2H26 OUTLOOK

'FROM ONE TUNNEL TO ANOTHER'

Tacirler Investment

Research and Content Management

research@tacirler.com.tr

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From one tunnel to another

2026 has begun in a positive market environment characterized by expectations of interest rate cuts, stronger economic growth, a weaker USD, and easing concerns over tariffs, alongside rising expectations for fiscal spending and policy stimulus. However, in the early days of the year, the United States' intervention in Venezuela, followed by the military conflict with Iran that began at the end of February, drove oil prices higher, intensifying inflation concerns, weakening growth expectations, strengthening the USD, and leading to significant divergences across financial asset classes and markets. **As we enter the second half of the year, the market environment is characterized by a stabilization of growth expectations, a moderation of inflation concerns, and a reduction in geopolitical tensions. More importantly, the Federal Reserve's anticipated shift in interest rate cuts to hikes has led to a notable change in market expectations. In addition, artificial intelligence–driven business models and the US midterm elections are expected to be key themes during 2H26.**

In the US, the agenda will gradually shift its focus to the upcoming midterm elections in Nov’26. Republicans, which gained control on both sides of the Congress in 2024, are experiencing a decline in public trust according to the recent polls. According to projections, the results indicate a "divided Congress" scenario, where Democrats are expected to gain a majority in at least one of the House or the Senate. While there is a high probability that President Trump will not be able to act as freely as he did during his first two years, and may even be labeled a "lame duck" if he loses control of both chambers of Congress. The potential gridlock in US politics could represent not so much a risk for global markets, but offers an opportunity to return to rational policies. As the expectations for interest rate hikes from Fed gain traction, the pace of hikings will be closely monitored by financial markets. Concerns will persist regarding the viability of the financial performance of AI-focused business models, despite their reasonable debt levels and profitability.

In Europe, tariff pressures eased in 2026 and the perception of a Russia-related threat also subsided, compared to the first half of the year. Nevertheless, increasing infrastructure and defense spending remains on the agenda, and, following the rise in oil prices, concerns about inflation and a shift toward monetary tightening have also come into play. We are still very much at the beginning of a historic process, in which foreign policy ties between the US and Europe have begun to weaken, but it should be noted that this situation has not yet caused serious damage to European markets. Growth dynamics and energy costs in the region will be closely monitored.

Regional divergences **in Asia** continues. We can say that tariff pressure on China is now a thing of the past, and with the normalisation of energy supplies, we expect a noticeable improvement in growth dynamics. While India is increasingly becoming a major player in the region, Japan is moving beyond its 17-year-long low-interest-rate policy. The Bank of Japan (BoJ) is expected to continue raising interest rates and perhaps even accelerate the pace of hikes. In South Korea, the stock markets, which have shown strong performance this year, may experience a slowdown in the latter half of the year. Vietnam is also consistently gaining rank among Asian economies.

In Turkey, while we are currently experiencing a lull in the disinflation process, we anticipate a return to the disinflation path after July. We anticipate that the CBRT will initiate weekly repo auctions as part of this process, which will bring the effective funding rate closer to 37% from 40%. Following this adjustment, we expect the CBRT to resume its downward trend on policy rates. We anticipate the Turkish Lira's real appreciation to persist, bolstered by the country's improving risk premium. However, the weight of the political agenda suggests that the process of credit rating upgrades, which was put on hold in 2025, will not resume before 2027. The gradual improvement in companies' financial structures may continue, but the risks associated with high debt levels, which we highlighted at the beginning of the year, persist.

On the market, we anticipate that the trend will persist in the latter half of the year, where the BIST has found relative equilibrium compared to emerging market stock exchanges and has positively diverged from developed market stock exchanges. That said, we do not foresee a substantial uptick in foreign interest. While valuations and potentials in the stock markets may be appealing, the absence of catalysts may persist. Consequently, the transition to 12-month targets will be delayed until 2027, and sideways movements within a narrow range will be more evident throughout 2026.

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From one tunnel to another

Our foreign exchange, interest rates and Borsa Istanbul expectations for Türkiye

Foreign Exchange Markets: The CBRT's reserves have become more stable following US intervention in Iran. We anticipate a gradual increase in reserves in the second half of the year. Due to the persistence of positive real interest rates, we anticipate the Turkish lira to maintain its strength in real terms. However, while the lira appreciated by 10.5% in real terms against a currency basket consisting of 0.50 USD + 0.50 EUR in the first half of the year, it may follow a more balanced trajectory in the second half. Our year-end forecast for the basket exchange rate, currently at around 49.60 TL, stands at 55.40 TL, indicating a 15.9% depreciation of the TL for 2026 as a whole. ***When evaluated alongside our year-end inflation expectation of a 28% CPI rate, we expect the Turkish lira to appreciate by nearly 7.5% in real terms on a basket basis in 2026.***

Interest Rates: The CBRT, which began 2026 with a 100-basis-point rate cut and lowered the policy rate from 38% to 37% at its January 23 meeting, did not change the policy rate following the US intervention in Iran; however, it ceased weekly auctions, instead funding the financial system through the overnight lending rate and bringing the Weighted Average Funding Cost (WAFC) to 40%. In the coming weeks, we anticipate that the WAFC will be brought closer to 37%, followed by a return to policy rate cuts. ***For the remainder of 2026, we expect the policy rate to decline by 200 basis points to 35% by year-end; consequently, we anticipate a gradual easening in the rates, valuation metrics, and funding costs of banks and industrials.***

Borsa Istanbul: Despite the uninterrupted rise of the BIST 100 index in TL terms over the past eight years, it has remained stagnant in dollar terms and has shown a consistent decline in real terms over the past three years. We estimate that this trend will turn positive again in the first half of 2026. While the mathematics support this, when we examine the index's composition and the companies driving its growth, we are leaving behind a period in which a significant segment of investors was unable to benefit from the returns reflected in the numbers, as the index's performance was driven by only a small number of companies. MSCI's concerns regarding the transparency and trading integrity of the Istanbul Stock Exchange, along with the potential measures to address these issues, could result in a more healthy index structure in the near future.

In dollar terms, the BIST 100 index has gained 18% since the start of the year, while it has lost 4.6% relative to the MSCI Emerging Markets Index over the same period. With the exception of the impact of the almost 100% rise in dollar terms observed on the South Korean stock market, it is estimated that the BIST 100 index has performed similarly to the MSCI Emerging Markets Index. However, when benchmarked against the MSCI World Index, the BIST 100 index has outperformed by 9.7% this year.

In light of our forecasts for a gradual easing of interest rates, improvements in corporate fundamentals, and a narrowing of the risk premium, we believe the BIST will continue to outperform global stock markets. We anticipate that sensitivity to non-economic (domestic and foreign political) developments will persist; however, we believe that domestic political risks are already largely priced in, and that political risk-driven pressure on Turkish companies will remain limited unless there is a "new and distinctly negative" development. As these issues cannot be quantitatively assessed or modelled, it is essential to closely observe developments while maintaining a positive outlook. Our current 12-month index target for the BIST 100 stands at 19,800, indicating a 40% upside potential. However, the absence of catalysts to encourage companies to move towards this target may persist for the remainder of the year. If companies improve their profitability, we may see a more pronounced market movement in the first half of 2027. We anticipate that sideways trading within a range will demonstrate gradual progress throughout 2H26.

Global Outlook

Global Outlook

In US, midterm elections, Fed and AI companies will be in the spotlight

The midterm elections, scheduled for November in the US, will take centre stage more and more within the days ahead. Polls indicate that Republicans may lose their majority in Congress. While this situation is likely to create a stalemate in US politics, it is also worth noting that, from the markets' perspective, it could present an opportunity to return to rational economic policies. Expectations regarding the Fed's potential monetary policy moves have shifted very quickly, from expectations of rate cuts to rate hikes. Because Fed Chairman Kevin Warsh has opted for a more passive communication strategy regarding policy guidance, the market impact of upcoming US data on growth, inflation, and employment will increase. Finally, questions will continue to be raised about the sustainability of the financial performance of AI-focused business models, despite their low debt levels and high profitability, and strengthening expectations of interest rate hikes by the Fed could trigger sell-offs in technology stocks.

Upcoming midterm elections: Midterm elections are scheduled for November 2026, during which approximately one-third of the Senate (35 seats), the entire House of Representatives (435 seats), state governors, state legislators, prosecutors, and local officials will be elected. In summary, we are entering a period of potential significant change in the distribution of political power, with the exception of the President and Vice President. The Republicans, who gained control of the presidency and both chambers of Congress (the House and the Senate) following the presidential election in 2024, known as the "red wave", may lose the legislative power. This situation will limit President Trump's ability to manoeuvre, particularly in foreign policy, and could actually bring about a positive change. However, uncertainty will persist until the elections draw nearer and polls become more concrete. It is important to note that polls indicating a "Republican President + Democrat Congress" scenario could potentially result in increased market volatility.

Monetary policy: Despite inflation figures remaining above targets and long-term averages, the view that this situation is temporary is prompting the Fed to adopt a patient approach regarding monetary tightening. However, markets, which until recently had considered an interest rate cut by the Fed a possibility, have now abandoned this expectation. It should be noted that there is still no consensus on the timing of interest rate hikes. The commencement of Warsh's tenure at the Fed may entail a more restrained communication approach and a heightened degree of uncertainty. In this scenario, the importance of macroeconomic data and its impact on the market will increase in terms of predicting the Fed's next move.

AI-oriented business models: A significant portion of technology companies in the US have begun to achieve substantial growth in revenue and profitability through business models that develop, use, or provide AI services. While the sustainability of this trend without losing momentum remains a topic of debate, some are drawing comparisons between the current AI-oriented business models and the "dot-com bubble" that burst in the US İn the early 2000s. However, although similar valuation multiples are observed, we believe there is a significant differences between the two periods in terms of companies' revenue-generating performance and debt levels, and that it would be unfair to speak of a bubble in the current period. We will expand upon this topic in greater detail on the following page.

In summary, when we consider the expectations for the US stock markets, we observe that upward revisions are generally continuing. In addition, 12-month target index levels for the S&P 500 – which currently stands at around 7,500 – are indicating approximately 8,800. This suggests a high potential of 17% in dollar terms, indicating that general expectations regarding the risks outlined above remain optimistic, particularly given the limited concerns about monetary policy tightening at present. However, should expectations of interest rate rises begin to materialise, there is a risk of significant selling pressure on US stocks, particularly technology companies.

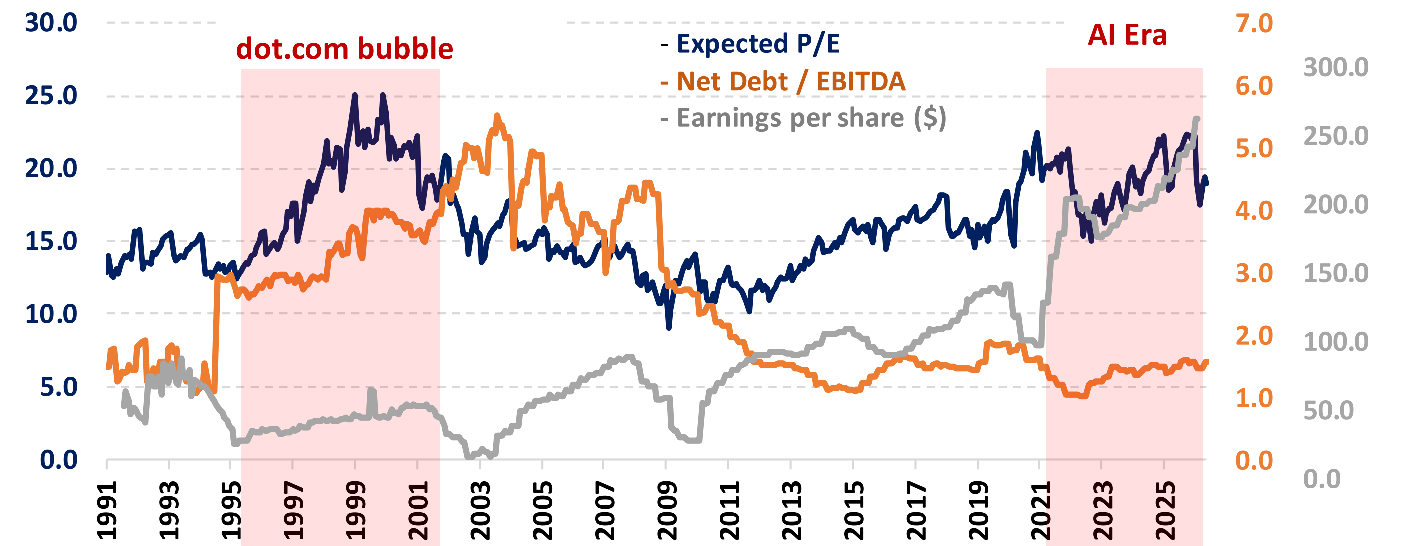
Global Outlook

Is there an AI bubble in the US?

In the US, issues such as the Fed and the midterm elections are being closely monitored, and will be tracked as the key themes shaping the coming period. In addition to this, the surge in technology stocks, which has driven a rally of 20–25% in dollar terms on US stock markets over the past year and delivered returns of up to 100% for some companies, is being compared to the "dot-com bubble" that occurred between 1995 and 2000. Consequently, questions are being raised as to whether an "AI bubble" is currently forming in data centres, infrastructure servers and semiconductor companies.

When evaluating the financial health and debt levels of corporations, it is important to avoid drawing unfair comparisons between the dot-com bubble and current AI valuations. As demonstrated in the chart below, although estimated price-to-earnings multiples have reached levels close to the dot-com era (blue line in the chart), it is evident that the technology companies that currently dominate the Nasdaq are operating with much higher earnings per share (gray line) and a lower net debt-to-EBITDA ratios (orange line). In summary, the companies under comparison are now more profitable and efficient than they were during the dot-com bubble era. From a valuation perspective, the 12-month target index levels for the Nasdaq Composite Index, currently around 26,000, point to levels in the 32,000 range and an additional 23% return potential in dollar terms.

S&P 500 Index: Expected P/E, Net Debt / EBITDA & EPS ratios



Source: Bloomberg, Tacirler Research

We have to emphasise two key risks: First, although AI-driven business models have made a significant contribution to profitability and revenue growth, exceeding 50% in dollar terms, over the past few years, it is unlikely to sustain that growth rates at these levels. Consequently, current forecasts may be overly optimistic, and we may see downward revisions. Secondly, technology companies typically generate high cash flow during their maturity phases, rather than in the early years of their life cycles. This situation means that target stock prices are highly sensitive to the discount factor, which is one of the critical valuation parameters. Should the Fed begin to raise interest rates, it is possible that we will see a rapid downward revision in valuations. On the basis of the aforementioned points, **while we do not believe there is an AI bubble in the US, we do expect the pricing environment for technology companies to be more fragile and risky by 2H26. A potential sharp sell-off could also significantly unsettle global stock markets.**

Global Outlook

Growth is slowing in Europe, while public investments are on the rise

The tariff pressures that affected the region throughout 2025 are now a thing of the past, but the rise in oil prices stemming from the US - Iran conflict has caused lasting damage to growth dynamics in the region's fragile economies. Meanwhile, leading European countries have increased their defence spending (e.g. military electronics, radar systems, unmanned aerial vehicles, missile systems, cybersecurity) and infrastructure (e.g. railways, energy, power grids) over the past 30 years. This has been done to ensure both the region's prosperity and the continuity of the union. The extent to which these measures will support the region's economies remains to be seen. In addition, in order to control inflationary risks linked to rising energy costs, the European Central Bank (ECB) raised interest rates by 25 basis points. However, due to the decline in oil prices, we may not see any further rate hikes.

It is anticipated that European stock markets will continue to demonstrate potential in the second half of 2026. While European companies trade at lower multiples relative to US companies, financial sector companies, defence industry companies, construction firms, the healthcare sector, and data centre, service provider, and infrastructure companies, which are striving to catch up with the AI transformation, albeit belatedly, are standing out. Companies that are dependent on consumer spending, those operating amid high energy costs, and exporters whose growth dynamics depend on Chinese demand may remain in the background until their financials show a tangible recovery. ***For the DAX index, which currently stands at around 25,000, year-end forecasts are indicating 26,000, while 12-month target levels are suggesting a range of 29,000 - 30,000 and potential returns of almost 20% in EUR terms. Similarly, the FTSE 100 (UK) and CAC 40 (France) stock markets have potential returns of 15% in GBP and 14% in EUR terms.***

Asia is recovering from an energy crisis

During the period when the Strait of Hormuz was closed, Asian economies, whose access to oil, particularly that transported by sea, was restricted or completely cut off, began to breathe a sigh of relief as traffic in the region picked up again. After downward revisions to growth forecasts for these economies in March, April and May, there has been a partial improvement in June. Overall, Asian economies are set to remain the primary drivers of global growth.

When we analyse the data by country, we can see that **India** is set to outpace China with growth expectations of nearly 6%. This is due to strong domestic consumption, ongoing infrastructure investments, and its emergence as an alternative manufacturing hub. ***For the Nifty 50 Index, which multinational institutional investors prioritise over the Sensex, 12-month forecasts indicate a level of around 28,700 and a potential return of 19% in rupee terms (16% in dollar terms).*** Turning to **China**, while the pressure of US-driven economic policies has eased somewhat, the country is benefitting from a reduction in energy costs and improved logistics chains, which is leading to an improvement in growth expectations. However, growth expectations remain above global averages, but below historical and ideal growth rates. ***The Shanghai Composite Index has increased by almost 5% in dollar terms since the start of 2026. Current 12-month valuations indicate a possible return of approximately 26%.***

Japan, which has experienced low inflation and deflation for an extended period, has seen moderate inflation rates since 2022. The trend of the highest interest rates in the past 30 years continues. The Bank of Japan's ongoing interest rate hikes will also be closely monitored in terms of global carry trade positions. **In South Korea**, volatility is anticipated to endure due to the uncertain outlook in the chip technology sector. **In Vietnam**, a prominent emerging manufacturing hub in Asia, the trend of attracting exports and foreign direct investment is projected to persist, bolstered by China's support and cost-effective production dynamics. It is evident that **Thailand**, **Pakistan**, **Bangladesh**, **Malaysia** and **Singapore** are currently experiencing a period of economic instability.

Macro Outlook

Macro Outlook

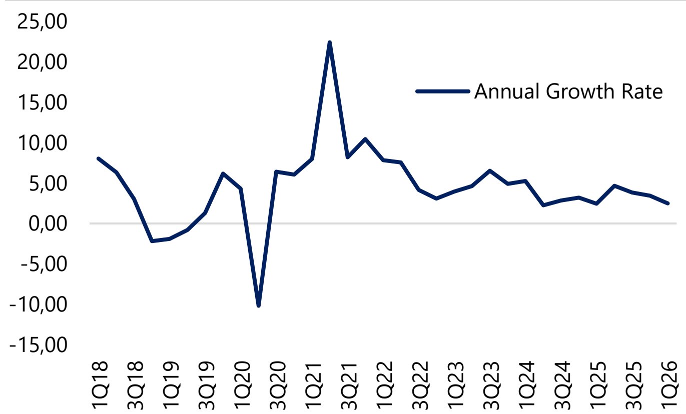
Economic Growth

In April, we revised down our 2026 year-end growth forecast from 4.0% to 3.2%, reflecting the supply-side shock created by the US–Iran conflict and the tightening in financial conditions that followed. Latest data suggest that the Turkish economy expanded by 0.1% in sequential terms and 2.5% y/y in 1Q26, with underlying demand components pointing to a clearer loss of momentum in economic activity. The services sector remained the main driver of growth in the first quarter, whereas household consumption rose by a modest 0.1% on a quarterly basis and fixed investment contracted by 2.2%, signaling renewed weakness in domestic demand. We believe tighter financial conditions and elevated uncertainty weighed particularly on investment spending during the first quarter.

High-frequency indicators suggest annual growth is likely to remain below 3% in 2Q26, albeit at a somewhat stronger pace compared to the first quarter. The ICI Manufacturing PMI rose to 49.8 in May, marking its highest reading since March 2024. In addition, the recent improvement in real sector confidence and capacity utilization observed during May and June points to a gradual amelioration following the weakness in manufacturing activity. Meanwhile, consumer confidence rose in June to its highest level since May 2023, suggesting a somewhat more balanced domestic demand outlook entering 2Q26. We also observe a normalization trend in other high-frequency indicators that had deteriorated sharply during March and April amid the negative effects of the US–Iran conflict on expectations.

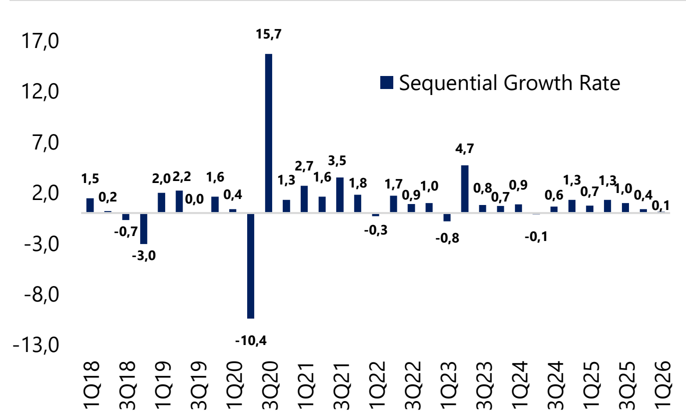
Looking ahead, we expect economic activity to move toward a more balanced trajectory in 2H26, as the gradual easing in financial conditions that we expect to start during the summer months, coupled with fading geopolitical uncertainty, should create a more supportive macro environment. Yet, we do not foresee a strong and broad-based acceleration in growth. Accordingly, we maintain our 2026 growth estimate at 3.2%, while our 2027 growth forecast stands at 4.0%.

GDP Growth Rate *(annual, %)*



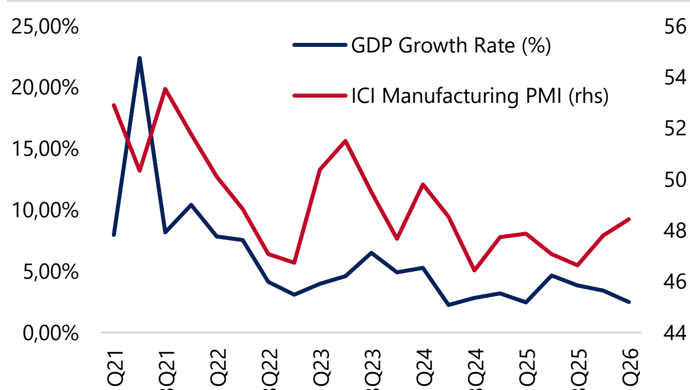
Source: TURKSTAT, Tacirler Investment

GDP Growth Rate *(sequential, %)*



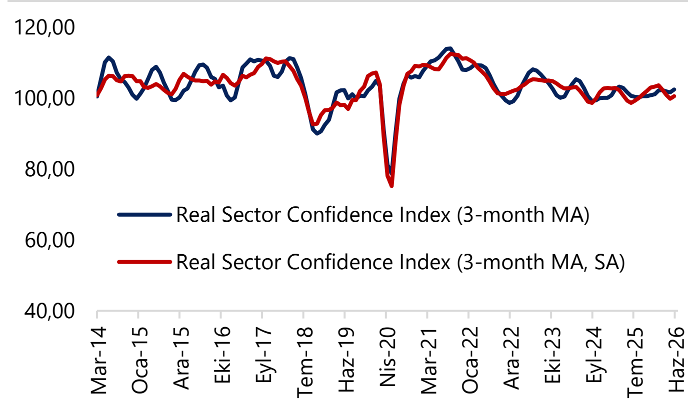
Source: TURKSTAT, Tacirler Investment

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

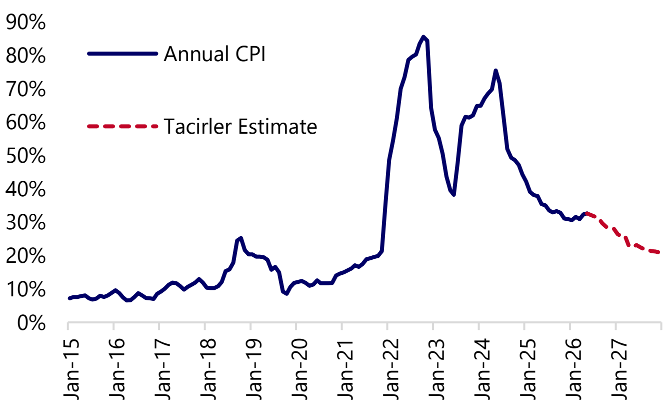
Price Dynamics

In the revision we introduced to our macroeconomic forecasts in April, we raised our 2026 year-end CPI forecast from 23% to 28%, reflecting the surge in energy prices and the broad-based cost pressures triggered by the outbreak of the US–Iran conflict. We believe the supply-side shocks stemming from geopolitical developments have generated additional upside pressure on pricing behavior, particularly through higher energy costs, leaving the disinflation process more fragile in the near term.

Based on the latest available data, annual CPI inflation increased to 32.6% as of May. We expect monthly CPI inflation to print around 1.0% in June, which would bring annual inflation down to 32.1%. While the decline in food prices that began in May appears to have extended into June, leading us to expect a second consecutive month of negative monthly food inflation, the recent increase we have observed in vegetable prices toward the end of June suggests food inflation may return to positive territory in July. We also believe the tax adjustments scheduled for July, particularly the upcoming SCT revisions, are likely to play a decisive role in shaping the near-term inflation trajectory.

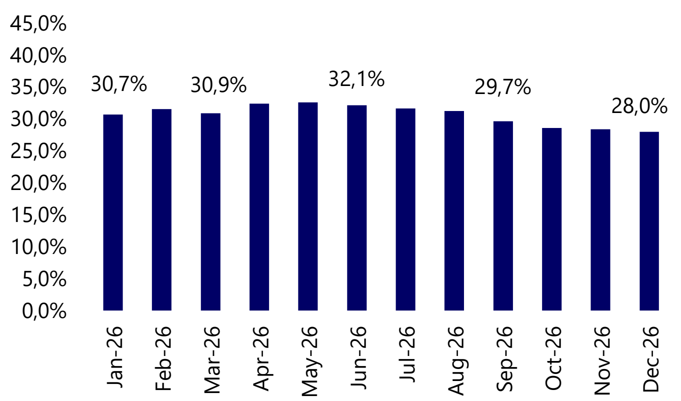
Following the ceasefire between the US and Iran, we believe the recent correction in energy prices could partially alleviate inflationary pressures in the short run. We expect annual CPI inflation to continue to retreat during the summer months, falling below 30% by September and below 29% by October. We also expect monthly inflation prints to slide below 1% during the final two months of the year. Taken together, recent price dynamics suggest that the disinflation process remains broadly intact despite the temporary volatility observed during the second quarter, albeit at a slower pace. While we maintain our 2026 year-end CPI forecast at 28%, we continue to assess risks around our forecast as moderately skewed to the upside, given the recent deterioration in inflation expectations and the lagged effects of cost shocks on pricing behavior. Our end-2027 CPI forecast stands at 21%.

Tacirler Investment CPI Projections *(%)*



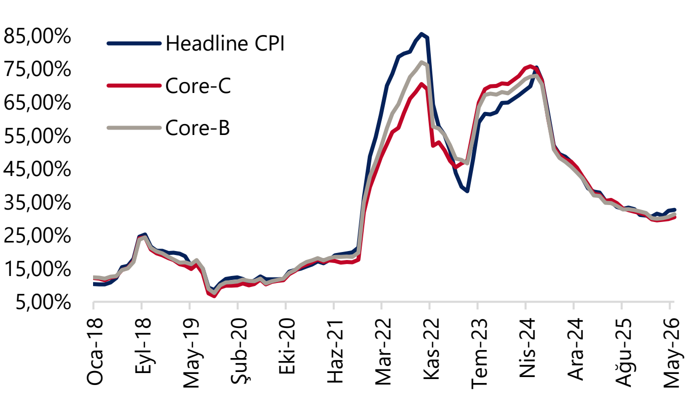
Source: TURKSTAT, Tacirler Investment

Tacirler Investment CPI Projections *(%)*



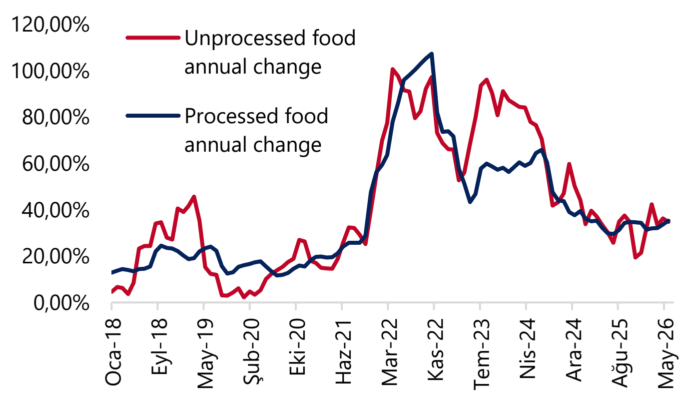
Source: TURKSTAT, Tacirler Investment

Annual CPI Change *(%)*



Source: TURKSTAT, Tacirler Investment

Food Prices *(%, annual chg.)*



Source: TURKSTAT, Tacirler Investment

Macro Outlook

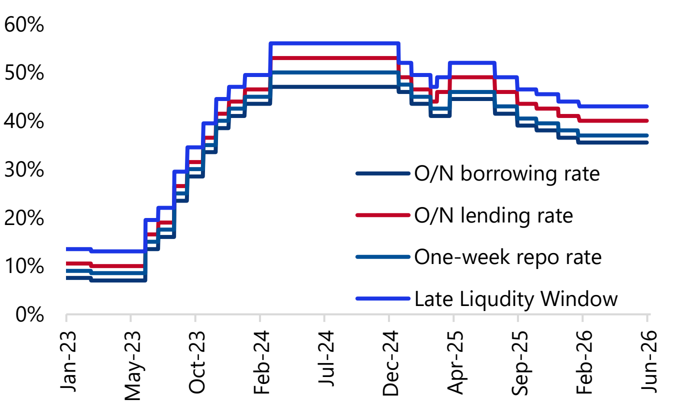
Monetary Policy

Our April forecast revision led us to revisit the policy rate path, prompting an upward adjustment in our year-end policy rate forecast from 29.5% to 35%. Following the outbreak of the US–Iran conflict, the sharp rise in oil prices and heightened geopolitical risks materially increased upside pressure on the inflation outlook, prompting the CBT to suspend one-week repo auctions and shift liquidity provision entirely to the upper bound of the interest rate corridor (40%). While the policy rate has remained unchanged at 37%, the average funding cost has effectively stayed pinned near 40% since March. We view the CBT's decision not to implement a technical rate hike despite maintaining a 40% effective funding cost as an important signal. While mechanically raising the policy rate to 40% would not have altered the effective degree of monetary tightness, we reckon the Bank's reluctance to take such a step suggests that it views the current tightening episode as temporary and intends to return to the easing cycle at the earliest viable opportunity.

At its latest MPC meeting, the CBT acknowledged a modest improvement in underlying inflation while emphasizing that weakness in domestic demand and the slowdown in economic activity remain intact. We believe the recent amelioration in geopolitical risks, relative improvement in reserve dynamics, continued moderation in food inflation, and the growth-dampening effects of supply-side shocks have collectively supported the Bank's preference to preserve its current policy mix.

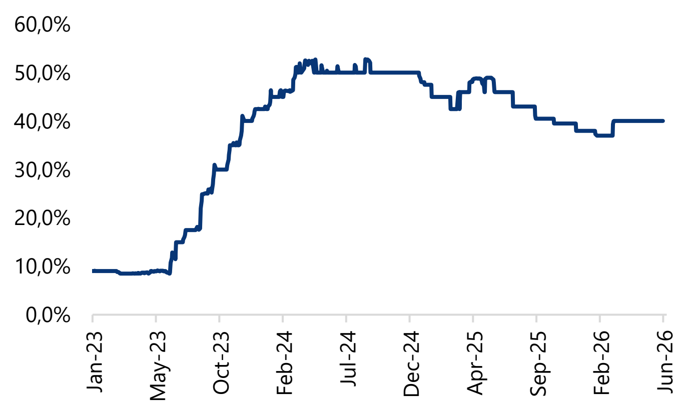
Following the ceasefire between the US and Iran, lower energy costs together with the limited cooling observed in underlying inflation could pave the way for an initial step toward restoring one-week repo auctions at the July 23 MPC meeting. We expect the CBT to gradually restore repo funding and guide funding costs back toward the 37% policy rate. We believe such normalization could create a more fruitful environment for rate cuts to resume during 4Q26, and therefore, maintain our year-end policy rate forecast at 35%. Our end-2027 policy rate forecast stands at 25%.

The CBT Interest Rates (%)



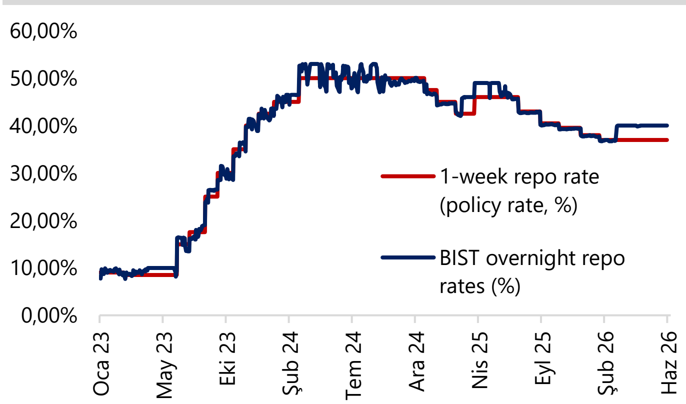
Source: CBT, Tacirler Investment

Weighted Average Cost of Funding *(%)*



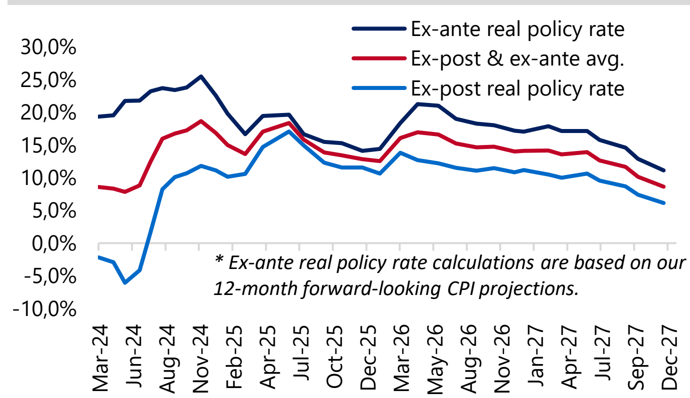
Source: CBT, BIST, Treasury, Tacirler Investment

Policy Rate % BIST Overnight Repo *(%)*



Source: CBT, Tacirler Investment

Real Policy Rate Forecasts* *(%)*



Source: CBT, Tacirler Investment

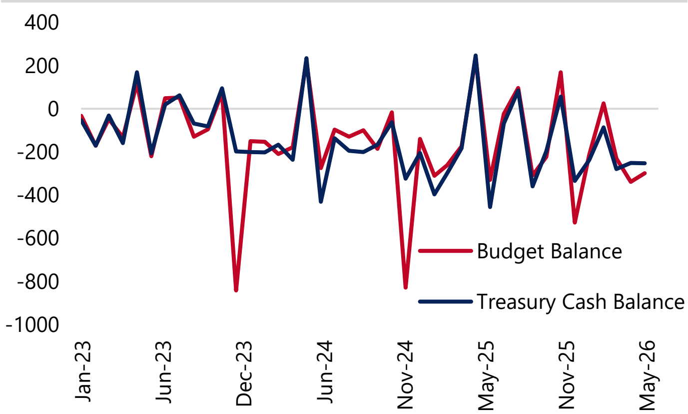
Macro Outlook

Fiscal Policy

We maintain our 2026 year-end budget deficit forecast at TL2.8tn (3.3% of GDP), while reckoning that the fiscal deficit will widen to TL3.5tn (3.2% of GDP) in 2027. During the first half of this year, the absorption of fuel price increases through the échelle mobile mechanism created palpable pressure on fiscal balances, primarily through foregone Special Consumption Tax (SCT) revenues. The central government budget posted a TL298.2bn deficit in May, while the primary balance recorded a TL169.3bn deficit. As a result, the cumulative budget deficit reached TL1.1tn in the Jan – May period, while the 12-month rolling deficit widened from TL1.7tn to TL2.2tn. In addition to the impact of the échelle mobile mechanism, revenues from the fourth provisional corporate tax payment — collected in May last year but brought forward to February this year — together with tax collections shifted to June, created an additional adverse base effect in May fiscal data on an annual basis.

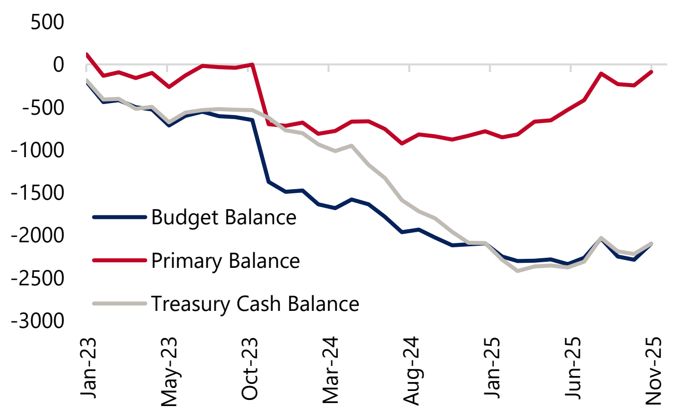
While SCT revenue losses linked to the échelle mobile mechanism became increasingly visible in April and May, we believe that the recent retreat in oil prices could help ameliorate fiscal pressure in the coming period. Our previous calculations suggested that a full exhaustion of the tax adjustment space embedded in the mechanism could raise the daily fiscal cost of the échelle mobile scheme to approximately TL1.4bn, including VAT effects. Brent crude prices have now retreated close to levels seen in early March, thereby pointing to the possibility that most of the previously reduced SCT amounts could gradually be reinstated. Together with the easing burden of the échelle mobile mechanism and tax collections deferred to June, this could pave the way for a more fruitful fiscal outlook in the period ahead. In this respect, we believe risks surrounding the fiscal outlook are likely to become more balanced in the second half of the year relative to the previous period. Nevertheless, we continue to view persistently tight financial conditions and the prevailing loss of momentum in economic activity as among the key risk factors that warrant close monitoring from a fiscal perspective.

Budget Balance & Treasury Cash Realizations *(TLbn)*



Source: The Treasury and Finance Ministry, Tacirler Investment

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



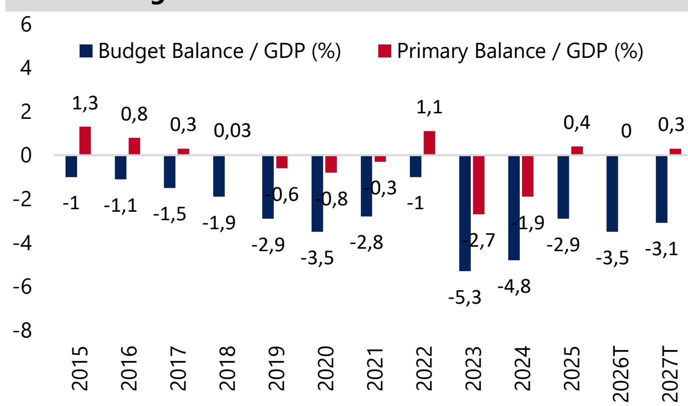
Source: The Treasury and Finance Ministry, Tacirler Investment

Budget Realizations *(mn TL)*

(mn TL)	Jan - May 26'	2026 Budget Projection	Realization Rate
Revenues	6,277.7	16,266.0	38.6%
Taxes	5,304.1	13,833.0	38.3%
Non-tax revenues	973.0	2,433.0	40.0%
Expenditures	7,334.7	18,978.8	38.6%
Interest Payments	1,262.6	2,741.7	46.1%
Primary Expenditures	6,072.1	16,237.2	37.4%
Primary Balance	205.6	29.0	710.0%
Budget Balance	- 1,057.0	- 2,712.7	39.0%

Source: The Treasury and Finance Ministry, Tacirler Investment

MTEP Budget Estimates



Source: The Treasury and Finance Ministry, Tacirler Investment

Macro Outlook

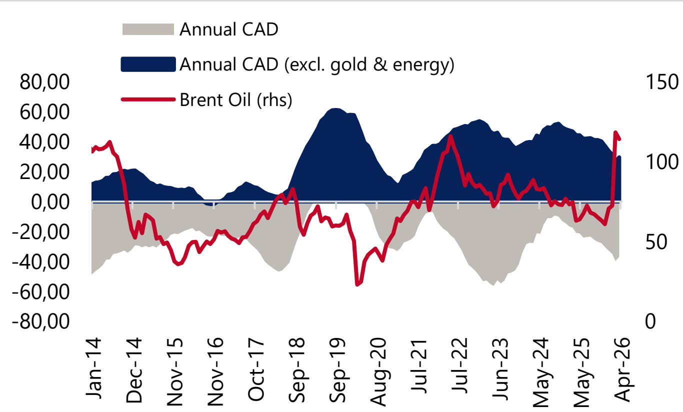
External Balance

Having raised our 2026 year-end current account deficit forecast from USD36bn (2.1% of GDP) to USD45bn (2.5% of GDP) in April following the outbreak of the US–Iran conflict, we have now revisited our external balance assumptions and revised our forecast further upward to USD54bn (3.0% of GDP), reflecting a stronger-than-initially-anticipated impact on the external balance.

After exceeding USD9bn in March, the current account deficit narrowed to USD5.7bn in April. As a result, the cumulative deficit reached USD29.4bn during the January–April period, marking a significant deterioration compared to the USD22.6bn deficit recorded in the same period of the previous year. On a 12-month rolling basis, the current account deficit declined from USD39.7bn to USD37bn in April due to base effects. Meanwhile, the current account balance excluding gold and energy posted a USD6.1bn deficit during the first four months of the year. We expect the downward trend observed in the current account deficit during April to continue into May. However, despite the recent correction in energy prices, we do not foresee a lasting improvement in the near-term external balance, given the elevated energy import costs accumulated during March and April.

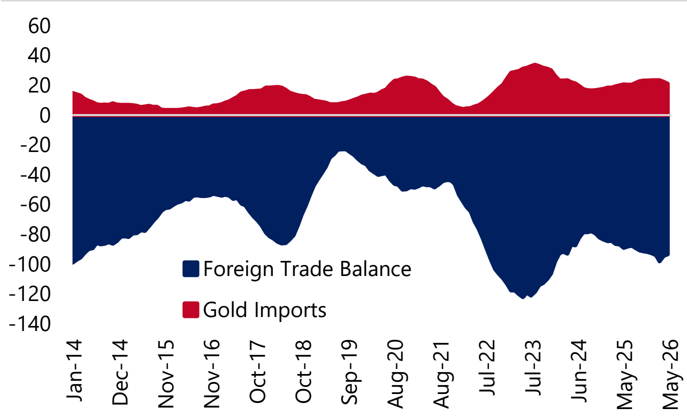
We expect the adverse impacts of the US–Iran conflict on economic activity to gradually become more limited in the period ahead. Although we anticipate a more balanced domestic demand outlook in the second half of the year, we do not foresee a meaningful weakening in consumer goods imports, which continue to hover around USD58bn on an annual basis. While the recent moderation in global energy prices supports the financing outlook, economic activity across our export markets remains subdued. Indeed, the ICI Export Climate Index has remained broadly flat at 50.3 since March, while production weakness in Germany, our largest export destination, deepened further in May. Under this outlook, we foresee a more limited correction process in the external balance rather than a pronounced improvement.

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



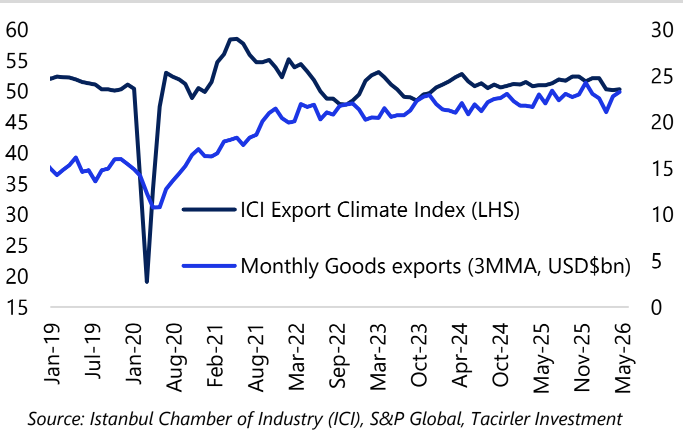
Source: CBT, Bloomberg, Tacirler Investment

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



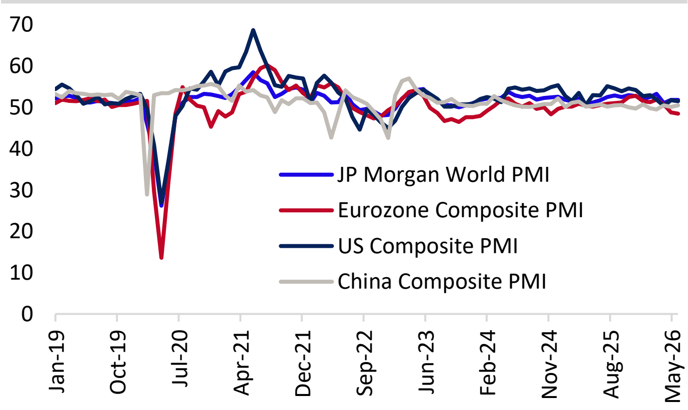
Source: TURKSTAT, Tacirler Investment

ICI Export Climate Index & Exports



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

Global PMI Outlook



Source: Bloomberg, Tacirler Investment

Macro Outlook

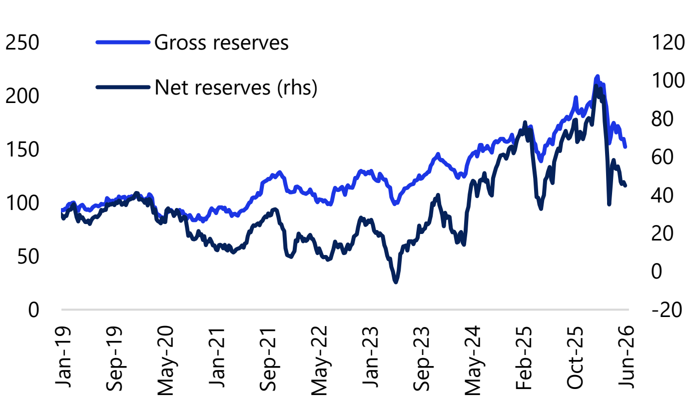
External Financing

The deterioration in global risk sentiment after the US–Iran conflict exerted palpable pressure on Turkish financial markets during March and April. Since the week of February 27, the CBT's net reserves excluding swaps have declined from USD78bn to USD29bn, while gross reserves fell from USD210bn to USD152bn and net FX reserves dropped from USD91bn to USD45bn. Over the same period, foreign investors recorded nearly USD1.6bn of net equity outflows and more than USD6bn of net selling in the bond market excluding repo transactions. While the overwhelming majority of these outflows materialized during the March–April stress episode, we recently observed a more balanced pattern in portfolio flows, suggesting that the most acute phase of pressure is easing.

Turkey's CDS premium, which climbed from around 230bps in February to above 310bps in March, retreated to below 220bps again as of mid-June. Over the same period, the Turkey – EM CDS spread, which had widened beyond 140bps in March, narrowed to below 80bps by June, approaching the -1 standard deviation threshold. That said, Turkey's sovereign risk premium still trades well above EM peers including Brazil and South Africa, indicating that despite the recent amelioration in risk pricing, a cautious stance toward Turkish assets remains warranted.

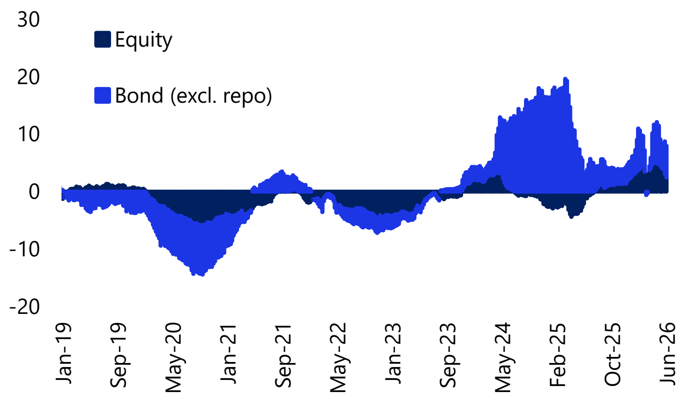
Despite heightened global volatility, domestic residents' FX demand has remained contained. Since early March, residents' FX deposits (adjusted for parity effect and excluding gold) increased by only USD1bn, with the entirety of this increase stemming from corporates. Indeed, over the same period, households reduced their FX holdings by USD2.3bn, while corporates increased FX deposits by USD3.4bn. The composition of recent FX flows suggests that geopolitical angst has not triggered a systemic dollarization trend among domestic residents. Looking ahead, we reckon that easing geopolitical tensions could pave the way for a partial recovery in reserves. Still, domestic developments will remain a key variable shaping investor perception toward TL assets.

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



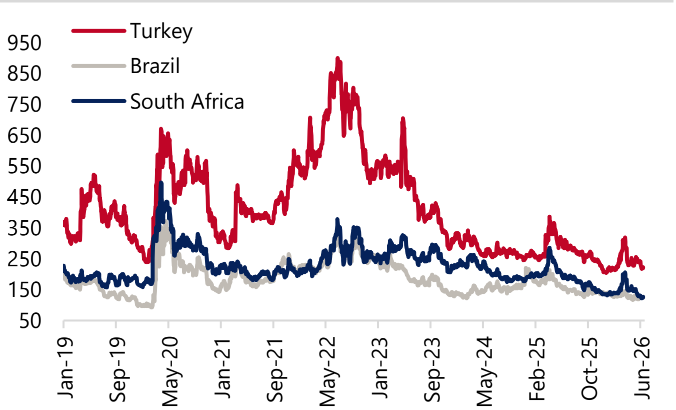
Source: CBT, Tacirler Investment

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



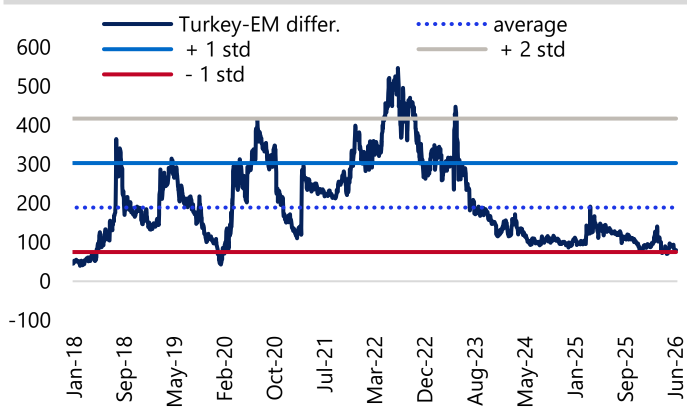
Source: CBT, Tacirler Investment

5y CDS Levels_ Comparison With Selected Countries



Source: Bloomberg, Tacirler Investment

Turkey - EM CDS Difference *(bps)*



Source: Bloomberg, Tacirler Investment

Macro Forecasts

	2022	2023	2024	2025	2026E	2027E
Economic Activity						
Nominal GDP *(TL tn)*	15.3	27.1	44.6	63.0	84.9	108.7
Nominal GDP *(USD tn)*	0.9	1.14	1.36	1.59	1.77	1.87
GDP real growth	5.4%	5.0%	3.3%	3.6%	3.2%	4.0%
External Balance						
Current Account Balance *(USD bn)*	-46.7	-41.8	-13.0	-30.2	-54	-44
Current Account Balance / GDP	-5.2%	-3.7%	-1.0%	-1.9%	-3.0%	-2.3%
Fiscal Dynamics						
Budget Balance *(TL tn)*	-0.14	-1.4	-2.1	-1.8	-2.8	-3.5
Budget Balance / GDP	-0.9%	-5.1%	-4.7%	-2.9%	-3.3%	-3.2%
Prices						
CPI *(eop, %)*	64.3%	64.8%	44.4%	30.8%	28.0%	21.0%
CPI *(average, %)*	72%	53.4%	60%	35.2%	30.6%	23.0%
Policy Rate *(simple, eop, %)*	9%	42.5%	47.5%	38.0%	35.0%	25.0%
USD/TRY *(eop)*	18.7	29.5	35.4	43.0	51.5	62.0
USD/TRY *(average)*	16.6	23.8	32.9	39.6	48.0	58.0
EUR/TRY *(eop)*	20	32.7	36.7	50.6	59.3	72.5
EUR/TRY *(average)*	17.4	25.8	35.6	44.8	55.0	67.5
EUR/USD *(eop)*	1.07	1.10	1.04	1.18	1.15	1.17
EUR/USD *(average)*	1.05	1.08	1.08	1.13	1.15	1.16

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

Model Portfolio and Strategy

Model Portfolio and Strategy

Tacirler Investment Model Portfolio

The Tacirler Investment Model Portfolio we launched in June 2023 has delivered a **nominal return of 252%** over the past three years, while the BIST 100 index rose by 163% during this period. Accordingly, **the Model Portfolio's relative performance against the index since inception indicates a positive return of 34%.** However, over the past year, MP has underperformed the index. The primary reason for this is that certain companies, which exert a substantial influence on the index, are regarded as overvalued and consequently are not favoured by our models.

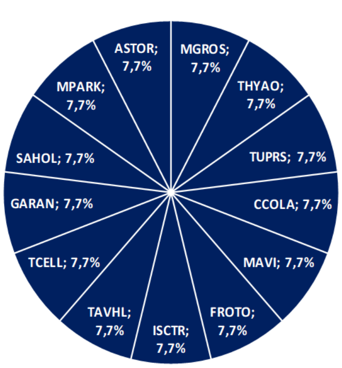
Our model portfolio currently comprises the following companies, listed in order of their respective inclussions: **Migros, Turkish Airlines, Tüpraş, Coca-Cola Beverages, Mavi, Ford Otosan, İşbank (C), Tav Airports, Turkcell, Garanti Bank, Sabancı Holding, MLP Health and Astor Energy.** Please note that we track the companies in our Model Portfolio and their performance on an equally weighted basis.

Company Name	Ticker	Last Price (TL)	12m Target Price (TL)	Return (%)	Upside Potantial (%)	Inclussion Date
Migros	**MGROS**	**₺669,50**	**₺1.039,00**	**287%**	**55%**	**June 6, 2023**
Türk Hava Yolları	**THYAO**	**₺326,00**	**₺414,00**	**103%**	**27%**	**June 6, 2023**
Tüpraş	**TUPRS**	**₺227,50**	**₺352,00**	**327%**	**55%**	**June 6, 2023**
Coca Cola	**CCOLA**	**₺83,05**	**₺103,00**	**137%**	**24%**	**November 27, 2023**
Mavi Giyim	**MAVI**	**₺37,64**	**₺60,80**	**-19%**	**62%**	**August 27, 2024**
Ford Otosan	**FROTO**	**₺84,55**	**₺132,00**	**6%**	**56%**	**August 28, 2024**
İşbank (C)	**ISCTR**	**₺14,81**	**₺23,10**	**22%**	**56%**	**December 24, 2024**
Tav Havalimanları	**TAVHL**	**₺282,25**	**₺430,00**	**0%**	**52%**	**December 24, 2024**
Turkcell	**TCELL**	**₺107,40**	**₺148,00**	**23%**	**38%**	**December 24, 2024**
Garanti	**GARAN**	**₺138,00**	**₺200,00**	**5%**	**45%**	**July 9, 2025**
Sabancı Holding	**SAHOL**	**₺97,50**	**₺183,00**	**17%**	**88%**	**December 26, 2025**
MLP Sağlık	**MPARK**	**₺430,00**	**₺619,00**	**14%**	**44%**	**December 26, 2025**
Astor Enerji	**ASTOR**	**₺276,50**	**₺405,00**	**50%**	**46%**	**February 23, 2026**

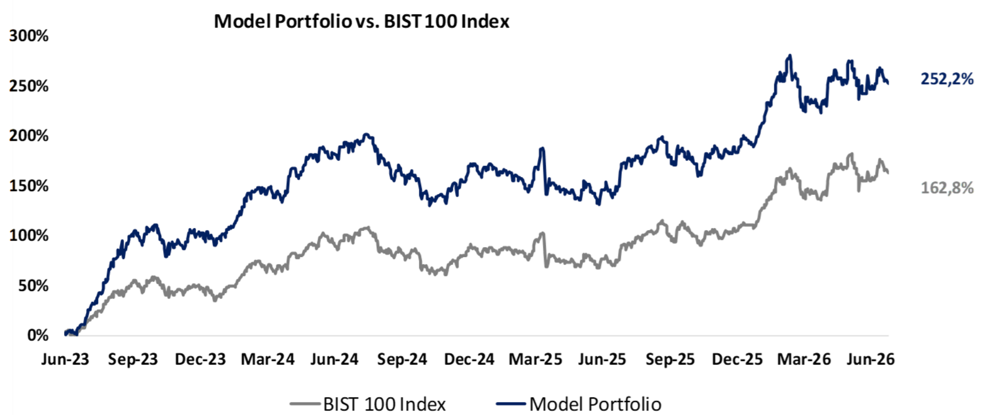
MP Performance, Inception to date (%)	252%
BIST 100 Index Performance (%)	163%
MP / BIST 100 Relative Return (%)	**34%**
MP Performance, Last 12m (%)	31%
BIST 100 Index Performance (%)	40%
MP / BIST 100 Relative Return (%)	**-6%**
MP Perfromance, 2026 (%)	20%
BIST 100 Index Performance (%)	25%
MP / BIST 100 Relative Return (%)	**-4%**

**MP: Tacirler Model Portfolio*

Model Portfolio Weight (%)



Model Portfolio vs. BIST 100 Index



Model Portfolio and Strategy

Our 12-month BIST 100 Index target is 19.800

Currently, we are tracking 32 companies using valuation models within the scope of our research, while we are monitoring nearly 20 more companies with plans to include them in the scope. The companies included in the valuation scope constitute 60% of the BIST 100 index and 72% of the BIST 30 index.

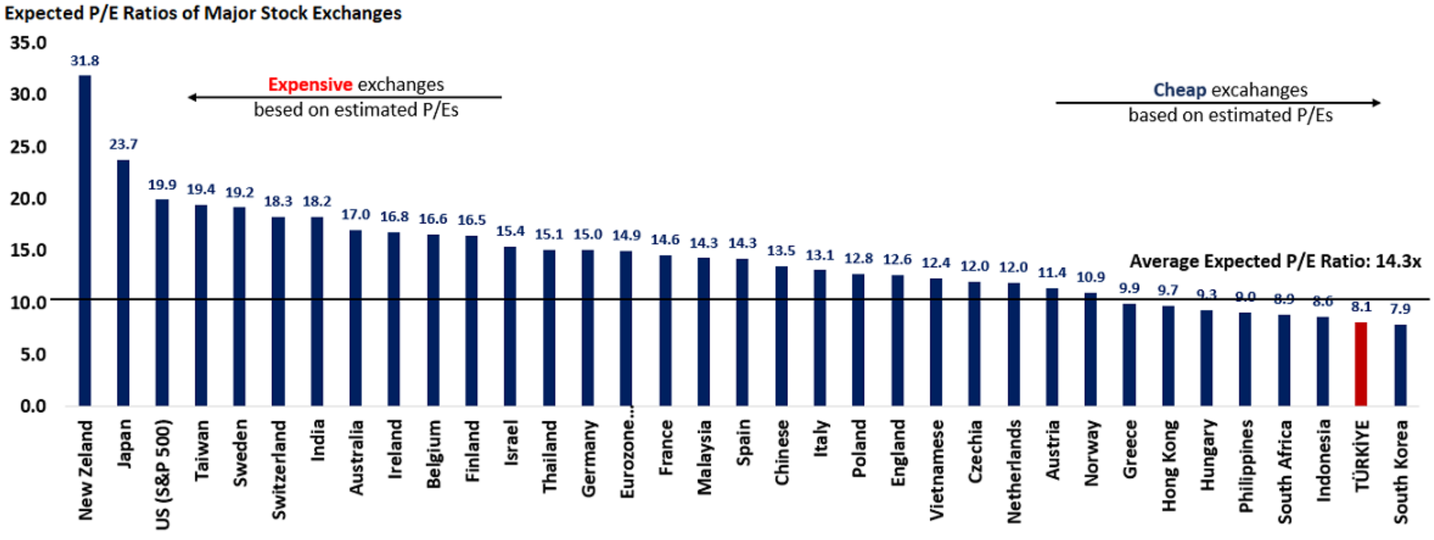
Our BIST 100 index target, calculated based on the target values of the companies in our valuation scope and their potential impact on the index, points to a level of 19,800 over a 12-month horizon and a potential return of 40% on the index. This potential is above the 25% annual CPI rate we forecast for the coming 12-month period and is close to the rates we found in our simulations of average net deposit returns achievable during this period. The average potential return for companies where we forecast above-index returns is around 54%.

BIST and multiple comparisons

The chart below shows the estimated price/earnings ratios for selected developed and developing countries. Borsa Istanbul is one of the stock exchanges with the lowest multipliers globally, trading at an estimated P/E ratio of 8.1x. Although it is necessary to carefully consider companies' expectations for future earnings and the multiples calculated based on these estimated earnings due to inflation accounting, we see that this effect has now normalized.

With the expected easing of inflation and the resulting reduction in inflation accounting effects, comparing the multiples of Turkish companies on a global scale will become more meaningful and efficient in the coming period. However, even when we adjust the data, we believe that the overall picture will not change significantly and that Turkish companies will continue to stand out with their low multiples and high discounts.

Expected P/E Ratios of Major Stock Exchanges



Source: Bloomberg, Tacirler Investment Research

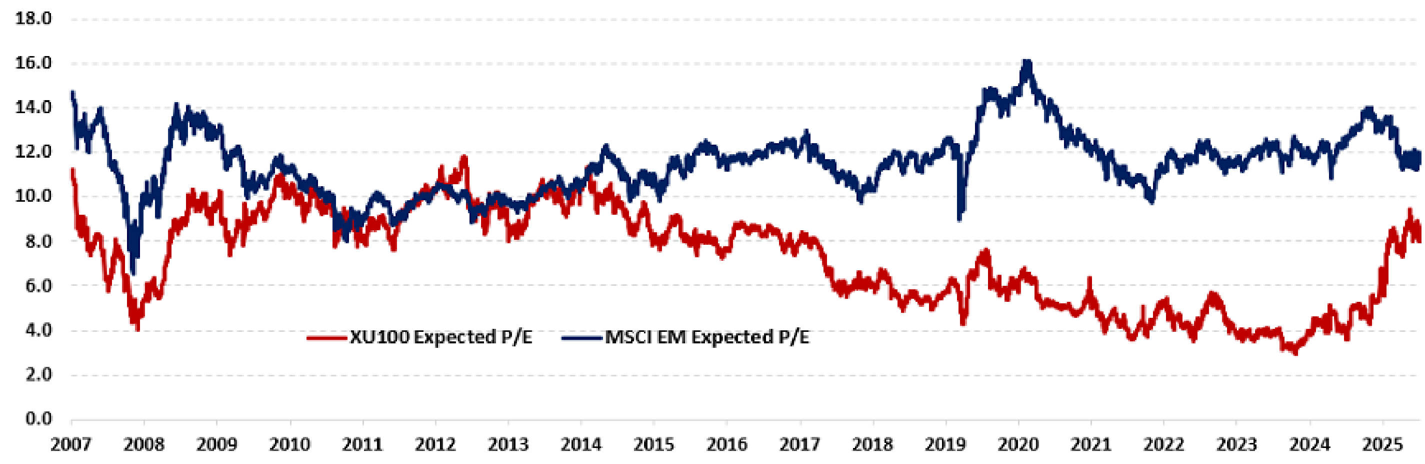
Model Portfolio and Strategy

BIST and multiple comparisons

The first chart below shows the estimated P/E ratios of the BIST 100 index and the MSCI EM (emerging markets) index calculated since 2007. You can see in the graph that the BIST 100 index, which traded at almost the same multiples as the MSCI EM until 2014, subsequently diverged negatively for a long period. Currently, the **BIST's discount rate based on P/E is 31%** (second chart). This rate is lower than the average discount rate of 35% calculated for the period under review, but it still indicates a high discount.

In the begining of 2026, we note that Turkish companies could be traded at higher multiples and lower discounts amid a normalising economy and risk outlook. We expect this to support the BIST 100 index. Although the upward trend in the index's price-to-earnings ratio (indicated by the red line in the chart) suggests a normalisation of multiples, we would like to reiterate that this improvement has not yet been observed across all companies listed on Borsa Istanbul. Nevertheless, we anticipate that the constructive steps we hope from regulatory authorities will lead to a more homogeneous and healthy distribution of the index. During this process, we would see a slight decline in index multiples without a corresponding drop in stock prices and anticipate that the discount rate will find a new equilibrium at more attractive levels.

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

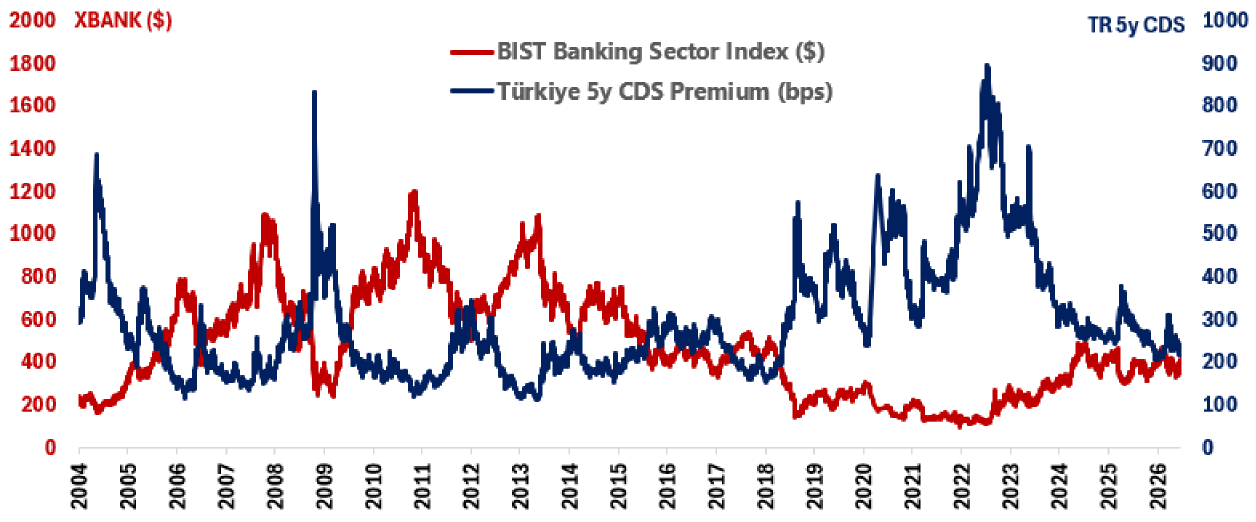
Our forecasts for the end of 2026 point to continued year-on-year growth in banks' equity, total assets and other key metrics above inflation. We expect the CBRT to bring the effective funding rate closer to 37% from 40% in the second half of the year, after which policy rate cuts will resume. We also believe that the decline in CDS spreads and the real appreciation of the Turkish lira will support banks. We estimate that the XBANK Banking Index, which has underperformed the BIST 100 Index by 15% year-to-date but outperformed it by 19% since 22 May, will maintain this momentum through to mid-2027.

We anticipate that the interest rate cuts by the Monetary Policy Committee (MPC) and a decline in Turkey's risk premium in the latter part of 2026, when combined with the recovery in margins we expect, particularly in the final quarter, will support the banks. Following a thorough analysis of the latest financial forecasts, we have established a 12-month target index value of 26,000 for the XBANK Banking Index, based on projected equity growth rates and valuation multiples. This figure indicates a potential upside of approximately 45% relative to the current index value. We expect that **ISCTR, GARAN, VAKBN, TSKB, and ALBRK** will outperform the XBANK Banking Index over the next 12m.

Bank	*Last P.	Target P.	Upside (%)	Rating
AKBNK	77.00	108.50	41%	HOLD
ISCTR	14.81	23.10	56%	BUY
YKBNK	40.14	56.30	40%	HOLD
GARAN	138.00	200.00	45%	BUY
VAKBN	32.72	49.50	51%	BUY
TSKB	11.88	20.10	69%	BUY
HALKB	42.94	53.10	24%	HOLD
ALBRK	8.10	12.40	53%	BUY

** As of 06/30/2026*

The chart below illustrates the relationship between the XBANK Banking Index and TR 5-year CDS spreads in USD. From 2004 to 2018, there was a clear inverse correlation between bank performance and CDS spreads. We believe that with the normalization of monetary policy that began in 2023, this relationship has resumed its normal trend and that this trend will continue. **The disinflation process, along with the expected continuation of interest rate cuts by the Monetary Policy Committee (MPC), and the anticipated improvement in growth dynamics, could lead to a continued improvement in the perception of risk regarding Turkey. In addition to these factors, it is anticipated that Turkey's 5-year CDS spreads will decline to below 200 basis points in the latter half of 2026. However, it is important to acknowledge that the political agenda will play a pivotal role in determining these developments.** It is anticipated that expectations of an improvement in banks' funding costs will emerge as a separate factor supporting banking sector stocks. Should these conditions materialise, we expect the XBANK Banking Index to move towards the $450 level over the next 12 months.



Source: Bloomberg, Tacirler Investment Research

Conglomerates

According to our updated Net Asset Value calculations, Alarko Holding, Doğan Holding, Sabancı Holding and Koç Holding are trading at NAV discounts of 53%, 53%, 51% and 35%, respectively. Throughout 2025, weak risk appetite, limited foreign investor participation and the high interest rate environment caused holding company discounts to remain above their historical averages. As we enter the second half of 2026, we expect a more supportive pricing backdrop for holding companies, supported by the ongoing disinflation trend, the continuation of the rate-cut cycle and a potential improvement in the risk premium.

From a 2H26 perspective, we view holding companies as an attractive opportunity set. While discount narrowing remains the main theme, we believe company-specific catalysts will become increasingly important. For **Koç Holding**, the key focus areas are the potential recovery in Tüpraş, Yapı Kredi and the automotive subsidiaries. For **Sabancı Holding**, portfolio simplification and growth in the energy segment stand out. For **Doğan Holding**, strategic focus, a strong cash position and the potential IPOs of unlisted subsidiaries remain key drivers. For **Alarko Holding**, the full consolidation of Meram, the visible cash flow profile of the electricity distribution business and a simpler portfolio structure continue to be the main themes.

On the macro front, the continuation of rate cuts and gradual easing in financing conditions may support both the valuations of listed subsidiaries and the net profitability outlook of non-bank segments. In addition, a recovery in foreign investor interest and stronger risk appetite could provide an important basis for a gradual narrowing of NAV discounts, which remain above historical averages.

Within our coverage universe, we raise our 12-month target prices to TL32.50 for Doğan Holding, TL337.00 for Koç Holding, TL183.00 for Sabancı Holding and TL170.00 for Alarko Holding. We maintain our "BUY" recommendations for all four holding companies. Sabancı Holding remains in our model portfolio.

Telecommunications

Competition in mobile is slowing, Turkcell is reinforcing its leadership… The impact of the aggressive pricing that Türk Telekom pursued last year in line with its market-share target weakened heading into 2026. The most concrete indicator of this was the mobile number portability (MNP) volume in the BTK Q1'26 data declining 30% quarter-over-quarter to 3.5 million; the race between operators to capture subscribers is losing momentum. Through MNP in the quarter, Turkcell gained approximately 16 thousand and TT Mobil 8 thousand net subscribers, while Vodafone lost 24 thousand subscribers. While mobile market shares by subscriber count stand at 39.3% for Turkcell, 31.8% for TT Mobil and 28.8% for Vodafone, in market share by revenue Turkcell is in the leading position with 40.2% and is increasing its share both quarterly (+0.4 points) and annually (+0.3 points). In monthly revenue per subscriber, Turkcell also has the highest in the sector at TRY 355.5 (Vodafone TRY 336, TT Mobil TRY 260.1). Subscriber churn rates likewise confirm the rationalizing environment: as of March 2026, churn stood at 1.5% for TT Mobil, 1.6% for Turkcell and 2.0% for Vodafone. Because both major operators are in a 5G-driven intensive investment/payment cycle, we think this rationalization will continue and pricing discipline will be maintained.

The 5G era has begun; investment intensity and device renewal offer a structural growth opportunity… In Türkiye, 5G was launched on 31 March 2026 and, as of 1 April, was made available in service across all provincial centers. This is the most important catalyst that will drive growth on the mobile side of the sector in the period ahead. According to BTK data, the total investment of the four major operators in the quarter jumped to TRY 255 billion, also driven by 5G license payments. In 2025 annual mobile investment, Turkcell was the sector's highest investor with TRY 40.3 billion, and this supports its capability to carry its frequency/capacity advantage into the field. Two structural conclusions highlighted by the report are noteworthy: first, the postpaid subscriber ratio rose from 78.8% to 82.9% over one year, pointing to a shift that improves revenue quality; second, with the number of 4.5G-compatible devices at 81.8 million while the number of subscribers actively using it remained at 76.9 million, this indicates significant device-renewal and ARPU-uplift potential alongside the transition to 5G. In a market where mobile penetration has exceeded 100% (100.3%) and Türkiye ranks first in Europe in average monthly usage time, we expect growth to shift from subscriber count toward the value-based side (ARPU and data/digital services), with 5G serving as the main locomotive of this transformation.

Energy

The energy sector experienced a notably divergent first half of 2026 across its sub-segments. While growth continued in electricity demand and installed capacity, strong hydroelectric generation, rising solar and wind-based output, and the declining share of natural gas plants in generation, particularly in the second quarter, created downward pressure on electricity prices. Against this backdrop, the sharp decline in market clearing prices weighed on electricity producers. In contrast, strong product margins on the refinery side and the positive impact of energy transition, grid investments, renewable capacity additions and export potential on equipment manufacturers supported positive differentiation.

On the electricity side, although demand growth remained intact in the first half of the year, pricing pressure persisted. In April 2026, Turkey's total electricity consumption increased by 2.7% YoY to 27.5 million MWh, while declining by 5.8% MoM. The average market clearing price stood at USD 24/MWh in April, down 63.4% YoY and 39% MoM. The pressure became more pronounced in May, as total electricity generation declined from 28.1 TWh in April to 26.8 TWh. The average market clearing price stood at TL 591/MWh in May, down 35.8% MoM and 76% YoY. In USD terms, the average market clearing price fell from USD 20.6/MWh in April to USD 12.9/MWh in May, marking a 79.6% YoY decline.

The change in the generation mix has been the key driver behind the decline in prices. As of May 2026, Turkey's total installed capacity increased to 125.5 thousand MW, up by around 4.9% compared to 119.7 thousand MW in May 2025. Renewables accounted for 62.5% of installed capacity, with hydroelectric plants representing 25.7%, solar plants 21.4% and wind plants 12.0%. On the generation side, the share of renewables rose from 70.5% in April to 73.2% in May, reaching its highest level since 2024.

For conventional electricity producers, the first half of the year was more challenging. BOTAŞ's increase in the natural gas tariff for electricity generation in April brought cost pressures to the forefront for natural gas plants, while strong renewable output limited the production share of natural gas and imported coal plants. In April, natural gas' share in generation declined to 8.69%, down 9.4 percentage points YoY, while the share of imported coal fell to 9.7%, down 7.2 percentage points YoY. In May, the decline in thermal plants' share of total generation to 26.8% showed that renewable resources had become increasingly dominant in electricity generation. Therefore, we believe the balance between market clearing prices, fuel costs and capacity utilization rates will be critical for conventional producers in the second half of the year.

The Iran-Israel conflict and supply security concerns related to the Strait of Hormuz are increasing volatility in energy prices. While Brent crude oil and natural gas prices have risen, diesel and jet fuel margins at Tüpraş continue to remain strong, while gasoline margins have strengthened noticeably. This outlook may continue to support the company's operational performance in the second half of the year through middle distillate margins, inventory gains and strong cash generation.

In the renewable energy sector, long-term growth remains intact, while short-term pricing pressure and grid flexibility stand out as key themes. Solar and wind investments, together with storage projects, continue to support the sector, while portfolio diversification and effective price management become more critical during periods of low electricity prices. Therefore, in company valuations, electricity prices and cost structures will be as influential as production volumes.

Energy equipment manufacturers, meanwhile, continue to differentiate positively thanks to demand driven by renewable energy investments, grid modernization, data centers and electrification. Accordingly, our view on the energy sector is balanced but selectively positive, and we see refineries and equipment manufacturers exposed to energy transition as being in an advantageous position.

Automotive

The automotive sector completed the first half of 2026 with a weaker demand outlook compared to the expectations at the beginning of the year. While the domestic market remained relatively resilient in the early months of the year, the high interest rate environment, tight financing conditions, fading pull-forward demand and weaker consumer confidence created more visible pressure on sales volumes as of the second quarter. According to data from the Automotive Distributors and Mobility Association, the passenger car and light commercial vehicle market contracted by 22.55% YoY in May to 83,442 units. In the January-May period, the total market declined by 7.40% to 453,138 units, while passenger car sales fell by 9.65% and the light commercial vehicle market remained relatively more resilient with a 1.94% increase.

Production and exports also remained weak in the first half of the year. According to data from the Automotive Manufacturers Association, total automotive production declined by 10% YoY in the January-May period to 538.7 thousand units, while the decline in passenger car production was more pronounced at 20%. In contrast, commercial vehicle production increased by 6%, positively differentiating within the sector. On the export side, total volumes fell by 15% to 373.8 thousand units, while passenger car exports declined by 29%. Commercial vehicle exports, however, increased by 5% and maintained their balancing role. The lower number of working days in May compared to last year also created additional pressure on production and export volumes.

On a company basis, **FROTO** and **DOAS**, which are under our coverage, stand out with different investment stories. For **FROTO**, its export-oriented structure, commercial vehicle-heavy product mix and positioning in the European market continue to support the long-term outlook. That said, weakness in the domestic market and volatility in European demand are creating pressure on short-term results. While the dividend announced by the company during the year was viewed as limited by the market, we believe a potential additional dividend in the second half of the year could support pricing, considering the company's strong cash generation and its distribution policy in previous years.

For **DOAS**, the contraction in the domestic market remains the main short-term pressure point, while its strong brand mix, premium segment perception and dividend story stand out as supportive factors for the stock. The fact that the company has already distributed the first dividend installment and that the remaining installment will be paid in August acts as a partial buffer for pricing in a weak demand environment.

For **TOASO**, which is not under our coverage but is closely monitored, the Stellantis story has been the main pricing factor since last year. The contribution of Stellantis brands has strengthened the company's market position, while high-base growth was reflected in the financials in previous quarters. Although we expect this contribution to partially continue in the second quarter, growth performance on a now-normalized base will be monitored more closely in the second half of the year. As for KARSN, despite the challenging sector outlook, we continue to closely monitor the company due to its electric and autonomous vehicle-focused growth story and management's decision to maintain its year-end guidance.

The outlook on the tractor side remains weak. TTRAK, which is under our coverage, maintains its market leadership, but the contraction in the tractor market has been weighing on its financials for some time. We also closely monitor TMSN in this context. In our previous report, we had emphasized that the weak market conditions that became more visible in 2025 would continue in 2026, and the first-half realizations were in line with this expectation. Due to high interest rates, pressure on agricultural income, difficulties in accessing financing and postponed investment demand, we do not see a strong recovery signal in the tractor market for the second half of the year either.

Overall, as we enter the second half of the year, we view the automotive sector with a cautious but selective stance. While the high base in the domestic market, tight financing conditions and weakening demand are likely to continue creating pressure, potential rate cuts and a gradual improvement in credit conditions may provide limited support toward the final part of the year. On the company side, we separately monitor **FROTO** with its export and commercial vehicle focus, **DOAS** with its brand perception and dividend yield, **TOASO** with its strengthened market position supported by the Stellantis contribution, **KARSN** with its electric vehicle story, and **TTRAK** with its leadership in the tractor market.

Aviation

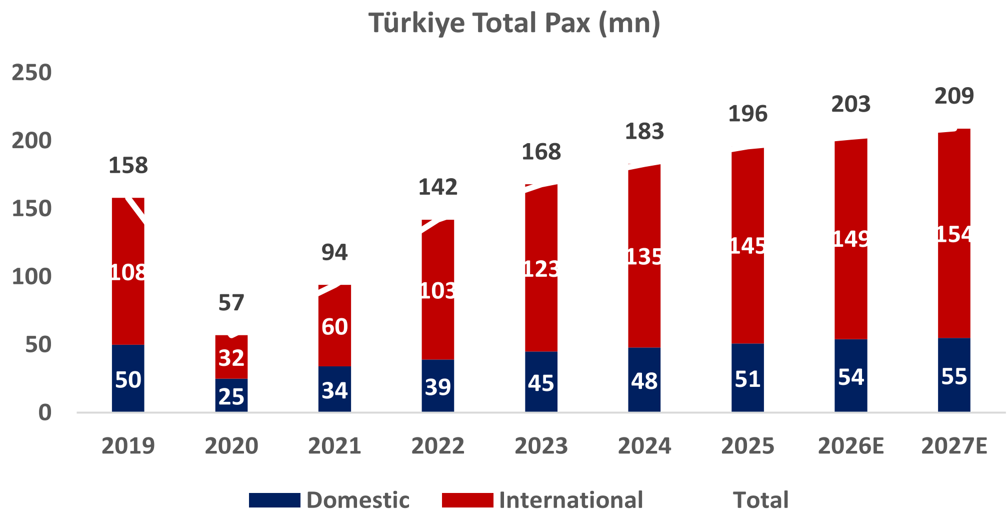
The aviation sector completed the first half of 2026 below the balanced expectations set at the beginning of the year, with pressures becoming more visible particularly in the second quarter. While passenger traffic remained relatively resilient in the early months of the year, rising geopolitical risks due to the Iran-Israel war, weakness on Middle East-linked routes, higher fuel costs and a slowdown in tourism demand weighed on the sector outlook. April and May data pointed not to a sharp deterioration in total passenger traffic, but rather to a loss of momentum mainly in international routes and diverging performances among companies. Therefore, we view the first half of the year for the aviation sector as a period in which demand did not weaken completely, but the profitability outlook became more cautiously assessed due to cost pressures, route-based slowdown and regional risks. We remain cautious on the outlook for the second half of the year. From a long-term perspective, however, we reiterate that the sector's potential remains intact.

Among **THYAO**, **PGSUS** and **TAVHL**, which are under our coverage, we see Turkish Airlines displaying a more balanced outlook. **THYAO** increased its total passenger count by 3.7% YoY in May to 7.9 million, while its passenger load factor rose by 2.9 percentage points to 84.0%. In the same period, cargo volume also increased by 8.6% YoY to 203 thousand tons. Despite a 40.6% YoY contraction in Middle East passenger numbers, the stronger performance on Far East, Europe and Africa routes supported total passenger growth. In this context, we believe **THYAO** is in a more resilient position within the sector, supported by its broad flight network, geographic diversification and cargo contribution.

The outlook for **Pegasus** remains more pressured. The company's total passenger count declined by 2.6% YoY in May to 3.53 million, while its load factor fell by 3.0 percentage points to 82.9%. Despite growth of more than 15% in domestic routes, the nearly 13% contraction in international passenger numbers weighed on overall performance. Although Pegasus' low-cost business model provides an efficiency advantage in the long term, rising fuel costs, weaker international demand and pressure on Middle East-linked routes make operating profitability more sensitive in the short term. **Therefore, we believe the recovery for PGSUS could be more limited and gradual compared to THYAO.**

For TAVHL, geographic diversification remains an important advantage, yet pressure on passenger traffic became more visible in May. The company's total passenger count declined by 1.3% YoY in May to 10.0 million. Domestic passenger traffic increased by 7.6% to 3.3 million, while international passenger traffic declined by 5.3% to 6.7 million, limiting total growth. On an airport basis, declines of 5% in Antalya, 22% in Madinah and 7% in Georgia were the main sources of pressure, while increases in Izmir, Ankara and North Macedonia limited the overall contraction. Although the 2% YoY increase in total passenger traffic to 36.7 million in the January-May period is positive, we closely monitor the weakness in Antalya and international traffic ahead of the main season.

Table: Türkiye Market Development



Source: State Airports Authority (DHMI), Turkish Airlines presentation

Defence

The defense industry maintained the strong sector outlook carried over from 2025 in the first half of 2026, while pricing became more selective, with company-specific differentiation coming to the forefront. Since the beginning of the year, the Iran-Israel war, rising geopolitical tensions in the Middle East, the ongoing Russia-Ukraine war, the upward trend in NATO and Europe-led defense spending, and regional security concerns have kept interest in the sector alive. However, in the first half of the year, we observed that companies differentiating themselves not only through geopolitical headlines, but also through order size, export capability, profitability outlook and asset quality, stood out more clearly. In this context, sector leader **ASELSAN** continues to be the clearest positive outlier within the defense industry, supported by its strong fundamentals and ongoing contract flow.

The export-oriented growth trend in the Turkish defense industry also continued in the first half of the year. The strong increase in sector exports shows that Turkey maintains its competitiveness in global markets and that international demand for domestic defense solutions continues to strengthen. This outlook points not only to a temporary demand increase driven by short-term geopolitical risks, but also to a more structural growth process supported by domestic production capabilities, a high value-added product portfolio, engineering competence and expanding international partnerships. In particular, radar, electronic warfare, communications, air defense, electro-optical systems, payloads for unmanned systems and guided munition solutions show that **the Turkish defense industry is shifting toward a more technology-intensive export product mix.**

Globally, the upward trend in defense spending also remains supportive for the sector. European countries' need to strengthen their defense capabilities after the Russia-Ukraine war, NATO's higher defense spending targets, the U.S. pressure on Europe for greater burden sharing, and security risks originating from the Middle East continue to keep the medium-term demand outlook strong for the defense industry. On the other hand, the re-emergence of diplomatic channels in the Middle East in mid-June and the partial easing of tensions created limited volatility in prices that had been moving with a war premium in the short term. However, we believe the main investment theme in the defense industry is not limited to active conflict risks. Long-term budget increases, modernization needs, and ongoing structural demand in areas such as air defense systems, electronic warfare, communications, cybersecurity and unmanned systems should continue to support the sector outlook.

Although **ASELSAN** is the only defense company under our coverage, we also closely monitor companies such as **OTKAR**, **PAPIL**, **SDTTR**, **ALTNY**, **ONRYT**, **KATMR** and **PATEK** on Borsa Istanbul. While positive news flow continued across the sector in the first half of the year, there are significant differences between companies in terms of operational and financial structure. Therefore, we expect the sector's growth dynamics to remain intact in the second half of the year, while selective differentiation in pricing continues.

Looking specifically at **ASELSAN**, we see that the company made a strong start to 2026. Real revenue growth in the first quarter, improvement in the EBITDA margin, increasing export contracts and a backlog exceeding **21 billion USD** provide strong revenue visibility for the company. ÇELİKKUBBE, radar, electronic warfare, military communications, AI-supported security, electro-optical and guided munition systems stand out as high-technology areas driving the company's growth. Capacity investments, rising R&D expenditures and efficiency programs also support its long-term growth potential.

Our expectation for the second half of the year is that the growth theme in the defense industry will remain intact, while pricing will continue to progress selectively, similar to the first half. A decline in geopolitical tensions may limit the short-term impact of news flow on the sector. However, the current order backlog, export potential, NATO and Europe-driven defense spending, and global demand in air defense and electronic warfare should continue to support the sector's medium-term outlook. Thanks to its strong backlog, high-technology-focused product portfolio, FX-denominated contract structure and ongoing new business wins, **ASELSAN** is likely to maintain its leadership across the sector in the remainder of the year.

Retail

As we enter the second half of 2026, we maintain a cautious but selectively positive view on the retail sector. While the high interest rate environment, weakening purchasing power and intense promotional activity continue to weigh on demand, consumer behavior is becoming more price-oriented and selective. The continuation of real growth in retail sales volume in the first half of the year suggests that demand has not fully deteriorated; however, a more cautious outlook has emerged in discretionary spending. Therefore, in the second half of the year, differentiation among companies will be driven less by pricing power and more by inventory discipline, store efficiency, cost control, online channel penetration and sensitivity to financing costs.

If the disinflation process continues and rate cuts become gradually more visible, we believe a more supportive backdrop may emerge for consumer confidence and net profitability. That said, we do not expect a rapid acceleration in consumption appetite due to elevated price levels, the fading impact of wage increases later in the year and continued pressure on household budgets. In this context, we expect growth to become more balanced, while competition is likely to continue around pricing, campaign management and efficiency.

Food retail and value-oriented consumption business models continue to offer a relatively more defensive outlook. For **MGROS,** the strong store network, multi-format structure, high online channel penetration and efficiency investments support the growth outlook. For **BIMAS**, the discount retail model, high store traffic, strong cash generation and high private-label product share provide a competitive advantage during periods of increased price sensitivity. For **TABGD,** the leading position in the quick-service restaurant segment, broad brand portfolio, franchise-heavy growth model and digital channels stand out as the main factors supporting the company.

In apparel and technology retail, we prefer a more selective approach. At **Mavi,** the strong brand positioning, healthy inventory structure, high gross profitability and net cash position support our investment view. At **Koton**, we view margin improvement, inventory discipline and free cash flow generation positively. For **Desa,** the niche business model, high gross profitability profile and medium-term growth potential through exports and Italy-based production stand out. At **Teknosa,** we believe operational efficiency initiatives are bearing fruit, although normalization in financing expenses and credit card commission costs remains key for a return to net profitability.

Against this backdrop, we believe the main catalysts for retail companies in 2H26 will be market share gains, inventory and cost discipline, digital channel growth, store efficiency and normalization in financing costs. Regulatory pricing pressure, promotional competition, volatility in food inflation, weaker-than-expected consumer demand and persistently high financing costs should be monitored as the key risks.

We maintain our "BUY" recommendations for Mavi, Koton, Desa and Teknosa, while Mavi remains in our model portfolio.

With this outlook report, we remove Suwen from our coverage universe.

White Goods

Weak demand conditions continued to weigh on the sector outlook in the first half of 2026… High financing costs and pressure on household purchasing power limited domestic demand for durable goods, while weak demand in key export markets, particularly Europe, put pressure on production and export volumes. In the January–May period, domestic sales recorded a limited contraction, whereas the more pronounced decline in exports and production stood out as the main pressure points for the sector. This indicates that, rather than strong volume growth, adapting to weak demand conditions and managing costs were the key themes for the white goods sector in the first half of 2026.

We expect gradual normalization rather than a strong recovery in the second half of the year… The downward trend in inflation and the expected easing in financial conditions in the remainder of the year may support demand for white goods, which is sensitive to consumer financing conditions. However, due to elevated price levels, fragile consumer confidence and continued pressure on household budgets, we expect the recovery in domestic demand to be gradual rather than rapid. On the export side, weak European demand remains the key risk factor. Against this backdrop, we expect only a limited improvement in exports in the second half of the year, driven by a gradual stabilization in demand conditions across key markets rather than a sharp recovery.

Cost control, pricing discipline and company-specific efficiency measures will be key for the margin outlook… The trajectory of raw material, energy, labor and logistics costs will continue to be decisive for profitability, while weak volume growth limits the positive impact of operating leverage. Therefore, pricing discipline, inventory management, cost optimization and operational efficiency measures will remain important for protecting margins. On a company-specific basis, ARCLK's full control of Beko Europe is positive in terms of creating a simpler and more efficient management structure across its European operations. For VESTL and VESBE, given their export-oriented business models, European demand, capacity utilization, price competition and cost control will remain the key drivers of operational performance.

Alarko Holding

We continue to view Alarko Holding as one of our preferred holding companies within our coverage universe. Although profitability in non-energy segments remains below targeted levels in the short term, we assess the Alarko investment case through the lens of portfolio transformation, increasing visibility in the electricity distribution business and medium- to long-term value creation, rather than short-term financial results. Following the inclusion of Panel GES in our NAV model and valuation updates for unlisted subsidiaries, we raise our 12-month target price from TL155.00 to TL170.00 and maintain our "BUY" recommendation. Our target price implies %58 upside potential based on the latest closing price.

Portfolio transformation supports a shift toward a simpler and more predictable structure. Over the past two years, Alarko has been transitioning toward a more disciplined, transparent and defensive holding structure based on more selective capital allocation. Upon completion of the asset swap process with Cengiz Holding, CENAL is expected to be fully transferred to Cengiz Holding, while Meram Elektrik Dağıtım and its subsidiaries are expected to be consolidated under Alarko. We believe this structure should provide Alarko with more predictable cash flow, higher financial transparency and a simpler portfolio profile.

Electricity distribution stands out as the main value creation area in the new period. Following the full consolidation of Meram, we expect the distribution business to assume a more central role within Alarko's portfolio. The expected increase in the regulated asset base from TL14.8bn in 2020 to TL32.4bn in 2025 and TL67.8bn in 2030 improves the segment's cash flow visibility. Higher investments expected during the fifth implementation period and the increase in the real reasonable rate of return may also support the medium-term profitability of the distribution business.

The outlook in non-energy segments remains mixed, but the transformation story remains intact. Performance in contracting, land development, tourism, and industry and trade segments is still below targeted levels. In agriculture, while revenue growth continues, operational profitability remains under pressure due to rising labor and financing costs. Therefore, we view 2026 more as a transition year in which the new portfolio structure takes shape and lays the groundwork for value creation beyond 2027, rather than a period in which the transformation is fully reflected in financials.

We expect visibility in agriculture and new business lines to increase from 2027 onward. In agriculture, the greenhouse investments in Türkiye and Kazakhstan, the EUR-based sales structure and the maturation of existing capacity are important for medium-term value creation. That said, rising costs have led management to adopt a more cautious stance toward new large-scale investments, suggesting that near-term growth will be driven more by efficiency gains from existing capacity.

ALARK — BUY

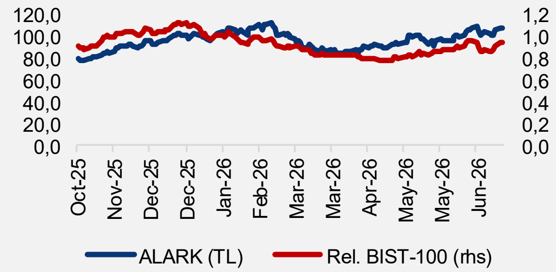
Target Price	**TL 170**
Return potential	**58%**

Share Data

Ticker:	**ALARK**
Share price (as of 30.06.2026)	107,70
Share price (52 week range)	74 / 112
Market cap. (TL mn - USD mn)	44.911 - 964
# of shares (mn) & free float	417 - 34%
Foreign Ownership Rate	11%
Market	Star
Industry	Conglomerates

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	13,1	12,9	17,7

Price performance	**1M**	**3M**	**Y-t-D**
TL	12%	27%	9%
USD	10%	21%	0%
Rel. to BIST-100	8%	14%	-13%



Alarko Holding – NAV Table

	Valuation	Total Valıe (mn TL)	Holding Stake (%)	to Alarko (mn TL)	% of NAV	Target MCAP	to Alarko (mn TL)	% of NAV
Contracting				**4.400**			**5.654**	
Alsim	Book Value	4.400	100%	4.400	5%	5.654	5.654	5%
Real Estate				**8.230**			**10.576**	
ALGYO	Mcap	7.993	51%	4.076	4%	10.271	5.238	4%
Holding Arsası	Valuation x0.75	4.154	100%	4.154	4%	5.338	5.338	4%
Energy								
ALCEN				**73.995**			**95.084**	
Karabiga PP	5,0x EV/EBITDA	52.925	50%	26.463	28%	68.009	34.004	28%
Meram	5,0x EV/EBITDA	95.065	50%	47.533	50%	122.159	61.079	49%
ALTEK				**2.497**			**3.209**	
Karakuz HEP	Multiples	1.687	100%	1.687	2%	2.168	2.168	2%
Gonen HEP	Multiples	244	100%	244	0%	314	314	0%
Panel GES	Multiples	1.132	50%	566	1%	1.455	727	1%
Industry				**1.179**			**1.515**	
ALCAR	0.75x EV/Sales	2.741	43%	1.179	1%	3.522	1.515	1%
Tourism				**4.140**			**5.320**	
ATTAS	9,0x EV/EBITDA	4.140	100%	4.140	4%	5.320	5.320	4%
Agriculture				**6.660**			**8.558**	
Alarko Tarım	Book Value	6.660	100%	6.660	7%	8.558	8.558	7%
				Current NAV			**Target NAV**	
Listed				5.255			6.753	
Unlisted				95.846			123.162	
NAV				94.612			123.426	
Mcap				44.828			44.828	
Prem. / Disc. (%)				**-53%**			**-64%**	
Holding discount							**-40%**	
Target Mcap							74.055	
12M Target Price							**170**	
Current Price							**108**	
Potential (%)							**58%**	

Source: Tacirler Investment, Alarko, Matriks
**30/06//2026 closings

Arçelik

We revise our 12-month target price for Arçelik from TL153 per share to TL141 per share and maintain our "HOLD" recommendation. Although our updated target price implies 42% upside potential, we maintain our HOLD recommendation due to our expectation that the operational recovery will be gradual, while weak demand conditions and elevated financial expenses are likely to continue weighing on net profitability. The revision in our target price mainly reflects our more cautious sales growth assumptions for 2026, our view that the recovery in the European market will remain limited, and our net loss expectation for the year. In our model, we forecast 2026 net sales of TL617.05bn, EBITDA of approximately TL40.4bn, an EBITDA margin of 6.5%, and a net loss of TL3.1bn.

Company guidance suggests that margin management will be more important than volume growth in the second half of 2026… In its updated 2026 guidance, Arçelik expects revenues in Türkiye to remain flat, while it revised its international revenue outlook from "low single-digit growth" to "flat." Despite this more cautious sales outlook, the company maintained its adjusted EBITDA margin guidance at 6.25–6.50%, net working capital/sales guidance at around 22%, and capex guidance at approximately EUR250mn. This outlook indicates that cost control, inventory management and efficiency measures in European operations will be more decisive for profitability in the second half of the year, rather than a strong recovery in volumes.

Despite weak demand conditions, we see limited room for improvement in operational profitability… 1Q26 financials indicate that pressure on sales continued, while the company was able to support its margin outlook through cost control and efficiency actions. For the remainder of the year, we expect the rate-cut cycle to provide limited support to domestic demand, while the recovery in international markets is likely to be more gradual. Therefore, in the second half of 2026, we expect profitability preservation, opex discipline and working capital management to take priority over sales growth.

Full ownership of Beko Europe supports the long-term strategic outlook… Arçelik's acquisition of Whirlpool EMEA's remaining stake in Beko Europe, which will make Arçelik the sole owner of Beko Europe, is positive in terms of simplifying decision-making processes and improving integration capabilities across European operations. The transaction may support a more integrated management structure across production, sales and marketing activities, while also contributing to cost synergies and operational efficiency over the medium term. Although weak European demand, price competition and financial expenses remain downside risks in the short term, we believe the simplified organizational structure and scale advantages could support the margin outlook over the medium to long term.

ARCLK	HOLD
Target Price	TL 141
Return potential	42%

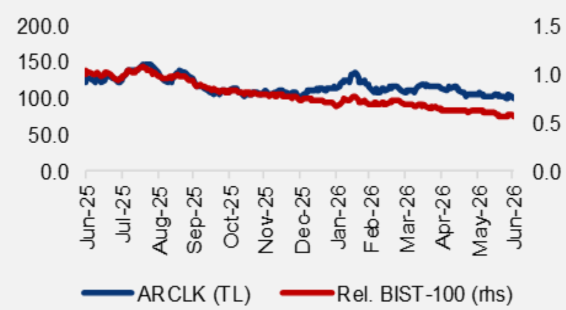
Share Data	
Ticker:	ARCLK TI
Share price (as of 30.06.2026)	99.35
Share price (52 week range)	99.4 / 145.8
Market cap. (TL mn - USD mn)	67133.6 - 1441.4
# of shares (mn) & free float	675.7 - 18%
Foreign Ownership Rate	14.78%
Market	Star
Industry	White Goods

Avg. trading volume	1M	3M	12M
USD mn	4.4	5.6	7.8

Price performance	1M	3M	Y-t-D
TL	-4%	-8%	-2%
USD	-6%	-12%	-10%
Rel. to BIST-100	-7%	-18%	-22%

Forecasts (TL mn)	2024	2025	2026E
Revenues	617,256	576,537	617,054
EBITDA	32,116	33,284	40,413
Net Earnings	2,433	-9,195	-3,173

Valuation	2024	2025	2026E
P/E	27.6x	-	n.m.
P/BV	0.7x	0.9x	0.9x
EV/EBITDA	7.5x	7.3x	6.0x



Arçelik – Summary

Balance Sheet	2024	2025	2026E
Cash	73,192	107,651	41,023
Accounts receivables	133,847	128,321	126,792
Inventory	103,306	99,014	107,005
Financial investments	0	0	0
Fixed assets	183,110	178,872	196,760
Other non-current assets	79,407	84,244	91,069
Total assets	572,861	598,103	562,648
Short-term financial loans	89,685	162,803	131,333
Accounts payables	147,476	143,452	147,884
Long-term financial loans	109,144	96,780	96,488
Other long-term payables	129,807	117,610	112,658
Non-current liabilities	**476,112**	**520,645**	**488,362**
Shareholders' equity	**96,749**	**77,458**	**74,285**
Paid in Capital	**744**	**676**	**676**
Other Equity	96,005	76,782	73,610
Total liabilities & equity	**572,861**	**598,103**	**562,648**
Net debt	125,637	151,932	186,798
Net working capital	89,677	83,884	85,913

Per share (TL)			
EPS	3.60	-13.61	-4.69
BVPS	143.18	114.63	109.93
DPS	-2.40	-1.66	0.00

Ratios			
Profitability			
ROE	2.7%	-10.6%	-4.2%
Net margin	0.4%	-1.6%	-0.5%
Asset turnover	1.3x	1.0x	1.1x
Leverage	5.2x	6.7x	7.6x
ROA	0.5%	-1.6%	-0.5%
Leverage			
Financial debt/Total assets	35%	43%	40%
Net debt/Equity	1.30	1.96	2.51
Net debt/EBITDA	3.91	4.56	4.62

Income statement	2024	2025	2026E
Revenues	**617,256**	**576,537**	**617,054**
Gross Profit	170,107	165,933	178,211
Operating expenses	-161,829	-158,236	-169,066
Operating profit	8,278	7,698	9,146
EBITDA	**32,116**	**33,284**	**40,413**
Other income, net	1,981	3,850	3,504
Financial income, net	-13,594	-16,552	-15,653
Earnings before taxes	-2,320	-5,212	-3,233
Tax expense	-860	-5,571	-1,131
Net earnings	**2,433**	**-9,195**	**-3,173**

Cashflow statement			
EBITDA	**32,116**	**33,284**	**40,413**
Taxes on EBIT	-937	-5,571	-1,131
Capital expenditures	-4,081	-19,705	-14,192
Chg. in NWC	569	-5,793	2,030
Free cashflows to firm	**3,171**	**13,800**	**23,060**

Growth & margins			
Revenues	51%	-7%	7%
EBITDA	-1%	4%	21%
Net earnings	-89%	-478%	-65%
Gross margin	27.6%	28.8%	28.9%
Operating margin	1.3%	1.3%	1.5%
EBITDA margin	5.2%	5.8%	6.5%
Net margin	0.4%	-1.6%	-0.5%
Free cashflow margin	0.5%	2.4%	3.7%

Valuation			
P/E	27.6x	-	n.m.
P/BV	0.7x	0.87x	0.90x
EV/EBITDA	7.5x	7.3x	6.0x

Source: Company Data, Tacirler Investment

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

**The figures in the table have been adjusted for inflation.

ASELSAN

ASELSAN delivered a strong performance in the first half of the year as the leading player in the defense industry, while the Iran-Israel tension, the ongoing Russia-Ukraine war, expectations of higher NATO and Europe-driven defense spending, and regional security developments continued to support the company's investment theme. Strong order flow and its export-oriented growth structure keep the operational outlook solid, and despite the strong share price performance recorded since the beginning of the year, we believe any periodic pullbacks in the stock should be viewed as a healthy rebalancing process rather than a deterioration in the underlying story. While we maintain our positive view on ASELSAN's leading position in the defense industry, high backlog visibility and long-term growth potential, we also take into account the strong recent share price performance and therefore maintain our 12-month target price of TL 452 per share and our "HOLD" recommendation. In the upcoming period, we will continue to reassess our target price and recommendation depending on quarterly financial results and new contract flow.

The strong picture in terms of order visibility was maintained in the second quarter of the year as well. As of 1Q26, backlog increased by 39% YoY to USD 20.7 billion, while new contracts signed in the first quarter amounted to USD 1.3 billion. The fact that USD 629 million of this amount consisted of export contracts supported the company's FX-based revenue generation and its position in international markets. In the second quarter, new business flow announced particularly in June stood out. Contracts worth USD 845 million for public safety communications, satellite and space systems, together with contracts worth USD 271.5 million for radar and communication systems, brought the new business volume announced in June alone to over USD 1.1 billion. This outlook indicates that the company will enter the second half of the year with a strong order portfolio and high revenue visibility.

We believe the main themes for ASELSAN in the second half of the year will continue to be its strong backlog, ongoing new business wins, export-side growth and high-technology investments. The financial results and new contract flow announced in the first half show that the company's growth story is supported not only by its existing order backlog, but also by capacity expansion, R&D capabilities and technology-focused investments. Management's 2026 guidance of more than 10% revenue growth, an EBITDA margin above 24% and investment expenditures exceeding TL 50 billion also supports this outlook. In this context, we continue to keep ASELSAN among the companies we like. That said, following the strong share price performance since the beginning of the year, we maintain our target price and recommendation at this stage, and plan to reassess them in the coming quarters depending on financial results and new contract flow.

ASELS	HOLD
Target Price	**TL 452**
Return potential	**31%**

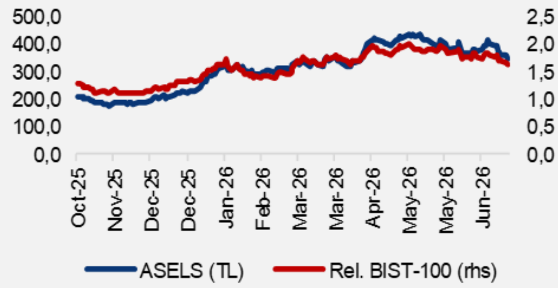
Share Data	
Ticker:	**ASELS TI**
Share price (as of 30.06.2026)	345,00
Share price (52 week range)	145 / 434
Market cap. (TL mn - USD mn)	1.573.200 - 33.778
# of shares (mn) & free float	4.560 - 26%
Foreign Ownership Rate	51.42%
Market	Star
Industry	Defence Industry

Avg. trading volume	1M	3M	12M
USD mn	225,9	221,5	231,6

Price performance	1M	3M	Y-t-D
TL	-9%	8%	49%
USD	-11%	3%	37%
Rel. to BIST-100	-12%	-4%	19%

Forecasts (TL mn)	2024	2025	2026E
Revenues	173.137	198.562	262.740
EBITDA	43.547	52.081	68.901
Net Earnings	22.035	32.956	43.957

Valuation	2024	2025	2026E
P/E	71,4x	47,7x	35,8x
P/BV	7,8x	5,7x	4,9x
EV/EBITDA	38,0x	31,8x	24,0x



ASELSAN - Summary

Balance Sheet	2024	2025	2026E
Cash	23.963	32.007	48.350
Accounts receivables	40.841	42.761	45.923
Inventory	62.614	81.056	84.199
Financial investments	0	0	0
Fixed assets	85.250	112.177	148.271
Other non-current assets	137.041	206.918	258.074
Total assets	**349.710**	**474.919**	**584.816**
Short-term financial loans	32.891	41.846	59.746
Accounts payables	28.462	41.776	56.133
Long-term financial loans	14.010	5.533	5.749
Other long-term payables	72.270	110.189	143.697
Non-current liabilities	**147.633**	**199.345**	**265.324**
Shareholders' equity	**202.078**	**275.574**	**319.492**
Paid in Capital	5.018	4.560	4.560
Other Equity	197.060	271.014	314.932
Total liabilities & equity	**349.710**	**474.919**	**584.816**
Net debt	22.937	15.373	17.145
Net working capital	74.994	82.041	73.989

Per share (TL)			
EPS	4,83	7,23	9,64
BVPS	44,32	60,43	70,06
DPS	0,05	0,00	0,00

Ratios			
Profitability			
ROE	11,5%	13,8%	14,8%
Net margin	12,7%	16,6%	16,7%
Asset turnover	0,5x	0,5x	0,5x
Leverage	1,7x	1,7x	1,8x
ROA	6,6%	8,0%	8,3%
Leverage			
Financial debt/Total assets	13%	10%	11%
Net debt/Equity	0,11	0,06	0,05
Net debt/EBITDA	0,53	0,30	0,25

Income statement	2024	2025	2026E
Revenues	**173.137**	**198.562**	**262.740**
Gross profit	54.961	63.193	84.126
Operating expenses	-16.166	-17.218	-22.118
Operating profit	38.795	45.975	62.009
EBITDA	**43.547**	**52.081**	**68.901**
Other income, net	549	8.105	5.578
Financial income, net	-27.477	-25.715	-23.533
Earnings before taxes	11.906	29.040	45.879
Tax expense	10.020	3.881	-1.709
Net earnings	**22.035**	**32.956**	**43.957**

Cashflow statement			
EBITDA	**43.547**	**52.081**	**68.901**
Taxes on EBIT	342	10.020	3.881
Capital expenditures	-25.245	-29.721	-41.461
Chg. in NWC	3.811	-3.833	7.048
Free cashflows to firm	**4.616**	**27.680**	**7.454**

Growth & margins			
Revenues	13%	15%	32%
EBITDA	31%	20%	32%
Net earnings	45%	50%	33%
Gross margin	31,7%	31,8%	32,0%
Operating margin	22,4%	23,2%	23,6%
EBITDA margin	25,2%	26,2%	26,2%
Net margin	12,7%	16,6%	16,7%
Free cashflow margin	2,7%	13,9%	2,8%

Valuation			
P/E	74,0x	49,5x	37,1x
P/BV	8,1x	5,9x	5,1x
EV/EBITDA	38,0x	31,8x	24,0x

Source: Rasyonet, Tacirler Investment

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

*** Figures in the table are adjusted for inflation.*

Astor Energy

Astor Enerji stood out as one of the strongest positive outliers within the energy equipment and transformer theme in the first half of 2026. Rising global electricity demand, accelerating renewable energy investments, increasing needs for grid modernization and particularly strong demand for power transformers continue to support the company's growth outlook. Strong order flow, ongoing momentum in export markets, capacity expansion investments and increasing visibility in high value-added projects, particularly in the U.S., were the main drivers of the strong performance delivered in the first half of the year. ASTOR, which is included in our Model Portfolio, has generated a strong return since being added to our coverage in December, while we view the recent limited pullback as a normal technical move that does not point to any deterioration in the fundamental outlook. We maintain our 12-month target price of TL 405 per share for ASTOR and reiterate our "BUY" recommendation on the stock.

1Q26 results showed that the company's operational outlook remained strong. ASTOR reported net income of TL 1,812 million in the first quarter of the year, up 53% YoY, while its gross margin stood at 38%. The increasing share of high value-added power transformers in the product mix, momentum on the export side and strong order flow were the main factors supporting margins. The company's backlog reaching approximately USD 1.7 billion, mainly consisting of power transformers and international orders, provides strong revenue visibility for 2026 and beyond.

On the strategic side, capacity expansion and the U.S. market remain the company's main growth themes. With Phase 3 investments, the new factory is planned to become operational at the beginning of 2027, total capacity is expected to increase to approximately 102 thousand MVA, and the new capacity is planned to be used mainly for export markets. In particular, large-scale power transformer orders from the U.S. market show that the company benefits directly not only from domestic energy investments, but also from global grid modernization and electricity infrastructure investments.

We expect the growth theme for ASTOR to remain intact in the second half of the year. The company's strong backlog, high export share, net cash position, capacity investments and structural demand for power transformers continue to support its medium- to long-term story. Following the strong share price rally since the beginning of the year, periodic profit-taking may be seen in the stock, but we do not believe potential pullbacks would undermine the medium-term outlook, given the continued foreign investor interest and no deterioration in fundamental expectations.

ASTOR	BUY
Target Price	**TL 405**
Return potential	**46%**

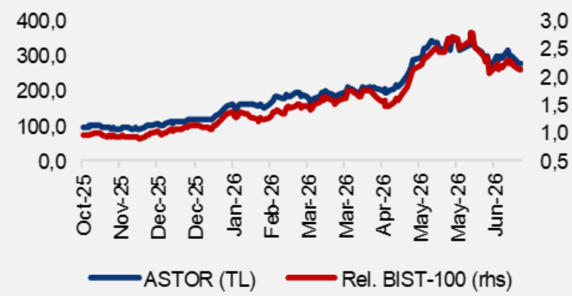
Share Data	
Ticker:	**ASTOR TI**
Share price (as of 30.06.2026)	276,50
Share price (52 week range)	89 / 364
Market cap. (TL mn - USD mn)	275.947 - 5.925
# of shares (mn) & free float	998 - 43%
Foreign Ownership Rate	63.11%
Market	Star
Industry	Electrical Equipments

Avg. trading volume	1M	3M	12M
USD mn	236,0	224,7	147,7

Price performance	1M	3M	Y-t-D
TL	-12%	42%	137%
USD	-13%	35%	118%
Rel. to BIST-100	-14%	27%	89%

Forecasts (TL mn)	2024	2026	2026E
Revenues	38.348	38.834	50.211
EBITDA	11.481	12.217	16.882
Net Earnings	7.238	8.439	9.893

Valuation	2024	2026	2026E
P/E	38,1x	32,7x	27,9x
P/BV	9,2x	7,5x	5,9x
EV/EBITDA	25,3x	23,8x	17,2x



Astor Energy – Summary

Balance Sheet	2024	2025	2025E
Cash	6.724	1.404	5.544
Accounts receivables	9.426	12.938	18.431
Inventory	4.123	8.579	10.046
Financial investments	4.685	12.397	16.037
Fixed assets	11.146	12.680	15.386
Other non-current assets	8.257	7.900	7.775
Total assets	**44.005**	**55.773**	**76.553**
Short-term financial loans	2.749	5.080	6.014
Accounts payables	2.418	3.581	7.068
Long-term financial loans	55	0	4.724
Other long-term payables	7.658	8.790	10.490
Non-current liabilities	**14.011**	**19.152**	**30.068**
Shareholders' equity	**29.994**	**36.622**	**46.485**
Paid in Capital	1.098	998	998
Other Equity	28.896	35.624	45.487
Total liabilities & equity	**44.005**	**55.773**	**76.553**
Net debt	-3.920	3.677	5.194
Net working capital	11.132	17.936	21.408

Per share (TL)			
EPS	7,25	8,46	9,91
BVPS	30,05	36,69	46,58
DPS	2,68	1,79	2,23

Ratios			
Profitability			
ROE	26,1%	25,3%	23,8%
Net margin	18,9%	21,7%	19,7%
Asset turnover	0,9x	0,8x	0,8x
Leverage	1,5x	1,5x	1,6x
ROA	17,4%	16,9%	15,0%
Leverage			
Financial debt/Total assets	6%	9%	14%
Net debt/Equity	-0,13	0,10	0,11
Net debt/EBITDA	-0,34	0,30	0,31

Income statement	2024	2025	2026E
Revenues	**38.348**	**38.834**	**50.211**
Gross profit	13.262	14.349	19.778
Operating expenses	-3.025	-3.296	-4.335
Operating profit	11.401	10.237	11.053
EBITDA	**11.481**	**12.217**	**16.882**
Other income, net	-732	-294	-227
Financial income, net	-3.929	-8.526	-10.898
Earnings before taxes	6.730	8.575	7.759
Tax expense	-175	-136	-135
Net earnings	**7.238**	**8.439**	**9.893**

Cashflow statement			
EBITDA	**11.481**	**12.217**	**16.882**
Taxes on EBIT	-1.322	-175	-136
Capital expenditures	-3.788	-3.451	-2.672
Chg. in NWC	1.952	-838	6.805
Free cashflows to firm	**4.992**	**8.693**	**2.605**

Growth & margins			
Revenues	9%	1%	29%
EBITDA	-5%	6%	38%
Net earnings	-24%	17%	17%
Gross margin	34,6%	36,9%	39,4%
Operating margin	29,7%	26,4%	22,0%
EBITDA margin	29,9%	31,5%	33,6%
Net margin	18,9%	21,7%	19,7%
Free cashflow margin	13,0%	22,4%	5,2%

Valuation			
P/E	38,3x	32,9x	28,0x
P/BV	9,2x	7,6x	6,0x
EV/EBITDA	25,3x	23,8x	17,2x

Source: Company Data, Tacirler Investment

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

** Figures in the table are adjusted for inflation.

BİM Birleşik Mağazalar

BİM Birleşik Mağazalar delivered a strong start to the year, with Q1 results coming in well above market expectations, especially on EBITDA and profitability. Like-for-like sales growth exceeding BİMflasyon shows growth was driven not only by price but also by basket volume and operational efficiency; this supports our thesis that BİM's hard-discount model retains a strong position through a disinflation phase of rising consumer price sensitivity. We maintain our BUY rating and 12-month target price of TL 463.50, implying roughly 27% upside to the last close

LFL growth outpaces BİMflasyon; growth comes from basket and productivity... The key operational read was BİM Türkiye's like-for-like sales growth of 34.5%, above the basket inflation tracked as "BİMflasyon." BİMflasyon gauges the average annual shelf-price increase in the company's own basket and captures the price advantage BİM offers customers. LFL coming in 6.5 points above BİMflasyon (28%) signals real basket/volume gains beyond pure price effects; indeed, nearly all growth came from basket volume, up 35.6%, while traffic dipped 0.8%. On the FİLE side, 352 stores, online reaching 5.1% of revenues, and a dark-store-driven digital footprint are the key area to watch as A101's CarrefourSA acquisition reshapes competition.

Vertical integration and cost management underpin margins... BİM's profitability edge rests on the high private-label share in sales and a vertically integrated structure that produces much of this range in-house. With private-label at 56% of BİM Türkiye sales, the company makes part of this range itself—internalizing the supplier margin while strengthening control over pricing and supply continuity. Its proactive cost stance also stands out: discounts from early supplier payments amid high monthly inflation, pre-built stocks in select products against Middle East-driven geopolitical risk, and energy efficiency are the main offsets to cost pressure.

Participation bank, a new synergy area we are monitoring... We are also closely following the prospect of the company's strong cash and customer base meeting a field that could become a new growth axis. Once "Dost Katılım Bankası" with TL 10 billion in capital and in which BİM will hold a majority stake under the BRSA's permission dated 11 June 2026, becomes operational; we see meaningful synergy potential in areas such as deploying its strong daily cash-collection power, supply-chain financing over a trade-payables base exceeding approximately TL 100 billion, and the more than 14,000 stores and millions of customers turning into a distribution channel for payment systems and interest-free (participation) banking products.

BIMAS	**BUY**
Target Price	**463,50**
Return potential	**27%**

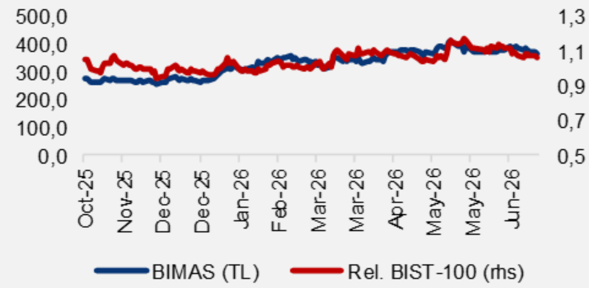
Share Data	
Ticker:	**BIMAS**
Share price (as of 30.06.2026)	365,25
Share price (52 week range)	238 / 412
Market cap. (TL mn - USD mn)	438.300 - 9.411
# of shares (mn) & free float	1.200 - 68%
Foreign Ownership Rate	44,41%
Market	Star
Industry	Retail

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	81,9	80,1	89,8

Price performance	1M	3M	Y-t-D
TL	-2%	8%	41%
USD	-4%	3%	7%
Rel. to BIST-100	-5%	-3%	-2%

Forecasts (TL mn)	2024	2025	2026T
Revenues	651.690	721.063	991.237
EBITDA	28.294	43.485	64.238
Net Earnings	23.346	18.735	27.567

Valuation	2024	2025	2026T
P/E	17,4x	15,6x	11,6x
P/BV	2,2x	2,0x	1,8x
EV/EBITDA	15,1x	9,0x	5,6x



BİM - Summary

Balance Sheet	2024	2025E	2026E
Cash	3.685	3.461	3.832
Accounts receivables	32.285	36.439	49.969
Inventory	48.543	54.447	74.916
Financial investments	7.100	10.691	12.886
Fixed assets	118.191	131.935	132.889
Other non-current assets	98.905	101.120	128.861
Total assets	**308.708**	**338.093**	**403.353**
Short-term financial loans	10.663	13.044	16.348
Accounts payables	79.338	86.533	120.479
Long-term financial loans	37.736	39.682	42.920
Other long-term payables	26.990	33.250	36.676
Non-current liabilities	**154.726**	**172.509**	**216.423**
Shareholders' equity	**153.982**	**165.585**	**186.931**
Paid in Capital	607	607	607
Other Equity	153.375	164.977	186.323
Total liabilities & equity	**308.708**	**338.093**	**403.353**
Net debt	44.714	49.266	55.436
Net working capital	1.490	4.354	4.406

Per share (EUR)			
EPS	19,46	15,61	22,97
BVPS	128,32	137,99	155,78
DPS	-7,50	-6,77	-5,18

Ratios			
Profitability			
ROE	16,4%	11,7%	15,6%
Net margin	3,6%	2,6%	2,8%
Asset turnover	2,2x	2,2x	2,7x
Leverage	2,1x	2,0x	2,1x
ROA	7,9%	5,8%	7,4%
Leverage			
Financial debt/Total assets	16%	16%	15%
Net debt/Equity	0,29	0,30	0,30
Net debt/EBITDA	1,58	1,13	0,86

Income statement	2024	2025E	2026E
Revenues	**651.690**	**721.063**	**991.237**
Gross profit	113.912	139.447	191.696
Operating expenses	-107.207	-122.599	-163.084
Operating profit	6.705	16.848	28.612
EBITDA	**28.294**	**43.485**	**64.238**
Other income, net	-55	-902	-719
Financial income, net	20.727	10.128	13.923
Earnings before taxes	32.528	31.593	49.403
Tax expense	-9.182	-12.857	-21.836
Net earnings	**23.346**	**18.735**	**27.567**

Cashflow statement			
EBITDA	**28.294**	**43.485**	**64.238**
Taxes on EBIT	-1.676	-4.212	-7.153
Capital expenditures	-17.708	-25.516	-32.942
Chg. in NWC	3.386	-6.265	-1.523

Growth & margins			
Revenues	5%	11%	37%
EBITDA	9%	54%	48%
Net earnings	-20%	-20%	47%
Gross margin	17,5%	19,3%	19,3%
Operating margin	1,0%	2,3%	2,9%
EBITDA margin	4,3%	6,0%	6,5%
Net margin	3,6%	2,6%	2,8%
Free cashflow margin	0,0%	0,0%	0,0%

Valuation			
P/E	17,4x	15,6x	11,6x
P/BV	2,2x	2,0x	1,8x
EV/EBITDA	15,1x	9,0x	5,6x

Source: Company Data, Tacirler Investment

Coca-Cola İçecek

Coca-Cola started 2026 with a better-than-expected first quarter, as effective pricing, disciplined cost management and the volume contribution of international operations drove a marked recovery in profitability; the strong operational outlook and solid balance sheet continue to be the key pillars of our positive thesis. We maintain our "BUY" rating and 12-month target price of TL 103 for CCOLA and continue to keep the stock in our model portfolio. Our target price implies an upside potential of approximately 24% relative to current levels.

Operational momentum and margin recovery are carrying the acceleration in profitability… Consolidated volume rose 7% to 414 mn unit cases, while revenue increased 11% to TL 52.4 bn. Gross margin expanded to 36% (+592 bps) and EBITDA margin to 18% (+491 bps), while net profit came in strong at TL 5.2 bn, supported by operating leverage and the decline in financial expenses. The main driver of growth was international operations, up 10%, with Uzbekistan (+41%) and Kazakhstan (+11%) standing out. Türkiye grew 1% despite a high base. On the category side, sparkling-free (still) beverages grew 30%, led by Fusetea, lifting the product mix; the rising share of small packages and the immediate-consumption channel, together with the value-focused portfolio strategy, were the key contributors to margin improvement.

Balance sheet flexibility and strong cash generation support the valuation… Net financial expense declined to TL -1.7 bn (1Q25: TL -3.2 bn), thanks to a strategic approach of borrowing in lower-interest-rate markets and strong cash generation. The generation of TL 462 mn in positive free cash flow in the first quarter — typically a seasonally weak period (1Q25: TL -10.5 bn) — was a notable indicator. Net Debt/EBITDA fell to 0.66x (year-end 2025: 0.81x; 1Q25: 1.31x) and the deleveraging process continues; the share of foreign-currency debt is also gradually declining. Relatively low financial leverage compared with global bottlers and a strengthening cash profile, together with the margin recovery, provide a supportive framework on the valuation side.

A sugar-content-based health contribution levy may create short-term pressure, but its structural impact remains limited… The potential tax-related news flow on sugary beverages could weigh on the share price in the near term, with some sensitivity likely given that the regulation targets Türkiye sales — the relatively higher-margin segment. Over the medium-to-long term, however, we expect a limited impact on financials: by flexibly managing its product architecture, the company can lower the taxable amount and largely offset the effect. Having locked in 98% of its sugar cost, 84% of resin and 68% of aluminium for 2026 through hedging, it also keeps raw material costs predictable and shields margins against commodity and currency shocks. With leading positions in the sparkling market across four countries — notably Türkiye, Pakistan, Kazakhstan and Uzbekistan — alongside low per capita consumption and a young population in its markets, the company retains a strong runway for long-term volume growth. Our underlying positive outlook is maintained.

CCOLA — BUY

Target Price	**TL 103,00**
Return potential	**24%**

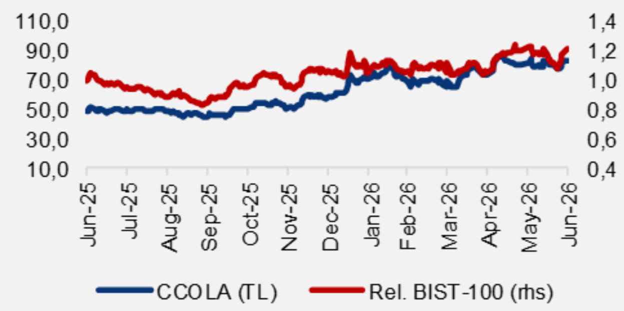
Share Data	
Ticker:	**CCOLA TI**
Share price (as of 30.06.2026)	83,05
Share price (52 week range)	45 / 86
Market cap. (TL mn - USD mn)	232380,4 - 4989,4
# of shares (mn) & free float	2.798 - 25%
Foreign Ownership Rate	74,66%
Market	Bist Star
Industry	Food & Beverage

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	10,7	10,0	10,3

Price performance	**1M**	**3M**	**Y-t-D**
TL	4%	29%	44%
USD	2%	23%	9%
Rel. to BIST-100	0%	15%	0%

Forecasts (TL mn)	**2024**	**2025**	**2026E**
Revenues	180.216	187.185	250.827
EBITDA	31.601	32.910	44.396
Net Earnings	19.390	14.072	21.163

Valuation	**2024**	**2025**	**2026E**
P/E	11,5x	15,9x	10,6x
P/BV	3,2x	2,7x	2,2x
EV/EBITDA	8,3x	7,9x	5,9x



Coca Cola İçecek - Summary

Balance Sheet	2024	2025	2026E
Cash	30.437	28.945	19.704
Accounts receivables	17.936	21.422	27.488
Inventory	20.133	21.008	27.438
Financial investments	125	244	328
Fixed assets	109.899	124.153	134.575
Other non-current assets	15.617	14.156	25.083
Total assets	**194.148**	**209.929**	**234.615**
Short-term financial loans	28.018	21.544	24.775
Accounts payables	33.532	37.981	49.566
Long-term financial loans	36.308	35.809	39.389
Other long-term payables	15.591	19.272	20.066
Non-current liabilities	**51.899**	**55.080**	**59.456**
Shareholders' equity	**70.294**	**83.454**	**100.818**
Paid in Capital	2.798	2.798	2.798
Total liabilities & equity	**194.148**	**209.929**	**234.615**
Net debt	33.764	28.163	44.134
Working capital	4.537	4.450	5.360

Income statement	2024	2025	2026E
Revenues	**180.216**	**187.185**	**250.827**
Gross profit	63.600	66.568	89.295
Operating expenses	-39.561	-41.297	-54.680
Operating profit	24.040	25.271	34.614
EBITDA	**31.601**	**32.910**	**44.396**
Other income, net	680	-116	86
Financial income, net	1.487	-3.763	-3.762
Earnings before taxes	26.109	21.331	30.855
Tax expense	-6.611	-7.071	-9.692
Net earnings	**19.390**	**14.072**	**21.163**

Cashflow statement			
EBITDA	**31.601**	**32.910**	**44.396**
Taxes on EBIT	-6.611	-7.071	-9.692
Capital expenditures	-16.041	-13.533	-18.060
Chg. in NWC	-453	-87	910
Free cashflows to firm	**9.402**	**12.393**	**15.735**

Per share (TL)			
EPS	6,93	5,03	7,56
BVPS	25,12	29,83	36,03
DPS	1,16	1,26	1,36

Growth & margins			
Revenues	24%	4%	34%
EBITDA	22%	4%	35%
Net earnings	-35%	-27%	50%
Gross margin	35,3%	35,6%	35,6%
Operating margin	13,3%	13,5%	13,8%
EBITDA margin	17,5%	17,6%	17,7%
Net margin	10,8%	7,5%	8,4%
Free cashflow margin	5,2%	6,6%	6,3%

Ratios			
Profitability			
ROE	27,6%	18,3%	23,0%
Net margin	10,8%	7,5%	8,4%
Asset turnover	0,9x	0,9x	1,1x
Leverage	2,8x	2,6x	2,4x
ROA	10,0%	7,0%	9,5%
Leverage			
Financial debt/Total assets	33%	27%	27%
Net debt/Equity	0,48	0,34	0,44
Net debt/EBITDA	1,07	0,86	0,99

Valuation			
P/E	11,5x	15,9x	10,6x
P/BV	3,2x	2,7x	2,2x
EV/EBITDA	8,3x	7,9x	5,9x

Source: Company Data, Tacirler Investment

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

DESA

We view Desa as one of our preferred retail companies, supported by its niche business model, vertically integrated production structure, high gross profitability profile and net cash position. Although demand conditions continue to create some pressure in the short term, the company's ability to preserve its gross margins, strong liquidity position and medium-term export growth potential support our investment view. We believe the current valuation does not fully reflect Desa's high-margin business model and strong balance sheet. Accordingly, we maintain our 12-month target price of TL18.00 and our "BUY" recommendation. Our target price implies %56 upside potential based on the latest closing price.

Gross profitability remains strong despite limited real pressure on revenues. Demand in the leather goods sector is following a more normalized and selective path compared to the post-pandemic period. Although Desa's revenues declined slightly in real terms in 1Q26, the company preserved its high gross margin level. This reflects the support from cost discipline, its vertically integrated production model and pricing flexibility. While the fact that the exchange rate has lagged inflation limits the TL equivalent of export revenues, Desa's high gross profitability makes the company more resilient during periods of weak demand.

Demand conditions, operating leverage and working capital management will be key for a recovery in net profit. Although net profit declined year-on-year in 1Q26, we view this as a combination of weak demand, normalization in operational profitability, lower investment income and a more limited tax contribution, rather than a structural deterioration in profitability. In the coming period, a gradual recovery in demand conditions, easing financial conditions and renewed momentum in export revenues may support net profitability.

Exports, Italy-based production and branded sales are the main pillars of the medium-term story. We view Desa's target of increasing the share of exports in total revenues as important. A gradual recovery in European demand, easing real exchange rate pressure and a higher share of branded exports may support growth. The "Made in Italy" capability of the company's production facility in Tuscany provides an important lever for expanding its customer portfolio in the luxury segment. The long-standing partnership with Samsonite also supports brand positioning and channel strength. The key risks to monitor are the exchange rate continuing to lag inflation, weak European demand and a renewed acceleration in cost pressures.

DESA	BUY
Target Price	**TL 18**
Return potential	**56%**

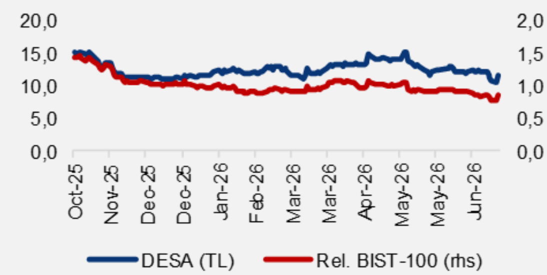
Share Data	
Ticker:	**DESA**
Share price (as of 30.06.2026)	11,55
Share price (52 week range)	09 / 16
Market cap. (TL mn - USD mn)	5.660 - 122
# of shares (mn) & free float	490 - 22%
Foreign Ownership Rate	12,4%
Market	Main
Industry	Retail

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

Price performance	1M	3M	Y-t-D
TL	-7%	-13%	3%
USD	-9%	-17%	-5%
Rel. to BIST-100	-10%	-22%	-18%

Forecasts (TL mn)	2024	2025	2026E
Revenues	4.292	4.202	4.887
EBITDA	1.216	1.004	1.164
Net Earnings	472	597	668

Valuation	2024	2025	2026E
P/E	11,1x	8,8x	7,9x
P/BV	1,4x	1,2x	1,1x
EV/EBITDA	1,6x	2,0x	1,7x



DESA – Summary

Balance Sheet	2024	2025	2026E
Cash	34	36	169
Accounts receivables	505	490	592
Inventory	924	1.379	1.427
Financial investments	2.076	2.000	2.000
Fixed assets	884	881	1.033
Other non-current assets	1.305	1.086	1.097
Total assets	**5.728**	**5.872**	**6.319**
Short-term financial loans	198	163	147
Accounts payables	894	792	745
Long-term financial loans	219	182	164
Other long-term payables	559	516	516
Non-current liabilities	**1.870**	**1.653**	**1.571**
Shareholders' equity	**3.858**	**4.219**	**4.747**
Paid in Capital	270	490	490
Other Equity	3.589	3.729	4.257
Total liabilities & equity	**5.728**	**5.872**	**6.319**
Net debt	382	310	141
Net working capital	536	1.078	1.275

Per share (EUR)			
EPS	0,96	1,22	1,36
BVPS	7,87	8,61	9,69
DPS	0,00	-0,23	-0,29

Ratios			
Profitability			
ROE	15,2%	14,8%	14,9%
Net margin	11,0%	14,2%	13,7%
Asset turnover	0,9x	0,7x	0,8x
Leverage	1,5x	1,4x	1,4x
ROA	10,0%	10,3%	11,0%
Leverage			
Financial debt/Total assets	7%	6%	5%
Net debt/Equity	0,10	0,07	0,03
Net debt/EBITDA	0,31	0,31	0,12

Income statement	2024	2025	2026E
Revenues	**4.292**	**4.202**	**4.887**
Gross profit	2.462	2.461	2.833
Operating expenses	-1.683	-1.943	-2.260
Operating profit	779	518	573
EBITDA	**1.216**	**1.004**	**1.164**
Other income, net	12	316	368
Financial income, net	-405	-288	-335
Earnings before taxes	733	796	922
Tax expense	-261	-199	-254
Net earnings	**472**	**597**	**668**

Cashflow statement			
EBITDA	1.216	1.004	1.164
Taxes on EBIT	-195	-130	-143
Capital expenditures	-59	-59	-69
Chg. in NWC	306	542	197

Growth & margins			
Revenues	21%	-2%	16%
EBITDA	5%	-17%	16%
Net earnings	-34%	26%	12%
Gross margin	57,4%	58,6%	58,0%
Operating margin	18,2%	12,3%	11,7%
EBITDA margin	28,3%	23,9%	23,8%
Net margin	11,0%	14,2%	13,7%

Valuation			
P/E	11,1x	8,8x	7,9x
P/BV	1,4x	1,2x	1,1x
EV/EBITDA	1,6x	2,0x	1,7x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TRY unless otherwise stated.*
***Figures in the table are adjusted for inflation.*

Doğan Holding

We continue to view Doğan Holding as one of our preferred holding companies within our coverage universe. We find the company's portfolio strategy clear and value-creation oriented. While the company continues to streamline assets that are not strategically prioritized or do not meet expected return thresholds, it aims to grow in financial services, mining, renewable energy and selected technology/industrial investments. The strong cash position, operational profitability in core business lines and potential IPO process for unlisted subsidiaries support our investment view. Following the 1Q26 results, we raise our 12-month target price from TL29.35 to TL32.50, reflecting updates to our NAV table and the latest subsidiary valuations in our model, while maintaining our "BUY" recommendation. Our target price implies %59 upside potential based on the latest closing price.

Portfolio simplification and strategic focus remain at the center of the investment story. As of 1Q26, the NAV reached approximately USD3.0bn, while the share of strategic focus areas within NAV increased to 54%, indicating that the transformation is starting to be reflected in valuation. Management's 2030 NAV target of USD4.5bn also points to meaningful growth potential from current levels.

Insurance and mining continue to stand out positively, while the transformation at Karel is becoming more visible. At Hepiyi Sigorta, technical profitability and disciplined growth stand out, while in mining, production growth, a high EBITDA margin and the resource increase in the UMREK report support the medium-term outlook. At Karel, although competition from China continues to pressure electronic board production, we expect a recovery in profitability, supported by the lower weight of low-margin operations, corporate projects and Daiichi's contribution.

Daiichi's IPO is an important catalyst for making hidden value more visible. The growth in automotive electronics, customer diversification and strong order backlog at Daiichi, Karel's subsidiary, support the investment story. We view the company's preparations for strategic options, including an IPO, and management's 2027 target as a medium-term value creation opportunity for Doğan Holding. Following Daiichi, the potential IPO candidates such as Hepiyi Sigorta and Sesa Ambalaj should also be monitored as possible steps toward more transparent pricing of hidden value within the holding structure.

The outlook for other subsidiaries is mixed but manageable. At Galata Wind, production remains strong, while low electricity prices continue to pressure profitability. In mining, maintenance and site expansion works in the second quarter may create a short-term impact; however, the resource increase and capacity growth targets support the medium-term outlook. At Doğan Trend Otomotiv, regulatory support improves the operational outlook, while potential portfolio steps in real estate and technology/financial services should be monitored as additional value creation areas.

We believe the current discount does not fully reflect the holding's cash strength, growth in strategic focus areas and value creation potential in unlisted subsidiaries. Therefore, we continue to like Doğan Holding in the second half of 2026, supported by both operational recovery and the potential to unlock portfolio value.

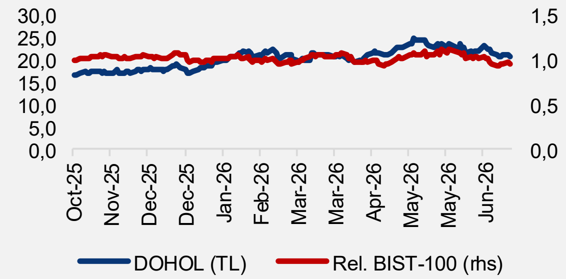
DOHOL — BUY

Target Price	**TL 32.50**
Return potential	**59%**

Share Data	
Ticker:	**DOHOL**
Share price (as of 30.06.2026)	20,50
Share price (52 week range)	15 / 25
Market cap. (TL mn - USD mn)	53.648 - 1.152
# of shares (mn) & free float	2.617 - 36%
Foreign Ownership Rate	23%
Market	Star
Industry	Conglomerates

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	5,7	6,5	6,7

Price performance	**1M**	**3M**	**Y-t-D**
TL	-13%	1%	21%
USD	-15%	-4%	11%
Rel. to BIST-100	-16%	-10%	-4%



Doğan Holding – NAV Table

	Valuation	Total Valıe (mn TL)	Holding Stake (%)	to Dogan (mn TL)	% of NAV	Target MCAP	to Dogan (mn TL)	% of NAV
Electricity				**9.851**			**12.658**	
GWIND	Mcap	14.072	70%	9.851	8%	18.083	12.658	9%
Electronics, Technology and Industrials				**6.980**			**8.969**	
Doğan Dış Ticaret	Book Value	93	100%	93	0%	120	120	0%
Sesa Ambalaj	EV/L12M EBITDA @7,8x	3.838	70%	2.686	2%	4.931	3.452	2%
KAREL	Mcap	8.752	40%	3.501	3%	11.246	4.498	3%
Daiichi	Transaction Value	2.799	25%	700	1%	3.597	899	1%
Automotive				**770**			**989**	
Doğan Trend Otomotiv	Book Value @ 1.7x	770	100%	770	1%	989	989	1%
Finance and Investment				**24.594**			**31.603**	
D Yatırım Bank	Book Value @ 1.8x	3.779	100%	3.779	3%	4.856	4.856	3%
Doruk Faktoring	Book Value @ 1.8x	3.343	100%	3.343	3%	4.296	4.296	3%
Hepiyi Sigorta	Book Value @ 2,0x	19.271	85%	16.380	14%	24.763	21.048	15%
Öncü Girişim Sermaye	Value of Insider Shares	1.092	100%	1.092	1%	1.403	1.403	1%
Internet and Entertainment				**8.527**			**10.957**	
Kanal D Romania	EV/L12M EBITDA @4,2x	5.644	100%	5.644	5%	7.253	7.253	5%
Glokal (Hepsi Emlak)	EV/L12M Sales @4,4x	3.639	79%	2.882	2%	4.676	3.704	3%
Real Estate				**12.010**			**15.432**	
D Gayrimenkul	Expert Valuation	8.974	100%	8.974	8%	11.532	11.532	8%
D Yapı - Romanya	Expert Valuation	1.144	100%	1.144	1%	1.470	1.470	1%
Dogan Holding İstanbul	Expert Valuation	352	100%	352	0%	452	452	0%
Kandilli Gayrimenkul	Expert Valuation	3.079	50%	1.540	1%	3.957	1.978	1%
Others				**3.940**			**5.063**	
Milta Turizm	Transaction Value	3.915	100%	3.915	3%	5.031	5.031	4%
Doğan Yayıncılık	Transaction Value	25	100%	25	0%	32	32	0%
Mining				**19.895**			**25.565**	
Gümüştaş + Doku	EV/L12M EBITDA @7x	26.527	75%	19.895	17%	34.087	25.565	18%
				Current NAV			**Target NAV**	
Listed				13.351	11%		17.157	12%
Unlisted				73.969	64%		95.050	67%
Net Nakit				28.782	25%		29.616	21%
NAV				116.102	100%		141.822	100%
Mcap				55.009			55.009	
Prem. / Disc. (%)				**-53%**			**-61%**	
Holding discount							**-40%**	
Target Mcap							85.093	
12M Target Price							**32,5**	
Current Price							**20,5**	
Potential (%)							**59%**	

Source: Tacirler Investment, Dogan Holding, Matriks

**30/06//2026 closings

Dogus Otomotiv

Dogus Otomotiv had a pressured first half of 2026 due to weakening domestic demand, pricing pressure and margin contraction. While the automotive market remained relatively resilient in the early months of the year, we observe that the high interest rate environment, tight financing conditions and fading pull-forward demand had a more visible impact on sales volumes as of the second quarter. May data showed that the slowdown in the domestic market became more pronounced in the second quarter. The total passenger car and light commercial vehicle market contracted by 22.6% YoY in May, while declining by 7.40% in the January-May period. Similarly, DOAS also saw pressure on sales volumes, while its market share remaining at 15.5% in May showed that the company could not avoid the weakening demand environment despite its strong brand portfolio. This picture was effective in the stock's negative divergence from the index in the first half of the year. In line with the update in our macro assumptions regarding the EUR/TL parity, we revise our target price per share slightly down from TL 255 to TL 245, while maintaining our "BUY" recommendation given the return potential it offers.

First-quarter results also showed that the impact of weakening domestic demand on operational performance continued. DOAS reported revenue of TL 49.6 billion in 1Q26, down 10% YoY, EBITDA of TL 3.2 billion, down 16% YoY, and net income of TL 574 million, down 24% YoY. The decline in the EBITDA margin to 6.4% was driven by the slowdown in sales volumes, as well as the change in model mix, pricing pressure and elevated operating expenses. On the other hand, the relatively resilient performance in Volkswagen Passenger Cars and light commercial vehicles, together with the company's strong brand portfolio, widespread distributor network and pricing power, remain supportive factors for the medium-term outlook.

We do not expect the pressure in the domestic market to disappear completely in the short term in the second half of the year. Relatively high interest rates, difficulties in accessing financing and weakness in consumer demand will continue to pose risks to operational performance. On the other hand, we believe DOAS's dividend story could act as a partial buffer for the share price. The fact that the company has paid the first dividend installment and that the remaining installment will be distributed in August stands out as an important factor supporting investor interest under weak market conditions. In the long term, as demand conditions normalize, we believe DOAS could once again deliver a more balanced performance with its strong brand portfolio, cash generation capacity and dividend policy. *Management's decision to maintain its 2026 guidance of a 1.2 million-unit total market, 117 thousand units of sales volume excluding Skoda, and TL 5.2 billion in investment expenditures does not currently point to a significant deterioration in year-end targets despite challenging market conditions. In addition, complementary business lines such as Scania Power Solutions, Dogus Marine Services, Thermo King and DOD on the used vehicle side, while remaining smaller in scale compared to the main distributorship operations, stand out as areas supporting the company's revenue diversification.*

DOAS	**BUY**
Target Price	**TL 245**
Return potential	**37%**

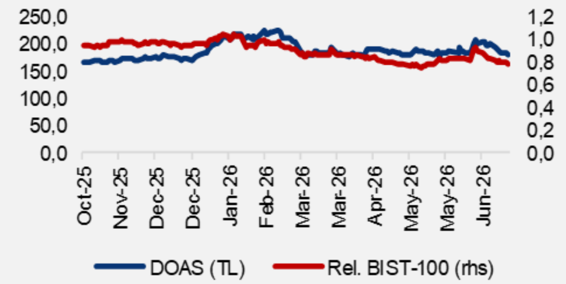
Share Data	
Ticker:	**DOAS TI**
Share price (as of 30.06.2026)	179,30
Share price (52 week range)	157 / 224
Market cap. (TL mn - USD mn)	39.446 - 847
# of shares (mn) & free float	220 - 39%
Foreign Ownership Rate	20.70%
Market	Star
Industry	Automotive

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

Price performance	**1M**	**3M**	**Y-t-D**
TL	-3%	2%	3%
USD	-5%	-3%	-5%
Rel. to BIST-100	-6%	-9%	-18%

Forecasts (TL mn)	**2024**	**2025**	**2026E**
Revenues	271.324	281.462	272.602
EBITDA	24.112	16.195	15.029
Net Earnings	10.935	3.456	6.625

Valuation	**2024**	**2025**	**2026E**
P/E	3,6x	11,4x	6,0x
P/BV	0,5x	0,5x	0,5x
EV/EBITDA	2,9x	4,3x	4,6x



Dogus Otomotiv - Summary

Balance Sheet	2024	2025	2025E
Cash	13.559	6.114	3.279
Accounts receivables	22.834	19.130	18.669
Inventory	22.196	33.156	58.485
Financial investments	0	0	0
Fixed assets	30.087	31.118	35.669
Other non-current assets	44.136	53.941	54.017
Total assets	**132.813**	**143.458**	**170.120**
Short-term financial loans	8.930	21.890	26.423
Accounts payables	20.647	21.077	37.492
Long-term financial loans	8.504	11.937	10.270
Other long-term payables	15.576	14.664	22.075
Non-current liabilities	**53.657**	**69.568**	**96.261**
Shareholders' equity	**79.156**	**73.890**	**73.859**
Paid in Capital	242	220	220
Other Equity	78.914	73.670	73.639
Total liabilities & equity	**132.813**	**143.458**	**170.120**
Net debt	3.876	27.713	33.414
Net working capital	24.384	31.209	39.662

Per share (TL)			
EPS	49,71	15,71	30,11
BVPS	359,80	335,86	335,72
DPS	86,06	35,69	30,00

Ratios			
Profitability			
ROE	13,2%	4,5%	9,0%
Net margin	4,0%	1,2%	2,4%
Asset turnover	2,0x	2,0x	1,7x
Leverage	1,7x	1,8x	2,1x
ROA	8,0%	2,5%	4,2%
Leverage			
Financial debt/Total assets	13%	24%	22%
Net debt/Equity	0,05	0,38	0,45
Net debt/EBITDA	0,16	1,71	2,22

Income statement	2024	2025	2026E
Revenues	**271.324**	**281.462**	**272.602**
Gross profit	43.545	35.130	31.026
Operating expenses	-22.608	-22.631	-20.076
Operating profit	20.937	12.499	10.950
EBITDA	**24.112**	**16.195**	**15.029**
Other income, net	2.459	162	1.751
Financial income, net	-4.685	-7.876	-3.802
Earnings before taxes	18.290	7.142	11.531
Tax expense	-7.282	-3.755	-4.906
Net earnings	**10.935**	**3.456**	**6.625**

Cashflow statement			
EBITDA	**24.112**	**16.195**	**15.029**
Taxes on EBIT	-12.723	-7.282	-3.755
Capital expenditures	-1.600	-5.420	-3.518
Chg. in NWC	17.513	-6.826	6.825
Free cashflows to firm	**19.480**	**18.237**	**2.097**

Growth & margins			
Revenues	-13%	4%	-3%
EBITDA	-53%	-33%	-7%
Net earnings	-73%	-68%	92%
Gross margin	16,0%	12,5%	11,4%
Operating margin	7,7%	4,4%	4,0%
EBITDA margin	8,9%	5,8%	5,5%
Net margin	4,0%	1,2%	2,4%
Free cashflow margin	7,2%	6,5%	0,8%

Valuation			
P/E	3,7x	11,6x	6,1x
P/BV	0,5x	0,5x	0,5x
EV/EBITDA	2,9x	4,3x	4,6x

Source: Company Data, Tacirler Investment

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

** Figures in the table are adjusted for inflation

Ford Otomotiv

Ford Otosan completed the first half of 2026 with weak domestic market conditions, normalization in European commercial vehicle demand, a competitive pricing environment and continued pressure on operational margins. Company-specific pressure stemmed not only from the contraction in the Turkish market, but also from the volume loss following the discontinuation of the Focus model on the passenger car side, intense campaign activity, the limiting impact of the strong TL on export revenues and the pressure created by the product mix on margins. On the other hand, Ford Otosan's export-oriented business model, strong position in the European commercial vehicle market, contribution from Romania operations and flexible production structure that can produce electric, hybrid and internal combustion engine vehicles on the same lines continue to support the long-term story. In line with the updated EUR/TL parity and our macro assumptions, we slightly revise our 12-month target price per share for Ford Otosan from TL 140 to TL 132. However, as the return potential offered by our current target price remains above our expected index return, we maintain our "BUY" recommendation.

In the first five months of the year, production and exports remained weak across the sector, while Ford Otosan's commercial vehicle-heavy structure continued to act as a relative balancing factor. According to OSD data, total automotive production declined by 10% YoY and total exports fell by 15% in volume terms in the January-May period, while the positive differentiation in commercial vehicle production was an important supportive factor for FROTO. The company's high share in Türkiye's vehicle exports, Ford's brand strength in the European commercial vehicle market and the gradual contribution from the 1-ton commercial vehicle program limit the impact of weakness in the domestic market. However, the European macro outlook, the slower-than-expected progress in the electric vehicle transition and the competitive pricing environment indicate that margin recovery will be more gradual.

In the second half of the year, Ford Otosan's performance will be driven by export performance, the contribution from Romania operations, gradual improvement in the product mix and the extent to which cost pressures can be balanced, rather than a rapid recovery in the domestic market. Although margin pressure and volatility in European demand will continue to be monitored in the short term, the company's scale, export-oriented structure, strategic production relationship with Ford, electric and commercial vehicle investments, and strong cash generation capacity continue to support the medium- to long-term investment theme. In addition, considering the company's dividend practice in previous years, we believe a potential additional dividend expectation in the second half of the year could also be supportive for the share price. **Management's 2026 guidance presents a cautious but controlled framework.** The company expects international sales volumes to be in the range of 580-630 thousand units, total production to be between 690-740 thousand units, and the adjusted EBITDA margin to stand in the 7%-8% band. The revision of revenue growth expectations to a flat outlook indicates that the contribution from volumes and pricing could remain limited in the short term.

FROTO	BUY
Target Price	**TL 132**
Return potential	**56%**

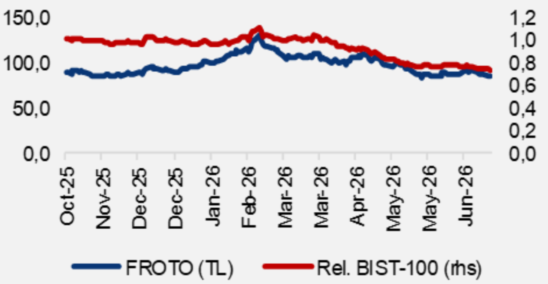
Share Data	
Ticker:	**FROTO TI**
Share price (as of 30.06.2026)	84,55
Share price (52 week range)	81 / 130
Market cap. (TL mn - USD mn)	296.694 - 6.370
# of shares (mn) & free float	3.509 - 18%
Foreign Ownership Rate	22.24%
Market	Star
Industry	Automotive

Avg. trading volume	1M	3M	12M
USD mn	52,1	49,2	43,1

Price performance	1M	3M	Y-t-D
TL	0%	-15%	-6%
USD	-2%	-19%	-13%
Rel. to BIST-100	-3%	-24%	-25%

Forecasts (TL mn)	2024	2025	2026E
Revenues	856.994	914.244	1.015.478
EBITDA	57.423	57.337	57.003
Net Earnings	55.977	37.398	35.892

Valuation	2024	2025	2026E
P/E	5,3x	7,9x	8,3x
P/BV	1,8x	1,7x	1,5x
EV/EBITDA	7,1x	7,1x	7,2x



Ford Otomotiv - Summary

Balance Sheet	2024	2025	2026E
Cash	32.163	70.397	75.486
Accounts receivables	98.269	97.774	104.659
Inventory	63.356	54.284	64.652
Financial investments	0	0	0
Fixed assets	170.244	184.414	201.647
Other non-current assets	106.627	89.170	93.661
Total assets	**470.659**	**496.039**	**540.106**
Short-term financial loans	64.610	69.704	64.021
Accounts payables	95.277	112.745	130.154
Long-term financial loans	113.641	109.845	111.627
Other long-term payables	31.171	32.059	39.474
Non-current liabilities	**304.699**	**324.354**	**345.277**
Shareholders' equity	**165.961**	**171.685**	**194.829**
Paid in Capital	386	3.509	3.509
Other Equity	165.575	168.176	191.320
Total liabilities & equity	**470.659**	**496.039**	**540.106**
Net debt	146.089	109.153	100.162
Net working capital	66.349	39.313	39.157

Per share (TL)	2024	2025	2026E
EPS	15,95	10,66	10,23
BVPS	47,29	48,93	55,52
DPS	9,66	8,95	10,78

Ratios	2024	2025	2026E
Profitability			
ROE	35,2%	22,2%	19,6%
Net margin	6,5%	4,1%	3,5%
Asset turnover	1,9x	1,9x	2,0x
Leverage	2,9x	2,9x	2,8x
ROA	12,1%	7,7%	6,9%
Leverage			
Financial debt/Total assets	38%	36%	33%
Net debt/Equity	0,88	0,64	0,51
Net debt/EBITDA	2,54	1,90	1,76

Jncome statement	2024	2025	2026E
Revenues	**856.994**	**914.244**	**1.015.478**
Gross profit	78.649	76.350	80.493
Operating expenses	-36.655	-37.946	-45.128
Operating profit	41.994	38.404	35.365
EBITDA	**57.423**	**57.337**	**57.003**
Other income, net	-246	8.477	6.539
Financial income, net	2.446	-16.585	-8.184
Earnings before taxes	53.303	43.429	39.750
Tax expense	2.674	-6.031	-3.858
Net earnings	**55.977**	**37.398**	**35.892**

Cashflow statement	2024	2025	2026E
EBITDA	**57.423**	**57.337**	**57.003**
Taxes on EBIT	2.674	-6.031	-3.858
Capital expenditures	-57.610	-32.725	-29.499
Chg. in NWC	19.815	-27.036	-28.102

Growth & margins	2024	2025	2026E
Revenues	0%	7%	11%
EBITDA	-35%	0%	-1%
Net earnings	-45%	-33%	-4%
Gross margin	9,2%	8,4%	7,9%
Operating margin	4,9%	4,2%	3,5%
EBITDA margin	6,7%	6,3%	5,6%
Net margin	6,5%	4,1%	3,5%
Free cashflow margin	0,0%	0,0%	0,0%

Valuation	2024	2025	2026E
P/E	5,4x	8,0x	8,4x
P/BV	1,8x	1,7x	1,5x
EV/EBITDA	7,1x	7,1x	7,2x

Source: Company Data, Tacirler Investment

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

* Figures in the table are adjusted for inflation.

Koç Holding

We continue to view Koç Holding as one of our preferred holding companies within our coverage universe. We value the company using the NAV methodology and view the performance of Tüpraş, Yapı Kredi and the automotive subsidiaries as key drivers of the valuation. Tüpraş, which is also included in our model portfolio, continues to support the holding through strong refinery margins and cash generation, while we believe Yapı Kredi could contribute to the banking-side valuation as the rate-cut cycle begins and the macro outlook normalizes. The strong solo net cash position and NAV discount above historical averages also support our positive view. Following target price updates for subsidiaries, primarily Yapı Kredi, we raise our 12-month target price from TL325.00 to TL337.00 and maintain our "BUY" recommendation. Our target price implies %74 upside potential based on the latest closing price.

While Tüpraş continues to stand out positively, macro normalization will be key for a recovery in industrial subsidiaries. In the first half of the year, Tüpraş remained one of the main supporting factors for the holding with its strong operational performance. In contrast, the high interest rate environment and macro uncertainties weighed on the banking side, while weak demand and financing costs put pressure on profitability in industrial subsidiaries. In the coming period, the start of rate cuts, gradual easing in financing expenses and normalization in domestic demand may support results, particularly in automotive and durable goods. A potential recovery in Eurozone demand and a supportive EUR/USD outlook could also provide an additional tailwind for export-oriented industrial subsidiaries.

The strong solo net cash position provides capital allocation flexibility. Koç Holding's solo net cash position increased from USD815mn at end-2025 to USD969mn at end-1Q26. The holding's strong cash position provides an important buffer in terms of dividend sustainability, support for subsidiaries and new investment opportunities.

The NAV discount remains above historical averages. We calculate Koç Holding's NAV at approximately TL752bn. Based on the latest closing price, the NAV discount stands at around 35%, above the five-year average of approximately 24% and the long-term average of 14%. If operational recovery across subsidiaries gains momentum, the rate-cut cycle supports risk appetite and foreign investor interest improves, we see room for a gradual narrowing in the discount. Renewable energy, healthcare and selected new growth areas should also be monitored as potential sources of additional medium- to long-term value creation.

KCHOL — BUY

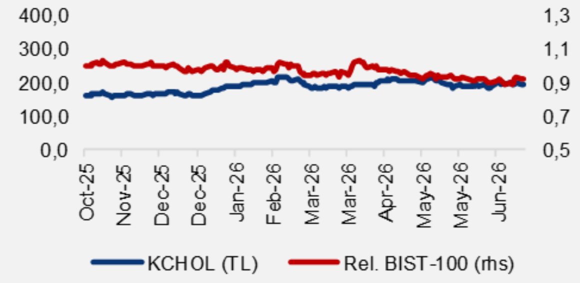
Target Price	**TL 337**
Return potential	**74%**

Share Data

Ticker:	**KCHOL**
Share price (as of 30.06.2026)	193,50
Share price (52 week range)	147 / 216
Market cap. (TL mn - USD mn)	490.696 - 10.536
# of shares (mn) & free float	2.536 - 22%
Foreign Ownership Rate	45,60%
Market	Star
Industry	Conglomerates

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	76,7	84,0	123,7

Price performance	**1M**	**3M**	**Y-t-D**
TL	2%	0%	19%
USD	0%	-5%	9%
Rel. to BIST-100	-1%	-11%	-5%



TACİRLER INVESTMENT

Koç Holding – NAV Table

	Valuation	Total Valıe (mn TL)	Holding Stake (%)	to Koc (mn TL)	% of NAV	Target MCAP (mn TL)	to Koc (mn TL)	% of NAV
Automotive				**260.944**			**374.516**	
TOASO	MCap	154.000	38%	57.904	7,7%	192.500	72.380	6,8%
FROTO	MCap	296.694	39%	114.821	15,3%	491.260	190.118	17,8%
OTKAR	MCap	45.090	47%	21.373	2,8%	56.363	26.716	2,5%
TTRAK	MCap	43.879	38%	16.455	2,2%	59.500	22.313	2,1%
Otokoç Otomotiv	Book Value	50.493	100%	50.392	6,7%	63.116	62.990	5,9%
Durables				**32.694**			**46.396**	
Arçelik	MCap	67.134	49%	32.560	4,3%	95.316	46.228	4,3%
Arçelik LG Klima	Book Value	2.681	5%	134	0,0%	3.351	168	0,0%
Retail				**2.679**			**3.349**	
Koçtaş	Book Value	1.712	50%	853	0,1%	2.140	1.066	0,1%
Divan	Book Value	6.109	30%	1.827	0,2%	7.636	2.283	0,2%
Finance				**187.474**			**262.693**	
YKBNK	MCap	339.065	55%	185.807	24,7%	475.566	260.610	24,4%
Koç Finansman	Book Value	3.333	50%	1.667	0,2%	4.166	2.083	0,2%
Energy				**194.569**			**295.399**	
TUPRS	MCap	438.346	40%	175.470	23,3%	678.304	271.525	25,4%
AYGAZ	MCap	46.927	41%	19.099	2,5%	58.659	23.874	2,2%
Tourism				**11.468**			**14.334**	
AYCES	MCap	15.250	30%	4.575	0,6%	19.063	5.719	0,5%
MAALT	MCap	10.783	50%	5.391	0,7%	13.478	6.739	0,6%
Setur	Book Value	6.229	24%	1.501	0,2%	7.786	1.876	0,2%
Procurement				**1.344**			**1.680**	
Zer	Book Value	5.578	24%	1.344	0,2%	6.973	1.680	0,2%
Others				**15.655**			**19.568**	
Koç Sistem	Book Value	5.584	24%	1.346	0,2%	6.980	1.682	0,2%
Others	Book Value	14.309	100%	14.309	1,9%	17.886	17.886	1,7%
				Current NAV			**Target NAV**	
Listed				633.455	84,2%		665.612	62,3%
Unlisted				73.372	9,8%		352.325	33,0%
Net Cash				45.213	6,0%		50.388	4,7%
Total Net Asset Value				752.040	100%		1.068.325	100,0%
Mcap				490.696			490.696	
Discount / Premium (%)				**-35%**			**-54%**	
Holding Discount (%)							**-20%**	
Target MCAP							854.660	
12M Target Price							**337**	
Current Price							**194**	
12M Potential (%)							**74%**	

*Source: Tacirler Yatırım Research, Matriks, Koç Holding
**30/06/2026 closing

Koton

We maintain our 12-month target price of TL27.00 and our "BUY" recommendation for Koton, in line with our medium- to long-term investment thesis. Despite weak consumer demand, we view the company's ability to improve gross profitability, maintain cost discipline and generate strong free cash flow positively. On the other hand, high financing expenses continue to weigh on net profit. We believe this pressure reflects a factor that should ease as the interest rate environment normalizes, rather than a structural operational deterioration. Our target price implies %87 upside potential based on the latest closing price.

Margins remained strong despite weak demand. In 1Q26, consolidated sales declined slightly year-on-year, while Koton maintained its focus on profitability. Gross margin increased by 8.0pp year-on-year to 50.9%, while the EBITDA margin rose by 4.7pp to 19.3%. This performance shows that the company preserved its operational resilience thanks to effective inventory management, dynamic pricing and cost control.

Inventory discipline and cash generation support the balance sheet. Inventories declined by 15% year-on-year as of end-1Q26, while the company generated TL859mn of free cash flow in the same period. The decline in the net financial debt/EBITDA ratio to 0.4x excluding IFRS 16 also supports the balance sheet outlook. Management maintains its 2026 guidance of 5–7% real sales growth, a gross margin of around 54%, an EBITDA margin of around 24% and more than 10 net new store openings.

Normalization in financial conditions will be key for a recovery in net profit. While the strong operational outlook remains intact, high financing expenses continue to be the main factor limiting a return to positive net profit. If the rate-cut cycle becomes more visible in the second half of the year, we expect a gradual easing in financing expenses and a positive impact on net profit. Domestic retail sales growth of 32% in April and consolidated sales growth of 34% point to supportive early signals for the second quarter.

International operations support the medium-term growth story. In 1Q26, international sales grew in real terms, with strong performance in the GCC region standing out. The recovery in the EUR/USD parity and efficiency gains in international operations may contribute to the revenue and margin outlook in the remainder of the year. That said, we keep our target price unchanged for now and prefer to see the second-quarter results before considering a clearer revision.

KOTON — BUY

Target Price	**TL 27**
Return potential	**87%**

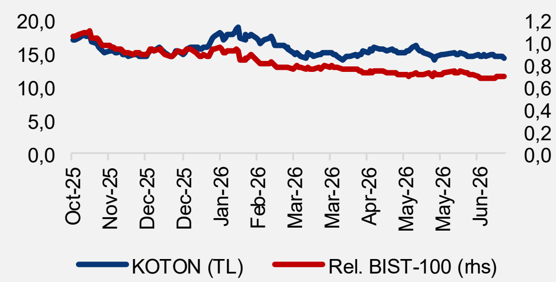
Share Data	
Ticker:	**KOTON**
Share price (as of 30.06.2026)	14,43
Share price (52 week range)	14 / 21
Market cap. (TL mn - USD mn)	11.972 - 257
# of shares (mn) & free float	830 - 16%
Market	Star
Industry	Retail

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	1,0	1,1	1,2

Price performance	**1M**	**3M**	**Y-t-D**
TL	-3%	2%	-8%
USD	-5%	-3%	-15%
Rel. to BIST-100	-6%	-9%	-26%

Forecasts (TL mn)	**2024**	**2025**	**2026E**
Revenues	36.133	36.173	42.752
EBITDA	6.611	6.904	8.132
Net Earnings	-569	-1.055	417

Valuation	**2024**	**2025**	**2026E**
P/E	n.a.	n.a.	29,0x
P/BV	1,4x	1,6x	1,6x
EV/EBITDA	3,2x	3,0x	2,6x



Koton – Summary

Balance Sheet	2024	2025	2026E
Cash	843	1.588	1.762
Accounts receivables	2.564	1.622	2.591
Inventory	11.491	10.220	13.102
Financial investments	0	0	0
Fixed assets	3.654	3.939	4.766
Other non-current assets	9.314	9.220	9.219
Total assets	**27.865**	**26.591**	**31.443**
Short-term financial loans	6.619	7.534	9.267
Accounts payables	7.491	6.824	8.408
Long-term financial loans	2.671	2.611	3.211
Other long-term payables	2.189	2.250	2.768
Non-current liabilities	**18.970**	**19.219**	**23.655**
Shareholders' equity	**8.895**	**7.371**	**7.788**
Paid in Capital	830	830	830
Other Equity	8.065	6.541	6.959
Total liabilities & equity	**27.865**	**26.591**	**31.443**
Net debt	8.447	8.557	10.716
Net working capital	6.563	5.018	7.285

Per share (EUR)			
EPS	-0,69	-1,27	0,50
BVPS	10,72	8,88	9,39
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	-6,6%	-13,0%	5,5%
Net margin	-1,6%	-2,9%	1,0%
Asset turnover	1,4x	1,3x	1,5x
Leverage	3,1x	3,3x	3,8x
ROA	-2,1%	-3,9%	1,4%
Leverage			
Financial debt/Total assets	33%	38%	40%
Net debt/Equity	0,95	1,16	1,38
Net debt/EBITDA	1,28	1,24	1,32

Income statement	2024	2025	2026E
Revenues	**36.133**	**36.173**	**42.752**
Gross profit	19.452	19.585	23.141
Operating expenses	-16.654	-17.012	-19.891
Operating profit	2.798	2.573	3.249
EBITDA	**6.611**	**6.904**	**8.132**
Other income, net	-2.628	-713	-415
Financial income, net	-956	-3.026	-2.342
Earnings before taxes	-793	-1.162	492
Tax expense	224	107	-75
Net earnings	**-569**	**-1.055**	**417**

Cashflow statement			
EBITDA	**6.611**	**6.904**	**8.132**
Taxes on EBIT	-700	-643	-812
Capital expenditures	-1.165	-1.207	-1.496
Chg. in NWC	478	-1.545	2.266

Growth & margins			
Revenues	1%	0%	18%
EBITDA	-15%	4%	18%
Net earnings	n.a.	n.a.	-140%
Gross margin	53,8%	54,1%	54,1%
Operating margin	7,7%	7,1%	7,6%
EBITDA margin	18,3%	19,1%	19,0%
Net margin	n.a.	n.a.	1,0%

Valuation			
P/E	n.a.	n.a.	29,0x
P/BV	1,4x	1,6x	1,6x
EV/EBITDA	3,0x	2,9x	2,5x

Source: Company Data, Tacirler Investment

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

***Figures in the table are adjusted for inflation.*

Mavi

We continue to keep Mavi Giyim in our model portfolio and maintain our positive view on the company. Despite relatively weak consumer demand in the sector, the company's ability to preserve its strong gross profitability profile, healthy balance sheet, strong brand positioning and effective inventory management support our investment view. Although sales declined slightly in real terms in 1Q26, we view the broad preservation of operational profitability positively. The year-on-year decline in net profit was driven mainly by the increase in the effective tax rate, rather than an operational deterioration. Accordingly, we maintain our 12-month target price of TL60.80 and our "BUY" recommendation. Our target price implies %62 upside potential based on the latest closing price.

Margins remained strong despite demand pressure. Although Mavi's net sales declined by 1.9% in real terms in 1Q26, we find the revenue performance resilient given the current demand environment. Gross margin increased by 1.1pp year-on-year to 53.3%, while the EBITDA margin declined to 19.7% due to the increase in the operating expenses-to-sales ratio. Net profit came in above consensus but declined year-on-year, mainly due to the increase in the effective tax rate.

The strong balance sheet and healthy inventory structure provide room for growth investments. The company maintained a net cash position of over TL7.0bn at end-1Q26, while inventory levels were 17% lower than the same period last year. This indicates that Mavi continues to manage its working capital effectively. The strong net cash position provides flexibility for store openings, renovations and international growth investments, despite softer demand conditions.

Sales momentum and operating leverage will be key in the second half. We expect gross profitability to remain at high levels, while stronger sales momentum could gradually ease the pressure from operating expenses. Türkiye retail sales growth of 37.5% and online sales growth of 31% in the period between May 1 and June 7 provide supportive early signals for the second quarter. That said, due to holiday effects, differences in working days and the impact of Bayram spending, we believe end-June and especially July sales trends will provide a healthier read on underlying demand.

Brand strength, US operations and the e-commerce outlook support the medium-term story. Mavi's strong position in denim, healthy inventory structure and selective growth strategy make the company more resilient during periods of weak demand. Continued growth in US operations and renewed momentum in the online channel remain complementary factors supporting the medium-term outlook.

MAVI — BUY

Target Price	**TL 60.80**
Return potential	**62%**

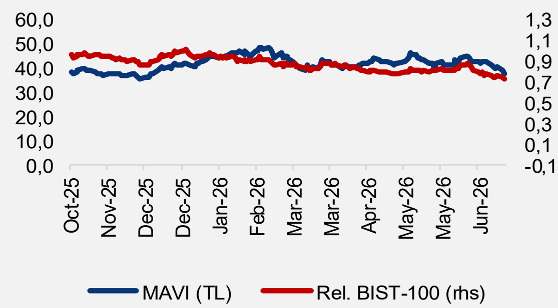
Share Data	
Ticker:	**MAVI**
Share price (as of 30.06.2026)	37,64
Share price (52 week range)	35 / 48
Market cap. (TL mn - USD mn)	29.905 - 642
# of shares (mn) & free float	795 - 73%
Foreign Ownership Rate	39%
Market	Star
Industry	Retail

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	6,0	5,9	7,3

Price performance	**1M**	**3M**	**Y-t-D**
TL	-9%	-5%	-10%
USD	-11%	-9%	-17%
Rel. to BIST-100	-12%	-15%	-28%

Forecasts (TL mn)	**2024**	**2025**	**2026E**
Revenues	55.032	52.192	63.502
EBITDA	10.019	9.668	11.794
Net Earnings	3.823	2.292	3.177

Valuation	**2024**	**2025**	**2026E**
P/E	8,4x	12,8x	9,1x
P/BV	2,4x	2,1x	1,8x
EV/EBITDA	3,3x	3,4x	2,7x



Mavi – Summary

Balance Sheet	2024	2025	2026E
Cash	8.272	9.300	7.945
Accounts receivables	2.684	3.110	3.699
Inventory	6.679	6.400	7.957
Financial investments	5	15	0
Fixed assets	3.589	5.221	5.221
Other non-current assets	4.357	5.457	6.731
Total assets	**25.587**	**29.503**	**31.552**
Short-term financial loans	2.163	3.130	2.892
Accounts payables	6.300	6.177	7.505
Long-term financial loans	944	1.748	2.127
Other long-term payables	2.566	3.214	1.269
Non-current liabilities	**11.973**	**14.269**	**13.793**
Shareholders' equity	**13.614**	**15.233**	**17.759**
Paid in Capital	397	795	795
Other Equity	13.217	14.439	16.964
Total liabilities & equity	**25.587**	**29.503**	**31.552**
Net debt	-5.165	-4.422	-2.926
Net working capital	3.064	3.333	4.151

Per share (EUR)			
EPS	4,81	2,89	4,00
BVPS	17,14	19,17	22,35
DPS	-1,72	-1,40	-1,21

Ratios			
Profitability			
ROE	33,1%	15,9%	19,3%
Net margin	6,9%	4,4%	5,0%
Asset turnover	2,4x	1,9x	2,1x
Leverage	2,0x	1,9x	1,9x
ROA	16,9%	8,3%	10,4%
Leverage			
Financial debt/Total assets	12%	17%	16%
Net debt/Equity	-0,38	-0,29	-0,16
Net debt/EBITDA	-0,52	-0,46	-0,25

Income statement	2024	2025	2026E
Revenues	**55.032**	**52.192**	**63.502**
Gross profit	27.675	26.614	32.381
Operating expenses	-21.010	-20.704	-25.191
Operating profit	6.665	5.910	7.190
EBITDA	**10.019**	**9.668**	**11.794**
Other income, net	250	256	312
Financial income, net	-1.683	-2.355	-2.833
Earnings before taxes	5.245	3.810	4.667
Tax expense	-1.422	-1.518	-1.490
Net earnings	**3.823**	**2.292**	**3.177**

Cashflow statement			
EBITDA	**10.019**	**9.668**	**11.794**
Taxes on EBIT	-1.666	-1.477	-1.798
Capital expenditures	-1.711	-1.972	-3.810
Chg. in NWC	899	270	817

Growth & margins			
Revenues	20%	-5%	22%
EBITDA	19%	-4%	22%
Net earnings	3%	-40%	39%
Gross margin	50,3%	51,0%	51,0%
Operating margin	12,1%	11,3%	11,3%
EBITDA margin	18,2%	18,5%	18,6%
Net margin	6,9%	4,4%	5,0%

Valuation			
P/E	8,4x	12,8x	9,1x
P/BV	2,4x	2,1x	1,8x
EV/EBITDA	3,3x	3,4x	2,7x

Source: Company Data, Tacirler Investment

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

** Figures in the table are adjusted for inflation.

Migros

We raise our 12-month target price for Migros from TL945 per share to TL1,039 per share and maintain our "BUY" recommendation. Our updated target price implies 55% upside potential. Migros' strong market position in food retail, extensive store network, growth in online channels and efficiency-oriented investments continue to support our investment theme. For 2026, the company guides for 5–7% sales growth, a 6–7% EBITDA margin including TMS 29, 180–200 new store openings and a capex/sales ratio of 2.5–3.0%. In our model, we forecast 2026 net sales of TL555.3bn, EBITDA of TL35.5bn, an EBITDA margin of 6.4% and net income of TL5.8bn. Based on our 2026E estimates, the company trades at 20.9x P/E and 3.6x EV/EBITDA.

Growth is expected to become more balanced in 2026, while efficiency will be more important for profitability… Migros' 2026 guidance points to a more balanced sales growth outlook following the strong nominal growth recorded during the high inflation period. Nevertheless, the company's strong store network, broad product range, online channels and loyalty programs should continue to support sales performance. In the second half of the year, we expect revenue growth to be more moderate, while store productivity, cost control and basket size will become more decisive for profitability.

Online channels and the store network continue to support Migros' growth… Migros reaches a broad customer base by combining its physical store network with online sales channels. As of 1Q26, the increase in the number of stores, the expansion of stores providing online services and ongoing digital investments indicate that the company's omnichannel growth strategy remains intact. We expect the contribution of online channels to sales to continue increasing in the second half of 2026, while also supporting customer loyalty.

Cost control will remain the key focus for margins… Personnel, rent, energy and logistics expenses continue to weigh on profitability for food retailers. Migros' scale advantage, strong procurement capabilities, private-label product portfolio and efficiency investments are among the key factors that could limit this pressure. In particular, electronic shelf labels, self-checkout systems and operational improvement initiatives are expected to support store-level productivity.

Online growth, market share gains and efficiency investments will be the key catalysts… Looking ahead, continued growth in online channels, selective store openings, recovery in like-for-like store sales and the contribution of efficiency investments to margins stand out as the key catalysts for Migros. On the risk side, increasing promotional competition, volatility in food inflation, regulatory pricing pressure, higher personnel costs and weaker-than-expected customer traffic should be closely monitored.

MGROS	BUY
Target Price	TL 1039
Return potential	55%

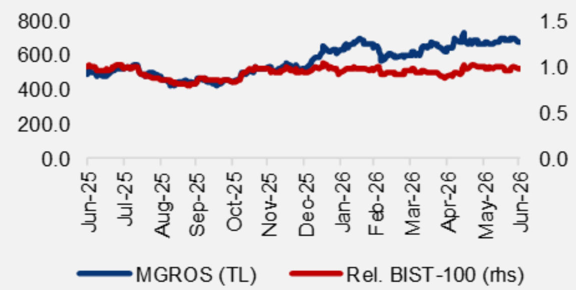
Share Data	
Ticker:	MGROS TI
Share price (as of 30.06.2026)	669.50
Share price (52 week range)	416.1 / 724.0
Market cap. (TL mn - USD mn)	121215.8 - 2602.6
# of shares (mn) & free float	181.1 - 51%
Foreign Ownership Rate	38.03%
Market	Star
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	25.8	32.0	38.9

Price performance	1M	3M	Y-t-D
TL	2%	13%	29%
USD	0%	8%	19%
Rel. to BIST-100	-2%	1%	3%

Forecasts (TL mn)	2024	2025	2026E
Revenues	423,142	454,198	555,370
EBITDA	22,751	30,064	35,583
Net Earnings	9,131	7,116	5,800

Valuation	2024	2025	2026E
P/E	13.3x	17.0x	20.9x
P/BV	1.5x	1.4x	1.3x
EV/EBITDA	5.7x	4.3x	3.6x



Migros - Summary

Balance Sheet	2024	2025	2026E
Cash	32,443	30,573	32,499
Accounts receivables	2,014	2,760	3,375
Inventory	44,870	45,382	55,454
Financial investments	31	139	153
Fixed assets	49,531	57,030	59,881
Other non-current assets	87,248	94,742	111,000
Total assets	216,135	230,625	262,362
Short-term financial loans	6,947	6,738	8,238
Accounts payables	83,120	87,837	109,633
Long-term financial loans	23,437	28,257	29,205
Other long-term payables	20,086	20,825	24,281
Non-current liabilities	**133,591**	**143,656**	**171,359**
Shareholders' equity	**82,545**	**86,969**	**91,003**
Paid in Capital	**199**	**181**	**181**
Other Equity	82,345	86,788	90,822
Total liabilities & equity	**216,135**	**230,625**	**262,362**
Net debt	-2,058	4,421	4,945
Net working capital	-36,237	-39,695	-50,805

Per share (TL)			
EPS	50.43	39.31	32.03
BVPS	455.91	480.35	502.63
DPS	-16.02	-12.51	-9.75

Ratios			
Profitability			
ROE	11.0%	8.4%	6.5%
Net margin	2.2%	1.6%	1.0%
Asset turnover	1.4x	2.0x	2.3x
Leverage	3.5x	2.6x	2.8x
ROA	3.1%	3.2%	2.4%
Leverage			
Financial debt/Total assets	14%	15%	14%
Net debt/Equity	-0.02	0.05	0.05
Net debt/EBITDA	-0.09	0.15	0.14

Income statement	2024	2025	2026E
Revenues	**423,142**	**454,198**	**555,370**
Gross Profit	97,701	110,422	135,296
Operating expenses	-89,321	-98,041	-120,992
Operating profit	8,380	12,379	14,304
EBITDA	**22,751**	**30,064**	**35,583**
Other income, net	-22,029	-21,461	-25,143
Financial income, net	24,699	19,229	19,069
Earnings before taxes	11,439	10,245	8,350
Tax expense	-2,021	-2,770	-2,257
Net earnings	**9,131**	**7,116**	**5,800**

Cashflow statement			
EBITDA	**22,751**	**30,064**	**35,583**
Taxes on EBIT	-937	-3,095	-3,576
Capital expenditures	-4,081	-15,016	-17,806
Chg. in NWC	569	-3,459	-11,110
Free cashflows to firm	**3,171**	**15,411**	**25,311**

Growth & margins			
Revenues	4%	7%	22%
EBITDA	-30%	32%	18%
Net earnings	-57%	-22%	-19%
Gross margin	23.1%	24.3%	24.4%
Operating margin	2.0%	2.7%	2.6%
EBITDA margin	5.4%	6.6%	6.4%
Net margin	2.2%	1.6%	1.0%
Free cashflow margin	0.7%	3.4%	4.6%

Valuation			
P/E	13.3x	17.0x	20.9x
P/BV	1.5x	1.4x	1.3x
EV/EBITDA	5.7x	4.3x	3.6x

Source: Company Data, Tacirler Investment

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

**The figures in the table have been adjusted for inflation.

MLP Care

MLP Sağlık entered 2026 with a strong, better-than-expected start, and we expect the supportive pricing environment and ongoing efficiency gains to preserve profitability through the rest of the year. In line with our assumptions, updated following the 1Q26 financials, we maintain our 12-month target price at TL619 and reiterate our "BUY" rating, implying an upside potential of approximately 44% relative to current levels. We believe the 1Q26 results confirm the durability of the margin recovery; although the transition of physicians to a salaried model should drive some margin contraction in 2H26, we view this as a largely anticipated and priced-in development that does not alter the medium-term outlook.

1Q26 was a strong quarter in which margins stood out despite limited revenue growth… Revenues rose 6% year-on-year to TL16.25 billion and EBITDA increased 25% to TL4.81 billion, while the EBITDA margin expanded by 455 basis points to 29.6%. Net income came in significantly above expectations at TL1.67 billion. The margin improvement was not confined to a single line item but spread across the entire cost structure, including personnel (−176 bps), materials (−119 bps) and outsourced services (−35 bps). We expect the 2026 EBITDA margin to remain around last year's levels and structurally strong. We also estimate real revenue growth continued in 2Q26, with EBITDA likely to post real growth close to 15%. On the cash flow side, the negative free cash flow in 1Q26 stemmed primarily from a seasonal working-capital outflow, which we expect to normalize in 2Q26, turning free cash flow positive over the rest of the year.

In the near term, the pricing side remains supportive… Following the roughly 30% SUT increase that took effect in January 2026, we believe the additional 20% TTB adjustment implemented at the end of June will serve as a supportive factor, as it directly benefits the patient segment that accounts for approximately 50% of revenues. On the cost side, the key item is the physician compensation model: as of June, the majority of physicians have been moved onto the payroll; this is expected to weigh modestly on the 2Q26 margin, with the main pressure felt in 2H26, where the company anticipates a 150–200 basis-point contraction. We believe the company, anticipating the cost pressure that the physician payroll transition would create, carried out comprehensive efficiency initiatives in prior quarters that lifted its margin to historically high levels, and that these initiatives, together with a favorable patient mix, will largely offset the pressure.

The capacity and balance-sheet side continues to support the medium-term growth story… The near-term catalyst will be two new hospitals planned to come on stream by year-end: Bursa (150 beds) and Çanakkale (80 beds). At end-2027/early-2028, openings in Ataşehir and Ankara with a combined capacity of up to 400 beds are planned. While the company targets opening 8–10 hospitals over a 4–5 year period, we note that, alongside organic growth, the inorganic side is also on the agenda; indeed, 3 hospitals were acquired in 2024 and 2 in 2025. The maturation of the Istanbul hospitals opened in 2025 also continues to contribute to volumes and operating leverage.

MPARK	**BUY**
Target Price	**TL 619**
Return potential	**44%**

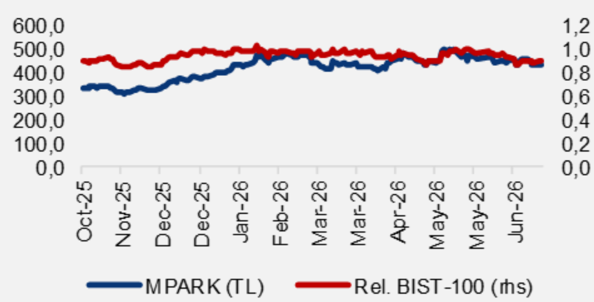
Share Data	
Ticker:	**MPARK TI**
Share price (as of 30.06.2026)	430,00
Share price (52 week range)	308 / 495
Market cap. (TL mn - USD mn)	82.135 - 1.764
# of shares (mn) & free float	191 - 42%
Foreign Ownership Rate	41.12%
Market	Star
Industry	Health Care

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

Price performance	1M	3M	Y-t-D
TL	-5%	2%	13%
USD	-7%	-3%	-15%
Rel. to BIST-100	-8%	-9%	-22%

Forecasts (TL mn)	2024	2025	2026E
Revenues	51.951	55.093	72.764
EBITDA	13.355	15.328	20.537
Net Earnings	6.820	5.537	7.486

Valuation	2024	2025	2026E
P/E	12,0x	14,8x	11,0x
P/BV	2,8x	2,4x	1,9x
EV/EBITDA	8,3x	7,3x	5,4x



MLP Care - Summary

Balance Sheet	2024	2025E	2025E
Cash	3.570	8.041	9.195
Accounts receivables	7.967	9.827	11.553
Inventory	1.314	1.110	1.600
Financial investments	0	0	0
Fixed assets	21.229	31.214	37.600
Other non-current assets	27.821	32.010	35.170
Total assets	**61.901**	**82.202**	**95.118**
Short-term financial loans	5.332	2.793	5.000
Accounts payables	7.841	10.251	11.674
Long-term financial loans	5.125	17.206	16.356
Other long-term payables	13.986	17.121	19.759
Non-current liabilities	**32.284**	**47.371**	**52.790**
Shareholders' equity	**29.617**	**34.831**	**42.328**
Paid in Capital	191	174	174
Other Equity	29.426	34.657	42.154
Total liabilities & equity	**61.901**	**82.202**	**95.118**
Net debt	6.887	11.958	12.162
Net working capital	1.440	686	1.479

Per share (TL)			
EPS	35,70	28,99	39,19
BVPS	155,05	182,35	221,60
DPS	1,34	1,28	1,04

Ratios			
Profitability			
ROE	25,5%	17,2%	19,4%
Net margin	13,1%	10,0%	10,3%
Asset turnover	0,9x	0,8x	0,8x
Leverage	2,2x	2,2x	2,3x
ROA	11,8%	7,7%	8,4%
Leverage			
Financial debt/Total assets	17%	24%	22%
Net debt/Equity	0,23	0,34	0,29
Net debt/EBITDA	0,52	0,78	0,59

Income statement	2024	2025E	2026E
Revenues	**51.951**	**55.093**	**72.764**
Gross profit	14.213	15.488	20.491
Operating expenses	-4.407	-4.750	-5.674
Operating profit	9.806	10.738	14.817
EBITDA	**13.355**	**15.328**	**20.537**
Other income, net	-474	-111	-712
Financial income, net	-1.604	-2.329	-2.570
Earnings before taxes	10.136	9.630	13.501
Tax expense	-2.563	-3.445	-5.323
Net earnings	**6.820**	**5.537**	**7.486**

Cashflow statement			
EBITDA	13.355	15.328	20.537
Taxes on EBIT	-2.563	-3.445	-5.323
Capital expenditures	-4.634	-11.265	-7.644
Chg. in NWC	208	-754	-1.082

Growth & margins			
Revenues	22%	6%	32%
EBITDA	22%	15%	34%
Net earnings	-20%	-19%	35%
Gross margin	27,4%	28,1%	28,2%
Operating margin	18,9%	19,5%	20,4%
EBITDA margin	25,7%	27,8%	28,2%
Net margin	13,1%	10,0%	10,3%

Valuation			
P/E	12,0x	14,8x	11,0x
P/BV	2,8x	2,4x	1,9x
EV/EBITDA	8,3x	7,3x	5,4x

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

Pegasus Airlines

Pegasus went through the first half of 2026 with a weak operational outlook, as geopolitical risks created significant pressure on international demand, the booking cycle and unit revenues. Weakness on Middle East routes, temporary flight suspensions, rising fuel costs and deterioration in international pricing power increased pressure on profitability despite the company's low-cost business model. We believe this weak outlook has been priced into the share performance to a significant extent. Although we expect pressure on operational profitability to continue in the second-quarter results in the short term, we believe the long-term recovery potential remains intact thanks to the company's young fleet structure, ancillary revenue generation capacity and international route-focused growth strategy. We maintain our 12-month target price of TL 252 per share and our "BUY" recommendation for PGSUS.

First-quarter results showed that operational profitability weakened despite revenue growth. While the company continued to increase its revenues YoY in 1Q26, the decline in RASK and the increase in CASK pressured margins. Net loss stood at TL 7.8 billion, while the EBITDA margin declined to 0.5%. Although passenger growth and capacity expansion continued, weakness in international unit revenues, the shortening of the booking cycle, financing expenses and fuel costs were the main factors weighing on results. On the other hand, the continued strong performance in ancillary revenues per passenger shows that Pegasus' revenue diversification and low-cost model remain important supportive factors.

Traffic data show that the recovery remained limited in the second quarter as well. Following a YoY decline in total passenger numbers in April, total passenger traffic decreased by 2.6% YoY in May to 3.53 million. The 3 percentage-point YoY decline in the load factor to 82.9% showed that weakness on the demand side affected not only volumes, but also capacity utilization. Although total passenger traffic increased by 3% YoY in the January-May period to 16.64 million, the fact that this growth has slowed significantly compared to previous periods supports our cautious stance ahead of the high season.

In the second half of the year, the key drivers for PGSUS will be the course of Middle East-related risks, fuel costs, the pace of recovery in international demand and whether load factors can strengthen again. Although a decline in geopolitical tensions and normalization in booking dynamics could create recovery potential in the operational outlook, we believe this recovery is likely to be more limited and gradual than that of THYAO in the initial stage. In the long term, the company's young fleet, strong ancillary revenue generation, growth advantage centered around Sabiha Gokcen Airport and the potential expansion of its European network through the Smartwings acquisition continue to support the investment story. In the short term, however, second-quarter financial results and summer season traffic data will be the key determinants of share performance.

PGSUS	**BUY**
Target Price	**TL 252**
Return potential	**44%**

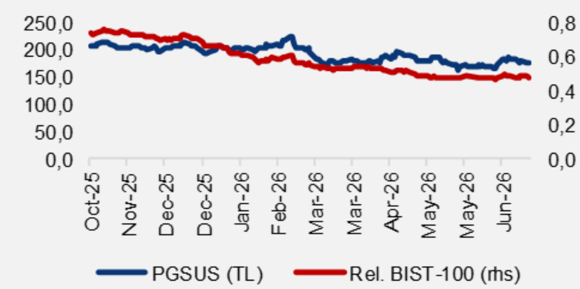
Share Data	
Ticker:	**PGSUS TI**
Share price (as of 30.06.2026)	175,10
Share price (52 week range)	163 / 274
Market cap. (TL mn - USD mn)	87.550 - 1.880
# of shares (mn) & free float	500 - 43%
Foreign Ownership Rate	9.93%
Market	Star
Industry	Aviation

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	41,3	51,7	83,8

Price performance	**1M**	**3M**	**Y-t-D**
TL	3%	0%	-9%
USD	1%	-4%	-16%
Rel. to BIST-100	0%	-10%	-27%

Forecasts (TL mn)	**2024**	**2025**	**2026E**
Revenues	111.823	154.128	197.157
EBITDA	31.765	37.096	35.029
Net Earnings	13.285	13.750	-1.506

Valuation	**2024**	**2025**	**2026E**
P/E	6,6x	6,4x	n.m.
P/BV	1,2x	0,7x	0,7x
EV/EBITDA	7,7x	6,6x	7,0x



Pegasus Airlines – Summary

Balance Sheet	2024	2025	2026E
Cash	46.259	54.846	65.556
Accounts receivables	2.699	3.677	8.138
Inventory	1.526	2.314	4.575
Financial investments	11.098	16.981	16.936
Fixed assets	18.188	27.891	35.638
Other non-current assets	203.808	304.459	358.992
Total assets	**283.578**	**410.168**	**489.835**
Short-term financial loans	29.251	46.922	62.652
Accounts payables	7.943	14.554	15.492
Long-term financial loans	137.057	186.262	220.201
Other long-term payables	34.408	45.576	69.491
Non-current liabilities	**208.659**	**293.314**	**367.835**
Shareholders' equity	**74.919**	**116.854**	**122.000**
Paid in Capital	500	500	500
Other Equity	74.419	116.354	121.500
Total liabilities & equity	**283.578**	**410.168**	**489.835**
Net debt	120.049	178.339	217.297
Net working capital	-3.718	-8.563	-2.778

Per share (TL)			
EPS	26,57	27,50	-3,01
BVPS	149,84	233,71	244,00
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	20,5%	14,3%	-1,3%
Net margin	11,9%	8,9%	-0,8%
Asset turnover	0,5x	0,4x	0,4x
Leverage	3,7x	3,6x	3,8x
ROA	5,5%	4,0%	-0,3%
Leverage			
Financial debt/Total assets	59%	57%	58%
Net debt/Equity	1,60	1,53	1,78
Net debt/EBITDA	3,78	4,81	6,20

Income statement	2024	2025	2026E
Revenues	**111.823**	**154.128**	**197.157**
Gross profit	24.935	26.196	26.129
Operating expenses	-5.192	-8.115	-11.961
Operating profit	19.743	18.080	14.168
EBITDA	**31.765**	**37.096**	**35.029**
Other income, net	1.064	-6.373	-2.197
Financial income, net	-10.707	140	-11.030
Earnings before taxes	11.922	14.836	2.905
Tax expense	1.363	-1.086	-4.411
Net earnings	**13.285**	**13.750**	**-1.506**

Cashflow statement			
EBITDA	**31.765**	**37.096**	**35.029**
Taxes on EBIT	1.363	-1.086	-4.411
Capital expenditures	2.568	-2.299	-4.554
Chg. in NWC	64	-4.845	2.231
Free cashflows to firm	**35.632**	**38.556**	**23.833**

Growth & margins			
Revenues	59%	38%	28%
EBITDA	47%	17%	-6%
Net earnings	-36%	3%	-111%
Gross margin	22,3%	17,0%	13,3%
Operating margin	17,7%	11,7%	7,2%
EBITDA margin	28,4%	24,1%	17,8%
Net margin	11,9%	8,9%	-0,8%
Free cashflow margin	31,9%	25,0%	12,1%

Valuation			
P/E	6,6x	6,4x	n.m.
P/BV	1,2x	0,7x	0,7x
EV/EBITDA	7,7x	6,6x	7,0x

Source: Company Data, Tacirler Investment

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

Sabancı Holding

We continue to keep Sabancı Holding in our model portfolio as one of our preferred holding companies. The NAV discount remaining above historical averages, portfolio simplification, recovery in non-bank segments led by energy, and potential IPO catalysts support our investment view. Following target price updates for subsidiaries, primarily Akbank, we raise our 12-month target price from TL162.00 to TL183.00 and maintain our "BUY" recommendation. Our target price implies %88 upside potential based on the latest closing price.

Portfolio simplification remains an important pillar of the investment story. We view the Akçansa sale and the CarrefourSA sale process positively, as exits from subsidiaries with lower strategic priority or limited profitability quality. We believe these steps will make the holding portfolio more focused while also strengthening capital allocation discipline.

The center of gravity of the story is increasingly shifting toward non-bank segments. Energy stands out as one of the strongest examples of this transformation. Enerjisa Enerji provides regulated and predictable cash flows, while Enerjisa Üretim represents the renewable-focused growth pillar. Sabancı Climate Technologies, with its growing renewable energy and climate technology investments in the US, also opens a new USD-based and geographically diversified growth area for the group.

The subsidiary outlook is becoming more balanced. Akbank, which represents the largest share of NAV, has been pressured by the high interest rate environment, but the rate-cut cycle and a potential decline in the risk premium could support the banking-side valuation. The energy segment continues to deliver more positive results, while we expect the contribution from renewables to become more visible in the coming period. Non-bank segments are showing signs of profitability recovery, while selective investments and efficiency initiatives in Material Technologies support the quality of earnings.

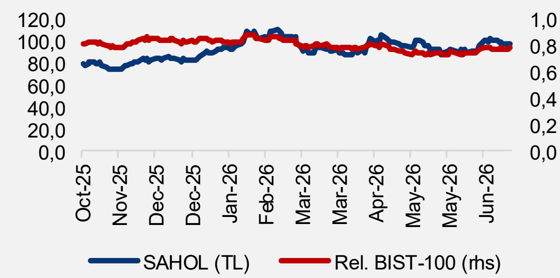
For the second half, we see the rate-cut cycle and company-specific catalysts as key drivers for a potential narrowing in the NAV discount. Rate cuts and a possible decline in the risk premium may support the valuation of listed subsidiaries, particularly Akbank. In addition, lower financing costs in energy and industrial subsidiaries, efficiency initiatives and operational recovery may help non-bank profitability move onto a more sustainable footing. The potential IPO of Enerjisa Üretim, although timing remains uncertain, continues to be an important medium-term catalyst to monitor in terms of making hidden value within the holding structure more visible.

SAHOL	**BUY**
Target Price	**TL 183**
Return potential	**88%**

Share Data	
Ticker:	**SAHOL**
Share price (as of 30.06.2026)	97,50
Share price (52 week range)	74 / 111
Market cap. (TL mn - USD mn)	204.787 - 4.397
# of shares (mn) & free float	2.100 - 51%
Foreign Ownership Rate	27%
Market	Star
Industry	Conglomerates

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	60,2	69,4	77,8

Price performance	**1M**	**3M**	**Y-t-D**
TL	6%	11%	18%
USD	4%	6%	8%
Rel. to BIST-100	3%	0%	-6%



Sabancı Holding – NAV Table

	Valuation	Total Valıe (mn TL)	Holding Stake (%)	to Sabanci (mn TL)	% of NAV	Target MCAP	to Sabanci (mn TL)	% of NAV
Banking and Finance				**186.944**			**260.046**	
AKBNK	MCap	401.440	41%	164.590	40%	564.200	231.322	42%
AKGRT	MCap	11.494	36%	4.138	1%	14.769	5.317	1%
AGESA	MCap	45.540	40%	18.216	4%	58.519	23.408	4%
Material Tech				**46.323**			**59.525**	
CIMSA	MCap	45.332	55%	24.932	6%	58.251	32.038	6%
KORDS	MCap	13.714	71%	9.737	2%	17.623	12.512	2%
BRISA	MCap	26.484	44%	11.653	3%	34.032	14.974	3%
Digital Tech				**4.983**			**7.314**	
TKNSA	MCap	3.996	50%	1.998	0%	6.955	3.477	1%
DxBV	Book Value	2.986	100%	2.986	1%	3.836	3.836	1%
Energy and Climate				**144.707**			**185.948**	
Enerjisa Üretim	8,0x EV/EBITDA	147.503	50%	73.752	18%	189.542	94.771	17%
ENJSA	Mcap	124.721	40%	49.888	12%	160.266	64.107	12%
Sabancı Climate Tech.	Book Value	14.648	100%	14.648	4%	18.822	18.822	3%
Cimsa Building Solutions	Book Value	20.059	32%	6.419	2%	25.776	8.248	1%
Others				**17.540**			**22.539**	
TUA	Book Value	9.610	50%	4.805	1%	12.348	6.174	1%
Others	Book Value	12.735	100%	12.735	3%	16.365	16.365	3%
				Current NAV			**Target NAV**	
Listed				285.153	69%		387.155	70%
Unlisted				115.344	28%		148.217	27%
Net Cash				14.181	3%		14.592	3%
Total Net Asset Value				414.678	100%		549.963	100%
Mcap				204.787			204.787	
Discount / Premium (%)				**-51%**			**-63%**	
Holding Discount (%)							**-30%**	
Target MCAP							384.974	
12M Target Price							**183**	
Current Price							**98**	
12M Potential (%)							**88%**	

*Source: Tacirler Yatırım Research, Matriks, Sabancı Holding
**30/06/2026 closing

Tab Gıda

We raise our 12-month target price for TAB Gıda from TL333 per share to TL411 per share and maintain our "BUY" recommendation. Our updated target price implies 82% upside potential, while the company's leading position in the quick-service restaurant segment, strong brand portfolio, franchise-led growth model, digitalization investments and scale advantages continue to support our investment theme. The company's 2026 guidance points to controlled growth, with around 10% growth in new restaurant openings, 8–10% real revenue growth and EBITDA margin preservation. In our model, we forecast 2026 net sales of TL54.3bn, EBITDA of TL11.3bn, an EBITDA margin of 21% and net income of TL3.7bn. Based on our 2026E estimates, the company trades at 15.9x P/E and 5.0x EV/EBITDA.

The quick-service restaurant segment stands out with relative resilience despite macroeconomic conditions… In periods when household spending is under pressure, the affordable and accessible product offering of the quick-service restaurant segment supports a relatively resilient demand outlook. The downward trend in inflation and the expected gradual easing in financial conditions in the remainder of the year may support consumer demand. That said, food inflation, volatility in consumer spending and intense competition suggest that selective growth and pricing capability will remain key themes in the second half of the year.

Company guidance supports the controlled growth and margin preservation theme… TAB Gıda's 2026 guidance points to around 10% growth in new restaurant openings, 8–10% real revenue growth and EBITDA margin preservation. This outlook indicates that the company's growth strategy is not only driven by new restaurant openings, but also by existing restaurant productivity, its brand portfolio, digital channels and delivery capacity. Despite the high base effect and potential volatility in consumer spending in the second half of the year, we believe the company can maintain a relatively resilient operational performance thanks to its scale advantages and pricing capability.

The franchise model, digital channels and strong brand portfolio continue to support growth… TAB Gıda's franchise-led growth model enables the company to expand its restaurant network with lower capital intensity, while supporting operational efficiency and economies of scale. On the digitalization side, the expansion of TıklaGelsin, Fiyuu, kiosk applications and delivery channels strengthens both customer experience and sales channel diversification. The broad brand portfolio, including Burger King, Popeyes, Arby's, Sbarro, Subway, Usta Dönerci and Usta Pideci, allows the company to address different income groups and consumer preferences. On the risk side, increases in food, energy, rent and personnel costs, aggressive price competition and a potential slowdown in new restaurant openings should be monitored.

TABGD	BUY
Target Price	TL 411
Return potential	82%

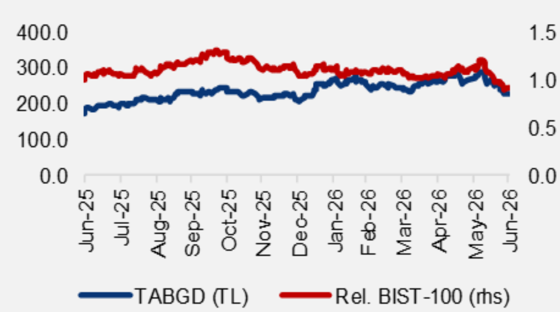
Share Data	
Ticker:	TABGD TI
Share price (as of 30.06.2026)	225.80
Share price (52 week range)	173.8 / 289.0
Market cap. (TL mn - USD mn)	58999.7 - 1266.8
# of shares (mn) & free float	261.3 - 20%
Foreign Ownership Rate	38.03%
Market	Star
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	4.5	4.1	4.3

Price performance	1M	3M	Y-t-D
TL	-14%	-6%	10%
USD	-16%	-11%	1%
Rel. to BIST-100	-17%	-16%	-12%

Forecasts (TL mn)	2024	2025	2026E
Revenues	41,897	47,637	54,320
EBITDA	9,085	9,723	11,396
Net Earnings	2,502	2,638	3,712

Valuation	2024	2025	2026E
P/E	23.6x	22.4x	15.9x
P/BV	2.8x	2.4x	2.2x
EV/EBITDA	6.3x	5.9x	5.0x



Tab Gıda - Summary

Balance Sheet	2024	2025	2026E
Cash	5,524	3,873	8,980
Accounts receivables	1,859	2,861	3,263
Inventory	515	688	782
Financial investments	2,373	3,241	3,696
Fixed assets	12,638	15,963	15,187
Other non-current assets	8,971	13,707	15,630
Total assets	31,880	40,334	47,539
Short-term financial loans	1,840	2,696	3,952
Accounts payables	2,570	4,096	4,659
Long-term financial loans	2,962	4,367	6,438
Other long-term payables	3,772	4,660	5,314
Non-current liabilities	**11,143**	**15,819**	**20,363**
Shareholders' equity	**20,737**	**24,515**	**27,177**
Paid in Capital	**261**	**261**	**261**
Other Equity	20,476	24,254	26,915
Total liabilities & equity	**31,880**	**40,334**	**47,539**
Net debt	-722	3,190	1,410
Net working capital	-196	-546	-614

Per share (TL)			
EPS	9.58	10.09	14.21
BVPS	79.36	93.82	104.01
DPS	-0.85	-4.07	-4.02

Ratios			
Profitability			
ROE	4.8%	11.7%	14.4%
Net margin	6.0%	5.5%	6.8%
Asset turnover	0.2x	1.3x	1.2x
Leverage	3.8x	1.6x	1.7x
ROA	1.2%	7.3%	8.4%
Leverage			
Financial debt/Total assets	15%	18%	22%
Net debt/Equity	-0.03	0.13	0.05
Net debt/EBITDA	-0.08	0.33	0.12

Income statement	2024	2025	2026E
Revenues	**41,897**	**47,637**	**54,320**
Gross Profit	7,316	7,724	8,916
Operating expenses	-3,410	-3,666	-3,980
Operating profit	3,906	4,058	4,936
EBITDA	**9,085**	**9,723**	**11,396**
Other income, net	-214	-575	-915
Financial income, net	-2,473	-1,216	-1,692
Earnings before taxes	3,766	4,049	4,946
Tax expense	-1,264	-1,411	-1,234
Net earnings	**2,502**	**2,638**	**3,712**

Cashflow statement			
EBITDA	**9,085**	**9,723**	**11,396**
Taxes on EBIT	-937	-1,411	-1,234
Capital expenditures	-4,081	-4,361	-4,889
Chg. in NWC	569	-351	-67
Free cashflows to firm	**3,171**	**4,302**	**5,340**

Growth & margins			
Revenues	-90%	14%	14%
EBITDA	-72%	7%	17%
Net earnings	-88%	5%	41%
Gross margin	17.5%	16.2%	16.4%
Operating margin	9.3%	8.5%	9.1%
EBITDA margin	21.7%	20.4%	21.0%
Net margin	6.0%	5.5%	6.8%
Free cashflow margin	7.6%	9.0%	9.8%

Valuation			
P/E	23.6x	22.4x	15.9x
P/BV	2.8x	2.4x	2.2x
EV/EBITDA	6.3x	5.9x	5.0x

Source: Company Data, Tacirler Investment

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

**The figures in the table have been adjusted for inflation.

TAV Airports

TAV Airports experienced a more volatile operational period in the first half of 2026. While passenger traffic growth was maintained at the beginning of the year, Middle East-related geopolitical risks, weakness in Antalya and international traffic, and declines in Madinah and Georgia operations pressured the overall passenger outlook as of the second quarter. On the other hand, resilient domestic traffic, strong performances in Ankara, Izmir and North Macedonia, and the contribution from service companies limited the weakness in the overall picture. In line with the current outlook, we maintain our 12-month target price of TL 430 per share and our "BUY" recommendation.

First-quarter financials showed that pressure on operational profitability continued despite passenger growth. The company reported revenue of EUR 360.6 million and EBITDA of EUR 77.6 million in 1Q26, while the EBITDA margin declined by 2.3 percentage points YoY to 21.5%. In TL terms, net loss came in above expectations at TL 2.99 billion. The 10% contraction in aviation revenues, weakness in jet fuel sales volumes and margins in Almaty, the high base created by the Qatar project completed last year at TAV Technologies, and higher financing expenses were the main factors weighing on results. On the other hand, growth in food and beverage, duty free and commercial area revenues showed that non-aviation revenues remained supportive.

Traffic data point to a more cautious picture for the second-quarter outlook. In May, total passenger traffic declined by 1.3% YoY to 10.0 million, while domestic passenger traffic increased by 7.6% to 3.3 million and international passenger traffic fell by 5.3% to 6.7 million. Weakness originating from Madinah, Antalya and Georgia stood out in the decline, while increases in Izmir, Ankara and North Macedonia limited the overall contraction. Although the 2% YoY increase in total passenger traffic to 36.7 million in the January-May period is positive, the 1% decline in international passengers remains the main issue to be closely monitored ahead of the high season.

In the second half of the year, the key driver for TAVHL will be the extent to which international traffic and tourism demand recover during the summer season. A decline in Middle East-related risks, normalization in Antalya traffic, continued growth in Almaty and Ankara, and operational momentum on the BTA and ATÜ sides could support the company's outlook. Management's decision to maintain its 2026 guidance of 116-123 million passengers, EUR 1.88-1.98 billion in revenue and EUR 590-650 million in EBITDA indicates that there is no significant deterioration in the medium-term story. Although traffic composition and financing expenses may continue to create pressure in the short term, we believe TAVHL preserves its gradual recovery potential in the second half of the year, supported by its geographically diversified portfolio, non-aviation revenue structure and the contribution from completed Antalya terminal investments.

TAVHL — BUY

Target Price	**TL 430**
Return potential	**52%**

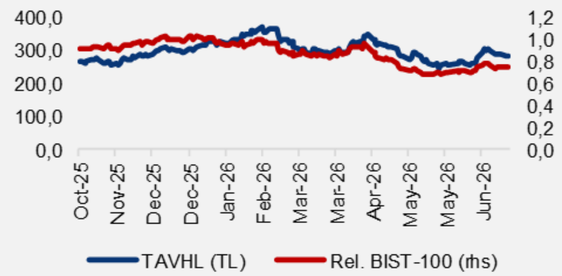
Share Data	
Ticker:	**TAVHL**
Share price (as of 30.06.2026)	282,25
Share price (52 week range)	221 / 367
Market cap. (TL mn - USD mn)	102.536 - 2.202
# of shares (mn) & free float	363 - 48%
Foreign Ownership Rate	48.25%
Market	Star
Industry	Aviation

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	24,2	23,4	19,6

Price performance	1M	3M	Y-t-D
TL	12%	-4%	-5%
USD	10%	-8%	-13%
Rel. to BIST-100	8%	-14%	-25%

Forecasts (TL mn)	2024	2025	2026
Revenues	1.668	1.823	1.900
EBITDA	473	515	550
Net Earnings	185	51	39

Valuation	2024	2025	2026
P/E	10,5x	38,2x	49,4x
P/BV	1,2x	1,2x	1,2x
EV/EBITDA	6,0x	4,4x	3,7x



TAV Airports - Summary

Balance Sheet	2024	2025	2026E
Cash	353	299	748
Accounts receivables	137	178	192
Inventory	45	49	56
Financial investments	154	169	186
Fixed assets	2.450	2.757	2.618
Other non-current assets	1.725	1.622	1.703
Total assets	**4.863**	**5.074**	**5.503**
Short-term financial loans	462	444	492
Accounts payables	95	97	119
Long-term financial loans	1.387	1.355	1.662
Other long-term payables	1.312	1.561	1.576
Non-current liabilities	**3.255**	**3.457**	**3.849**
Shareholders' equity	**1.608**	**1.617**	**1.654**
Paid in Capital	10	7	7
Other Equity	1.598	1.610	1.646
Total liabilities & equity	**4.863**	**5.074**	**5.503**
Net debt	1.496	1.500	1.407
Net working capital	86	129	129

Income statement	2024	2025	2026E
Revenues	**1.668**	**1.823**	**1.900**
Gross profit	605	732	761
Operating expenses	-340	-372	-397
Operating profit	265	360	364
EBITDA	**473**	**515**	**550**
Other income, net	27	9	10
Financial income, net	-170	-234	-234
Investment income, net	59	53	45
Income from Equity pick-up	61	-60	-55
Earnings before taxes	242	128	131
Tax expense	-43	-62	-45
Net earnings	**185**	**51**	**39**

Cashflow statement			
EBITDA	**473**	**515**	**550**
Taxes on EBIT	-26	-43	-54
Capital expenditures	-212	-250	-206
Chg. in NWC	29	13	52
Free cashflows to firm	**138**	**167**	**253**

Per share (EUR)			
EPS	0,51	0,14	0,11
BVPS	4,43	4,45	4,55
DPS	1,44	0,35	3,64

Growth & margins			
Revenues	25%	9%	4%
EBITDA	19%	9%	7%
Net earnings	-37%	-73%	-23%
Gross margin	36,3%	40,2%	40,1%
Operating margin	15,9%	19,8%	19,2%
EBITDA margin	28,4%	28,3%	28,9%
Net margin	11,1%	2,8%	2,1%
Free cashflow margin	8,3%	9,1%	13,3%

Ratios			
Profitability			
ROE	12,2%	3,1%	2,4%
Net margin	11,1%	2,8%	2,1%
Asset turnover	0,3x	0,4x	0,4x
Leverage	3,2x	3,1x	3,2x
ROA	3,8%	1,0%	0,7%
Leverage			
Financial debt/Total assets	38%	35%	39%
Net debt/Equity	0,93	0,93	0,85
Net debt/EBITDA	3,16	2,91	2,56

Valuation			
P/E	10,4x	37,9x	49,0x
P/BV	1,2x	1,2x	1,2x
EV/EBITDA	6,0x	4,4x	3,7x

Source: Company Data, Tacirler Investment

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

Teknosa

We maintain our 12-month target price of TL34.60 and our "BUY" recommendation for Teknosa. When we initiated coverage on the company, we highlighted that efficiency initiatives would gradually improve operational margins, and we maintain this view. In 1Q26, revenues continued to grow in real terms, while pressure on gross margin and high financing expenses remained the main constraints on net profit. The timing of the return to net profitability will largely depend on the interest rate path, normalization in credit card commission costs and improvement in working capital needs. Therefore, we expect the recovery to progress gradually and become more visible from the second half of 2026 onward. Our target price implies 76% upside potential based on the latest closing price.

Revenue growth was maintained, while operational efficiency supported the EBITDA margin. In 1Q26, net sales increased by 3% year-on-year to TL22.2bn. Like-for-like sales, adjusted for store openings and closures, grew by 9.6%, while e-commerce sales increased by 24% and their share in total revenues rose to 10%. On the other hand, gross profit declined by 6% year-on-year and the gross margin fell by 1.2pp to 11.5%. Seasonality, rising competition and changes in the product mix were the main factors behind this pressure. On the positive side, the operating expenses-to-sales ratio improved by 1.2pp, while the more efficient store network supported the limited recovery in the EBITDA margin.

Normalization in financing expenses will be key for a return to net profitability. Although the company delivered operational improvement in 1Q26, it reported a net loss of TL477mn due to high financing expenses. Credit card commissions remain an important item within financing expenses; however, with the broader use of alternative payment methods, the ratio of credit card commissions to sales declined from 4.6% to 4.0%. That said, net financing expenses-to-sales increased due to seasonal working capital needs and higher borrowing. Therefore, a return to net profitability will require not only sales growth, but also a sustained normalization in financing costs and working capital needs.

The medium-term story is attractive, but the recovery is likely to be gradual. A potential replacement cycle driven by the wider adoption of 5G-compatible smartphones, the gradual release of pent-up demand in televisions, white goods and small home appliances, and continued growth in the e-commerce channel may support revenues. Management's focus on high-margin categories, complementary service revenues, AI-supported inventory management and efficiency programs may improve gross profitability quality over the medium term. A more visible rate-cut cycle, normalization in credit card commission costs and improvement in working capital needs will be the key catalysts to monitor for the stock's valuation potential to become more visible.

TKNSA	**BUY**
Target Price	**TL 34.60**
Return potential	**76%**

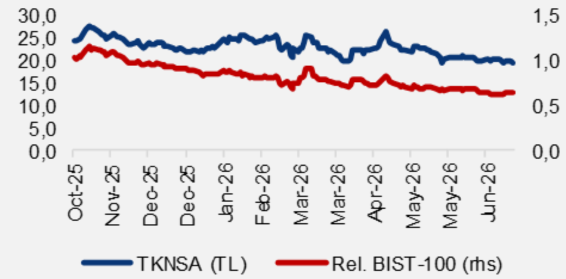
Share Data	
Ticker:	**TKNSA**
Share price (as of 30.06.2026)	19,63
Share price (52 week range)	19 / 29
Market cap. (TL mn - USD mn)	3.946 - 85
# of shares (mn) & free float	201 - 50%
Foreign Ownership Rate	1%
Market	Star
Industry	Electronic Retail

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

Price performance	**1M**	**3M**	**Y-t-D**
TL	-5%	0%	-11%
USD	-7%	-5%	-18%
Rel. to BIST-100	-8%	-11%	-29%

Forecasts (TL mn)	**2024**	**2025E**	**2026E**
Revenues	100.011	91.905	106.247
EBITDA	4.106	4.466	5.178
Net Earnings	-2.045	-2.477	-1.292

Valuation	**2024**	**2025E**	**2026E**
P/E	n.a.	n.a.	n.a.
P/BV	1,2x	5,0x	n.a.
EV/EBITDA	2,8x	2,5x	2,2x



Teknosa – Summary

Balance Sheet	2024	2025	2026E
Cash	3.682	2.722	1.096
Accounts receivables	1.740	1.858	1.741
Inventory	15.390	13.764	15.866
Financial investments	0	0	0
Fixed assets	2.651	2.662	3.259
Other non-current assets	2.714	3.508	3.507
Total assets	**26.180**	**24.518**	**25.473**
Short-term financial loans	1.110	5.706	6.596
Accounts payables	19.708	15.238	16.161
Long-term financial loans	648	1.049	1.212
Other long-term payables	1.437	1.731	2.001
Non-current liabilities	**22.904**	**23.723**	**25.971**
Shareholders' equity	**3.276**	**794**	**-498**
Paid in Capital	221	201	201
Other Equity	3.055	593	-699
Total liabilities & equity	**26.180**	**24.518**	**25.473**
Net debt	-1.924	4.032	6.713
Net working capital	-2.578	384	1.446

Per share (EUR)			
EPS	-10,17	-12,32	-6,43
BVPS	16,30	3,95	-2,48
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	-47,5%	-121,7%	n.a.
Net margin	-2,0%	-2,7%	-1,2%
Asset turnover	3,5x	3,6x	4,3x
Leverage	6,6x	12,5x	n.a.
ROA	-7,2%	-9,8%	-5,2%
Leverage			
Financial debt/Total assets	7%	28%	31%
Net debt/Equity	-0,59	5,08	n.a.
Net debt/EBITDA	-0,47	0,90	1,30

Income statement	2024	2025	2026E
Revenues	**100.011**	**91.905**	**106.247**
Gross profit	12.838	12.370	14.354
Operating expenses	-10.730	-10.230	-11.827
Operating profit	2.108	2.140	2.527
EBITDA	**4.106**	**4.466**	**5.178**
Other income, net	-4.706	-4.021	-3.139
Financial income, net	165	-978	-895
Earnings before taxes	-2.427	-2.890	-1.507
Tax expense	382	413	215
Net earnings	**-2.045**	**-2.477**	**-1.292**

Cashflow statement			
EBITDA	**4.106**	**4.466**	**5.178**
Taxes on EBIT	-527	-535	-632
Capital expenditures	-1.045	-1.111	-1.178
Chg. in NWC	-1.290	2.962	1.062

Growth & margins			
Revenues	2%	-8%	16%
EBITDA	91%	9%	16%
Net earnings	n.a.	n.a.	n.a.
Gross margin	12,8%	13,5%	13,5%
Operating margin	2,1%	2,3%	2,4%
EBITDA margin	4,1%	4,9%	4,9%
Net margin	-2,0%	-2,7%	-1,2%

Valuation			
P/E	n.a.	n.a.	n.a.
P/BV	1,2x	5,0x	n.a.
EV/EBITDA	2,8x	2,5x	2,2x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TRY unless otherwise stated.*
***Figures in the table are adjusted for inflation.*

Turkcell

We continue to like Turkcell and retain it in our model portfolio, supported by the long-term competitive advantage from owning 40% of the 5G spectrum and approximately 25% more capacity than its closest competitor, structural growth in Digital Business Services and data center/cloud, the strategic partnership to establish a Google Cloud region in Türkiye, a more rational mobile competitive environment, and a robust balance sheet with net debt/EBITDA at 0.42x despite a heavy investment year. We maintain our 12-month target price at TRY148 per share, implying approximately 38% upside, and reiterate our BUY recommendation.

Competition in the mobile segment is slowing… We think the aggressive offers the rival operator made last year, stemming from its strategy to settle into second place, are now behind us, and that the market has rationalized somewhat. Because both operators are in a heavy 5G-driven investment cycle, we anticipate this slowdown will continue; we view this as a factor supporting Turkcell's pricing power by preserving its postpaid subscriber acquisition. In Q1'26, 661 thousand net postpaid additions (the strongest in the last 14 quarters), an 81% postpaid share, churn declining to 1.6%, and positive MNP performance confirm this outlook. On the other hand, mobile ARPU remained flat year-over-year; due to the delayed pass-through of segment-based price increases, we do not expect a notable positive move in ARPU in Q2–Q3, and we think the effect will be seen more toward year-end. Although the company's year-end real revenue growth target is 5-7%, when the slowdown in mobile postpaid ARPU and the year-end CPI outlook are considered, we anticipate growth may remain at the lower end of this band.

Strategic focus areas continue to support growth… Digital business services revenues grew 64% year-over-year, driven by the hardware contribution from large-scale corporate/public/defense projects, while data center and cloud revenues grew 21%. With cumulative data center investment reaching EUR 598 million, the Google Cloud hyperscale partnership, and ongoing capacity expansions, we think this item will continue to structurally support Group growth. On the Techfin side, while Paycell grew 15% (POS revenues +37%), we assess that the POS-focused momentum will continue to be the segment's main driver.

As the 5G payment schedule eases cash flow mid-year, the TOGG contribution turns positive… The first installment of the 5G license won in October 2025 created a cash outflow of USD 653 million in Q1'26, since the entire VAT was paid upfront. The next installment will be paid in the last quarter. For this reason, we think no additional 5G-related cash outflow or borrowing need will arise during the summer, and that these quarters' operational cash generation will turn into free cash flow without the 5G burden, positively affecting cash metrics. We also read the USD 1 billion Murabaha syndication as part of a strategy of borrowing on favorable terms and turning toward Islamic financing, rather than out of necessity. In contrast to the losses on the TOGG side in previous quarters, this quarter it recorded a positive contribution, and we expect last year's negative performance not to be repeated.

TCELL	**BUY**
Target Price	**TL 148**
Return potential	**38%**

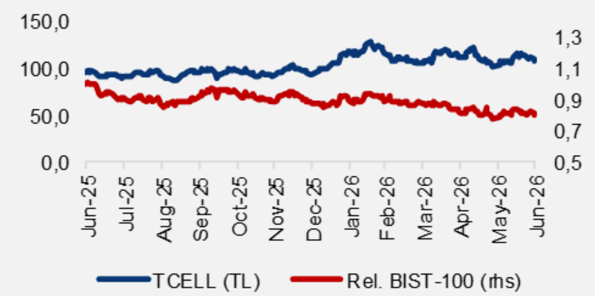
Share Data	
Ticker:	**TCELL TI**
Share price (as of 30.06.2026)	107,40
Share price (52 week range)	87 / 128
Market cap. (TL mn - USD mn)	236280,0 - 5073,1
# of shares (mn) & free float	2.200 - 44%
Foreign Ownership Rate	43,95%
Market	Star
Industry	Telecommunications

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	49,4	50,2	61,0

Price performance	1M	3M	Y-t-D
TL	6%	3%	15%
USD	4%	-2%	6%
Rel. to BIST-100	3%	-8%	-8%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	240.064	265.715	322.062
EBITDA	101.813	115.396	132.777
Net Earnings	35.353	20.944	20.273

Valuation	2024	2025E	2026E
P/E	6,7x	11,3x	11,7x
P/BV	0,9x	0,8x	0,8x
EV/EBITDA	2,9x	2,6x	2,3x



Turkcell – Summary

Balance Sheet	2024	2025	2026E
Cash	99.289	101.048	157.165
Accounts receivables	24.068	26.314	34.090
Inventory	972	988	1.362
Financial investments	9.911	15.581	17.139
Fixed assets	267.773	287.820	393.123
Other non-current assets	93.862	119.081	134.850
Total assets	**495.874**	**550.831**	**737.728**
Short-term financial loans	74.761	39.522	46.429
Accounts payables	32.783	35.889	40.858
Long-term financial loans	75.525	135.055	262.329
Other long-term payables	43.510	54.994	81.925
Non-current liabilities	**226.579**	**265.461**	**431.540**
Shareholders' equity	**269.296**	**285.371**	**306.188**
Paid in Capital	2.421	2.200	2.200
Other Equity	266.875	283.171	303.988
Total liabilities & equity	**495.874**	**550.831**	**737.728**
Net debt	41.086	57.949	134.454
Net working capital	-7.743	-8.587	-5.406

Per share (TL)	2024	2025	2026E
EPS	16,07	9,52	9,21
BVPS	122,41	129,71	139,18
DPS	4,79	4,49	4,00

Ratios	2024	2025	2026E
Profitability			
ROE	13,1%	7,6%	6,9%
Net margin	14,7%	7,9%	6,3%
Asset turnover	0,5x	0,5x	0,5x
Leverage	1,8x	1,9x	2,2x
ROA	7,1%	4,0%	3,1%
Leverage			
Financial debt/Total assets	30%	32%	42%
Net debt/Equity	0,15	0,20	0,44
Net debt/EBITDA	0,40	0,50	1,01

Income statement	2024	2025	2026E
Revenues	**240.064**	**265.715**	**322.062**
Gross profit	59.239	75.208	89.539
Operating expenses	-25.737	-29.523	-36.775
Operating profit	33.503	45.686	52.765
EBITDA	**101.813**	**115.396**	**132.777**
Other income, net	17.519	35.124	24.184
Financial income, net	-27.612	-52.361	-54.167
Earnings before taxes	24.449	35.894	35.515
Tax expense	-7.009	-14.744	-15.239
Net earnings	**35.353**	**20.944**	**20.273**

Cashflow statement	2024	2025	2026E
EBITDA	**101.813**	**115.396**	**132.777**
Taxes on EBIT	-7.009	-14.744	-15.239
Capital expenditures	-70.608	-78.085	-121.750
Chg. in NWC	-2.469	-843	-582

Growth & margins	2024	2025	2026E
Revenues	8%	11%	21%
EBITDA	4%	13%	15%
Net earnings	25%	-41%	-3%
Gross margin	24,7%	28,3%	27,8%
Operating margin	14,0%	17,2%	16,4%
EBITDA margin	42,4%	43,4%	41,2%
Net margin	14,7%	7,9%	6,3%

Valuation	2024	2025	2026E
P/E	6,7x	11,3x	11,7x
P/BV	0,9x	0,8x	0,8x
EV/EBITDA	2,9x	2,6x	2,3x

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 TL352.00 and our "BUY" recommendation for Tüpraş. We expect refinery margins to stabilize in a range above historical averages for the remainder of the year and the company to preserve its dividend capacity through strong cash generation. Even if geopolitical risks partially normalize, we believe it may take time for physical product flows and inventories to rebalance. Therefore, we think middle distillate margins have the potential to remain above pre-geopolitical risk levels in the short term. Tüpraş remains one of the most defensive names in our Model Portfolio, supported by its strong balance sheet, high net cash position and dividend capacity. Our target price implies %55 upside potential based on the latest closing price.

Geopolitical risks supported product margins. Since late February, rising regional geopolitical risks have increased concerns over Gulf-origin product flows and middle distillate supply. During this period, diesel and jet fuel margins recorded a sharp increase. Although some product margins have recently pulled back from peak levels, the fact that physical flows and inventories may take time to fully normalize, combined with the high-demand season, suggests that margins could remain supportive for the rest of the year.

We expect the strong margin environment to become more visible in financials from the second quarter onward. In 1Q26, net sales came in above expectations, while EBITDA was broadly in line with expectations, albeit slightly below. Since the strengthening in margins became more pronounced in March, its impact on first-quarter results was limited; unfavorable movements in crude differentials also offset part of the improvement in product margins. The 95% capacity utilization rate and 7.4mn tons of sales volume in 1Q26 indicate that Tüpraş entered the high season with a strong operational base.

We acknowledge the risks, but maintain our estimates ahead of the second-quarter results. The main downside risk is a faster-than-expected normalization in geopolitical tensions and a sharp correction in refinery margins. That said, seasonally stronger third and fourth quarters, high capacity utilization and the potential for middle distillate margins to remain above historical averages partly mitigate this risk. Therefore, we do not think it would be prudent to revise our estimates before seeing the second-quarter financials and company guidance.

Strong net cash and dividend capacity remain the key factors supporting the stock. Tüpraş's USD2.9bn cash position as of end-1Q26 provides an important buffer against volatility in the oil market. The company's strong balance sheet also provides sufficient flexibility for the remaining dividend payment and investment expenditures. Over the medium to long term, energy transition investments such as energy efficiency, zero-carbon electricity generation and sustainable aviation fuel remain key areas to monitor as Tüpraş evolves into a more resilient energy platform.

TUPRS — BUY

Target Price	**TL 352**
Return potential	**55%**

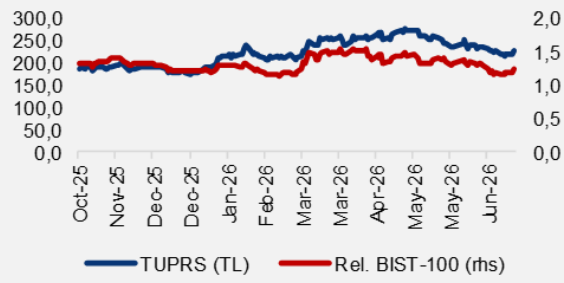
Share Data	
Ticker:	**TUPRS**
Share price (as of 30.06.2026)	227,50
Share price (52 week range)	129 / 276
Market cap. (TL mn - USD mn)	438.346 - 9.412
# of shares (mn) & free float	1.927 - 49%
Foreign Ownership Rate	32%
Market	Star
Industry	Refining

Avg. trading volume	1M	3M	12M
USD mn	109,0	150,2	144,3

Price performance	1M	3M	Y-t-D
TL	-4%	-8%	28%
USD	-6%	-12%	18%
Rel. to BIST-100	-7%	-18%	2%

Financials (TL mn)	2024	2025	2026E
Revenues	1.060.730	830.356	1.240.618
EBITDA	66.368	62.073	115.174
Net Earnings	24.914	29.873	70.175

Valuation	2024	2025	2026E
P/E	17,6x	14,3x	6,1x
P/BV	1,1x	1,2x	1,1x
EV/EBITDA	5,3x	5,7x	3,1x



Tüpraş – Summary

Balance Sheet	2024	2025	2026E
Cash	96.251	107.237	169.491
Accounts receivables	48.524	52.753	68.860
Inventory	78.899	62.145	95.533
Financial investments	0	0	0
Fixed assets	303.993	306.375	331.449
Other non-current assets	66.750	63.462	63.462
Total assets	**594.417**	**591.973**	**728.796**
Short-term financial loans	11.851	21.821	22.912
Accounts payables	135.971	105.513	176.399
Long-term financial loans	13.004	28.429	29.850
Other long-term payables	64.194	72.112	99.182
Non-current liabilities	**225.019**	**227.874**	**328.343**
Shareholders' equity	**369.397**	**364.099**	**400.453**
Paid in Capital	1.927	1.751	1.751
Other Equity	367.470	362.348	398.702
Total liabilities & equity	**594.417**	**591.973**	**728.796**
Net debt	-71.396	-56.988	-116.729
Net working capital	-8.549	9.385	-12.006

Per share			
EPS	12,93	15,50	36,42
BVPS	191,72	188,97	207,83
DPS	-33,13	-18,08	-17,13

Ratios			
Profitability			
ROE	13,3%	8,1%	18,4%
Net margin	2,3%	3,6%	5,7%
Asset turnover	3,4x	1,4x	1,9x
Leverage	1,7x	1,6x	1,7x
ROA	8,0%	5,0%	10,6%
Leverage			
Financial debt/Total assets	4%	8%	7%
Net debt/Equity	-0,19	-0,16	-0,29
Net debt/EBITDA	-1,08	-0,92	-1,01

Income statement	2024	2025	2026E
Revenues	**1.060.730**	**830.356**	**1.240.618**
Gross profit	89.046	81.232	146.180
Operating expenses	-35.265	-33.785	-47.997
Operating profit	53.781	47.447	98.183
EBITDA	**66.368**	**62.073**	**115.174**
Other income, net	-7.039	-5.800	-8.666
Financial income, net	-7.056	833	1.245
Earnings before taxes	41.552	43.769	92.235
Tax expense	-16.639	-13.896	-22.060
Net earnings	**24.914**	**29.873**	**70.175**

Cashflow statement			
EBITDA	**66.368**	**62.073**	**115.174**
Taxes on EBIT	-12.907	-11.387	-23.564
Capital expenditures	-18.050	-19.077	-39.700
Chg. in NWC	16.119	17.934	-22.257

Growth & margins			
Revenues	-18%	-22%	49%
EBITDA	-64%	-6%	86%
Net earnings	-76%	20%	135%
Gross margin	8,4%	9,8%	11,8%
Operating margin	5,1%	5,7%	7,9%
EBITDA margin	6,3%	7,5%	9,3%
Net margin	2,3%	3,6%	5,7%

Valuation			
P/E	17,6x	14,3x	6,1x
P/BV	1,1x	1,2x	1,1x
EV/EBITDA	5,3x	5,7x	3,1x

Source: Company Data, Tacirler Investment
** All figures are stated in millions of TRY unless otherwise stated.*
***Figures in the table are adjusted for inflation.*

Turkish Airlines

Turkish Airlines managed to preserve its passenger traffic in the first half of 2026 despite geopolitical risks, weakness on Middle East routes and cost pressures. While the Iran-Israel tension and regional security risks created pressure particularly on Middle East operations, the company's broad flight network, geographic diversity, strong international route structure and contribution from cargo operations balanced overall performance. Strong passenger numbers in May, improvement in the load factor and the increase in cargo volume show that THYAO is in a more resilient position within the sector. In this context, we maintain our 12-month target price of TL 414 per share and our "BUY" recommendation. In the upcoming period, we will continue to reassess our forecasts depending on quarterly financial results, traffic data, fuel costs and regional route performance.

First-quarter financials showed that operational growth continued, while cost pressures also persisted. The company reported revenue of TL 258 billion in 1Q26, up 46% YoY, EBITDA of TL 21.3 billion, up 109% YoY, and net income of TL 9.9 billion. The EBITDA margin improved by 2.4 percentage points YoY to 8.2%, while non-operational items such as investment income and tax income were the main drivers supporting net income. Although second-quarter financials have not yet been announced, April-May traffic data indicate that the resilient outlook in passenger numbers and load factor has been maintained. On the other hand, weakness on Middle East routes, fuel costs and the increase in unit expenses remain the key issues to be closely monitored in terms of the profitability outlook at the beginning of the high season.

Traffic data presented a strong picture in May. Total passenger numbers increased by 3.7% YoY to 7.9 million, while domestic passenger numbers grew by 4.1% and international passenger numbers increased by 3.5%. The passenger load factor rose by 2.9 percentage points YoY to 84%, while total cargo tonnage increased by 8.6% to 203 thousand tons. Despite a contraction of more than 40% in the Middle East region, which accounts for around 10% of total passengers, the stronger outlook on Far East, Africa and Europe routes supported total passenger growth.

In the second half of the year, the key drivers for THYAO will be summer season demand, the course of Middle East-related route pressure, fuel costs, the increase in unit expenses and whether load factors can be maintained. Potential normalization in geopolitical risks could be supportive, particularly for Middle East-linked routes and investor perception. However, we expect the reflection on financials to take place more gradually. In the long term, the company's 2033 strategy, fleet expansion, new-generation aircraft investments, Istanbul's role as a global transfer hub and Turkish Cargo's scale advantage continue to support THYAO's growth story.

THYAO	BUY
Target Price	TL 414
Return potential	27%

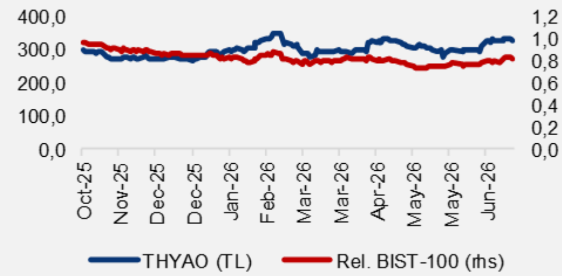
Share Data	
Ticker:	THYAO TI
Share price (as of 30.06.2026)	326,00
Share price (52 week range)	265 / 348
Market cap. (TL mn - USD mn)	449.880 - 9.659
# of shares (mn) & free float	1.380 - 50%
Foreign Ownership Rate	18.45%
Market	Star
Industry	Aviation

Avg. trading volume	1M	3M	12M
USD mn	295,0	319,6	316,3

Price performance	1M	3M	Y-t-D
TL	10%	13%	21%
USD	8%	8%	12%
Rel. to BIST-100	6%	1%	-3%

Forecasts (TL mn)	2024	2025	2026E
Revenues	745.430	955.472	1.242.575
EBITDA	136.256	158.217	193.846
Net Earnings	113.378	118.208	129.482

Valuation	2024	2025	2026E
P/E	4,0x	3,8x	3,5x
P/BV	0,7x	0,5x	0,4x
EV/EBITDA	5,5x	4,8x	3,9x



Turkish Airlines - Summary

Balance Sheet	2024	2025	2025E
Cash	95.992	86.035	92.673
Accounts receivables	31.908	45.791	69.427
Inventory	23.661	41.472	56.215
Financial investments	118.030	182.732	282.731
Fixed assets	252.852	370.340	464.085
Other non-current assets	877.163	1.270.375	1.544.668
Total assets	**1.399.606**	**1.996.745**	**2.509.799**
Short-term financial loans	130.410	162.436	191.319
Accounts payables	52.792	78.640	112.429
Long-term financial loans	359.529	601.817	792.841
Other long-term payables	176.988	242.630	327.255
Non-current liabilities	**719.719**	**1.085.523**	**1.423.845**
Shareholders' equity	**679.887**	**911.222**	**1.085.955**
Paid in Capital	1.380	1.380	1.380
Other Equity	678.507	909.842	1.084.575
Total liabilities & equity	**1.399.606**	**1.996.745**	**2.509.799**
Net debt	393.947	678.218	891.487
Net working capital	2.777	8.623	13.213

Per share (TL)			
EPS	82,16	85,66	93,83
BVPS	492,67	660,31	786,92
DPS	0,00	6,49	0,00

Ratios			
Profitability			
ROE	19,9%	14,9%	13,0%
Net margin	15,2%	12,4%	10,4%
Asset turnover	0,6x	0,6x	0,6x
Leverage	2,2x	2,1x	2,3x
ROA	9,3%	7,0%	5,7%

Leverage			
Financial debt/Total assets	35%	38%	39%
Net debt/Equity	0,58	0,74	0,82
Net debt/EBITDA	2,89	4,29	4,60

Income statement	2024	2025	2026E
Revenues	**745.430**	**955.472**	**1.242.575**
Gross profit	142.908	155.560	199.077
Operating expenses	-78.958	-92.025	-123.462
Operating profit	63.950	63.535	75.615
EBITDA	**136.256**	**158.217**	**193.846**
Other income, net	16.443	26.594	28.739
Financial income, net	-17.731	-11.580	-18.782
Earnings before taxes	121.421	137.578	150.913
Tax expense	-8.064	-19.461	-21.661
Net earnings	**113.378**	**118.208**	**129.482**

Cashflow statement			
EBITDA	**136.256**	**158.217**	**193.846**
Taxes on EBIT	71.716	-8.064	-19.461
Capital expenditures	-24.549	-43.499	-76.816
Chg. in NWC	-2.889	3.334	5.846
Free cashflows to firm	**165.453**	**81.359**	**56.094**

Growth & margins			
Revenues	48%	28%	30%
EBITDA	18%	16%	23%
Net earnings	-30%	4%	10%
Gross margin	19,2%	16,3%	16,0%
Operating margin	8,6%	6,6%	6,1%
EBITDA margin	18,3%	16,6%	15,6%
Net margin	15,2%	12,4%	10,4%
Free cashflow margin	22,2%	8,5%	4,5%

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

Source: Company Data, Tacirler Investment

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

Turk Traktor

Turk Traktor had a pressured first half of 2026 due to weak domestic demand, difficulties in accessing financing and the continued contraction in the tractor market. In our previous report, we had emphasized that the weak market conditions that became more visible in 2025 would continue in 2026, and first-half realizations confirmed our expectation. While the weakness in the operational outlook was also reflected in the share performance, we see limited signs of a short-term recovery under current conditions. In line with the current outlook and our macro assumptions, we revise our 12-month target price per share from TL 595 to TL 570 and maintain our "HOLD" recommendation.

Quarterly results clearly revealed the impact of the sharp contraction in the domestic market on financials. The company reported revenue of TL 10.1 billion in 1Q26, down 40% YoY, while recording a net loss of TL 1.3 billion. Domestic sales revenues declined by 58%, while total tractor sales volumes fell by 42% to 4,471 units. Although export volumes increased by 14% to 2,800 units during the period, presenting a relatively positive picture, this was not sufficient to offset the sharp contraction in the domestic market. The decline in the EBITDA margin to 0.3% due to weak volumes, low capacity utilization and cost pressure shows that pressure on operational profitability continues.

Weak demand conditions that became more visible in the tractor market in the first half of the year also lead us to remain cautious on expectations for the second half. The revision of the Türkiye tractor market guidance to the 20-26 thousand-unit range and the company's domestic sales guidance to the 8-10 thousand-unit band indicate that there is still no clear recovery signal in domestic demand. Although the export guidance being maintained at 11-13.5 thousand units is relatively positive, we do not expect exports at the current scale to fully offset the contraction in the domestic market. The reduction in investment expenditure guidance to the USD 60-70 million band also shows that the company is acting more cautiously and in a controlled manner in a weak demand environment.

In the second half of the year, the main drivers for TTRAK will continue to be domestic demand conditions, the course of agricultural income, access to credit and financing costs. Although we do not see a strong recovery signal in the short term, Turk Traktor's market leadership, strong brand position and export capability stand out as the key factors supporting the long-term outlook. However, under current conditions, we expect the recovery to take place gradually and in a more limited manner rather than rapidly. For a potential recovery, easing in financing conditions, agricultural supports, improvement in farmer income after the harvest season and the reactivation of deferred replacement demand will be the key themes to monitor.

TTRAK	HOLD
Target Price	**TL 570**
Return potential	**30%**

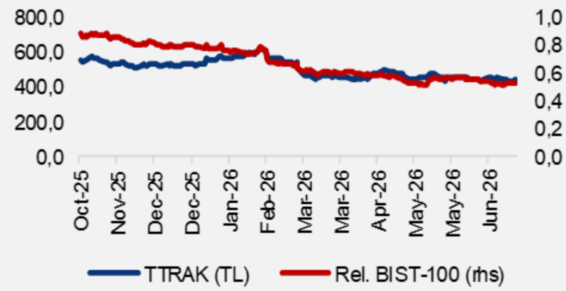
Share Data	
Ticker:	**TTRAK TI**
Share price (as of 30.06.2026)	438,50
Share price (52 week range)	435 / 646
Market cap. (TL mn - USD mn)	43.879 - 942
# of shares (mn) & free float	100 - 24%
Foreign Ownership Rate	22,00%
Market	Star
Industry	Automotive

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

Price performance	1M	3M	Y-t-D
TL	-2%	-1%	-16%
USD	-4%	-6%	-22%
Rel. to BIST-100	-6%	-12%	-33%

Forecasts (TL mn)	2024	2025	2026E
Revenues	96.459	59.243	55.077
EBITDA	14.141	5.453	3.858
Net Earnings	8.268	500	-882

Valuation	2024	2025	2026E
P/E	5,3x	87,7x	n.m.
P/BV	1,8x	2,4x	2,5x
EV/EBITDA	3,7x	9,7x	13,7x



Turk Traktor - Summary

Balance Sheet	2024	2025	2026E
Cash	9.498	7.382	6.730
Accounts receivables	6.238	4.203	4.828
Inventory	14.034	10.394	12.160
Financial investments	43	77	84
Fixed assets	17.386	18.240	19.479
Other non-current assets	4.558	3.285	4.062
Total assets	**51.756**	**43.581**	**47.344**
Short-term financial loans	11.167	13.935	15.723
Accounts payables	10.633	5.297	9.033
Long-term financial loans	2.937	3.146	1.514
Other long-term payables	2.581	2.810	3.590
Non-current liabilities	**27.317**	**25.188**	**29.860**
Shareholders' equity	**24.439**	**18.392**	**17.484**
Paid in Capital	110	100	100
Other Equity	24.329	18.292	17.384
Total liabilities & equity	**51.756**	**43.581**	**47.344**
Net debt	4.606	9.698	10.506
Net working capital	9.640	9.300	7.955

Per share (TL)			
EPS	82,63	5,00	-8,82
BVPS	244,23	183,80	174,73
DPS	153,92	63,43	0,00

Ratios			
Profitability			
ROE	29,3%	2,3%	-4,9%
Net margin	8,6%	0,8%	-1,6%
Asset turnover	1,6x	1,2x	1,2x
Leverage	2,1x	2,2x	2,5x
ROA	13,9%	1,0%	-1,9%
Leverage			
Financial debt/Total assets	27%	39%	36%
Net debt/Equity	0,19	0,53	0,60
Net debt/EBITDA	0,33	1,78	2,72

Income statement	2024	2025	2026E
Revenues	**96.459**	**59.243**	**55.077**
Gross profit	18.608	8.146	6.521
Operating expenses	-7.140	-5.856	-5.931
Operating profit	11.468	2.290	590
EBITDA	**14.141**	**5.453**	**3.858**
Other income, net	-480	42	-13
Financial income, net	485	-1.246	-1.392
Earnings before taxes	11.488	1.106	-788
Tax expense	-3.220	-606	-95
Net earnings	**8.268**	**500**	**-882**

Cashflow statement			
EBITDA	**14.141**	**5.453**	**3.858**
Taxes on EBIT	-5.813	-3.220	-606
Capital expenditures	-3.553	-5.453	-3.809
Chg. in NWC	1.353	4.791	-340

Growth & margins			
Revenues	-21%	-39%	-7%
EBITDA	-48%	-61%	-29%
Net earnings	-57%	-94%	-276%
Gross margin	19,3%	13,7%	11,8%
Operating margin	11,9%	3,9%	1,1%
EBITDA margin	14,7%	9,2%	7,0%
Net margin	8,6%	0,8%	-1,6%
Free cashflow margin	0,0%	0,0%	0,0%

Valuation			
P/E	5,3x	87,2x	n.m.
P/BV	1,8x	2,4x	2,5x
EV/EBITDA	3,7x	9,7x	13,7x

Source: Company Data, Tacirler Investment

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

** Figures in the table are adjusted for inflation.*

Research Coverage

	Ticker	Current Price (TL)	Target Price (TL)	Upside (%)	Reccom.	Mcap (TL)	Mcap ($)	Free Float (%)
Banks								
Akbank	**AKBNK**	77,00	108,50	41%	HOLD	400.400	8.597	52
Albaraka Türk	**ALBRK**	8,10	12,40	53%	BUY	20.250	435	38
Garanti Bankası	**GARAN**	138,00	200,00	45%	BUY	579.600	12.445	14
Halk Bankası	**HALKB**	42,94	53,10	24%	HOLD	308.514	6.624	9
İş Bankası	**ISCTR**	14,81	23,10	56%	BUY	370.250	7.950	31
T.S.K.B.	**TSKB**	11,88	20,10	69%	BUY	33.264	714	39
T. Vakıflar Bankası	**VAKBN**	32,72	49,50	51%	BUY	324.449	6.966	6
Yapı Kredi Bankası	**YKBNK**	40,14	56,30	40%	HOLD	339.065	7.280	39
Retail								
Bim Birleşik Mağazalar A.Ş.	**BIMAS**	365,25	463,50	27%	BUY	438.300	9.411	68
Coca Cola İçecek	**CCOLA**	83,05	103,00	24%	BUY	232.380	4.989	25
Desa Deri	**DESA**	11,55	18,00	56%	BUY	5.660	122	22
Koton Mağazacılık	**KOTON**	14,43	27,00	87%	BUY	11.972	257	16
Mavi Giyim	**MAVI**	37,64	60,80	62%	BUY	29.905	642	73
Migros	**MGROS**	669,50	1039,00	55%	BUY	121.216	2.603	51
Tab Gıda	**TABGD**	225,80	411,00	82%	BUY	59.000	1.267	30
Teknosa	**TKNSA**	19,63	34,60	76%	BUY	3.946	85	50
Defence								
Aselsan	**ASELS**	345,00	452,00	31%	HOLD	1.573.200	33.778	26
Automotive & White Goods								
Arçelik	**ARCLK**	99,35	141,00	42%	HOLD	67.134	1.441	18
Doğuş Otomotiv	**DOAS**	179,30	245,00	37%	BUY	39.446	847	39
Ford Otosan	**FROTO**	84,55	132,00	56%	BUY	296.694	6.370	18
Türk Traktör	**TTRAK**	438,50	570,00	30%	HOLD	43.879	942	24
Aviation								
Tav Havalimanları	**TAVHL**	282,25	430,00	52%	BUY	102.536	2.202	48
Türk Hava Yolları	**THYAO**	326,00	414,00	27%	BUY	449.880	9.659	50
Pegasus	**PGSUS**	175,10	252,00	44%	BUY	87.550	1.880	43
Energy								
Astor Enerji	**ASTOR**	276,50	405,00	46%	BUY	275.947	5.925	43
Tüpraş	**TUPRS**	227,50	352,00	55%	BUY	438.346	9.412	49
Telecom								
Turkcell	**TCELL**	107,40	148,00	38%	BUY	236.280	5.073	44
Conglomerates								
Doğan Holding	**DOHOL**	20,50	32,50	59%	BUY	53.648	1.152	36
Koç Holding	**KCHOL**	193,50	337,00	74%	BUY	490.696	10.536	22
Sabancı Holding	**SAHOL**	97,50	183,00	88%	BUY	204.787	4.397	51
Alarko Holding	**ALARK**	107,70	170,00	58%	BUY	44.911	964	34
Health								
MLP Sağlık Hizmetleri	**MPARK**	430,00	619,00	44%	BUY	82.135	1.764	42

Team

Tacirler Investment
Research and Content Management

Serhan Yenigün
Head of Research
serhan.yenigun@tacirler.com.tr

Oğuzhan Kaymak
All coverage and content management
oguzhan.kaymak@tacirler.com.tr

Deniz Altıay
Communication Services, Healthcare, Insurance & Global Markets
deniz.altiay@tacirler.com.tr

Ömer Tarman
REIT, Cement, Database administrator
omer.tarman@tacirler.com.tr

Ekin Çınar
Chief Economist
ekin.akbas@tacirler.com.tr

Özgür Tosun
Holdings, Energy (refining & petrochemicals), Retail (apparel & technology)
ozgur.tosun@tacirler.com.tr

Berk Demirpolat
Consumer Durables, White Goods, Food & Beverage
berk.demirpolat@tacirler.com.tr

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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