out in the company's forward-looking outlook. While maintaining its core role in vehicle distribution, Doğuş Otomotiv continues to expand its product and service portfolio through operations in various segments. Under the Doğuş Marine Services umbrella, the company conducts sales, after-sales services, and spare parts operations in the marine sector with a corporate structure, and has strengthened its presence in this field through new distribution agreements with premium brands such as Novamarine and Aerofoils. In addition, it plays a competitive role in the semi-trailer segment with Meiller and Wielton, in industrial and marine engines with Scania, and in the cooling systems market with Thermo King. Doğuş Otomotiv is also active in electric mobility with the MATE.Bike brand and has begun offering services for EV infrastructure through Doğuş Charging Systems, launched in 2023. We believe this expansion into value-added segments such as bicycles and marine products may contribute positively to both product diversification and profitability margins over the long term.

Stable dividend performance continues. Following the release of year-end financials, Doğuş Otomotiv distributed a gross dividend of TL27.27 per share from its 2024 earnings. Since going public in 2004, the company has paid regular dividends in 16 out of the past 21 years, achieving an average payout ratio of 66% and offering shareholders an average annual dividend yield of 9.6%. This figure stands well above the BIST average. Considering the company's strong cash generation and solid dividend track record, we expect the dividend policy to continue in 2026 with a payout ratio of around 60%.

DOAS	HOLD
Target Price	TL 235
Return potential	32%

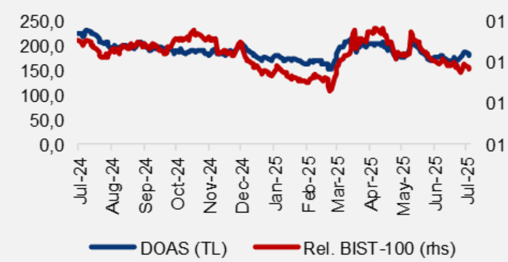
Share Data	
Ticker:	DOAS TI
Share price (as of 08.07.2025)	178,00
Share price (52 week range)	150 / 229
Market cap. (TL mn - USD mn)	39.160 - 981
# of shares (mn) & free float	220 - 39%
Foreign Ownership Rate	20.21%
Market	Star
Industry	Automotive

Avg. trading volume	1M	3M	12M
USD mn	7,6	11,4	12,8

Price performance	1M	3M	Y-t-D
TL	0%	-12%	4%
USD	-2%	-17%	-8%
Rel. to BIST-100	-5%	-17%	2%

Forecasts (TL mn)	2023	2024	2025E
Revenues	215.478	188.375	208.776
EBITDA	35.627	16.740	14.506
Net Earnings	28.330	7.592	4.578

Valuation	2023	2024	2025E
P/E	1,4x	5,2x	8,6x
P/BV	0,7x	0,7x	0,7x
EV/EBITDA	2,5x	2,1x	1,8x



Doğuş Otomotiv - Summary

Balance Sheet	2023	2024	2025E
Cash	11.036	9.414	6.450
Accounts receivables	18.595	15.853	25.696
Inventory	15.376	15.410	18.684
Financial investments	1.816	0	0
Fixed assets	17.675	20.889	24.017
Other non-current assets	33.487	30.643	37.097
Total assets	**97.985**	**92.209**	**111.944**
Short-term financial loans	6.634	6.200	11.467
Accounts payables	12.302	14.335	22.020
Long-term financial loans	8.931	5.904	5.376
Other long-term payables	10.434	10.814	18.970
Non-current liabilities	**38.301**	**37.253**	**57.834**
Shareholders' equity	**59.685**	**54.956**	**54.110**
Paid in Capital	220	200	200
Other Equity	59.465	54.757	53.910
Total liabilities & equity	**97.985**	**92.209**	**111.944**
Net debt	4.529	2.691	10.394
Net working capital	21.668	16.929	22.360

Per share (TL)			
EPS	128,77	34,51	20,81
BVPS	271,29	249,80	245,95
DPS	43,59	59,75	27,27

Ratios			
Profitability			
ROE	54,1%	13,2%	8,4%
Net margin	13,1%	4,0%	2,2%
Asset turnover	2,5x	2,0x	2,0x
Leverage	1,6x	1,7x	1,9x
ROA	33,4%	8,0%	4,5%
Leverage			
Financial debt/Total assets	16%	13%	15%
Net debt/Equity	0,08	0,05	0,19
Net debt/EBITDA	0,13	0,16	0,72

Income statement	2023	2024	2025E
Revenues	**215.478**	**188.375**	**208.776**
Gross profit	46.389	30.232	31.459
Operating expenses	-12.517	-15.696	-20.263
Operating profit	33.872	14.536	11.196
EBITDA	**35.627**	**16.740**	**14.506**
Other income, net	4.577	1.708	2.502
Financial income, net	-7.657	-3.252	-5.962
Earnings before taxes	37.366	12.698	8.772
Tax expense	-8.833	-5.055	-4.194
Net earnings	**28.330**	**7.592**	**4.578**

Cashflow statement			
EBITDA	**35.627**	**16.740**	**14.506**
Taxes on EBIT	-8.833	-5.055	-4.194
Capital expenditures	-1.111	-3.763	-4.116
Chg. in NWC	12.159	-4.739	2.869
Free cashflows to firm	**13.524**	**12.662**	**3.328**

Growth & margins			
Revenues	69%	-13%	11%
EBITDA	82%	-53%	-13%
Net earnings	26%	-73%	-40%
Gross margin	21,5%	16,0%	15,1%
Operating margin	15,7%	7,7%	5,4%
EBITDA margin	16,5%	8,9%	6,9%
Net margin	13,1%	4,0%	2,2%
Free cashflow margin	6,3%	6,7%	1,6%

Valuation			
P/E	1,4x	5,2x	8,6x
P/BV	0,7x	0,7x	0,7x
EV/EBITDA	2,5x	2,1x	1,8x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

Ford Otomotiv

Following a challenging first quarter marked by high production costs and weakness in the EUR/USD exchange rate, we maintain our overall outlook for Ford Otosan (FROTO) while updating our estimates. We revise our 12 month target price from TL139.5 per share (including dividend and split adjustments) to TL135, while maintaining our BUY recommendation and the stock's inclusion in our Model Portfolio. Based on our 2025 estimates, FROTO is trading at 6.6x P/E and 3.6x EV/EBITDA. Increasing production capacity, upcoming model launches, the electrification transition, and the company's strong export capability remain key catalysts supporting the long-term recovery outlook.

Guidance remains unchanged. The company maintains its 2025 outlook, projecting total sales volumes in the range of 700–760 thousand units (Tacirler Investment: 735 thousand units), with production expected between 700–750 thousand units. Of this, 460–490 thousand units are planned to be produced in Turkey and 240–260 thousand units in Romania. Total international sales, which stood at 546 thousand units in 2024, are expected to rise to 610–660 thousand units in 2025 (Tacirler Investment: 629 thousand units), with 410–440 thousand units exported from Turkey and 200–220 thousand from Romania. Domestic retail sales are expected at 90–100 thousand units, indicating a limited improvement compared to the previous year (Tacirler Investment: 106 thousand units). The company forecasts the total automotive market to normalize to 950–1,050 thousand units, down from 1,279 thousand units in 2024 (Tacirler Investment: 1,146 thousand units). For 2025, capital expenditures are projected at EUR 750–850 million (2024: EUR 739 million), and the company guides for an EBITDA margin in the 7–8% range (Tacirler Investment: 7.1%).

Ford Otosan continues to support its export-oriented growth strategy for 2025 and beyond through electrification investments, product range diversification, and international partnerships. The launch of next-generation Courier and E-Truck models, the introduction of the electric version of Puma to the European market, and the expected start of commercial vehicle production for VW by year-end are all set to enhance the company's technological transformation capacity and global competitiveness. These steps in electrification not only align with long-term sustainability goals but also strengthen compliance with increasingly stringent environmental regulations in Europe. In this context, the EUR 343 million co-development agreement signed with Iveco under the Direct Vision Standard (GSR D), which will come into effect in the EU starting from 2028, reinforces Ford Otosan's engineering capabilities while strengthening its strategic positioning in the heavy commercial vehicle segment. The company also maintains a relatively resilient structure against exchange rate volatility through EUR-based export contracts. With a continued focus on balanced growth across domestic and international markets, Ford Otosan aims to solidify its position in the European automotive industry over the long term through high value-added production.

FROTO **BUY**

Target Price	**TL 135**
Return potential	**45%**

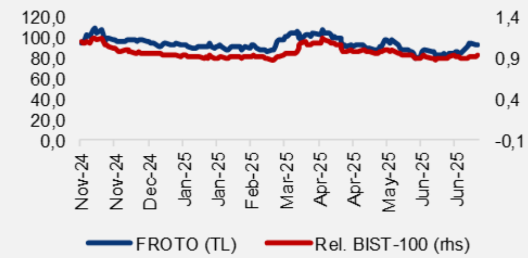
Share Data	
Ticker:	**FROTO TI**
Share price (as of 08.07.2025)	92,85
Share price (52 week range)	80 / 108
Market cap. (TL mn - USD mn)	325.820 - 8.159
# of shares (mn) & free float	3.509 - 18%
Foreign Ownership Rate	27.43%
Market	Star
Industry	Automotive

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	26,3	27,0	31,7

Price performance	1M	3M	Y-t-D
TL	6%	-10%	1%
USD	4%	-15%	-11%
Rel. to BIST-100	1%	-15%	-1%

Forecasts (TL mn)	2023	2024	2025E
Revenues	654.549	654.868	833.167
EBITDA	67.870	43.880	58.806
Net Earnings	77.953	42.774	49.249

Valuation	2023	2024	2025E
P/E	4,2x	7,6x	6,6x
P/BV	2,8x	2,6x	1,9x
EV/EBITDA	5,2x	4,2x	3,6x



Ford Otomotiv - Summary

Balance Sheet	2023	2024	2025E
Cash	24.193	24.577	51.846
Accounts receivables	72.445	75.092	84.618
Inventory	46.643	43.958	75.277
Financial investments	0	0	0
Fixed assets	119.429	130.091	153.036
Other non-current assets	82.130	85.935	86.222
Total assets	**344.840**	**359.653**	**450.999**
Short-term financial loans	53.971	49.372	63.594
Accounts payables	83.530	72.805	91.408
Long-term financial loans	66.409	86.839	88.360
Other long-term payables	24.916	23.819	40.029
Non-current liabilities	**228.826**	**232.835**	**283.391**
Shareholders' equity	**116.014**	**126.818**	**167.608**
Paid in Capital	386	351	351
Other Equity	115.628	126.468	167.257
Total liabilities & equity	**344.840**	**359.653**	**450.999**
Net debt	96.188	111.633	100.109
Net working capital	35.559	46.245	68.488

Per share (TL)			
EPS	22,21	12,19	14,03
BVPS	33,06	36,14	47,76
DPS	8,11	7,38	1,71

Ratios			
Profitability			
ROE	79,0%	35,2%	33,5%
Net margin	11,9%	6,5%	5,9%
Asset turnover	2,1x	1,9x	2,1x
Leverage	3,2x	2,9x	2,8x
ROA	25,1%	12,1%	12,2%
Leverage			
Financial debt/Total assets	35%	38%	34%
Net debt/Equity	0,83	0,88	0,60
Net debt/EBITDA	1,42	2,54	1,70

Income statement	2023	2024	2025E
Revenues	**654.549**	**654.868**	**833.167**
Gross profit	87.793	60.099	74.397
Operating expenses	-29.560	-28.010	-34.289
Operating profit	58.233	32.089	40.109
EBITDA	**67.870**	**43.880**	**58.806**
Other income, net	11.713	-188	-323
Financial income, net	972	1.869	953
Earnings before taxes	75.367	40.731	47.096
Tax expense	2.586	2.043	2.153
Net earnings	**77.953**	**42.774**	**49.249**

Cashflow statement			
EBITDA	**67.870**	**43.880**	**58.806**
Taxes on EBIT	2.586	2.043	2.153
Capital expenditures	-49.540	-44.022	-40.864
Chg. in NWC	9.820	10.686	-3.744
Free cashflows to firm	**11.097**	**-8.786**	**23.839**

Growth & margins			
Revenues	28%	0%	27%
EBITDA	34%	-35%	34%
Net earnings	77%	-45%	15%
Gross margin	13,4%	9,2%	8,9%
Operating margin	8,9%	4,9%	4,8%
EBITDA margin	10,4%	6,7%	7,1%
Net margin	11,9%	6,5%	5,9%
Free cashflow margin	1,7%	-1,3%	2,9%

Valuation			
P/E	4,2x	7,6x	6,6x
P/BV	2,8x	2,6x	1,9x
EV/EBITDA	5,2x	4,2x	3,6x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TL unless otherwise stated.*

Koton

We have reduced our 12-month target price for Koton to TL 27.00 after demand softening, foreign-exchange headwinds in the CIS region and higher financing costs trimmed near-term growth prospects. Even so, the stock still offers 87 % upside versus today's price, and we therefore maintain our "BUY" rating. Double-digit real growth in e-commerce, a franchise-led push across the Gulf and a gradual recovery in domestic demand stand out as the key catalysts that should restore operating momentum from the second half of the year onward.

One of Turkey's leading fashion retailers, Koton continues to broaden its footprint through a capital-light franchise model alongside its own investments. As of 31 March 2025 the chain had 449 stores—242 in Turkey and 207 abroad—and management aims to reach at least 466 outlets by year-end, with expansion skewed to international markets. The partnership with Apparel Group has already opened the door to Kuwait, Qatar and Oman, and the focus now is on lifting the productivity of the existing 16 stores in the region.

Domestically, a mild real contraction in 2Q retail sales is on the table, and a strategy that avoids deep discounting may temper e-commerce volumes even as it protects margins. Conversely, the 16 Gulf stores funded by Apparel Group add no capex burden to Koton's balance sheet while raising overall efficiency; the investment pay-back period is about 2.5 years. Demand in the CIS remains muted, but currency pressure there is easing, and international e-commerce sales grew a real 65 % in 1Q25, partially offsetting sluggish traffic in physical stores. The Koton Club loyalty programme has reached 7.2 million members, providing valuable data for targeted marketing and basket-size uplift.

On a pre-IAS 29 basis the company reiterates its 2025 targets of roughly 40 % consolidated sales growth, at least 466 stores by year-end and an expansion driven chiefly by franchised operations abroad. Despite wage hikes feeding through in 2Q, tight cost discipline is being applied; management expects the TL 391 mn net loss recorded in 1Q to narrow sharply this quarter and even sees scope for the bottom line to turn positive, supported by foreign-exchange gains.

KOTON — BUY

Target Price	**TL27.00**
Return potential	**87%**

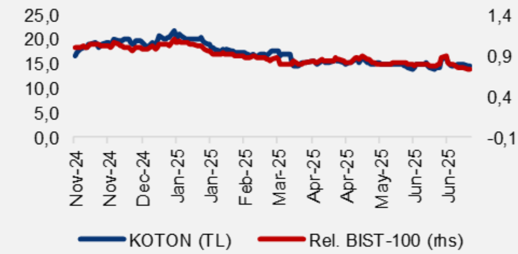
Share Data	
Ticker:	**KOTON TI**
Share price (as of 08.07.2025)	14,46
Share price (52 week range)	14 / 22
Market cap. (TL mn - USD mn)	11.997 - 300
# of shares (mn) & free float	830 - 16%
Foreign Ownership Rate	0.00%
Market	Bist STAR
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	2,2	1,8	1,9

Price performance	1M	3M	Y-t-D
TL	-2%	-6%	-27%
USD	-4%	-11%	-36%
Rel. to BIST-100	-7%	-11%	-28%

Forecasts (TL mn)	2023	2024	2025E
Revenues	24.825	25.006	33.177
EBITDA	5.378	4.510	5.993
Net Earnings	2.606	-475	227

Valuation	2023	2024	2025E
P/E	4,6x	n.a.	52,9x
P/BV	2,1x	1,9x	1,9x
EV/EBITDA	2,0x	2,6x	2,0x



Koton – Summary

Balance Sheet	2023	2024	2025E
Cash	518	585	537
Accounts receivables	1.655	1.780	2.253
Inventory	7.384	7.978	9.815
Financial investments	0	0	0
Fixed assets	2.609	2.537	3.108
Other non-current assets	5.574	6.466	7.889
Total assets	**17.741**	**19.346**	**23.602**
Short-term financial loans	3.231	4.596	5.974
Accounts payables	4.814	5.212	6.853
Long-term financial loans	2.134	1.854	2.411
Other long-term payables	1.735	1.509	1.962
Non-current liabilities	**3.869**	**3.363**	**4.372**
Shareholders' equity	**5.826**	**6.175**	**6.402**
Paid in Capital	796	830	830
Other Equity	5.031	5.346	5.573
Total liabilities & equity	**17.741**	**19.346**	**23.602**
Net debt	4.847	5.865	7.848
Net working capital	4.225	4.546	5.215

Per share (TL)			
EPS	3,14	-0,57	0,27
BVPS	7,02	7,44	7,72
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	51,2%	-7,9%	3,6%
Net margin	10,5%	-1,9%	0,7%
Asset turnover	1,4x	1,3x	1,5x
Leverage	3,6x	3,1x	3,4x
ROA	14,3%	-2,6%	1,1%
Leverage			
Financial debt/Total assets	30%	33%	36%
Net debt/Equity	0,83	0,95	1,23
Net debt/EBITDA	0,90	1,30	1,31

Income statement	2023	2024	2025E
Revenues	**24.825**	**25.006**	**33.177**
Gross profit	12.919	13.426	17.779
Operating expenses	-10.488	-11.562	-15.209
Operating profit	2.431	1.863	2.570
EBITDA	**5.378**	**4.510**	**5.993**
Other income, net	-140	-1.824	-1.619
Financial income, net	953	-664	-641
Earnings before taxes	3.234	-630	302
Tax expense	-628	156	-76
Net earnings	**2.606**	**-475**	**227**

Cashflow statement			
EBITDA	**5.378**	**4.510**	**5.993**
Taxes on EBIT	-608	-466	-642
Capital expenditures	715	809	1.040
Chg. in NWC	1.940	321	669
Free cashflows to firm	**2.116**	**2.914**	**3.641**

Growth & margins			
Revenues	9%	1%	33%
EBITDA	39%	-16%	33%
Net earnings	20%	-118%	-148%
Gross margin	52,0%	53,7%	53,6%
Operating margin	9,8%	7,5%	7,7%
EBITDA margin	21,7%	18,0%	18,1%
Net margin	10,5%	-1,9%	0,7%
Free cashflow margin	8,5%	11,7%	11,0%

Valuation			
P/E	4,6x	-25,3x	52,9x
P/BV	2,1x	1,9x	1,9x
EV/EBITDA	2,0x	2,6x	2,0x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

Lider Factoring

Following the 1Q25 results, we raise our 12-month target price for LIDFA from TL3.70 to TL4.20 per share. Based on the current price, the stock offers a potential return of 16%, and we maintain our "HOLD" recommendation. Additionally, we are removing Lider Faktoring from our coverage. The disinflation trend and high interest rate environment in the first half of 2025 supported the factoring sector's revenue generation capacity; however, the anticipated rate cut cycle in the second half of the year may once again weigh on profitability margins.

Strong revenue growth, yet limited margin contraction. As of 1Q25, the company's core operating revenues rose by 72% YoY to TL1.02 billion. Higher transaction volume, an expanding customer base, and branch network supported factoring income, while net profit increased by 41% to TL188 million. However, due to rising financing costs, the gross profit margin declined from 34.4% to 27%, and the net profit margin dropped from 22.6% to 18.5%, indicating continued but limited pressure on profitability.

Expectations for 2025 remain balanced. We project core operating revenues to grow by 40% YoY to TL4.25 billion, with net profit rising by 14% to TL750 million for the full year. We anticipate the company to deliver a return on equity of 39.8% in 2025, well above its estimated cost of equity (around 24%). However, we also note the potential risk that an early or aggressive start to the interest rate cutting cycle could put pressure on net interest margins.

Operational efficiency and capital structure remain strong. As of 1Q25, the company's factoring receivables reached TL8 billion, representing a 92% YoY increase. During the same period, shareholders' equity rose by 63% to TL2.1 billion, while the equity-to-liabilities ratio stood at 21.9%. Receivables continued to account for a high share of total assets at 92%, with an average return on equity of 42% and an average return on assets of 9.7%. This performance indicates that the company sustains its operational profitability not only through volume growth, but also through balanced balance sheet management.

We have updated our estimates. We value the company using the Economic Value Added (EVA) methodology. Based on a 5% terminal growth rate and a 24% cost of equity, we arrive at a total equity value of TL1.9 billion, corresponding to a target price of TL4.20 per share. This implies a 15% upside potential, though near-term upside appears limited. Key risk factors include a potential sharp decline in financing demand, a rise in non-performing loan ratios, and pressure on margins.

LIDFA	HOLD
Target Price	TL 4,20
Return potential	16%

Share Data	
Ticker:	LIDFA TI
Share price (as of 08.07.2025)	3,61
Share price (52 week range)	2,63 / 4,00
Market cap. (TL mn - USD mn)	2.016 - 50,5
# of shares (mn) & free float	558 - 40%
Foreign Ownership Rate	0,00%
Market	Main
Industry	Factoring

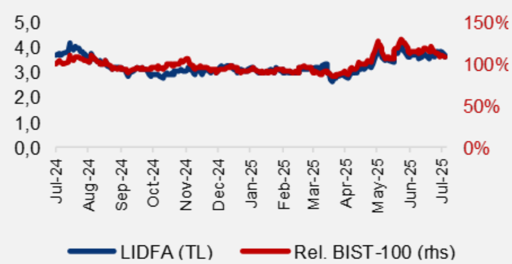
Avg. trading volume	1M	3M	12M
USD mn	1,5	2,1	1,3

Price performance	1M	3M	Y-t-D
TL	0%	25%	-3%
USD	-2%	19%	-29%
Rel. to BIST-100	-5%	19%	-28%

Forecasts (TL mn)	2023	2024T	2025T
Operating Income	1.267	3.040	4.248
Net Operating Profit	322	424	490
Net Earnings	566	657	750

Valuation	2023	2024T	2025T
P/E	2,8x	3,1x	2,7x

Balance Sheet	2023	2024T	2025T
Total Assets	4.340	7.674	11.130
Total Liabilities	1.110	1.909	1.862



Lider Factoring - Summary

Balance Sheet	2020	2021	2022	2023	2024	2025E
Cash and equivalents	20	10	34	66	167	204
Factoring receivables	737	1.008	1.796	3.477	6.233	8.585
Non-performing loans	29	30	18	17	22	36
Expected loss provisions	-29	-30	-17	-17	-22	-39
Tangible fixed assets	60	67	176	247	417	467
Total assets	**945**	**1.231**	**2.283**	**4.340**	**7.674**	**11.130**
Credits	710	918	1.480	2.347	4.758	6.483
Factoring debts	2	2	2	3	3	3
Payables from rental transactions	44	28	107	227	349	374
Securities issued (net)	0	47	101	460	413	802
Debt and expense provisions	9	9	22	24	37	46
Liabilities	**768**	**1.014**	**1.777**	**3.230**	**5.765**	**9.846**
Shareholders' equity	**176**	**216**	**506**	**1.110**	**1.909**	**1.862**
Paid in Capital	90	90	135	254	558	558
Profit Reserves	86	126	371	856	1.350	1.303
Total liabilities & equity	**945**	**1.231**	**2.283**	**4.340**	**7.674**	**11.708**

Income statement	2020	2021	2022	2023	2024	2025E
Operating income	144	223	509	1.267	3.040	4.248
Financing expenses	-124	-168	-304	-658	-2.095	-3.092
Gross profit	19	55	206	609	945	1.155
Core operating expenses	-51	-56	-115	-286	-521	-666
Gross operating profit	-31	0	91	322	424	490
Net operating profit	-3	-19	0	0	0	-61
Other operating expense	7	50	282	813	930	1.039
Tax expense	0	-12	-75	-247	-273	-289
Net earnings	**6**	**38**	**207**	**566**	**657**	**750**

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

Mavi

We maintain our 12-month target price of TL 67.50 for Mavi Giyim, implying roughly 60 % upside from the current level. The key pillars of our investment case are (i) the rollout of new stores in the United States, (ii) a disinflation-led revival in Turkish consumer demand, and (iii) the company's sizeable TL 6.1 bn net-cash position—all of which bolster the outlook for margins after a seasonally and base-driven soft first quarter.

A leading denim and youth-apparel brand, Mavi ended 2024 with 336 stores and entered 2025 with 352. Management plans to open a net 20 stores in Turkey and eight abroad this year. Through its New-York-based subsidiary Mavi US Retail LLC, the group aims to scale in North America, which will lift the share of hard-currency revenue and provide a natural hedge against FX volatility. Guidance for consolidated top-line growth of more than 35 % (nominal) and an EBITDA margin north of 17.5 % appears well supported by the largely equity-funded store-opening programme and modest leverage.

We deemed the 1Q25 results neutral: consolidated sales fell 14 % year-on-year to TL 9.8 bn on an exceptionally high base, yet the gross margin held at 52.2 % and the ex-IFRS-16 EBITDA margin at 20.6 %. Net profit was TL 810 mn. May data point to a sharp rebound—retail sales grew 46 % nominal (+41 % LFL) in Turkey, while online sales rose 35 %—and we expect this momentum to accelerate revenue growth from 2Q onward.

In March we cautioned that anti-inflation measures could curb consumer spending and lift production costs; nevertheless, we now see a firmer backdrop for the second half of the year. Combined with management's disciplined cost-and-pricing strategy and incremental revenue from new stores in the US and Europe, this should give Mavi a solid platform to meet its growth and profitability ambitions for 2025-26.

MAVI	BUY
Target Price	**TL67.50**
Return potential	**60%**

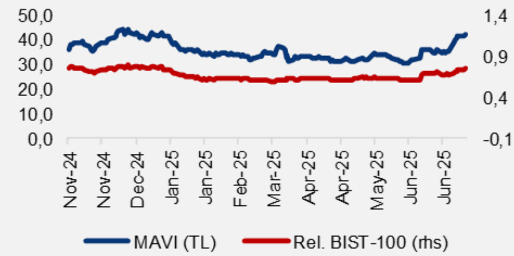
Share Data	
Ticker:	**MAVI TI**
Share price (as of 08.07.2025)	42,10
Share price (52 week range)	30 / 44
Market cap. (TL mn - USD mn)	33.449 - 838
# of shares (mn) & free float	795 - 73%
Foreign Ownership Rate	30.31%
Market	BIST Star
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	15,7	10,8	13,0

Price performance	1M	3M	Y-t-D
TL	32%	27%	0%
USD	29%	21%	-12%
Rel. to BIST-100	25%	21%	-2%

Forecasts (TL mn)	2023	2024	2025E
Revenues	37.368	38.519	51.541
EBITDA	6.898	7.012	9.357
Net Earnings	2.883	2.676	3.671

Valuation	2023	2024	2025E
P/E	11,6x	12,5x	9,1x
P/BV	3,5x	3,0x	2,4x
EV/EBITDA	4,1x	4,0x	3,0x



Mavi – Summary

Balance Sheet	2023	2024	2025E
Cash	6.899	6.833	9.376
Accounts receivables	1.865	2.217	2.683
Inventory	5.130	5.518	7.053
Financial investments	89	5	5
Fixed assets	2.187	2.965	3.466
Other non-current assets	3.581	3.599	3.692
Total assets	**19.751**	**21.137**	**26.275**
Short-term financial loans	1.993	1.787	2.319
Accounts payables	4.829	5.204	6.783
Long-term financial loans	1.320	780	1.031
Other long-term payables	2.132	2.119	2.141
Non-current liabilities	**3.452**	**2.899**	**3.171**
Shareholders' equity	**9.477**	**11.246**	**14.001**
Paid in Capital	199	397	397
Other Equity	9.278	10.849	13.604
Total liabilities & equity	**19.751**	**21.137**	**26.275**
Net debt	-3.585	-4.266	-6.026
Net working capital	2.165	2.531	2.953

Per share (TL)			
EPS	3,63	3,37	4,62
BVPS	11,93	14,15	17,62
DPS	-1,17	-1,31	-1,03

Ratios			
Profitability			
ROE	38,7%	25,8%	29,1%
Net margin	7,7%	6,9%	7,1%
Asset turnover	2,1x	1,9x	2,2x
Leverage	2,3x	2,0x	1,9x
ROA	16,5%	13,1%	15,5%
Leverage			
Financial debt/Total assets	17%	12%	13%
Net debt/Equity	-0,38	-0,38	-0,43
Net debt/EBITDA	-0,52	-0,61	-0,64

Income statement	2023	2024	2025E
Revenues	**37.368**	**38.519**	**51.541**
Gross profit	18.011	19.371	25.919
Operating expenses	-13.401	-14.706	-19.677
Operating profit	4.610	4.665	6.242
EBITDA	**6.898**	**7.012**	**9.357**
Other income, net	371	175	273
Financial income, net	-1.231	-1.178	-1.550
Earnings before taxes	3.796	3.671	4.975
Tax expense	-913	-995	-1.304
Net earnings	**2.883**	**2.676**	**3.671**

Cashflow statement			
EBITDA	**6.898**	**7.012**	**9.357**
Taxes on EBIT	-1.153	-1.166	-1.561
Capital expenditures	585	1.370	2.474
Chg. in NWC	1.605	366	422
Free cashflows to firm	**4.296**	**3.796**	**4.900**

Growth & margins			
Revenues	25%	3%	34%
EBITDA	16%	2%	33%
Net earnings	-1%	-7%	37%
Gross margin	48,2%	50,3%	50,3%
Operating margin	12,3%	12,1%	12,1%
EBITDA margin	18,5%	18,2%	18,2%
Net margin	7,7%	6,9%	7,1%
Free cashflow margin	11,5%	9,9%	9,5%

Valuation			
P/E	11,6x	12,5x	9,1x
P/BV	3,5x	3,0x	2,4x
EV/EBITDA	4,1x	4,0x	3,0x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

Migros

In light of our updated macro and micro assumptions, we raise our 12-month target price for Migros — which is under our coverage and also included in our model portfolio — to TL715 per share and maintain our Buy recommendation. The company's expanding online business volume and improving profitability in this segment, along with its diversified customer base and macro outlook for the upcoming period, support our view. Based on our 2025E forecasts, the stock is trading at 10,0x P/E and 4,2x EV/EBITDA multiples.

Omnichannel Growth Strategy Supports Migros…Migros delivered an operational performance in line with expectations in Q1 2025, while net income came in above market estimates. Although there was a YoY decline in net income, this strong result was supported by monetary gains recorded under inflation accounting. However, the impact of this item was limited due to higher depreciation and personnel expenses, as well as the deceleration in inflation. The company achieved 8.5% real sales growth in Q1, supported by increased selling space, a rise in basket size, a slight uptick in customer traffic, new store openings, and a competitive pricing strategy. The share of online sales in total revenue continued to rise, accompanied by the expansion in the number of online-focused stores. On the EBITDA front, improved gross profitability and controlled expenses led to a notable recovery in margins.

Migros opened 56 new stores in Q1, bringing the total number of stores to 3.642, with selling space increasing by 5% YoY. The company’s market share reached 10.2% in total FMCG and 16.3% in the modern FMCG segment. Including the impact of IAS 29, Migros invested TL1,6 bn during the first three months of the year, with spending directed toward store openings, online channel expansion, digitalization projects, and logistics infrastructure.

Throughout 2025, Migros plans to open approximately 250 new stores and hire over 8,000 employees. The company maintains its targets of 8–10% real sales growth, ~6% EBITDA margin, and 2.5–3.0% capex as a share of revenue. Despite weak consumer demand, Migros demonstrated resilient performance in Q1. Key growth drivers include new store investments, online channel expansion, multi-format operations, competitive pricing, and fintech initiatives such as Moneypay. On the other hand, interest expenses from deferred purchases, slight declines in customer traffic, and rising personnel costs stand out as the main risk factors.

MGROS	BUY
Target Price	**TL 715.00**
Return potential	**50%**

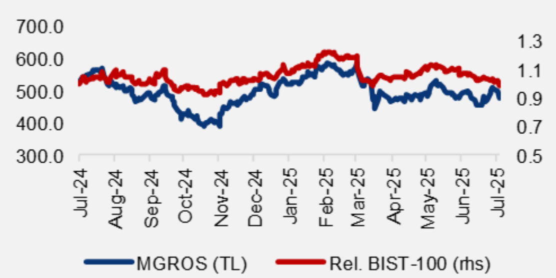
Share Data	
Ticker:	**MGROS TI**
Share price (as of 08.07.2025)	478.00
Share price (52 week range)	390.0 / 587.3
Market cap. (TL mn - USD mn)	86,544 - 2,167
# of shares (mn) & free float	181.1 - 51%
Foreign Ownership Rate	28.6%
Market	Bist Star
Industry	Retail Trade

Avg. trading volume	1M	3M	12M
USD mn	19.1	20.4	26.1

Price performance	1M	3M	Y-t-D
TL	-3%	0%	-11%
USD	-5%	-5%	-22%
Rel. to BIST-100	-8%	-5%	-13%

Forecasts (TL mn)	2023	2024	2025E
Revenues	262,132	293,780	407,099
EBITDA	4,537	15,796	22,065
Net Earnings	12,820	6,539	8,656

Valuation	2023	2024	2025E
P/E	6.8x	13.7x	10.0x
P/BV	1.7x	1.4x	1.2x
EV/EBITDA	20.5x	5.9x	4.2x



Migros - Summary

Balance Sheet	2023	2024	2025E
Cash	17,838	24,791	36,740
Accounts receivables	3,633	2,776	5,577
Inventory	31,661	34,287	51,930
Financial investments	668	24	4
Fixed assets	50,629	59,936	62,172
Other non-current assets	28,587	43,346	52,923
Total assets	**133,016**	**165,159**	**209,345**
Short-term financial loans	4,301	5,309	6,477
Accounts payables	53,984	63,516	90,878
Long-term financial loans	10,527	17,910	20,596
Other long-term payables	11,861	14,938	20,355
Non-current liabilities	**22,388**	**32,848**	**40,951**
Shareholders' equity	**52,012**	**63,076**	**70,782**
Paid in Capital	181	181	181
Total liabilities & equity	**133,016**	**165,159**	**209,345**
Net debt	-3,678	-1,596	-9,671
Working capital	-18,690	-26,453	-33,371

Income statement	2023	2024	2025E
Revenues	**262,132**	**293,780**	**407,099**
Gross profit	48,962	68,004	91,190
Operating expenses	-53,359	-62,185	-83,374
Operating profit	-4,397	5,818	7,816
EBITDA	**4,537**	**15,796**	**22,065**
Other income, net	-5,241	-15,294	-11,532
Financial income, net	24,669	17,148	13,434
Earnings before taxes	15,539	7,942	10,532
Tax expense	-2,719	-1,403	-1,876
Net earnings	**12,820**	**6,539**	**8,656**

Cashflow statement			
EBITDA	**4,537**	**15,796**	**22,065**
Taxes on EBIT	-2,719	-1,403	-1,876
Capital expenditures	-7,355	-8,793	-12,213
Chg. in NWC	-4,429	-7,763	-6,918
Free cashflows to firm	**-1,109**	**13,363**	**14,894**

Per share (TL)			
EPS	70.81	36.11	47.81
BVPS	287.27	348.38	390.94
DPS	5.29	11.12	5.25

Growth & margins			
Revenues	87%	12%	39%
EBITDA	21%	248%	40%
Net earnings	40%	-49%	32%
Gross margin	18.7%	23.1%	22.4%
Operating margin	-1.7%	2.0%	1.9%
EBITDA margin	1.7%	5.4%	5.4%
Net margin	4.9%	2.2%	2.1%
Free cashflow margin	-0.4%	4.5%	3.7%

Ratios

Profitability			
ROE	32.3%	11.4%	12.9%
Net margin	4.9%	2.2%	2.1%
Asset turnover	2.4x	2.0x	2.2x
Leverage	2.7x	2.6x	2.8x
ROA	11.9%	4.4%	4.6%

Leverage			
Financial debt/Total assets	11%	14%	13%
Net debt/Equity	-0.07	-0.03	-0.14
Net debt/EBITDA	-0.81	-0.10	-0.44

Valuation			
P/E	6.8x	13.7x	10.0x
P/BV	1.7x	1.4x	1.2x
EV/EBITDA	20.5x	5.9x	4.2x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

MLP Care

Following a strong first quarter and in line with our updated macro assumptions, we revise our target price for MLP Care from TL476.60 to TL450.00 per share, while maintaining our HOLD recommendation. Despite reaching historically high profitability margins, we expect a moderate normalization in margins throughout 2025. The solid trend in domestic patient revenues, capacity expansion driven by new hospital investments, stable operational efficiency, and the recent strategic acquisition in Istanbul are expected to continue supporting the company's long-term growth outlook.

Strong results were announced in 1Q25 on a YoY basis. Despite the seasonal impact of Ramadan on inpatient traffic, the company delivered 7% revenue growth, 5% EBITDA growth, and 24% net profit growth in the first quarter of 2025, driven by a robust increase in domestic patient revenues. Operational margins remained largely intact, despite the dilutive impact from new hospitals and rising personnel expenses. The EBITDA margin remained strong at 25.0%. Domestic patient revenues grew by 12.6%, supported by increased patient volumes and higher average revenue per procedure. In particular, outpatient revenues rose by a solid 17.2%, driven by the broader adoption of private health insurance. On the other hand, foreign patient revenues contracted by 24.6% due to a flat FX environment and declining patient volumes. Nevertheless, the company sustained steady revenue growth through expanding domestic patient activity.

Organic and inorganic growth initiatives are ongoing. Total bed capacity has already reached 6,300, and with the addition of new hospitals scheduled to open throughout the rest of the year, this figure is expected to exceed 6,700 in the short term. In addition to the new investments in Topkapı and Bursa, the Çanakkale hospital—previously closed due to earthquake risk—is planned to resume operations by mid-2026. This supports MLP's mid-term organic growth potential while expanding its geographic footprint. On the other hand, the company's growth strategy is not limited to organic investments. MLP has announced that it has initiated negotiations for the acquisition of Private Gaziosmanpaşa Hospital, one of Istanbul's largest private hospitals. With 403 beds and 60,000 m² of closed space, the completion of this acquisition would significantly enhance MLP's total capacity and segment structure. We view this transaction as one of the most strategic moves the company has made to date, with strong potential to reinforce its leadership position, particularly within the Istanbul region.

We have updated our 2025 forecasts. For the full year, we project total revenue of TL51.5 billion, approximately TL13 billion in EBITDA, and TL4.7 billion in net profit. We expect a more balanced revenue composition to emerge, supported by the growth in outpatient services and the ongoing increase in domestic patient revenues. Despite the pressure on health tourism in the first quarter of the year, we anticipate that this segment will regain momentum in the coming years as external demand recovers.

MPARK	**HOLD**
Target Price	**TL 450**
Return potential	**29%**

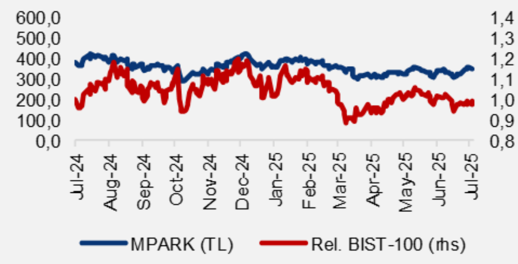
Share Data	
Ticker:	**MPARK TI**
Share price (as of 08.07.2025)	349,00
Share price (52 week range)	289 / 421
Market cap. (TL mn - USD mn)	66.663 - 1.669
# of shares (mn) & free float	191 - 27%
Foreign Ownership Rate	21.49%
Market	Star
Industry	Health Care

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	3,2	3,6	4,6

Price performance	1M	3M	Y-t-D
TL	3%	9%	-9%
USD	1%	4%	-19%
Rel. to BIST-100	-2%	4%	-10%

Forecasts (TL mn)	2023	2024	2025E
Revenues	35.674	43.684	51.515
EBITDA	9.191	11.230	12.974
Net Earnings	7.198	5.734	4.688

Valuation	2023	2024	2025E
P/E	9,3x	11,6x	14,2x
P/BV	3,3x	2,7x	2,2x
EV/EBITDA	4,5x	3,9x	3,4x



MLP Care - Summary

Balance Sheet	2023	2024	2025E
Cash	4.469	3.002	4.020
Accounts receivables	5.812	6.700	7.427
Inventory	1.711	1.105	1.352
Financial investments	0	0	0
Fixed assets	12.468	17.850	20.971
Other non-current assets	20.694	23.393	28.277
Total assets	**45.154**	**52.050**	**62.048**
Short-term financial loans	4.866	4.483	1.937
Accounts payables	6.487	6.594	7.114
Long-term financial loans	4.757	4.310	7.573
Other long-term payables	8.902	11.760	15.791
Non-current liabilities	**25.012**	**27.146**	**32.415**
Shareholders' equity	**20.142**	**24.904**	**29.633**
Paid in Capital	229	191	191
Other Equity	19.913	24.713	29.442
Total liabilities & equity	**45.154**	**52.050**	**62.048**
Net debt	5.154	5.791	5.490
Net working capital	1.035	1.211	1.666

Per share (TL)			
EPS	37,68	30,02	24,54
BVPS	105,45	130,38	155,14
DPS	0,37	1,13	31,41

Ratios			
Profitability			
ROE	40,1%	25,5%	17,2%
Net margin	20,2%	13,1%	9,1%
Asset turnover	0,9x	0,9x	0,9x
Leverage	2,3x	2,2x	2,1x
ROA	17,8%	11,8%	8,2%
Leverage			
Financial debt/Total assets	21%	17%	15%
Net debt/Equity	0,26	0,23	0,19
Net debt/EBITDA	0,56	0,52	0,42

Income statement	2023	2024	2025E
Revenues	**35.674**	**43.684**	**51.515**
Gross profit	10.218	11.951	14.309
Operating expenses	-3.478	-3.706	-4.636
Operating profit	6.740	8.246	9.673
EBITDA	**9.191**	**11.230**	**12.974**
Other income, net	207	-398	-201
Financial income, net	2.993	-1.349	-1.889
Earnings before taxes	10.047	8.523	7.576
Tax expense	-2.502	-2.155	-2.423
Net earnings	**7.198**	**5.734**	**4.688**

Cashflow statement			
EBITDA	**9.191**	**11.230**	**12.974**
Taxes on EBIT	-2.502	-2.155	-2.423
Capital expenditures	-2.169	-3.864	-5.233
Chg. in NWC	666	175	-337
Free cashflows to firm	**3.854**	**5.036**	**5.654**

Growth & margins			
Revenues	19%	22%	18%
EBITDA	35%	22%	16%
Net earnings	-4%	-20%	-18%
Gross margin	28,6%	27,4%	27,8%
Operating margin	18,9%	18,9%	18,8%
EBITDA margin	25,8%	25,7%	25,2%
Net margin	20,2%	13,1%	9,1%
Free cashflow margin	10,8%	11,5%	11,0%

Valuation			
P/E	9,4x	11,8x	14,4x
P/BV	3,4x	2,7x	2,3x
EV/EBITDA	4,5x	3,9x	3,4x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TL unless otherwise stated.*

Suwen

In light of the recent rally that pushed Suwen's share price close to our prior TL15.60 target, the approaching high-season boost to sales, and our expectation that the disinflation trend will ease cost pressures and lift profitability, we raise our 12-month target price to TRY 19.80 per share. The new target implies c. 51 % upside and therefore supports our continued "Buy" rating.

Despite sector-wide cost headwinds in 1Q25, Suwen grew volumes by 21 % to 2.33 million units and, before IAS 29 inflation accounting, expanded revenue by 16 % y/y. Yet the depletion of low-cost inventories, weak consumer confidence, and a smaller-than-expected minimum-wage hike heightened price sensitivity; competitive pricing and stock-clearing campaigns protected volumes but squeezed the gross margin.

We expect the picture to have improved meaningfully in 2Q. Post-Ramadan demand, the arrival of new-season collections, and aggressive promotions should have lifted both foot traffic and conversion rates, and we forecast pre-IAS 29 sales growth at roughly 40 % y/y. We see the gross margin clawing back the temporary 1Q erosion, approaching last year's level and, by June, edging modestly higher.

For the second half, management's guidance of 35-40 % nominal sales growth (pre-IAS 29) looks achievable. Gradual tapering of discounts, disciplined pricing, and a higher-margin new-season mix should help preserve current margins. As disinflation softens raw-material costs and TL interest rates retreat, financing expenses should fall as a share of revenue.

On the investment side, Suwen opened one new store in 1Q and three in 2Q, reaffirming its full-year target of 15 (±3) new stores. Three relocations added selling space, and 16 existing stores were refurbished with the new concept. While closure days during renovations cap short-term revenue, they should lift store productivity over time. Internationally, the asset-light franchise model is fuelling growth in Romania, Northern Cyprus, and Saudi Arabia, while discussions over new markets such as Kosovo are inching the company toward regional-player status.

SUWEN	**BUY**
Target Price	**TL19,80**
Return potential	**51%**

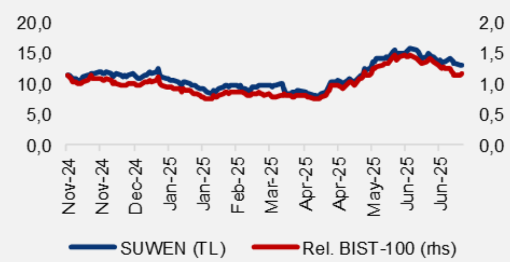
Share Data	
Ticker:	**SUWEN TI**
Share price (as of 08.07.2025)	13,10
Share price (52 week range)	08 / 16
Market cap. (TL mn - USD mn)	7.336 - 184
# of shares (mn) & free float	560 - 50%
Foreign Ownership Rate	10.47%
Market	BIST Star
Industry	Retail

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	2,5	3,2	1,8

Price performance	**1M**	**3M**	**Y-t-D**
TL	-17%	64%	7%
USD	-18%	56%	-6%
Rel. to BIST-100	-21%	55%	5%

Forecasts (TL mn)	**2023**	**2024**	**2025E**
Revenues	3.615	4.358	6.049
EBITDA	789	975	1.319
Net Earnings	281	237	368

Valuation	**2023**	**2024**	**2025E**
P/E	26,1x	30,9x	19,9x
P/BV	6,1x	5,3x	4,2x
EV/EBITDA	10,5x	8,5x	6,3x



Suwen – Summary

Balance Sheet	2023	2024	2025E
Cash	266	252	1.168
Accounts receivables	62	121	168
Inventory	719	1.304	1.168
Financial investments	0	0	0
Fixed assets	331	356	460
Other non-current assets	737	868	879
Total assets	**2.115**	**2.901**	**3.843**
Short-term financial loans	263	824	1.114
Accounts payables	192	173	256
Long-term financial loans	239	289	401
Other long-term payables	224	231	320
Non-current liabilities	**463**	**520**	**721**
Shareholders' equity	**1.197**	**1.384**	**1.752**
Paid in Capital	224	224	560
Other Equity	973	1.160	1.192
Total liabilities & equity	**2.115**	**2.901**	**3.843**
Net debt	237	861	347
Net working capital	589	1.252	1.080

Per share (TL)			
EPS	0,50	0,42	0,66
BVPS	2,14	2,47	3,13
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	29,8%	18,4%	23,5%
Net margin	7,8%	5,4%	6,1%
Asset turnover	2,1x	1,7x	1,8x
Leverage	1,8x	1,9x	2,2x
ROA	16,2%	9,5%	10,9%
Leverage			
Financial debt/Total assets	24%	38%	39%
Net debt/Equity	0,20	0,62	0,20
Net debt/EBITDA	0,30	0,88	0,26

Income statement	2023	2024	2025E
Revenues	**3.615**	**4.358**	**6.049**
Gross profit	1.873	2.322	3.223
Operating expenses	-1.520	-1.788	-2.482
Operating profit	354	533	740
EBITDA	**789**	**975**	**1.319**
Other income, net	-19	-40	-53
Financial income, net	148	-162	-222
Earnings before taxes	486	343	489
Tax expense	-206	-106	-121
Net earnings	**281**	**237**	**368**

Cashflow statement			
EBITDA	**789**	**975**	**1.319**
Taxes on EBIT	-88	-133	-185
Capital expenditures	195	102	135
Chg. in NWC	256	663	-172
Free cashflows to firm	**250**	**77**	**1.171**

Growth & margins			
Revenues	106%	21%	39%
EBITDA	91%	24%	35%
Net earnings	23%	-15%	55%
Gross margin	51,8%	53,3%	53,3%
Operating margin	9,8%	12,2%	12,2%
EBITDA margin	21,8%	22,4%	21,8%
Net margin	7,8%	5,4%	6,1%
Free cashflow margin	6,9%	1,8%	19,4%

Valuation			
P/E	26,1x	30,9x	19,9x
P/BV	6,1x	5,3x	4,2x
EV/EBITDA	10,5x	8,5x	6,3x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

Tab Gıda

TAB Gıda stands out with its leading position in the sector, growth focus, and digitalization initiatives. In light of our updated macro and micro assumptions, we maintain our 12-month target price for TAB Gıda, which is under our coverage, at TL241 per share (TL244,5 excluding dividend impact), and reiterate our Buy recommendation. The company's Q1 results and forward-looking expectations support our current target price. Based on our 2025E forecasts, the stock is trading at 20,8x P/E and 5,6x EV/EBITDA multiples.

TAB Gıda Maintains Strong Performance Through Digitalization and Franchise-Oriented Growth… Despite challenging industry conditions and seasonality effects, TAB Gıda achieved real growth in the first quarter of 2025. Revenue increased by 11% YoY to TL8,7 bn, in line with market expectations, while EBITDA rose by 14% to TL1,5 bn, with the margin improving by 0.4 pp to 16.7%. Net income grew by 69% YoY to TL310 mn; however, due to an accounting policy change, a monetary loss impact of TL164 mn was recorded. Systemwide sales excluding inflation accounting rose by 59% YoY to TL12,2 bn, with the number of transactions up 16% to 52,3 mn and average ticket size increasing by 37% to TL234. Of the 31 new restaurants opened in Q1, 81% were franchise-operated, lifting the franchise sales share by 2 pp YoY to 46%. Since the beginning of the year, the company has opened 89 new restaurants. Advancing in digitalization, the company has equipped approximately 60% of Burger King, Popeyes, and Arby's restaurants with self-service kiosks, leading digital sales to account for over 35% of total sales. The delivery channel made up 28% of total sales, with related transaction volume rising by 13%. Amid a period when dining out has become more expensive and consumers are shifting towards in-home consumption and affordable alternatives, TAB Gıda continued to grow through its customer-oriented pricing strategy and market share gains. Since the IPO, the company's market share has climbed from 26% to nearly 30%, while Yum! Brands' exit from Turkey—owner of Pizza Hut and KFC trademarks—has supported TAB Gıda's growth by approximately 1.5%.

For 2025, the company targets revenue growth of over 40% on an inflation-adjusted basis, adjusted EBITDA in the range of TL8,0–8,2 bn, and the opening of approximately 180 new restaurants. The expansion of digital channels continues to enhance customer experience and improve operational efficiency. While the company's leading position in Turkey, strong business model, and digital transformation strategy continue to reflect positively on its financials, key risks include intense competition in the quick service restaurant segment, fluctuations in consumer spending, and food/energy inflation..

TABGD — BUY

Target Price	**TL 241.00**
Return potential	**28%**

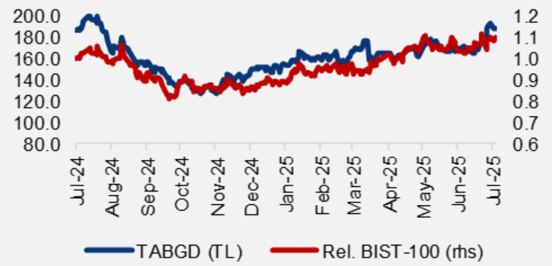
Share Data	
Ticker:	**TABGD TI**
Share price (as of 08.07.2025)	187.60
Share price (52 week range)	126.1 / 199.5
Market cap. (TL mn - USD mn)	49,018 - 1,228
# of shares (mn) & free float	261.3 - 20%
Foreign Ownership Rate	20.5%
Market	Bist Star
Industry	Retail Trade

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	3.7	3.9	4.4

Price performance	1M	3M	Y-t-D
TL	12%	17%	28%
USD	9%	11%	13%
Rel. to BIST-100	6%	11%	26%

Forecasts (TL mn)	2023	2024	2025E
Revenues	28,858	32,009	40,314
EBITDA	6,112	6,865	8,173
Net Earnings	3,549	1,912	2,080

Valuation	2023	2024	2025E
P/E	13.8x	25.6x	20.8x
P/BV	3.5x	2.8x	2.5x
EV/EBITDA	7.5x	6.7x	5.6x



Tab Gıda - Summary

Balance Sheet	2023	2024	2025E
Cash	5,696	6,640	9,411
Accounts receivables	942	1,563	1,546
Inventory	407	433	465
Fixed assets	8,390	10,627	10,722
Other non-current assets	6,422	7,543	8,063
Total assets	**21,858**	**26,807**	**30,206**
Short-term financial loans	1,136	1,547	1,562
Accounts payables	2,162	2,161	2,787
Long-term financial loans	1,939	2,491	2,534
Other long-term payables	2,645	3,171	3,628
Non-current liabilities	**4,584**	**5,662**	**6,163**
Shareholders' equity	**13,976**	**17,437**	**19,694**
Paid in Capital	261	261	261
Total liabilities & equity	**21,858**	**26,807**	**30,206**
Net debt	-2,621	-2,603	-5,314
Working capital	-812	-164	-776

Income statement	2023	2024	2025E
Revenues	**28,858**	**32,009**	**40,314**
Gross profit	4,901	5,530	6,404
Operating expenses	-2,317	-2,622	-3,357
Operating profit	2,584	2,908	3,047
EBITDA	**6,112**	**6,865**	**8,173**
Other income, net	-130	-87	-123
Financial income, net	871	-1,890	-1,823
Earnings before taxes	3,911	2,877	3,390
Tax expense	-362	-966	-1,037
Net earnings	**3,549**	**1,912**	**2,080**

Cashflow statement			
EBITDA	**6,112**	**6,865**	**8,173**
Taxes on EBIT	-362	-966	-1,037
Capital expenditures	-2,053	-3,118	-4,051
Chg. in NWC	-1,123	648	-612
Free cashflows to firm	**4,820**	**2,133**	**3,696**

Per share (TL)			
EPS	13.58	7.32	7.96
BVPS	53.49	66.73	75.37
DPS	0.00	0.56	0.37

Growth & margins			
Revenues	74%	11%	26%
EBITDA	167%	12%	19%
Net earnings	91%	-46%	9%
Gross margin	17.0%	17.3%	15.9%
Operating margin	9.0%	9.1%	7.6%
EBITDA margin	21.2%	21.4%	20.3%
Net margin	12.3%	6.0%	5.2%
Free cashflow margin	16.7%	6.7%	9.2%

Ratios			
Profitability			
ROE	41.2%	12.2%	11.2%
Net margin	12.3%	6.0%	5.2%
Asset turnover	1.7x	1.3x	1.4x
Leverage	1.9x	1.5x	1.5x
ROA	21.4%	7.9%	7.3%
Leverage			
Financial debt/Total assets	14%	15%	14%
Net debt/Equity	-0.19	-0.15	-0.27
Net debt/EBITDA	-0.43	-0.38	-0.65

Valuation			
P/E	13.8x	25.6x	20.8x
P/BV	3.5x	2.8x	2.5x
EV/EBITDA	7.5x	6.7x	5.6x

Source: Company Data, Tacirler Investment

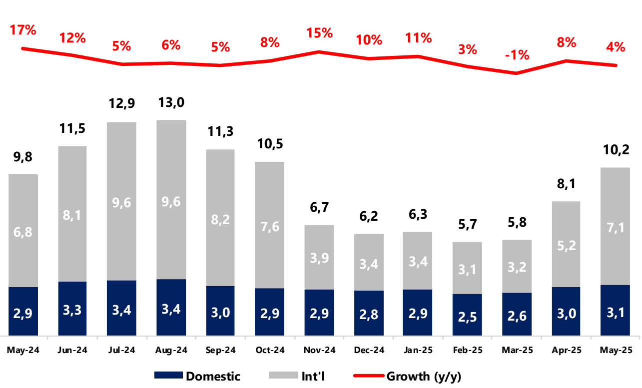
** All figures are stated in millions of TL unless otherwise stated.*

TAV Airports

In line with our recently updated forecasts, we maintain our 12-month target price of TL360.00 per share for TAV Airports. As this target implies an upside potential above our expected return for the BIST index and reflects the company's long-term growth potential supported by ongoing capacity expansion investments, we reiterate our Buy recommendation and continue to include TAVHL in our Model Portfolio. Key catalysts in our valuation include the renewed recovery in passenger traffic with the summer season, the completion of the capacity expansion project at Antalya Airport, a well-diversified portfolio across countries and regions, strong unit revenues, and closely monitored opportunities for organic growth.

Completed capacity expansion projects and potential new opportunities are expected to continue supporting TAV Airports' organic growth. The first phase of the capacity expansion and modernization investment at Antalya Airport was successfully completed in the second quarter of 2025. With terminal areas nearly doubled, increased apron capacity, and the commissioning of new passenger lounges, the airport served 38 million passengers in 2024, marking the highest traffic in its history. Meanwhile, investments at Ankara Esenboğa Airport have been finalized, with the official opening scheduled for July 2025. The capacity expansion at Almaty Airport is ongoing and is planned to be completed over a five-year period between 2025 and 2029 with a total investment of approximately EUR 300 million. In addition to existing and planned capacity expansions, we expect TAV Airports to continue diversifying its portfolio and supporting organic growth by participating in new tenders it sees as strategically attractive.

TAVHL Pax Stats (mn.)



2025 guidance remains intact. The company continues to expect EUR 1.75–1.85 billion in revenue (2024: EUR 1,660 million), 110–120 million total passengers (2024: 106.5 million), 75–83 million international passengers (2024: 71.2 million), and EUR 520–590 million in EBITDA (2024: EUR 489.4 million). We view the maintenance of these strong full-year expectations as a supportive factor for the stock's performance over the medium to long term.

TAVHL	BUY
Target Price	TL 360
Return potential	36%

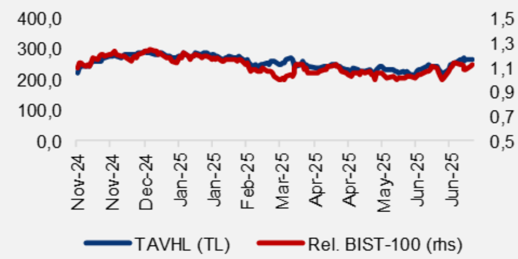
Share Data	
Ticker:	TAVHL TI
Share price (as of 08.07.2025)	264,00
Share price (52 week range)	215 / 292
Market cap. (TL mn - USD mn)	95.906 - 2.402
# of shares (mn) & free float	363 - 48%
Foreign Ownership Rate	50.29%
Market	Star
Industry	Aviation

Avg. trading volume	1M	3M	12M
USD mn	18,3	17,2	17,5

Price performance	1M	3M	Y-t-D
TL	13%	9%	-4%
USD	10%	4%	-15%
Rel. to BIST-100	7%	4%	-5%

Forecasts (TL mn)	2023	2024	2025E
Revenues	1.339	1.668	1.823
EBITDA	396	473	482
Net Earnings	293	185	136

Valuation	2023	2024	2025E
P/E	7,0x	11,1x	15,0x
P/BV	1,4x	1,3x	1,2x
EV/EBITDA	1,5x	1,2x	0,9x



TAV Airports - Summary

Balance Sheet	2023	2024	2025E
Cash	539	353	542
Accounts receivables	121	137	162
Inventory	34	45	87
Financial investments	181	154	169
Fixed assets	2.273	2.450	2.415
Other non-current assets	1.606	1.725	1.874
Total assets	**4.753**	**4.863**	**5.249**
Short-term financial loans	532	462	502
Accounts payables	72	95	113
Long-term financial loans	1.254	1.387	1.443
Other long-term payables	1.483	1.312	1.464
Non-current liabilities	**3.342**	**3.255**	**3.522**
Shareholders' equity	**1.411**	**1.608**	**1.728**
Paid in Capital	11	10	9
Other Equity	1.400	1.598	1.719
Total liabilities & equity	**4.753**	**4.863**	**5.249**
Net debt	1.248	1.496	1.403
Net working capital	82	86	136

Per share (EUR)			
EPS	0,81	0,51	0,37
BVPS	3,88	4,43	4,76
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	22,7%	12,2%	8,2%
Net margin	21,9%	11,1%	7,5%
Asset turnover	0,3x	0,3x	0,4x
Leverage	3,5x	3,2x	3,0x
ROA	6,5%	3,8%	2,7%
Leverage			
Financial debt/Total assets	38%	38%	37%
Net debt/Equity	0,88	0,93	0,81
Net debt/EBITDA	3,15	3,16	2,91

Income statement	2023	2024	2025E
Revenues	**1.339**	**1.668**	**1.823**
Gross profit	517	605	672
Operating expenses	-263	-340	-367
Operating profit	253	265	305
EBITDA	**396**	**473**	**482**
Other income, net	0	27	9
Financial income, net	-134	-170	-197
Earnings before taxes	329	242	210
Tax expense	-26	-43	-61
Net earnings	**293**	**185**	**136**

Cashflow statement			
EBITDA	**396**	**473**	**482**
Taxes on EBIT	-26	-43	-45
Capital expenditures	-212	-250	-229
Chg. in NWC	35	14	-18
Free cashflows to firm	**132**	**185**	**226**

Growth & margins			
Revenues	27%	25%	9%
EBITDA	25%	19%	2%
Net earnings	168%	-37%	-26%
Gross margin	38,6%	36,3%	36,9%
Operating margin	18,9%	15,9%	16,8%
EBITDA margin	29,6%	28,4%	26,5%
Net margin	21,9%	11,1%	7,5%
Free cashflow margin	9,9%	11,1%	12,4%

Valuation			
P/E	7,0x	11,1x	15,0x
P/BV	1,4x	1,3x	1,2x
EV/EBITDA	1,5x	1,2x	0,9x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of EUR unless otherwise stated.*

Teknosa

We cut our 12-month target price for Teknosa to TL 39.00 because weaker consumer-electronics demand and intense promotional competition are squeezing margins. Even so, the shares still trade at roughly half our new target, so we retain our "BUY" rating. Our long-term view that digital-transformation investments will ultimately restore profitability remains intact.

A subsidiary of Sabancı Holding, Teknosa leads Turkey's tech-retail space with its wide physical network and fully fledged omnichannel platform. In 1Q25 net sales fell 18 % y/y to TL 16.5 bn, but management stayed out of the price war and focused on selective discounting, lifting the gross margin by 1.4 ppt to 12.7 % and EBITDA to TL 441 mn, for a 2.7 % margin. High interest rates and IAS 29 inflation accounting pushed the bottom line to a TL 414 mn net loss. As of end-March, the chain operated 172 stores with 105 k m² of selling space.

We expect sales to recover gradually in the second half as the "back-to-school" period and year-end campaigns benefit from an easier base. The company is preparing by optimising inventory and fine-tuning promotions, while expanding its marketplace business to move toward a more asset-light model; marketplace GMV already accounts for 34 % of total online GMV. Disciplined cost and cash management, combined with investments in e-commerce and CRM, are deepening Teknosa's digital capabilities: the TeknoClub loyalty programme grew 12 % y/y to 4.8 mn members in 1Q.

Our base case assumes the gross margin holds in the 12–13 % band and the EBITDA margin edges up toward 3 %. As digital initiatives gain speed and marketplace revenues scale, Teknosa should benefit from its multichannel strategy, enhanced in-store experience and robust online growth. Key risks are a longer-than-expected slump in electronics demand, sharp FX volatility, margin pressure from fierce marketplace competition, and elevated interest rates that weigh on funding costs and inventory turnover.

Overall, despite near-term earnings headwinds, Teknosa's strong brand recognition, extensive distribution footprint and ongoing digitalisation make it a compelling recovery story. Our TL 39.00 target price continues to reflect that upside potential.

TKNSA	BUY
Target Price	TL39.00
Return potential	75%

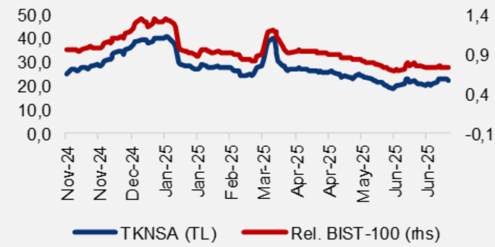
Share Data	
Ticker:	TKNSA TI
Share price (as of 08.07.2025)	22,26
Share price (52 week range)	19 / 41
Market cap. (TL mn - USD mn)	4.474 - 112
# of shares (mn) & free float	201 - 50%
Foreign Ownership Rate	1,77%
Market	Main
Industry	Retail Tech

Avg. trading volume	1M	3M	12M
USD mn	3,9	2,7	3,5

Price performance	1M	3M	Y-t-D
TL	11%	-17%	-44%
USD	8%	-21%	-51%
Rel. to BIST-100	5%	-22%	-45%

Forecasts (TL mn)	2023	2024	2025E
Revenues	68.322	69.436	90.267
EBITDA	1.496	2.851	3.653
Net Earnings	1.079	-1.420	5

Valuation	2023	2024	2025E
P/E	4,1x	n.a.	828,6x
P/BV	1,2x	1,8x	1,8x
EV/EBITDA	4,3x	2,2x	1,8x



Teknosa – Summary

Balance Sheet	2023	2024	2025E
Cash	3.954	2.814	2.439
Accounts receivables	1.345	1.330	1.391
Inventory	12.074	11.760	13.164
Financial investments	0	0	0
Fixed assets	1.441	2.026	2.330
Other non-current assets	2.395	2.075	2.063
Total assets	**21.210**	**20.005**	**21.387**
Short-term financial loans	1.205	848	891
Accounts payables	14.313	15.060	16.039
Long-term financial loans	629	496	520
Other long-term payables	1.356	1.098	1.427
Non-current liabilities	**1.985**	**1.593**	**1.948**
Shareholders' equity	**3.707**	**2.503**	**2.509**
Paid in Capital	201	201	201
Other Equity	3.506	2.302	2.308
Total liabilities & equity	**21.210**	**20.005**	**21.387**
Net debt	-2.121	-1.470	-1.028
Net working capital	-894	-1.970	-1.483

Per share (TL)			
EPS	5,37	-7,06	0,03
BVPS	18,44	12,45	12,48
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	38,9%	-45,7%	0,2%
Net margin	1,6%	-2,0%	0,0%
Asset turnover	4,2x	3,4x	4,4x
Leverage	5,8x	6,6x	8,3x
ROA	6,7%	-6,9%	0,0%
Leverage			
Financial debt/Total assets	9%	7%	7%
Net debt/Equity	-0,57	-0,59	-0,41
Net debt/EBITDA	-1,42	-0,52	-0,28

Income statement	2023	2024	2025E
Revenues	**68.322**	**69.436**	**90.267**
Gross profit	7.283	8.913	11.587
Operating expenses	-6.937	-7.449	-9.684
Operating profit	346	1.464	1.903
EBITDA	**1.496**	**2.851**	**3.653**
Other income, net	-1.404	-3.268	-3.731
Financial income, net	2.530	115	1.829
Earnings before taxes	1.520	-1.685	7
Tax expense	-441	265	-2
Net earnings	**1.079**	**-1.420**	**5**

Cashflow statement			
EBITDA	**1.496**	**2.851**	**3.653**
Taxes on EBIT	-87	-366	-476
Capital expenditures	835	827	1.075
Chg. in NWC	235	-1.076	487
Free cashflows to firm	**341**	**2.734**	**1.616**

Growth & margins			
Revenues	109%	2%	30%
EBITDA	2341%	91%	28%
Net earnings	106%	-232%	-100%
Gross margin	10,7%	12,8%	12,8%
Operating margin	0,5%	2,1%	2,1%
EBITDA margin	2,2%	4,1%	4,0%
Net margin	1,6%	-2,0%	0,0%
Free cashflow margin	0,5%	3,9%	1,8%

Valuation			
P/E	4,1x	-3,2x	828,6x
P/BV	1,2x	1,8x	1,8x
EV/EBITDA	4,3x	2,2x	1,8x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

Turkcell

Turkcell made a strong start to 2025, supported by effective pricing strategies, the continued relevance of the Turkish lira theme, robust ARPU growth, and aggressive expansion in the Techfin segment. We revise our 12-month target price for Turkcell from TL 154.48 per share (TL 156.30 excluding dividend impact) to TL 143. While our target price implies a 52% upside potential, we maintain our BUY recommendation.

Due to its business model being predominantly based on contracted subscriptions, we expect the lagging effects of inflation to continue contributing positively to financial results in the upcoming quarters… We believe the company is likely to benefit from the normalization of inflation conditions in the coming periods due to the structure of its revenue model. For the remainder of 2025, we anticipate that continued ARPU growth in both mobile and fixed segments, strong momentum in the Techfin business led by the Paycell and Financell, expansion in the postpaid subscriber base, and the commissioning of green energy investments will continue to support the company's financial performance.

The spread between Mobile ARPU and CPI continues to widen…We expect the widening gap between ARPU and CPI, supported by the disinflation trend, to reflect positively on the company's financial outlook, as the lagging impact of previously high inflation continues to filter into revenues. In Q1 2025, while CPI stood at 39.7%, mobile ARPU grew by 62%, and residential fiber ARPU increased by 64.5%. On a real basis, this implies mobile ARPU grew 15.9% YoY, while residential fiber ARPU grew 17.7%, outperforming sales growth. During Q1 2025, Turkcell added 153k new postpaid subscribers, while the prepaid base contracted by 177k. Blended mobile ARPU reached TL 317.6 in this period, driven by successful upselling to higher-tier packages.

Improvement in EBITDA margin and real revenue growth… Turkcell recorded TL 47.9 billion in revenue in Q1 2025, representing a 12.7% real increase compared to the same period last year. EBITDA reached TL 21 billion, up 19% YoY, and the EBITDA margin expanded from 41.4% to 43.7%. Management maintains its full-year 2025 EBITDA margin guidance of 41–42%.

Aggressive growth in strategic focus areas…Turkcell continues to invest in fiber infrastructure, which remains a core strategic priority. The company further strengthened its position in the fixed services market through a 15-year renewed agreement with BOTAŞ. Techfin services—representing approximately 6% of total revenues—grew by 31.5% YoY, making a positive contribution to overall growth. Revenues from the data center and cloud segment surged by 47.5%, while rising POS commission income and the company's early entry into the data center market are expected to help sustain its leadership position.

Risks: i) Geopolitical uncertainties, **ii)** Deteriorations in the disinflation process, **iii)** Sharp fluctuations in the exchange rate

TCELL	BUY
Target Price	**TL 143.00**
Return potential	**52%**

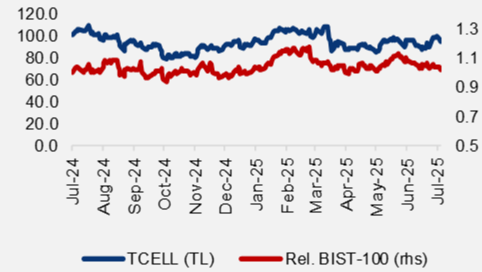
Share Data	
Ticker:	**TCELL TI**
Share price (as of 08.07.2025)	94.00
Share price (52 week range)	78.2 / 109.0
Market cap. (TL mn - USD mn)	206,800 - 5,179
# of shares (mn) & free float	2200.0 - 54%
Foreign Ownership Rate	66.86%
Market	Star
Industry	Telecominacation

Avg. trading volume	1M	3M	12M
USD mn	51.8	47.9	64.7

Price performance	1M	3M	Y-t-D
TL	-1%	6%	3%
USD	-3%	1%	-9%
Rel. to BIST-100	-6%	0%	2%

Forecasts (TL mn)	2023	2024	2025E
Revenues	170,215	183,443	234,709
EBITDA	74,771	77,799	97,453
Net Earnings	21,551	27,015	23,333

Valuation	2023	2024	2025E
P/E	9.6x	7.7x	8.9x
P/BV	1.1x	1.0x	0.9x
EV/EBITDA	3.2x	3.1x	2.4x



Turkcell – Summary

Balance Sheet	2023	2024	2025E
Cash	79,420	75,871	135,984
Accounts receivables	17,634	18,391	27,292
Inventory	859	742	1,300
Financial investments	14,095	7,573	8,331
Fixed assets	198,243	204,617	213,223
Other non-current assets	82,383	71,724	83,354
Total assets	**392,633**	**378,919**	**469,483**
Short-term financial loans	41,534	57,128	74,406
Accounts payables	22,523	25,051	23,739
Long-term financial loans	92,081	57,712	97,636
Other long-term payables	42,233	33,248	43,810
Non-current liabilities	**198,373**	**173,139**	**239,591**
Shareholders' equity	**194,261**	**205,781**	**229,892**
Paid in Capital	2,421	2,200	2,200
Other Equity	191,839	203,581	227,692
Total liabilities & equity	**392,633**	**378,919**	**469,483**
Net debt	40,101	31,395	27,726
Net working capital	-4,030	-5,917	4,852

Per share (TL)			
EPS	9.80	12.28	10.61
BVPS	88.30	93.54	104.50
DPS	1.79	3.66	2.73

Ratios			
Profitability			
ROE	11.7%	13.5%	10.7%
Net margin	12.7%	14.7%	9.9%
Asset turnover	0.4x	0.5x	0.6x
Leverage	2.1x	1.9x	1.9x
ROA	5.6%	7.0%	5.5%
Leverage			
Financial debt/Total assets	34%	30%	37%
Net debt/Equity	0.21	0.15	0.12
Net debt/EBITDA	0.54	0.40	0.28

Income statement	2023	2024	2025E
Revenues	**170,215**	**183,443**	**234,709**
Gross profit	36,069	45,267	62,612
Operating expenses	-14,479	-19,667	-24,478
Operating profit	21,590	25,601	38,133
EBITDA	**74,771**	**77,799**	**97,453**
Other income, net	15,909	13,387	23,916
Financial income, net	-40,350	-21,099	-37,041
Earnings before taxes	10,956	18,682	30,688
Tax expense	7,430	-5,356	-7,352
Net earnings	**21,551**	**27,015**	**23,333**

Cashflow statement			
EBITDA	**74,771**	**77,799**	**97,453**
Taxes on EBIT	7,430	-5,356	-7,352
Capital expenditures	-46,346	-53,955	-57,557
Chg. in NWC	-1,989	-1,887	1,165
Free cashflows to firm	**37,845**	**20,376**	**31,378**

Growth & margins			
Revenues	15%	8%	28%
EBITDA	18%	4%	25%
Net earnings	81%	25%	-14%
Gross margin	21.2%	24.7%	26.7%
Operating margin	12.7%	14.0%	16.2%
EBITDA margin	43.9%	42.4%	41.5%
Net margin	12.7%	14.7%	9.9%
Free cashflow margin	22.2%	11.1%	13.4%

Valuation			
P/E	10.1x	8.0x	9.3x
P/BV	1.1x	1.1x	0.9x
EV/EBITDA	3.3x	3.2x	2.5x

Source: Company Data, Tacirler Investment

** All figures are stated in millions of TL unless otherwise stated.*

Tüpraş

We maintain our 12-month target price of TL200.30 for Tüpraş and reiterate our "BUY" recommendation, as the stock still offers roughly 43 % upside despite the drag from volatile Brent prices and ongoing geopolitical tensions. Solid cash generation, low leverage and a clearly defined energy-transition roadmap underpin the long-term investment case.

Entering 2025, Turkey's largest industrial company and sole refinery operator faced normalising refining margins and a greater focus on green investments. In 1Q25 the net refining margin slipped from USD 8.4/bbl to USD 4.1/bbl; net sales fell 30 % y/y to TL 158.6 bn and EBITDA declined 25 % to TL 9.75 bn. Even so, inventory gains and disciplined operations lifted the EBITDA margin to 6.1 %, slightly above last year's level. Higher taxes and financing costs limited net profit to TL 97 mn.

Management sticks to its 2025 guidance of a USD 5–6/bbl net margin, 90–95 % utilisation, about 26 mn t of production and 30 mn t of sales. We expect a rebound in fuel demand and stronger product spreads in 2H25 to support margins, while capacity utilisation—83 % in 1Q—should stay high throughout the year. A net cash position of TL 25.6 bn reinforces the balance-sheet even after hefty dividends and working-capital needs. The full-year capex budget is roughly USD 600 mn.

Longer term, Tüpraş's commitment to net-zero emissions by 2050—centred on biofuels, green hydrogen and carbon-capture projects—is crucial from an ESG standpoint. The company cut operational emissions by 18 % by end-2024, aided by the solar-power plant at its İzmit refinery, and most of the 2025 capex is earmarked for efficiency and sustainability initiatives. Although near-term margin pressure persists, high utilisation rates, a strong net-cash profile and a strategic energy-transition plan position Tüpraş as a compelling blend of defence and growth—an outlook our TL 200.30 target price continues to reflect.

TUPRS — BUY

Target Price	**TL200,30**
Return Potential	**%43**

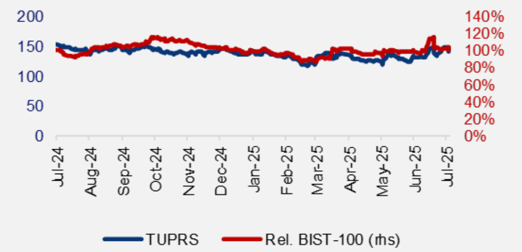
Share Data	
Ticker	**TUPRS TI**
Share Price (08 July 2025)	140,50
Share price (52 week range)	117 / 153
Market cap. (TL mn - USD mn)	270714,8 - 6779,2
# of shares outstanding (mn)	1.927
Free Float	23.5%

Avg. trading volume	1M	3M	12M
USDmn	88,1	62,5	72,7

Price Performance	1M	3M	Y-t-D
TL	7%	8%	5%
USD	5%	3%	-7%
Rel. to BIST-100	2%	3%	3%

TL mn	2022	2023	2024
Revenues	916.751	991.203	810.386
EBITDA	103.202	138.950	50.704
Net Income	61.314	77.354	18.315

Valutation	2022	2023	2024
P/E	11,3x	3,7x	4,4x
P/BV	3,4x	2,9x	1,8x
EV/EBITDA	4,4x	1,6x	2,1x



Tüpraş – Summary

Bilanço	2022	2023	2024
Nakit ve benzerleri	338	943	26
Ticari alacaklar	312	296	386
Stoklar	59.453	64.197	66.343
Diğer dönen varlıklar	137.406	224.982	137.512
Dönen varlıklar	**197.510**	**290.418**	**204.267**
Finansal yatırımlar	7.701	12.479	15.075
Maddi duran varlıklar	128.588	193.236	248.919
Maddi olmayan duran varlıklar	2.807	6.141	6.699
Diğer duran varlıklar	11.094	27.300	24.866
Duran varlıklar	**150.191**	**239.156**	**295.559**
Toplam varlıklar	**347.700**	**529.573**	**499.826**
Kısa vadeli borçlanmalar	19.764	43.268	9.965
Ticari borçlar	86.839	141.428	114.334
Diğer kısa vadeli yükümlülükler	23.401	39.483	39.440
Kısa vadeli yükümlülükler	**130.004**	**224.179**	**163.739**
Uzun vadeli borçlanmalar	35.055	7.736	10.934
Diğer uzun vadeli yükümlülükler	3.230	4.655	10.100
Uzun vadeli yükümlülükler	**38.284**	**12.391**	**21.035**
Özkaynaklar	**179.413**	**293.004**	**315.053**
Ana ortaklığa ait	177.884	289.860	310.615
Kontrol gücü olmayan paylar	1.528	3.144	4.438
Toplam kaynaklar	**347.700**	**529.573**	**499.826**
Net borç	54.480	50.061	20.873
Net işletme sermayesi	86.932	108.564	50.467
Net işletme sermayesi (operasyone	-27.074	-76.935	-47.605
Yatırılan sermaye	218.326	307.940	306.085

Oranlar			
Karlılık			
Özsermaye kârlılığı	%61,8	%32,7	%6,0
Net kâr	%6,7	%7,8	%2,3
Aktif devri	4,0x	2,3x	1,6x
Kaldıraç	2,3x	1,9x	1,7x
Aktif kârlılığı	%27,0	%17,6	%3,6
Yatırılan sermaye kârlılığı	%59,6	%39,6	%10,7
Kaldıraç			
Net borç/toplam varlıklar	%16	%10	%4
Net borç/özsermaye	0,30	0,17	0,07
Net borç/FAVÖK	0,53	0,36	0,41

Gelir tablosu	2022	2023	2024
Net satışlar	**916.751**	**991.203**	**810.386**
Brüt kâr	113.080	158.431	68.030
Faaliyet giderleri	16.159	28.235	26.942
Esas faaliyet kârı	96.921	130.196	41.088
FAVÖK	**103.202**	**138.950**	**50.704**
Net diğer gelir	-28.216	-23.774	-5.394
Net finansman geliri	-181	-24.459	-5.391
Vergi öncesi kâr	68.508	83.480	31.746
Vergi gideri	6.963	5.700	12.712
Net kâr - Ana ortaklık	**61.314**	**77.354**	**18.315**

Nakit akış tablosu			
FAVÖK	**103.202**	**138.950**	**50.704**
Vergi gideri	9.851	8.890	16.453
Yatırımlar	4.283	17.880	13.790
İşletme sermayesi değişimi	73.764	21.632	-58.097
Serbest nakit akışı	**15.305**	**90.548**	**78.558**

Büyüme ve marjlar			
Net satışlar	%501	%8	-%18
FAVÖK	%670	%35	-%64
Net kâr	%1654	%26	-%76
Brüt marj	%12,3	%16,0	%8,4
Esas faaliyet kâr marjı	%10,6	%13,1	%5,1
FAVÖK marjı	%11,3	%14,0	%6,3
Net marj	%6,7	%7,8	%2,3
Serbest nakit akışı marjı	%6,7	%7,8	%2,3

Hisse başına (TL)			
Net kâr	31,82	40,15	9,51
Özsermaye	93,11	152,07	163,51
Temettü	0,00	14,01	22,32

Değerleme			
F/K	11,3x	3,7x	4,4x
F/DD	3,4x	2,9x	1,8x
FD/FAVOK	4,4x	1,6x	2,1x
FD/Net satışlar	0,4x	0,2x	0,2x
Temettü verimi	%0	%13	%14

Kaynak: Tacirler Yatırım

** Bütün rakamlar milyon TL olarak ifade edilmiştir.*

Turkish Airlines

Despite the relatively weak profitability performance stemming from the low season, we revise our estimates for Turkish Airlines upward, supported by its expanding flight network and growing passenger traffic. Accordingly, we raise our 12-month target price per share from TL428 to TL439 and reiterate our BUY recommendation. Turkish Airlines remains in our Model Portfolio as part of our 2025 investment theme. Backed by its 2033 Strategy, the airline continues its aggressive fleet expansion and increases in international destinations and passenger momentum. With its qualified workforce and efficient organizational structure, we believe Turkish Airlines maintains a sustainable competitive edge over its European peers. Based on our 2025 estimates, the stock is trading at 3.7x P/E and 1.9x EV/EBITDA multiples.

Growth is expected to continue under Turkish Airlines' 2033 Strategy. Having ended 2024 with a fleet of 492 aircraft, a flight network covering 352 destinations, and 85.2 million passengers carried, the flag carrier maintains its steady growth in line with the targets set under its 2023 Strategy. In line with its 2033 vision, the company aims to expand its fleet beyond 800 aircraft, increase the number of served airports to 400, and exceed 170 million passengers through an average annual capacity growth of 7%. The airline also targets USD 50 billion in consolidated revenue while maintaining an EBITDAR margin in the 20–25% range. Its diversified revenue base—particularly the cargo segment—alongside ongoing investments in digital transformation and sustainability, are positioned as key catalysts supporting this roadmap. We believe this long-term strategic planning will further strengthen Turkish Airlines' global competitiveness and contribute to its sustainable growth.

The company maintains its peak target in the diversified cargo segment. Turkish Airlines aims to reach 3.9 million tons of cargo by 2033 and become one of the world's top three air cargo carriers. The increase in passenger aircraft, in parallel with fleet expansion, supports the capacity of the cargo segment. In 2024, USD-based passenger revenues increased by 4% YoY, while cargo revenues grew by 34.6%, reaching USD 3.5 billion. Total cargo and mail volume carried rose by 20.6% YoY to 498 thousand tons. With the contribution of high-value, low-weight goods, we expect Turkish Airlines to continue its growth in the cargo segment in the coming period.

We view the preservation of 2025 guidance as a positive. Management forecasts a 6–8% increase in passenger capacity compared to 2024, targeting a total passenger number of over 91 million (2024: 85.2 million). USD-based revenues are also expected to grow in the range of 6–8% (2024: USD 22,669 million), while the EBITDAR margin is projected to be maintained within the 22–24% range (2024: 25.3%). A mid-single-digit increase is anticipated in unit costs excluding fuel, and the total fleet size is expected to reach 515–525 aircraft by year-end.

THYAO	BUY
Target Price	**TL 439**
Return potential	**57%**

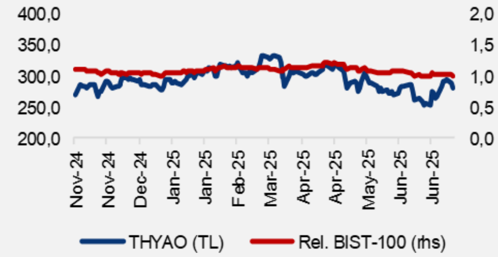
Share Data	
Ticker:	THYAO TI
Share price (as of 08.07.2025)	280,50
Share price (52 week range)	252 / 333
Market cap. (TL mn - USD mn)	387.090 - 9.693
# of shares (mn) & free float	1.380 - 50%
Foreign Ownership Rate	26.11%
Market	Star
Industry	Aviation

Avg. trading volume	1M	3M	12M
USD mn	200,7	197,9	242,7

Price performance	1M	3M	Y-t-D
TL	-1%	-8%	1%
USD	-3%	-12%	-11%
Rel. to BIST-100	-6%	-13%	-1%

Forecasts (TL mn)	2023	2024	2025E
Revenues	504.398	745.430	940.035
EBITDA	115.397	136.256	164.669
Net Earnings	163.003	113.378	104.801

Valuation	2023	2024	2025E
P/E	2,4x	3,4x	3,7x
P/BV	0,8x	0,6x	0,5x
EV/EBITDA	2,8x	2,3x	1,9x



Turkish Airlines - Summary

Balance Sheet	2023	2024	2025E
Cash	20.115	95.992	122.620
Accounts receivables	25.192	31.908	51.802
Inventory	12.311	23.661	30.807
Financial investments	157.311	118.030	129.833
Fixed assets	181.406	252.852	357.226
Other non-current assets	652.608	877.163	1.051.797
Total assets	**1.048.943**	**1.399.606**	**1.744.085**
Short-term financial loans	109.810	130.410	155.230
Accounts payables	38.060	52.792	67.394
Long-term financial loans	310.362	359.529	423.360
Other long-term payables	133.454	176.988	274.134
Non-current liabilities	**591.686**	**719.719**	**920.120**
Shareholders' equity	**457.257**	**679.887**	**823.965**
Paid in Capital	1.380	1.380	1.380
Other Equity	455.877	678.507	822.585
Total liabilities & equity	**1.048.943**	**1.399.606**	**1.744.085**
Net debt	400.057	393.947	455.971
Net working capital	-557	2.777	15.215

Per share (TL)			
EPS	118,12	82,16	75,94
BVPS	331,35	492,67	597,08
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	51,0%	19,9%	13,9%
Net margin	32,3%	15,2%	11,1%
Asset turnover	0,6x	0,6x	0,6x
Leverage	2,5x	2,2x	2,1x
ROA	20,0%	9,3%	6,7%
Leverage			
Financial debt/Total assets	40%	35%	33%
Net debt/Equity	0,87	0,58	0,55
Net debt/EBITDA	3,47	2,89	2,77

Income statement	2023	2024	2025E
Revenues	**504.398**	**745.430**	**940.035**
Gross profit	119.446	142.908	160.782
Operating expenses	-52.523	-78.958	-102.316
Operating profit	66.923	63.950	58.466
EBITDA	**115.397**	**136.256**	**164.669**
Other income, net	4.502	16.443	21.050
Financial income, net	-9.381	-17.731	-21.559
Earnings before taxes	91.282	121.421	111.733
Tax expense	71.716	-8.064	-7.076
Net earnings	**163.003**	**113.378**	**104.801**

Cashflow statement			
EBITDA	**115.397**	**136.256**	**164.669**
Taxes on EBIT	71.716	-8.064	-7.076
Capital expenditures	-24.549	-43.499	-56.762
Chg. in NWC	-2.889	3.334	6.546
Free cashflows to firm	**165.453**	**81.359**	**94.285**

Growth & margins			
Revenues	62%	48%	26%
EBITDA	47%	18%	21%
Net earnings	244%	-30%	-8%
Gross margin	23,7%	19,2%	17,1%
Operating margin	13,3%	8,6%	6,2%
EBITDA margin	22,9%	18,3%	17,5%
Net margin	32,3%	15,2%	11,1%
Free cashflow margin	32,8%	10,9%	10,0%

Valuation			
P/E	2,4x	3,4x	3,7x
P/BV	0,8x	0,6x	0,5x
EV/EBITDA	2,8x	2,3x	1,9x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TL unless otherwise stated.*

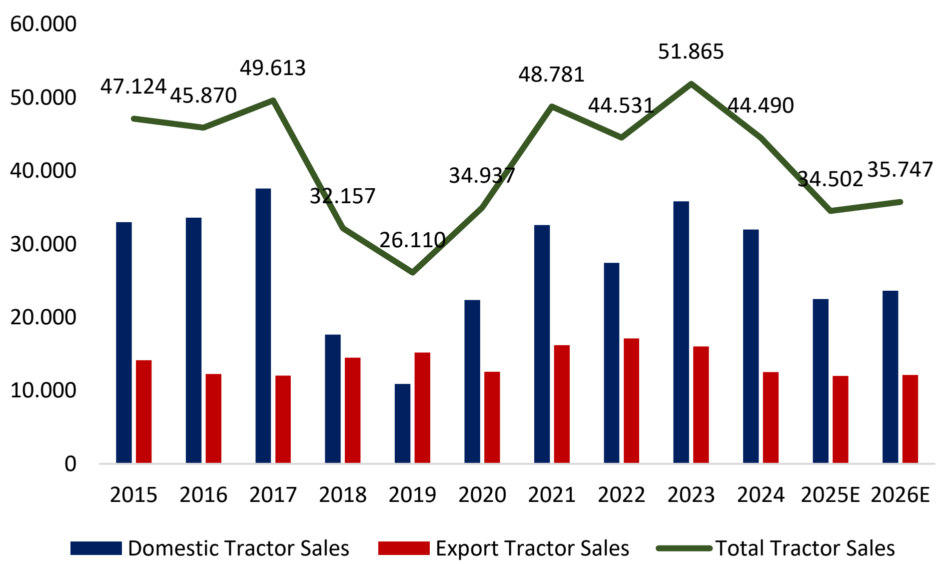
TACİRLER INVESTMENT

Türk Traktör

Following a challenging 1Q25, we revise our 12-month target price for Türk Traktör from TL839.80 (TL888.3 excluding dividend impact) to TL737. As the updated target implies a return potential in line with the BIST-100 index and near-term catalysts remain limited, we maintain our HOLD recommendation. In the 2025 outlook, the effects of high cost pressures, difficulties in financing subsidies, and lower volumes due to deferred domestic demand continue to weigh on performance. While normalization is expected to persist in the short term, in the long run, improvements in product mix, value creation through digital agriculture solutions, and the competitive edge driven by the company's market leadership are expected to support Türk Traktör's return to a growth trajectory.

2025 guidance has been revised downward. Following the 1Q25 financial results, management lowered its full-year market outlook. The expected size of the total tractor market was revised from the previous range of 48,000–56,000 units to 42,000–48,000 units. Similarly, the domestic sales target was reduced from 23,000–28,000 units to 20,000–24,000 units (Tacirler Investment: 22.5 thousand units). On the other hand, the export outlook was maintained, with the company reaffirming its export target of 11,000–13,000 units (Tacirler Investment: 12 thousand units). Despite the challenging demand environment, Türk Traktör has made no changes to its investment plans and aims to invest USD 140–160 million in 2025 (Tacirler Investment: USD 140 million).

Table: TTRAK Sales Volumes (2025 – 2026E)



TTRAK	HOLD
Target Price	TL 737
Return potential	28%

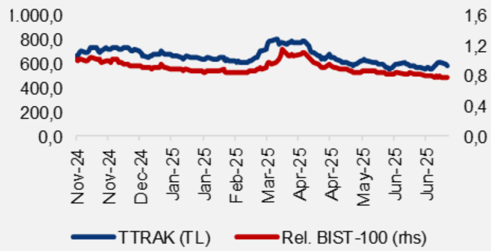
Share Data	
Ticker:	TTRAK TI
Share price (as of 08.07.2025)	578,00
Share price (52 week range)	554 / 805
Market cap. (TL mn - USD mn)	57.839 - 1.448
# of shares (mn) & free float	100 - 24%
Foreign Ownership Rate	27.43%
Market	Star
Industry	Automotive

Avg. trading volume	1M	3M	12M
USD mn	2,4	3,4	4,9

Price performance	1M	3M	Y-t-D
TL	-4%	-22%	-18%
USD	-6%	-26%	-28%
Rel. to BIST-100	-8%	-26%	-19%

Forecasts (TL mn)	2023	2024	2025E
Revenues	92.857	73.709	66.509
EBITDA	20.964	10.806	7.248
Net Earnings	14.845	6.318	3.226

Valuation	2023	2024	2025E
P/E	3,9x	9,2x	17,9x
P/BV	2,4x	3,1x	3,4x
EV/EBITDA	4,6x	3,6x	3,0x



Türk Traktör - Summary

Balance Sheet	2023	2024	2025E
Cash	19.595	7.258	15.990
Accounts receivables	3.839	4.767	6.454
Inventory	13.818	10.724	12.622
Financial investments	18	33	36
Fixed assets	10.974	13.285	15.979
Other non-current assets	3.331	3.483	3.674
Total assets	**51.574**	**39.549**	**54.755**
Short-term financial loans	7.902	8.533	13.053
Accounts payables	13.952	8.000	10.370
Long-term financial loans	1.297	2.244	6.076
Other long-term payables	3.956	2.097	8.214
Non-current liabilities	**27.106**	**20.874**	**37.713**
Shareholders' equity	**24.468**	**18.675**	**17.043**
Paid in Capital	110	100	100
Other Equity	24.358	18.575	16.942
Total liabilities & equity	**51.574**	**39.549**	**54.755**
Net debt	-10.396	3.520	3.139
Net working capital	3.705	7.491	8.707

Per share (TL)			
EPS	148,35	63,14	32,24
BVPS	244,52	186,62	170,31
DPS	49,95	117,62	50,06

Ratios			
Profitability			
ROE	75,8%	29,3%	18,1%
Net margin	16,0%	8,6%	4,9%
Asset turnover	2,0x	1,6x	1,4x
Leverage	2,4x	2,1x	2,6x
ROA	32,0%	13,9%	6,8%
Leverage			
Financial debt/Total assets	18%	27%	35%
Net debt/Equity	-0,42	0,19	0,18
Net debt/EBITDA	-0,50	0,33	0,43

Income statement	2023	2024	2025E
Revenues	**92.857**	**73.709**	**66.509**
Gross profit	24.775	14.219	10.520
Operating expenses	-5.685	-5.456	-5.576
Operating profit	19.090	8.763	4.944
EBITDA	**20.964**	**10.806**	**7.248**
Other income, net	-1.122	-367	123
Financial income, net	1.292	370	469
Earnings before taxes	19.287	8.779	5.550
Tax expense	-4.442	-2.461	-2.324
Net earnings	**14.845**	**6.318**	**3.226**

Cashflow statement			
EBITDA	**20.964**	**10.806**	**7.248**
Taxes on EBIT	-4.442	-2.461	-2.324
Capital expenditures	-2.715	-4.167	-4.402
Chg. in NWC	1.034	3.786	-107
Free cashflows to firm	**12.773**	**392**	**628**

Growth & margins			
Revenues	41%	-21%	-10%
EBITDA	168%	-48%	-33%
Net earnings	117%	-57%	-49%
Gross margin	26,7%	19,3%	15,8%
Operating margin	20,6%	11,9%	7,4%
EBITDA margin	22,6%	14,7%	10,9%
Net margin	16,0%	8,6%	4,9%
Free cashflow margin	13,8%	0,5%	0,9%

Valuation			
P/E	3,9x	9,2x	17,9x
P/BV	2,4x	3,1x	3,4x
EV/EBITDA	4,6x	3,6x	3,0x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TL unless otherwise stated.*

Research Coverage

Company Name	Ticker	Current Price(TL)	Target Price (TL)	Upside Potential (%)	Reccom.	Market Cap (mn TL)	Market Cap (mn $)	Free Float (%)
Banks								
Akbank	AKBNK	67,70	80,20	18%	HOLD	352.040	8.816	52
Albaraka Türk	ALBRK	8,25	9,40	14%	HOLD	20.625	516	38
Garanti Bankası	GARAN	137,30	180,40	31%	BUY	576.660	14.441	14
Halk Bankası	HALKB	25,88	23,00	-11%	HOLD	185.942	4.656	9
İş Bankası	ISCTR	14,03	19,20	37%	BUY	350.750	8.783	31
Şekerbank	SKBNK	6,76	7,00	4%	HOLD	16.900	423	48
T.S.K.B.	TSKB	12,89	20,30	57%	BUY	36.092	904	39
T. Vakıflar Bankası	VAKBN	27,30	33,10	21%	HOLD	270.705	6.779	6
Yapı Kredi Bankası	YKBNK	32,34	38,80	20%	HOLD	273.178	6.841	39
Retail								
Bim Birleşik Mağazalar A.Ş.	BIMAS	488,00	693,00	42%	BUY	292.800	7.332	68
Coca Cola İçecek	CCOLA	49,66	78,90	59%	BUY	138.953	3.480	25
Desa Deri	DESA	9,61	16,00	66%	BUY	4.709	118	22
Koton Mağazacılık	KOTON	14,46	27,00	87%	BUY	11.997	300	16
Mavi Giyim	MAVI	42,10	67,50	60%	BUY	33.449	838	73
Migros	MGROS	478,00	854,00	79%	BUY	86.544	2.167	51
Suwen Tekstil	SUWEN	13,10	19,80	51%	BUY	7.336	184	50
Tab Gıda	TABGD	187,60	242,00	29%	BUY	49.018	1.228	20
Teknosa	TKNSA	22,26	39,00	75%	BUY	4.474	112	50
Defense								
Aselsan	ASELS	152,20	120,00	-21%	HOLD	694.032	17.380	26
Automotive & White Goods								
Arçelik	ARCLK	122,60	170,00	39%	HOLD	82.844	2.075	25
Doğuş Otomotiv	DOAS	178,00	235,00	32%	HOLD	39.160	981	39
Ford Otosan	FROTO	92,85	135,00	45%	BUY	325.820	8.159	18
Türk Traktör	TTRAK	578,00	750,00	30%	HOLD	57.839	1.448	24
Aviation								
Tav Havalimanları	TAVHL	264,00	360,00	36%	BUY	95.906	2.402	48
Türk Hava Yolları	THYAO	280,50	440,00	57%	BUY	387.090	9.693	50
Oil & Gas								
Tüpraş	TUPRS	140,50	200,30	43%	BUY	270.715	6.779	49
Telecomunication								
Turkcell	TCELL	94,00	143,00	52%	BUY	206.800	5.179	54
Conglomerates								
Doğan Holding	DOHOL	15,43	23,10	50%	BUY	40.380	1.011	36
Healthcare								
MLP Sağlık Hizmetleri	MPARK	349,00	450,00	29%	HOLD	66.663	1.669	27
Factoring								
Lider Faktoring	LIDFA	3,61	4,20	16%	HOLD	2.016	50	41

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Important Disclosures

Rating Methodology

Stock ratings are based on absolute return potential of the stock, which is defined as the percentage change in target price from the current share price. All recommendations and target prices are set with a 12-month horizon. Target prices are set by using one or more of the following methodologies: DCF, Net Asset Valuation, sum of the parts model and multiple comparison.

Rating Definition

Buy: The stock is expected to generate a return of more than or equal to 30% in TL terms.

Hold: The stock is expected to generate a return of less than 30% in TL terms.

Sell: The stock is expected to generate a negative return within the forecast horizon.

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