2026 OUTLOOK

'CLOUDS ARE DISPERSING'

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TACİRLER INVESTMENT

Clouds are dispersing

As we enter 2026, we are optimistic that central banks will continue to cut interest rates and that growth forecasts will be revised upwards. Although global investment themes are based on the depreciation of the dollar, concerns about the US's tendency to raise tariff barriers have eased. In Europe, meanwhile, support for regional economies through increased defence spending is growing. In Asia, however, we are entering a period of uncertainty where the effectiveness of stimulus measures and regional disparities are being questioned. Looking at the details,

In the US, the "America First" policy orientation, which has caused tensions with traditional allies, will become more pronounced in 2026. This stance is a political risk, because it prioritises national security, economic interests and regional dominance over the US's international obligations and its allies' expectations. Despite the extension of visa and travel restrictions, exemptions in customs practices towards China, and product-based exemptions, we are entering 2026 with continued tensions, increased regional power control tendencies towards Venezuela, Mexico, and Panama in the latter part of the year, and weakened unconditional support for Europe and even Israel. While markets monitor these geopolitical developments, we are in a period where the valuations of artificial intelligence and technology-focused business models are being questioned, and concerns about high multiples persist. Trump's policies aimed at reducing the country's debt burden will be tested in the midterm elections on Tuesday, 3 November. Despite inflation figures falling short of targets, policies aimed at balancing oil prices and price stability will be scrutinised throughout the year, as will policies that could lead to further depreciation of the dollar against major currencies in 2026, on top of the 9.7% depreciation experienced in 2025.

Europe is entering a period in which the US is restricting its relations with the region and pursuing a passive policy in response to the Russian threat. This is forcing Europe to increase its defense spending. It is possible that by 2026, foreign policy ties between the US and Europe will have weakened. Germany and France began 2025 amid political uncertainty, but made some progress later in the year. However, tensions with Russia persist, as do fundamental issues regarding the region's energy and defence infrastructure. The European Central Bank's relatively gradual easing measures are likely to continue at the same pace in 2026. Revisions to growth expectations in Europe are likely to continue to be upward throughout the year.

Regional divergence in **Asia** is becoming increasingly noticeable. While China continues to resist pressure from the US, the lack of significant pressure on the economy is making the outlook for 2026 more hopeful. In Japan, the 17-year-long policy of low interest rates is beginning to recede, but the BoJ is expected to continue raising interest rates at long intervals. Additionally, the process of reducing long-term government bond purchases will continue in 2026. We believe that China, India, Vietnam and Indonesia will diverge positively within the Asian region.

In Türkiye, however, we are starting from a position where the gradual disinflation process is ongoing, the CBRT is continuing to cut interest rates, growth prospects are improving, albeit below potential, the lira is stable in real terms and there are growing expectations that credit ratings, which were suspended in 2025, may be upgraded. Nevertheless, the perception of political risk from 2025 onwards continues to prevail. While we expect a continued improvement in companies' financial structures in 2026, we anticipate that companies under pressure due to high indebtedness will become more visible. **In terms of markets**, we expect 2026 to be a year in which the BIST, which underperformed developed and emerging market stock exchanges in 2025, will recover some of its losses. However, we do not yet expect limited foreign interest to gain momentum. Although equity market valuations offer attractive potential and a positive outlook, we may continue to struggle to find catalysts to unlock this potential.

TACİRLER INVESTMENT

Clouds are dispersing

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

Foreign Exchange Markets: Due to the improvement in CBRT reserves and the continuation of relatively high real interest rates compared to past and expected inflation, we expect the Turkish lira to remain stable in real terms and potentially appreciate slightly in 2026. Having performed on par with the basket rate of 0.50 USD + 0.50 EUR in 2025, we expect the TL to maintain this trend in the first half of 2026, before reacting to developments in inflation and monetary policy. Our year-end forecast for the basket rate is 56.10 TL, indicating a 16.8% depreciation of the TL in 2026, compared to a current rate of around 46.60 TL. Alongside ***our year-end inflation forecast of 23% CPI, we anticipate the TL gaining a real value of around 2.5% in 2026.***

Interest rates: The Central Bank of the Republic of Türkiye (CBRT) Monetary Policy Committee (MPC) began with a total interest rate cut of 750 basis points in three meetings (December 26, 2024, January 23, 2025, and March 6, 2025). However, it was forced to raise interest rates after March 19, bringing the Weighted Average Funding Cost back to almost where it started. The MPC has now returned to rate cut process again. Given the continued downward trend in inflation, MPC would continue to cut interest rates in our expectations. ***We anticipate that the policy rate will fall by a further 850 basis points in 2026, reaching 29.5% by the end of the year. Consequently, we expect to see gradual improvements in market interest rates, valuation parameters and banks' funding costs and financing capabilities.***

Borsa İstanbul: Although the BIST 100 index has risen uninterruptedly for seven years in Turkish Lira (TL) basis, it has underperformed against dollar and inflation basis for the past three years. Due to this situation, and the fact that the rise has been driven by a small number of companies, investor sentiment does not reflect that of investors in a stock market that has been rising for seven years. BIST 100 index has fallen by 4% since the start of the year, underperforming the MSCI Emerging Markets Index by 25% and the MSCI World Index by 19% over the same period. ***Due to factors such as a gradual easing of interest rates in 2026 and continued improvement in financials and risk premiums, we expect the negative divergence mentioned above would shift in favor of the BIST and for a noticeable performance to be achieved in both TL and dollar terms. Sensitivity to non-economic (domestic and foreign political) developments will continue, but we believe that domestic political risks are already largely priced in and that political risk-focused pressure on Turkish companies will now be limited unless there is a "new and distinctly negative" development. As these issues are not mathematically measurable and modellable risks, we believe that developments should be monitored and cautious optimism should be maintained. Although targets reached through quantitative analysis can be refined through qualitative approaches, we will continue to base our targets on valuation. Our current 12-month target index value for the BIST 100 index is 15,200, indicating a 34% upside potential. We expect a year in which we will see economy-based catalysts that will bring the index to this potential.***

We are starting 2026 with an atmosphere where the clouds are dispersing and expectations for sunny days are rising.

"The morning has an owner, the day does not always remain in the clouds, surely, the most beautiful days still lie ahead"
Nazım Hikmet Ran

Global Outlook

Global Outlook

Tariff tensions ease in the US, monetary easing to continue

During the early days of the Trump administration, high tariffs were announced alongside harsh rhetoric directed at almost every country. However, these concerns eased over time due to ongoing negotiations, extensions and product-specific exemptions. Consequently, global stock markets, particularly US markets, rallied after panic selling in April. US stock markets delivered significant returns, averaging around 43%, during this period, led by technology companies, and a positive trend is expected to continue into 2026. However, it is noteworthy that there are increasing risks in various areas. These are listed briefly below:

- **Monetary Policy:** Despite inflation data exceeding targets and long-term averages, the assumption that this situation is one-off and temporary due to customs tariffs, coupled with weak employment data and political pressure from the Trump administration, led to an early easing of monetary policy. Successive 25 basis point interest rate cuts at the last three meetings of 2025, the reopening of liquidity taps, and the expectation that these choices will continue in 2026 are leading us into a period where inflationary risks may also increase. Not only is there no deep market concern about this yet, but the expectation that Trump's scenario of inflation balanced by a weakening dollar and falling oil prices will help reduce the country's debt burden is also causing the issue to be viewed optimistically.

- **Foreign Policy:** The economic goals of the US administration are ushering in a period in which long-standing relationships in foreign policy are being redesigned from scratch. The erosion of trust among long-standing allies and the search for alternative solutions are causing economic and political changes that will continue to have an impact not only in 2026 but also in subsequent years. For example, Europe's sudden allocation of billions of euros to defense spending, which it has neglected for many years, Russia's actions and rhetoric that minimize communication, the unrest in Central America, and the turmoil in silent alliances such as Canada and Denmark point to a period in 2026 where geopolitical risk pricing will remain in effect. We may not have seen noticeable effects on asset pricing beyond precious metals in 2025, but lessons from history suggest that in 2026, we may see developments that do not affect the main trends but create volatility linked to periodic news flows.

- **Upcoming Midterm Elections:** Midterm elections will be held in the US in November 2026, and the entire House of Representatives, approximately one-third of the Senate, some state governors, assembly members, prosecutors, and local administrators will be re-elected. In short, we are approaching a period that promises significant changes in the distribution of political actors, except for the President and Vice President. Republicans, who rode a red wave after the 2024 Presidential Elections by winning the Presidency and both houses of Congress (House of Representatives and Senate), may lose this legislative power in November. This situation will lead to reduced maneuverability, particularly in foreign policy, and, considering Trump's harsh rhetoric, may actually bring about a positive change. However, uncertainty will persist until the elections approach and polls become more concrete. Polls regarding the equation of a Republican President + a Democratic-dominated Congress will be evaluated in both directions within this framework, and we believe this will create separate market volatility.

Looking at expectations for US stock markets, we see that upward revisions are continuing and targets between 7,500 and 8,000 are gaining traction for the S&P 500 index, which currently stands around 6,900. This translates to a potential return of 9% – 16% in dollar terms. These targets indicate that the overall outlook for the risks outlined above remains optimistic, particularly as expectations for monetary policy easing continue to provide support.

Looking at the EUR/USD, we are heading into a year in which the Fed is expected to ease and the ECB to maintain a stable stance. Additionally, we believe that the euro will continue to appreciate against the dollar despite the many risks Europe may face, supported by growth led by defense spending. ***We expect the EUR/USD pair to rise to the 1.20–1.25 range and the DXY Dollar Index to continue easing to the 90–92 range.***

Global Outlook

Growth expectations are improving in Europe

Although there are clear differences in domestic policy and agenda among the countries in the region, the most important consensus is that growth expectations will improve across almost all of Europe by 2026. The main reasons for this include the European Central Bank's support, forecasts that inflation will remain low, plans to increase spending on defense and infrastructure, the fact that political uncertainty has been partially left behind in the region's leading countries, the recovery trend seen in the latest data, and continued domestic demand and private sector investment.

We see that the military, political, and economic support the US has provided to Europe for many years has lost momentum in recent times, and that while it cannot completely abandon the region, it is consciously shifting the burden here to Europe. For this reason, we see that the concentration on other areas in the region, particularly the increase in defense spending in Germany, will decrease. Despite leaving behind a turbulent period marked by the rise of the far right, government crises, and economic uncertainty, Europe has yet to chart a clear roadmap. That said, general expectations for 2026 and targets for European stock markets still offer potential. For example, ***the calculated target values for the DAX index, currently around 24,000, point to figures in the 28,000 range by the end of 2026 and a potential return of close to 17% in EUR terms. Targets for the FTSE 100 (UK) and CAC 40 (France) stock markets also offer potential returns of 11% in GBP and 13% in EUR, respectively.***

In Asia, incentives, deflation, inflation, interest rate cuts, and hikes all at once

Asian economies continue to grow above global averages but below historical and ideal growth rates. While upward revisions to China's growth forecasts persist, growth projections remain around 4.5% for 2026, below past-year averages. Low inflation rates in the country, even hovering around the deflation threshold, create room for incentives and loose monetary conditions, while also supporting continued growth. On the other hand, we believe that the dispute with the US over customs tariffs will continue in 2026, but that the panic it has occasionally created in global markets will not be repeated in 2026. ***The Shanghai Composite Index, which has risen by nearly 20% in dollar terms since the beginning of 2025, is expected to perform similarly in 2026.***

Japan, which has struggled with low inflation and even deflation for many years but has seen annual CPI rates of around 3% since 2022, has reached its highest interest rates in 30 years in its fight against inflation. Although there are some risks associated with raising interest rates due to the contraction in GDP in the third quarter of 2025, Japanese economic policymakers are confident that growth will rebound in 2026. However***, the Tokyo Stock Exchange, which rose 25% in 2025, is expected to continue to move in line with the US and deliver double-digit returns in 2026.***

Looking at other Asian economies, **India**, which is less affected by US tariffs, is expected to see continued improvement in employment and production growth in 2026, supported by strong domestic demand, low oil prices, and exports. **South Korea** is expected to see continued volatility due to the mixed outlook for chip technology. In **Vietnam**, one of Asia's new manufacturing hubs, Chinese support, low-cost production dynamics, and the trend of attracting exports and direct capital investment are expected to continue.

On the weaker side are **Thailand**, due to political uncertainty and its tourism-focused economy; **Pakistan**, due to high debt, chronic external deficits, political instability, and dependence on the IMF; **Bangladesh**, due to its weak reserves, an economy dependent on the textile sector, and insufficient energy resources; **Malaysia**, due to insufficient reforms, failure to achieve political unity, and dependence on Chinese demand; and **Singapore**, due to a technical recession and an unchanged weak growth outlook.

Macro Outlook

Macro Outlook

Economic Growth

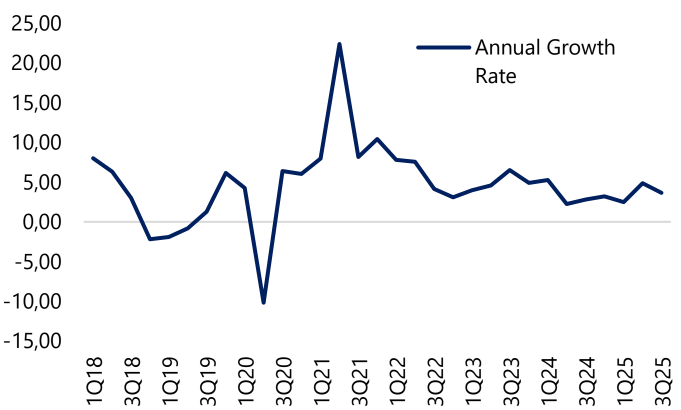
We expect economic growth to settle around 3.8% in 2025 and to accelerate to 4% in 2026, with risks skewed to the upside. We assess that the key drivers supporting growth in 2026 will be a palpable recovery in external demand (particularly from European economies), a gradual easing in financial conditions, the steady contribution of public spending, and the continued resilience of household consumption.

Household consumption has remained resilient despite tighter financial conditions and ongoing real income losses. We attribute this resilience largely to sticky inflation expectations and front-loaded demand behavior by economic agents. In 3Q25, the turnaround in the contribution of public spending - reversing the negative impulse observed in the previous quarter - together with the sustained uptrend in gross fixed capital formation, played a central role in preserving the overall strength of growth dynamics.

While industrial production (IP) has posted solid annual growth so far in 2025, these gains remain concentrated in a limited number of sectors, most notably construction and defence-related activities. This configuration suggests that industry-driven growth remains narrowly based, rather than reflecting a broad-based recovery across the real sector. That said, leading indicators and confidence surveys confirm that, despite ongoing sectoral divergence, domestic demand and public-sector-supported growth momentum remains intact.

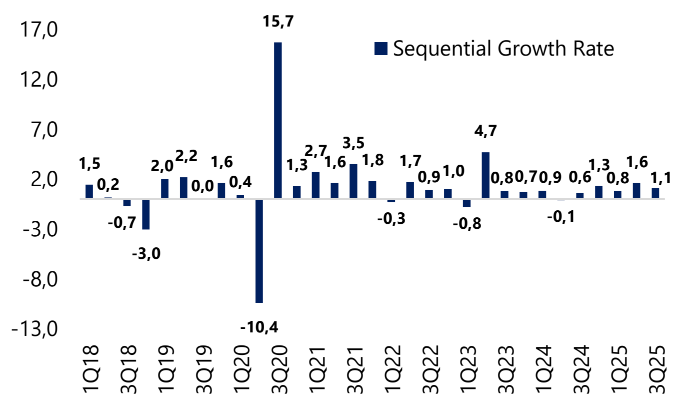
Looking ahead to 2026, we expect household consumption and public spending to continue making positive contributions to growth, while the recovery in European economies should support activity through the external demand channel. Accordingly, we anticipate that growth will continue to run above potential, supported by resilient domestic demand and a more clearly defined set of supportive macroeconomic mechanisms in 2026.

GDP Growth Rate *(annual, %)*



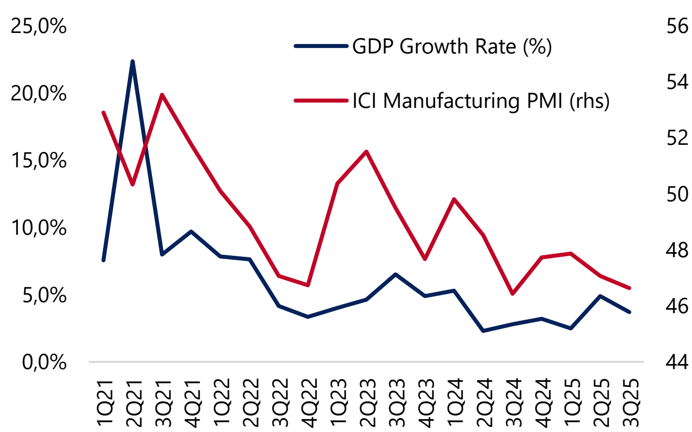
Source: TURKSTAT, Tacirler Investment

GDP Growth Rate *(sequential, %)*



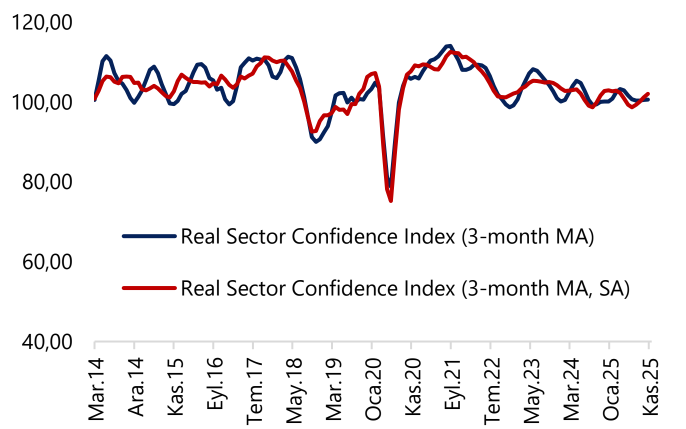
Source: TURKSTAT, Tacirler Investment

ICI Manufacturing PMI & GDP *(quarterly basis)*



Source: Istanbul Chamber of Industry , TURKSTAT, Tacirler Investment

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



Source: CBRT, Tacirler Investment

Macro Outlook

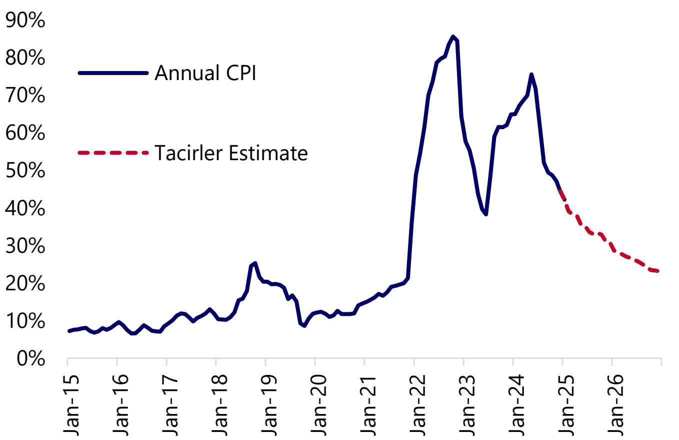
Price Dynamics

Our baseline scenario envisages annual CPI easing gradually to 23% by end-2026. Our forecast is built on the assumption that, following the removal of excess pricing pressures during the initial phase of disinflation, the subsequent phase will be shaped predominantly by sticky price dynamics in high-inertia components such as food and housing. The lack of a meaningful improvement in core inflation indicators in recent months, alongside seasonally adjusted underlying trend measures hovering around 2%, suggests that after declining from around 40% in 2025 to just below 31%, the transition of inflation from the low-30s to the low-20s will follow a slower and more gradual path throughout 2026. Persistent rigidity in services inflation and the structurally volatile nature of food prices imply a framework in which the marginal utility of monetary policy diminishes and disinflation proceeds at a rather slower pace.

With inflation expected to end 2025 just below 31%, we project a gradual disinflation path in 2026, with headline CPI easing to 27.6% by end-1Q26, 26.2% by end-2Q26, 24% by end-3Q26, and retreating to 23% by year-end. Our baseline scenario assumes no sustained real depreciation in the exchange rate over the year, real GDP growth close to 4%, and the absence of persistent volatility in oil prices. We assume FX volatility remains contained in line with the disinflation objective; accordingly, we expect nominal exchange rate depreciation to remain below inflation throughout 2026, with no additional exchange-rate-driven shocks to pricing behavior. Moreover, the 27% increase in the minimum wage has materialized in line with our baseline assumptions and remains consistent with our end-2026 CPI forecast.

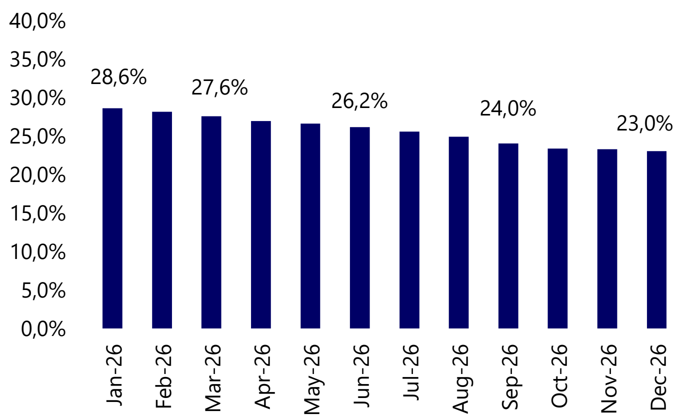
Still, the forthcoming update to CPI basket weights at the start of the year, along with imminent adjustments to administered prices and taxes, constitutes a key source of upside risk to our forecast. As such, we plan to reassess our 23% inflation projection once the data set becomes clearer toward the end of the first quarter.

Tacirler Investment CPI Projections *(%)*



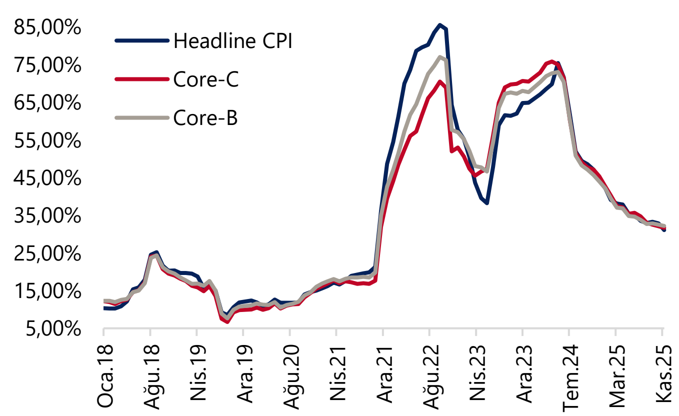
Source: TURKSTAT, Tacirler Investment

Tacirler Investment CPI Projections *(%)*



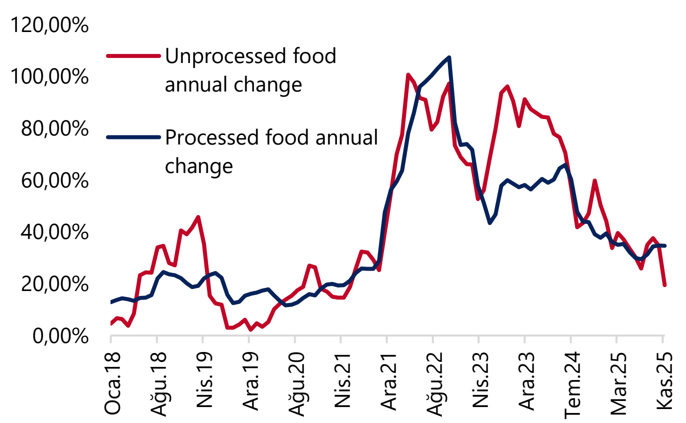
Source: TURKSTAT, Tacirler Investment

Annual CPI Change *(%)*



Source: TURKSTAT, Tacirler Investment

Food Prices *(%, annual chg.)*



Source: TURKSTAT, Tacirler Investment

Macro Outlook

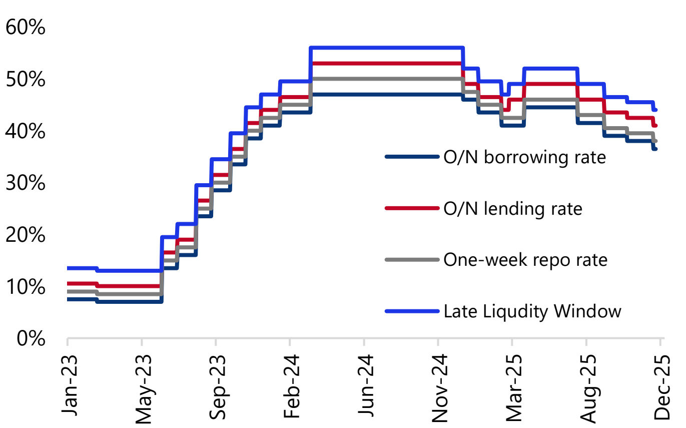
Monetary Policy

Monetary policy is likely to remain firmly restrictive in 2026, reflecting the Central Bank's focus on managing the sticky price dynamics that characterize the second phase of the disinflation process. We expect persistent rigidity in services inflation and limited improvement in core indicators to limit the room for an aggressive easing cycle. Accordingly, we foresee that rate cuts will follow a gradual path, with the policy rate stabilizing at 29.5% by year-end.

We view this trajectory as consistent with maintaining a degree of monetary tightness compatible with price stability in real terms. Under our baseline scenario, in which the policy rate settles at 29.5% by end-2026, we estimate that the ex-post real policy rate declines from around 12% at end-2025 to approximately 9%, while the ex-ante real rate eases from about 19% to nearly 16%. Although we expect real rates to moderate relative to 2025, we also anticipate them to remain meaningfully positive throughout 2026. We assess that keeping real rates at these levels will help contain exchange rate pass-through and support the continued normalization of inflation expectations.

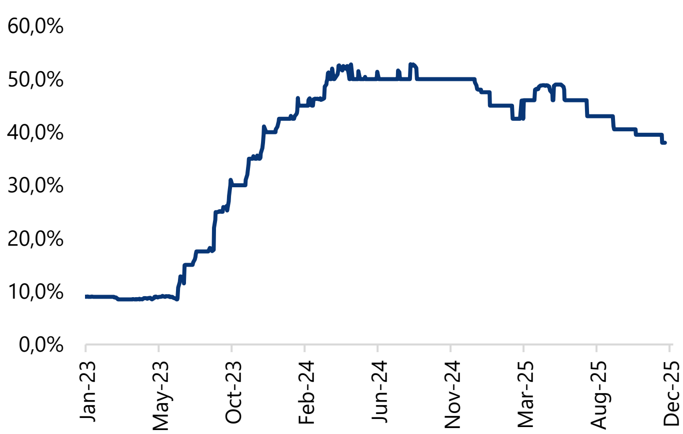
We expect credit growth to remain controlled and broadly aligned with the disinflation path. Accordingly, we do not anticipate any easing in credit growth limits in the first half of the year. However, should the pace of disinflation and the underlying inflation trend become more explicit, a gradual and selective relaxation of credit constraints could be considered in the second half of 2026. The elevated share of TL deposits within total deposits, alongside the pronounced decline in FX-protected deposits (KKM), continues to underpin a financial architecture supportive of a tight monetary stance. The most significant risk to our monetary policy assumptions stems from potential sudden fluctuations due to idiosyncratic issues, primarily driven by political uncertainty. Adverse risk shocks could tighten financial conditions, amplify exchange rate volatility, and necessitate temporary deviations from the envisaged gradual easing path.

The CBRT Interest Rates (%)



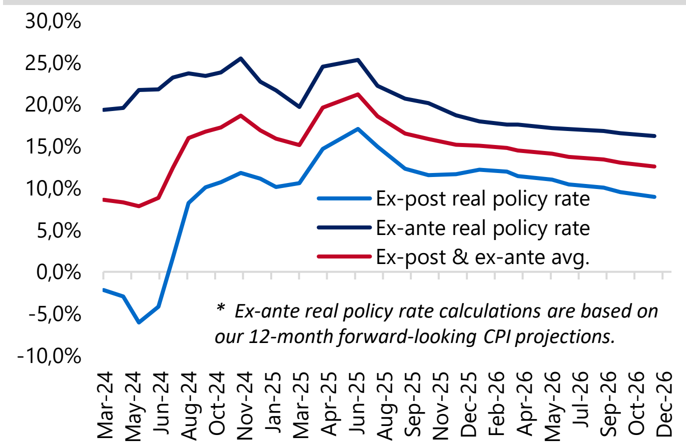
Source: CBRT, Tacirler Investment

Weighted Average Cost of Funding *(%)*



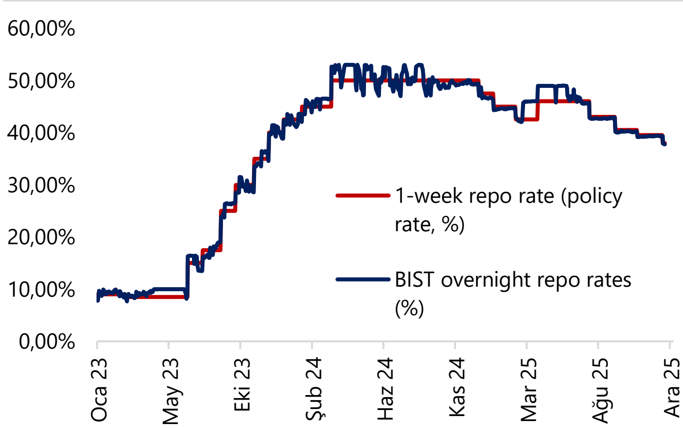
Source: CBRT, BIST, Treasury, Tacirler Investment

Real Policy Rate Forecasts* *(%)*



Source: CBRT, Tacirler Investment

Policy Rate % BIST Overnight Repo *(%)*



Source: CBRT, Tacirler Investment

Macro Outlook

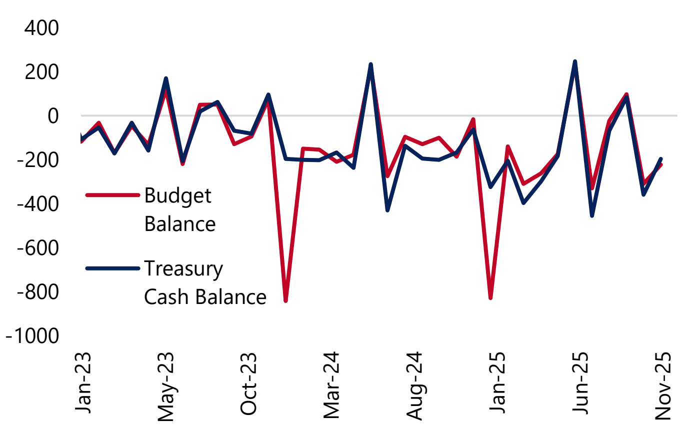
Fiscal Policy

The recent evolution of the budget dynamics suggests that the fiscal stance has been driven primarily by a reallocation of expenditure, rather than by a structural tightening. In 2025, the palpable decline in earthquake expenditures along with real rises in budget revenues, has supported the central government budget. However, evidence of a broad-based and durable expenditure tightening remains limited. Within this framework, the budget balance has stabilized, mainly reflecting the normalization of temporary spending items.

Based on the latest November 2025 budget figures, the 12-month cumulative budget deficit has narrowed to TL2.1tn, while the Jan – Nov deficit has reached TL1.3tn, corresponding to 65.8% of the official Medium-Term Economic Program (MTP) target. Earthquake-related expenditures, which amounted to approximately TL1tn in 2024, are projected at around TL580bn in the 2025 budget. We estimate that earthquake spending totaled TL112.3bn over the Jan – Nov period. With a substantial share of earthquake-related spending is expected to be accrued toward year-end and the budget deficit is likely to widen seasonally in December, we assess that full-year 2025 budget outcomes will remain broadly in line with the Medium-Term Program (MTP) targets. As a reminder, under the MTP for 2026 – 2028, the budget deficit / GDP ratio is set at 3.6% for 2025 and 3.5% for 2026.

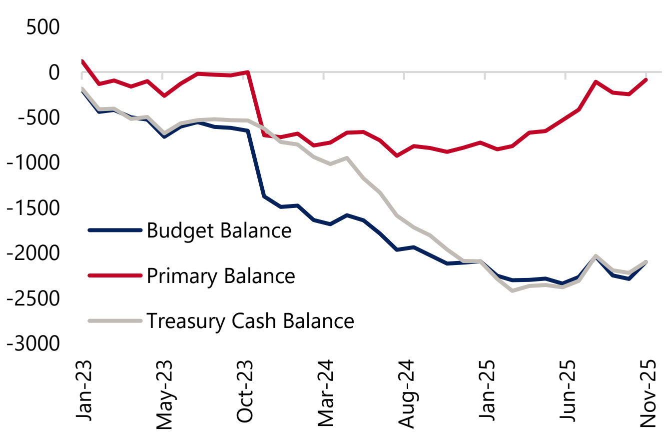
Under our house baseline, the budget deficit is projected at TL2.2tn (3.5% of GDP) in 2025 and TL2.8tn (3.4% of GDP) in 2026. This configuration suggests that the improvement in fiscal metrics is driven predominantly by changes in expenditure composition, rather than by a broad-based or structural tightening in the fiscal stance. Hence, the trajectory of current expenditures and capital spending remains a key area of focus, as these components will be crucial in assessing the durability of fiscal discipline going forward.

Budget Balance & Treasury Cash Realizations *(TLbn)*



Source: The Treasury and Finance Ministry, Tacirler Investment

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



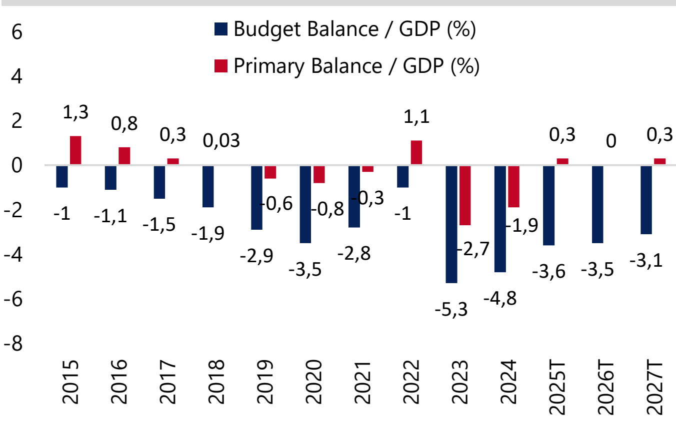
Source: The Treasury and Finance Ministry, Tacirler Investment

Budget Realizations *(mn TL)*

(mn TL)	Jan - Nov 25	2025 Budget Projection	Realization Rate
Revenues	11,571.6	12,800.00	90.4%
Taxes	10,002.0	11,138.70	89.8%
Non-tax revenues	1,569.6	1,661.60	94.5%
Expenditures	12,842.6	14,731.00	87.2%
Interest Payments	1,937.7	1,950.00	99.4%
Primary Expenditures	10,904.9	12,781.00	85.3%
Primary Balance	666.7	19.310	3452.7%
Budget Balance	- 1,271.0	- 1,930.70	65.8%

Source: The Treasury and Finance Ministry, Tacirler Investment

MTEP Budget Estimates



Source: The Treasury and Finance Ministry, Tacirler Investment

Macro Outlook

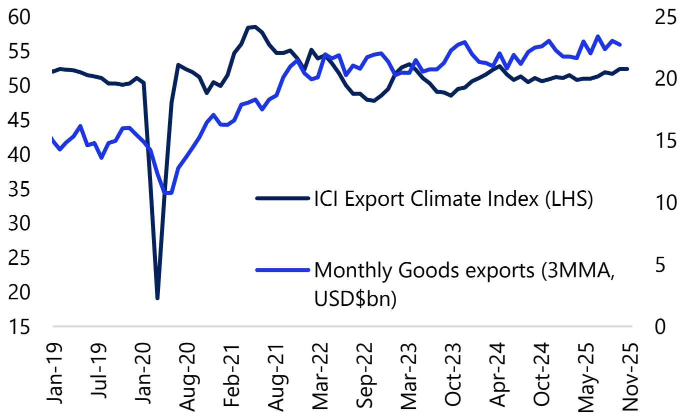
External Balance

We expect the current account deficit to close 2025 at around USD20bn (1.3% of GDP). For 2026, our forecast points to a moderately wider deficit of USD25bn (1.5% of GDP). While the current account balance has rebounded strongly in the second half of the year, a sustained surplus in the current account balance excluding energy and gold (the core balance) continues to act as a key anchor, keeping the headline deficit under control.

Following four consecutive months of surplus, we expect the current account to revert to deficit in the final two months of 2025. Seasonal softening in travel revenues and the anticipated increase in energy imports are likely to result in a cumulative current account deficit of around USD5.5bn in November and December. Looking into 2026, we assess that the recent upward trend in gold imports and persistently elevated levels of consumer goods imports pose upside risks to the current account balance. That said, we assume these pressures will be partly offset by a strengthening external demand outlook and relatively subdued volatility in energy prices. Hence, the current account deficit remaining well below historical averages as a share of GDP continues to serve as a key anchor, ensuring that external financing needs remain manageable and external vulnerabilities stay contained.

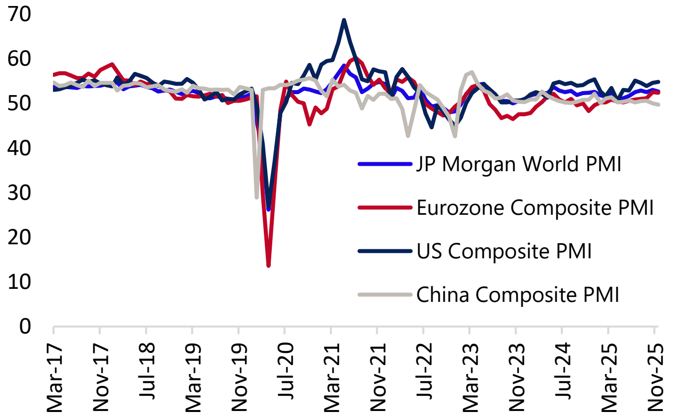
From a global perspective, declining volatility in energy prices, easing volatility in TL-denominated assets, and a moderation in uncertainty surrounding trade tariffs provide a more supportive environment for current account financing conditions. The sharp increase in the ICI Export Climate Index in November - marking its strongest rise in the past eighteen months - also points to a recovery in external demand. In this context, the sustained expansion in output in Germany, our largest export market, over the past six months, the resilience of growth in the US, and strengthening economic activity across other European markets (excluding France and Romania) stand out as key factors underpinning the current account outlook for 2026.

ICI Export Climate Index & Exports



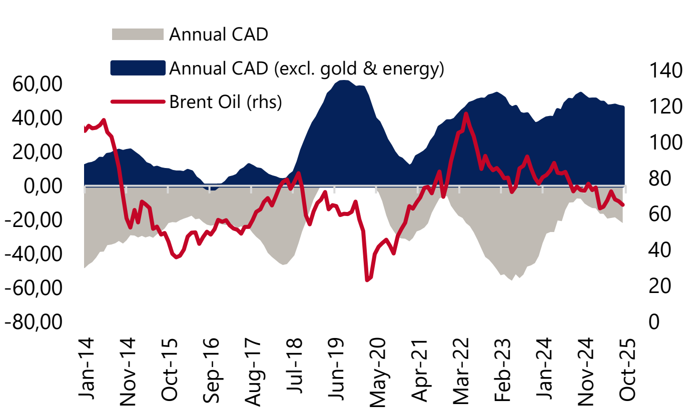
Source: Istanbul Chamber of Industry (ICI), S&P Global, Tacirler Investment

Global PMI Outlook



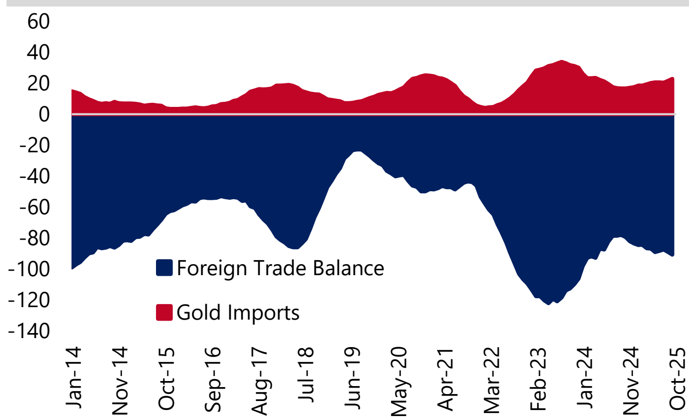
Source: Bloomberg, Tacirler Investment

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



Source: CBRT, Bloomberg, Tacirler Investment

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



Source: TURKSTAT, Tacirler Investment

Macro Outlook

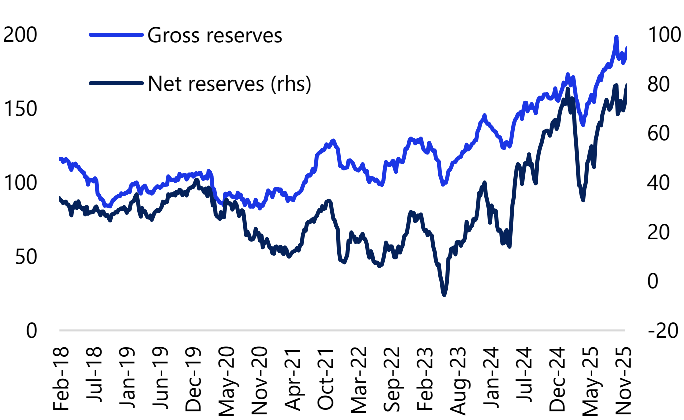
External Financing

Rising global risk appetite has been supportive of demand for emerging market (EM) assets, with Türkiye's risk premium exhibiting an improvement broadly in line with this trend. Türkiye's 5y CDS spread declined to 215bp as of December, marking its lowest level since 2018. While the compression in CDS spreads has been in line with the EM universe, the Türkiye – EM CDS differential narrowing to below 90bp marks the tightest spread since December 2024. That said, Türkiye's risk premium remains above its pre-2018 levels when compared with peers such as Brazil and South Africa, suggesting further room for compression. Should this gap continue to close, we assess that Türkiye's CDS could decline below 200bp in 2026.

Historically, episodes in which the Türkiye – EM CDS differential has converged toward –1 standard deviation have been associated with a pronounced pickup in foreign investor demand for local bonds. Indeed, in November, foreign investors recorded net purchases of USD2bn in the bond market (excluding repos), lifting their share in the outstanding bond stock above 7% for the first time since March. Looking at cumulative flows since the start of 2025, foreign investors have posted net inflows of USD1.6bn into equities and USD2.6bn into the bond market excluding repos. Against the backdrop of the rate-cut cycle we expect to extend through 2026 and a gradual normalization in political risk perceptions, we see scope for foreign investor interest - particularly in the bond market - to strengthen further.

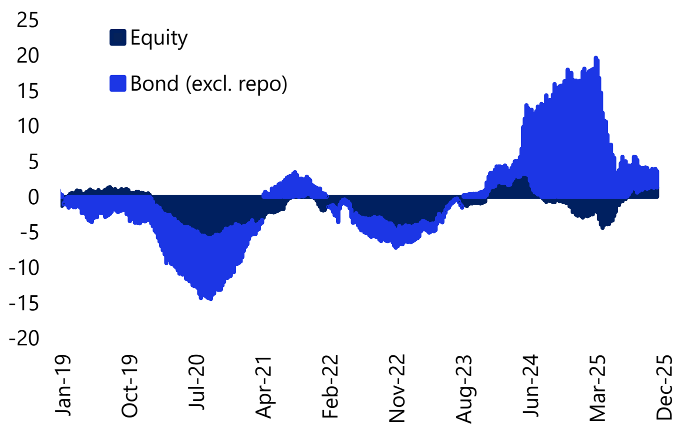
The ongoing unwinding of residents' FX deposits (excluding gold and adjusted for EUR/USD parity effects) continues to support reserve accumulation. The CBRT's gross FX reserves surpassed USD190bn as of December, reaching a new record high, while net reserves excluding swaps rose above USD70bn. Given our expectation that the TL will not experience a real depreciation over the course of 2026, we anticipate that residents' propensity to hold FX deposits will remain below historical averages.

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



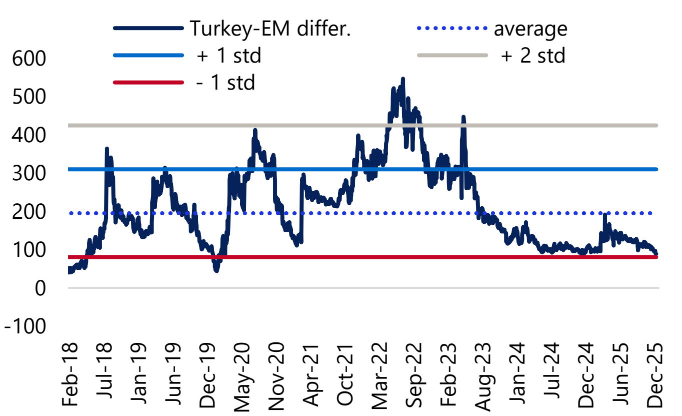
Source: CBRT, Tacirler Investment

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



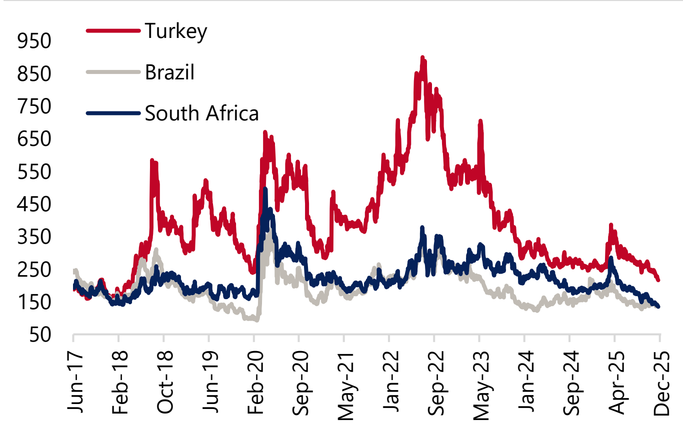
Source: CBRT, Tacirler Investment

Türkiye - EM CDS Difference *(bps)*



Source: Bloomberg, Tacirler Investment

5y CDS Levels_ Comparison With Selected Countries



Source: Bloomberg, Tacirler Investment

Macro Forecasts

	2022	2023	2024	2025E	2026E
Economic Activity					
Nominal GDP *(TL tn)*	15.3	27.1	44.6	62.6	81.8
Nominal GDP *(USD tn)*	0.9	1.14	1.36	1.58	1.72
GDP real growth	5.4%	5.0%	3.3%	3.8%	4.0%
External Balance					
Current Account Balance *(USD bn)*	-49.1	-45.2	-9.97	-20	-25
Current Account Balance / GDP	-5.4%	-4.0%	-0.7%	-1.3%	-1.5%
Fiscal Dynamics					
Budget Balance *(TL tn)*	-0.14	-1.38	-2.1	-2.2	-2.8
Budget Balance / GDP	-0.9%	-5.1%	-4.7%	-3.5%	-3.4%
Prices					
CPI *(eop, %)*	64.3%	64.8%	44.4%	30.8%	23.0%
CPI *(average, %)*	72%	53.4%	60%	35.2%	25.7%
CBT's one-week repo rate *(simple, eop, %)*	9%	42.5%	47.5%	38.0%	29.5%
USD/TRY *(eop)*	18.7	29.5	35.4	43.0	51.0
USD/TRY *(average)*	16.6	23.8	32.9	39.6	47.5
EUR/TRY *(eop)*	20	32.7	36.7	50.8	61.2
EUR/TRY *(average)*	17.4	25.8	35.6	44.8	56.5
EUR/USD *(eop)*	1.07	1.10	1.04	1.18	1.20
EUR/USD *(average)*	1.05	1.08	1.08	1.13	1.19

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

Model Portfolio and Strategy

Model Portfolio and Strategy

Tacirler Investment Model Portfolio

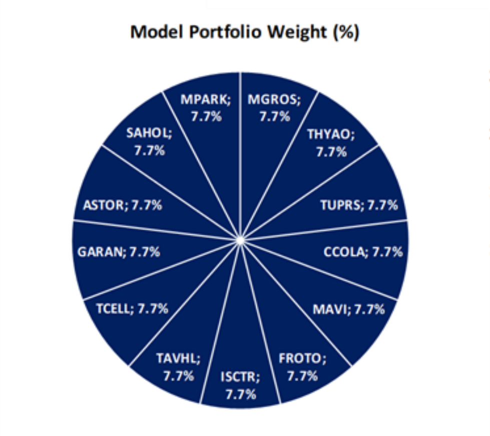
The Tacirler Investment Model Portfolio we launched in June 2023 has delivered a **nominal return of 193%** over the past two and a half years, while the BIST 100 index rose by 111% during this period. Accordingly, **the Model Portfolio's relative performance against the index since inception indicates a positive return of 39%.** Over the past year, however, its performance has been in line with the index.

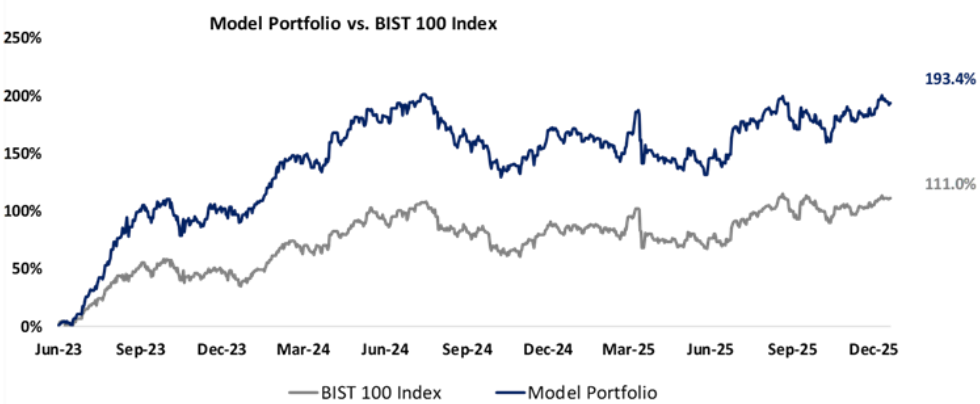
As we enter 2026, we are removing **Teknosa** from our Model Portfolio following a review and redesign, and adding **Sabancı Holding, Astor and MLP Care** instead. The following companies remain in our Model Portfolio: **Turkish Airlines, Coca-Cola Beverages, Ford Otomotiv, Mavi Giyim, Migros, TAV Airports, Turkcell, Tüpraş, Garanti and Isbank.** Please note that we track all companies in our Model Portfolio equally weighted.

Company Name	Ticker	Last Price (TL)	12m Target Price (TL)	Return (%)	Upside Potantial (%)	Inclussion Date
Migros	**MGROS**	**₺523.00**	**₺715.00**	**200%**	**37%**	**June 6, 2023**
Türk Hava Yolları	**THYAO**	**₺271.25**	**₺414.00**	**69%**	**53%**	**June 6, 2023**
Tüpraş	**TUPRS**	**₺188.30**	**₺271.00**	**239%**	**44%**	**June 6, 2023**
Coca Cola	**CCOLA**	**₺60.30**	**₺86.00**	**69%**	**43%**	**November 27, 2023**
Mavi Giyim	**MAVI**	**₺43.00**	**₺58.00**	**-10%**	**35%**	**August 27, 2024**
Ford Otosan	**FROTO**	**₺95.10**	**₺140.00**	**16%**	**47%**	**August 28, 2024**
İşbank (C)	**ISCTR**	**₺13.67**	**₺18.80**	**8%**	**38%**	**December 24, 2024**
Tav Havalimanları	**TAVHL**	**₺294.50**	**₺400.00**	**5%**	**36%**	**December 24, 2024**
Turkcell	**TCELL**	**₺96.83**	**₺148.00**	**11%**	**53%**	**December 24, 2024**
Garanti	**GARAN**	**₺140.90**	**₺197.60**	**3%**	**40%**	**July 9, 2025**
Astor	**ASTOR**	**₺114.90**	**₺158.00**	**0%**	**38%**	**December 26, 2025**
Sabancı Holding	**SAHOL**	**₺84.60**	**₺162.00**	**0%**	**91%**	**December 26, 2025**
MLP Sağlık	**MPARK**	**₺378.75**	**₺485.00**	**0%**	**28%**	**December 26, 2025**

rformance, Inception to date (%)	193%
BIST 100 Index Performance (%)	111%
MP / BIST 100 Relative Return (%)	**39%**
rformance, Last 12m (%)	10%
BIST 100 Index Performance (%)	14%
MP / BIST 100 Relative Return (%)	**-4%**
rfromance, 2025 (%)	10%
BIST 100 Index Performance (%)	15%
MP / BIST 100 Relative Return (%)	**-5%**

**MP: Tacirler Model Portfolio*





Model Portfolio and Strategy

Our 12-month BIST 100 Index target is 15.200

Currently, we are tracking 29 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 64% of the BIST 100 index and 78% of the BIST 30 index.

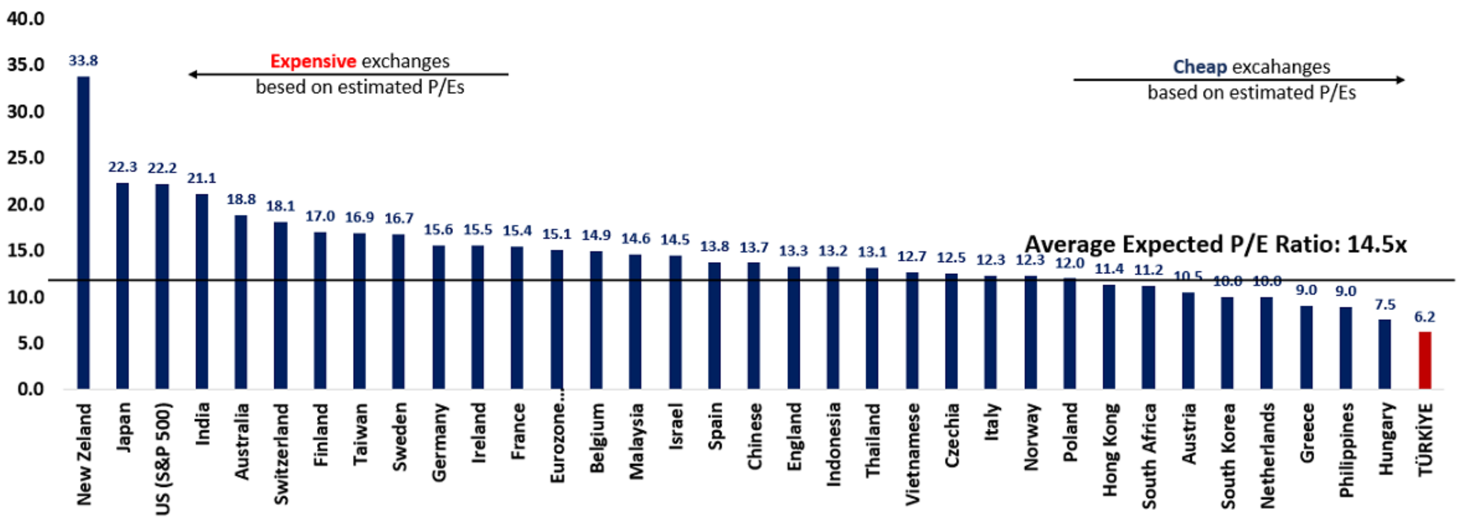
Our BIST 100 index target, calculated based on the target values of the companies in our valuation scope and their potential impact on the index, points to a level of 15,200 over a 12-month horizon and a potential return of 34% on the index. This potential is above the 23% annual CPI rate we forecast for the coming year and is close to the rates we found in our simulations of average net deposit returns achievable during this period. In contrast, the average potential return for companies where we forecast above-index returns is around 50%, remaining significantly higher.

BIST and multiple comparisons

The chart below shows the estimated price/earnings ratios for selected developed and developing countries. Borsa Istanbul is the stock exchange with the lowest multiplier globally, trading at an estimated P/E ratio of 6.2x. 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

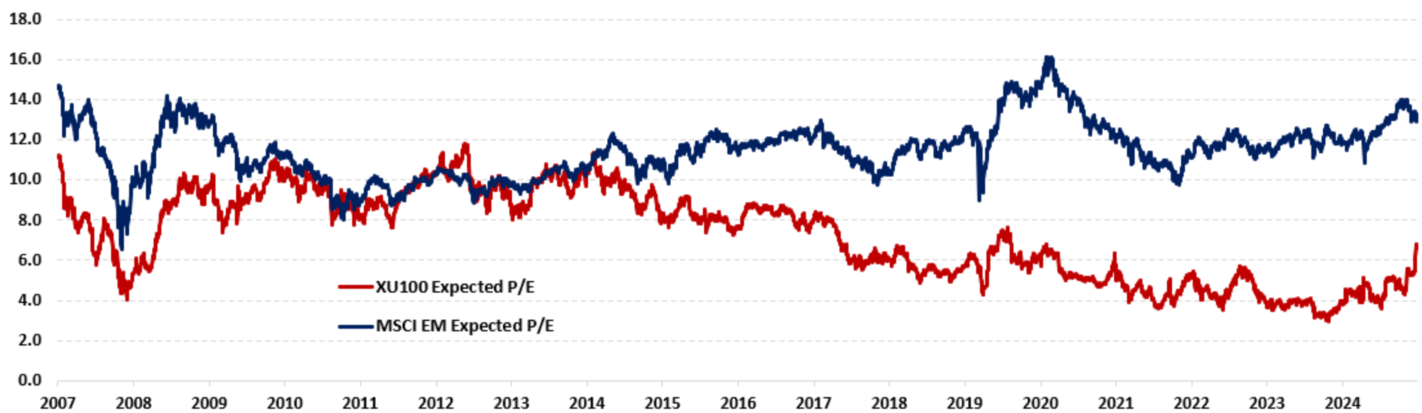
Model Portfolio and Strategy

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 51%** (second chart). This rate is high compared to the average discount rate of 35% calculated for the period under review, but it shows a partial improvement compared to the average of 63% for the last year.

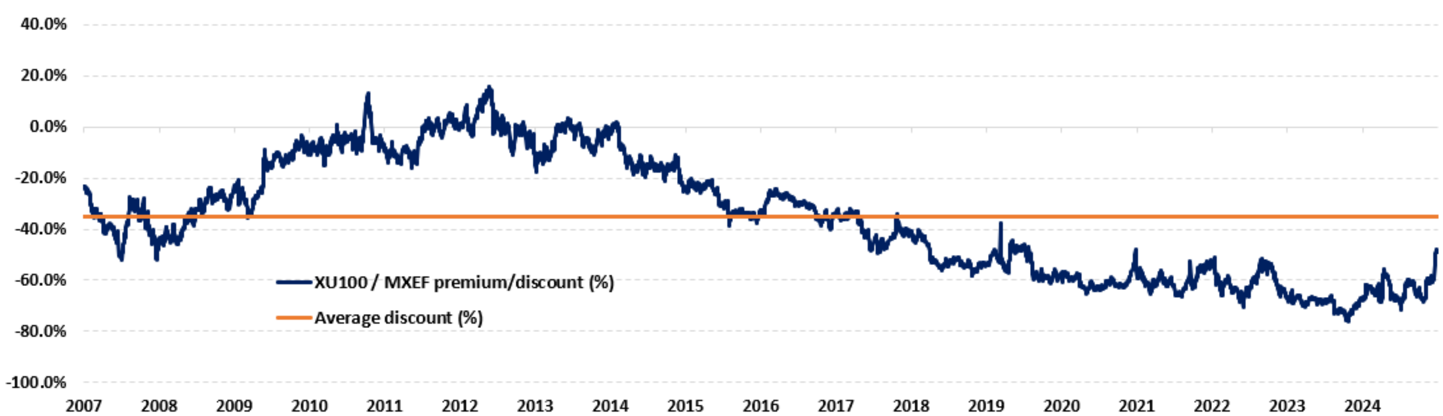
In our "2025 Second Half Outlook" report, we shared our expectation that interest rate cuts by the Monetary Policy Committee (MPC) to support growth could improve the perception of risk and discount rates for Turkish assets by increasing the resilience of TL assets. The improvement we anticipated over the past six months has materialized, but it has been limited. We expect Turkish companies to trade at higher multiples and lower discount rates under a normalized economy and risk outlook, which should support the BIST 100 index. In this regard, the course of domestic and international political developments outside the economy will be decisive. We expect pricing focused on political risk perception to continue at least through the first half of 2026, but with less pressure on TL assets than in 2025. We believe the negative divergence and high discount seen in the charts will continue to normalize gradually.

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

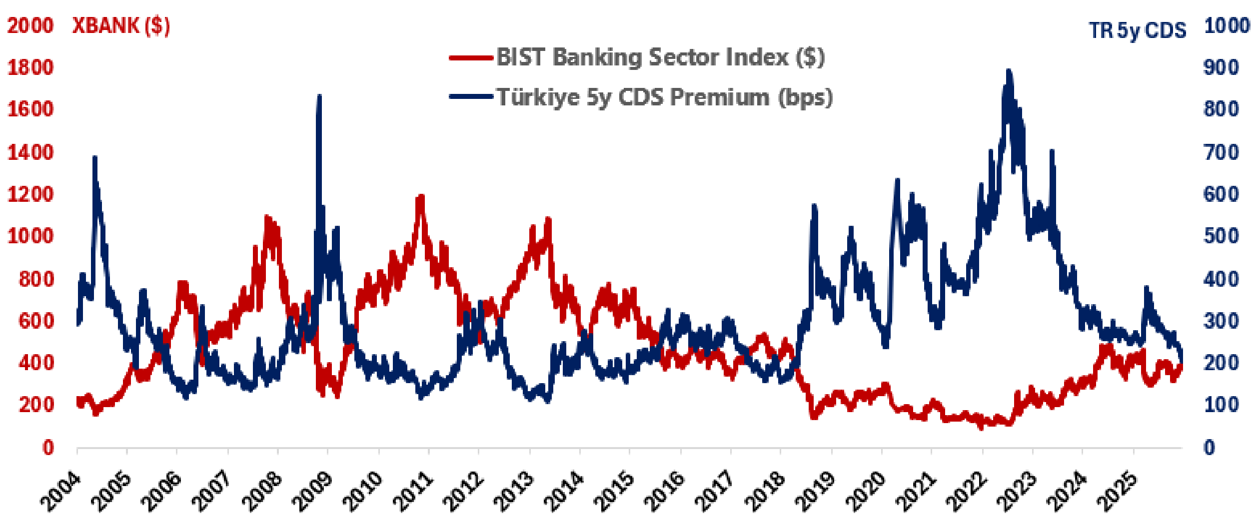
In 2026, we expect interest rate cuts from the Monetary Policy Committee (MPC), a decline in CDS spreads, real appreciation of the Turkish Lira, and continued annual inflation-beating growth in banks' equity, asset size, and other items. Improvements in funding costs will support bank financials, and both this situation and continued growth will continue to support the valuations (target prices) of banks traded on the Borsa İstanbul. The XBANK Banking Index, which has outperformed the BIST 100 by 16% since October, may lag behind relatively in 2026. However, the average potential return of banks we find undervalued still appears attractive.

We believe that interest rate cuts by the CBRT and the decline in Türkiye's risk premium will continue to support banks in 2026, while margins are expected to recover throughout the year. Based on our estimates of banks' equity growth rates and valuation multiples, we calculate a 12-month target index value of 20,570 for the XBANK Banking Index. This ratio indicates a potential of approximately 23% relative to the current index value. We expect **ISCTR, GARAN, ALBRK, and TSKB** to outperform the XBANK Banking Index over the next 12 months.

Bank	*Last P.	Target P.	Upside (%)	Rating
AKBNK	69.75	82.50	18%	HOLD
ISCTR	13.67	18.80	38%	BUY
YKBNK	35.74	42.90	20%	HOLD
GARAN	140.90	197.60	40%	BUY
VAKBN	29.68	36.10	22%	HOLD
TSKB	12.71	19.60	54%	BUY
HALKB	37.00	34.30	-7%	HOLD
ALBRK	7.92	11.70	48%	BUY
SKBNK	7.78	9.30	20%	HOLD

**As of 12/25/2025*

The graph below shows the relationship between the XBANK Banking Index in USD terms and TR 5-year CDS spreads. A clear inverse correlation between banks and CDS premiums is evident over the 14-year period from 2004 to 2018. With the normalization process in monetary policy that began in 2023, we believe this relationship has returned to a normalization trend and will continue. **The disinflation process and the expected improvement in growth dynamics due to continued interest rate cuts by the Monetary Policy Committee (MPC) may lead to a continued improvement in the risk perception of Türkiye. Along with these factors, Türkiye's 5-year CDS spreads are expected to fall below 200 basis points in 2026, but we should note that the political agenda will also be decisive in this regard**. The expectation of an improvement in banks' external funding costs will emerge as a separate factor supporting sector stocks. If these conditions materialize, we believe the XBANK Banking Index will move towards the $410-420 range in 2025.



Source: Bloomberg, Tacirler Investment Research

Conglomerates

Based on our latest Net Asset Value (NAV) calculations, Koç Holding, Sabancı Holding, Doğan Holding and Alarko Holding are trading at NAV discounts of 38%, 55%, 49% and 46%, respectively. Throughout 2025, subdued risk appetite and limited foreign investor interest kept holding-company discounts above historical averages; however, heading into 2026, we expect a more supportive valuation backdrop as the disinflation trend continues and the rate-cutting cycle progresses.

From our 2026 perspective, we view holding companies as an attractive opportunity set. Our base case is for a gradual narrowing of NAV discounts, driven by an improvement in risk appetite, stronger foreign investor participation, and a step-by-step recovery in financing conditions.

On coverage, while **Doğan Holding** is already within our research universe, we raise our 12-month target price to TRY 27.45 and maintain our "BUY" recommendation. With this report, we initiate coverage of **Koç Holding, Sabancı Holding** and **Alarko Holding** with target prices of TRY 294.00, TRY 162.00 and TRY 155.00, respectively, assigning a "BUY" rating to all three. We also add Sabancı Holding to our model portfolio.

Energy

Throughout 2025, Türkiye's energy sector was characterized by rising electricity demand, continued expansion in installed capacity, and a growing share of renewable sources. On the installed capacity front, solar and wind investments remained the key drivers, while the share of renewables exceeding 60% of total installed capacity clearly demonstrates the acceleration of the energy transition.

On the generation side, the share of hydroelectric power plants declined over the year, while the contribution of wind and solar facilities to electricity generation increased markedly. This rise in renewable output stands out as a supportive factor in terms of both supply security and the reduction of carbon intensity. On the pricing side, we observe that market clearing prices in the electricity market remained volatile in the final quarter of the year but stayed above historical averages, a dynamic that we believe supports revenue visibility for power producers.

From the second half of 2025 onward, we observed a marked strengthening in refining product margins, led primarily by middle distillates. While geopolitical developments, maintenance shutdowns and intermittent supply constraints kept inventories low in Europe, diesel, jet fuel and gasoline crack margins delivered a strong performance throughout the year. Against this backdrop, **Tüpraş** raised its post-3Q25 net refinery margin guidance to USD 6.0–6.5/bbl, and margins also remained relatively resilient in 4Q25.

In our 2026 strategy view, the key catalysts will be the persistence of resilient margins, the continuation of strong cash generation, and—accordingly—the sustainability of dividend capacity. In this environment, refinery complexity, product flexibility, high utilization rates and logistical advantages become increasingly decisive. Tüpraş's high-complexity refinery footprint and flexible product optimization stand out as core strengths that support earnings resilience even during normalization periods. On the downside, the main risks include an acceleration in new capacity additions, a weakening in global demand, and a faster-than-expected normalization in crack margins. Over the medium to long term, potential incremental capital needs stemming from carbon regulations and energy transition investments should also be monitored closely.

From a renewable energy perspective, YEKA tenders and the announced medium-term targets are set to keep investment appetite strong in 2026. A regular tender schedule aimed at expanding solar and wind installed capacity provides predictability for sector players, while financing conditions and grid investments stand out as key focus areas in the period ahead. At a global level, rising electricity demand, the electrification trend, and investments in energy efficiency are expected to continue supporting the structural growth of renewable energy.

Automotive

In the automotive sector, 2025 proved to be a year in which domestic demand remained more resilient than expected despite a high-interest rate environment and tighter credit conditions. According to ODMD data, the passenger car and light commercial vehicle market reached 132,984 units in November, marking a historical November record, while total market volumes climbed to 1.176 million units in the January–November period. This backdrop points to a year-end close very close to 1.2 million units. The preservation of momentum in the second half of the year indicates that the automotive sector closed 2025 not with a sharp contraction, but rather by stabilizing on a high base.

While double-digit growth in passenger car sales continued in the domestic market, the light commercial vehicle segment posted more limited yet sustainable growth. The demand mix remaining driven primarily by corporate, fleet, and commercial demand rather than individual consumers stood out as one of the key factors supporting sector performance. With market volumes still well above ten-year averages, this backdrop indicates that automotive demand in 2025 proved to be more resilient than initially anticipated.

On the production and export side, a divergence in unit dynamics stands out. During the January–November period, total production increased, while passenger car production posted a limited decline. Similarly, despite an increase in overall exports, the contraction in passenger car exports points to a rising weight of the commercial vehicle segment within the sector. This picture indicates that Türkiye’s automotive industry continues to maintain its integrated production structure with the European market, with commercial vehicle exports sustaining their balancing role.

At the company level, **Ford Otosan** stands out as one of the players outperforming the sector average on the export front. The company increased export volumes by 12% YoY in November, reaching 363 thousand units in the first eleven months of the year. This performance is in line with the company’s 2025 year-end guidance, while its commercial-vehicle-heavy product mix and strong positioning in the European market enable **Ford Otosan** to display a more predictable and defensive profile within the sector.

On the **Dogus Otomotiv** front, the preservation of domestic market momentum and a shift in the brand mix toward relatively higher-margin models stand out. While developments in interest rates and credit conditions will continue to be key determinants of domestic demand trends, **Dogus Otomotiv’s** strong dealer network and pricing flexibility can be viewed as balancing factors in a volatile demand environment.

While not under our research coverage, we continue to closely monitor **Tofas** within the context of the **Stellantis** story. In 2025, export performance showed periodic strength on a monthly basis, while the overall full-year outlook has remained broadly in line with expectations. Looking ahead to 2026, we expect the **Tofas** narrative to evolve toward a more medium-term and structural growth theme, supported by the gradual increase in production and export contributions from the **Stellantis** portfolio.

Heading into 2026, we believe the dominant theme in the automotive sector will shift from rapid volume growth toward stabilization and selective expansion. Potential interest rate cuts and a gradual easing in credit conditions could support domestic demand, although the impact is likely to be more limited and segment-specific compared to previous years. Within this framework, we expect corporate, fleet, and commercial demand to retain their weight within the sector, while a more selective recovery is likely on the individual consumer side.

Electric and hybrid vehicles are set to remain at the center of the sector’s structural transformation in 2026. The SCT framework, new model launches, and European regulations stand out as the key drivers supporting further penetration in this segment. We expect the rising share of electric vehicles to contribute positively to sector profitability dynamics by increasing the weight of higher value-added products across both the domestic market and exports.

Overall, for 2026, we foresee an automotive sector environment characterized by continued stabilization on a high base in the domestic market and selective, Europe-focused growth on the export side. In this setting, export market conditions, product mix, and operational flexibility will remain the key determinants shaping overall sector performance.

Aviation

Within our research coverage, **Turkish Airlines** delivered steady growth across both flight frequencies and passenger traffic throughout 2025. Heading into the final quarter, the sustained increase in flight numbers and the acceleration in passenger traffic clearly reflect the contribution of its extensive route network and strong international demand. In addition to passenger revenues, cargo operations have continued to provide support in terms of both volumes and earnings contribution, and we expect this dynamic to remain a balancing element within the revenue mix in 2026 as well.

With this report, **Pegasus Airlines**, which we have added to our research coverage, stood out in 2025 with its particularly international-focused growth. The strong increase in passenger numbers, a marked improvement in load factors, and capacity expansion progressing in line with demand stand out as the key factors supporting the company's operational efficiency. The ability to maintain load factors at elevated levels alongside growth in available seat kilometers highlights that Pegasus is sustaining its growth through demand-backed capacity expansion.

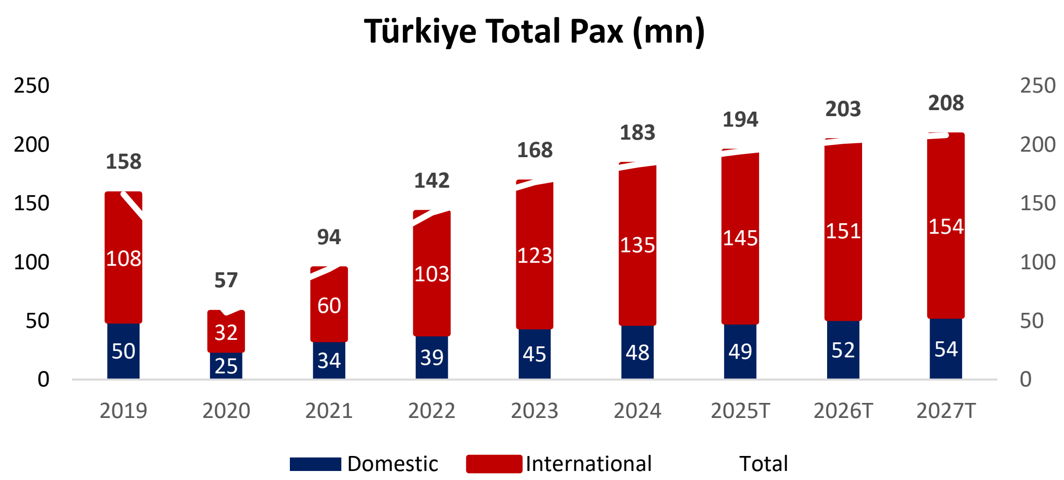
On the **TAV Airports** front, we observe a more balanced yet sustainable growth trend in passenger traffic. Increases across both domestic and international passenger volumes indicate that demand for the airports within the company's portfolio is supported by diversified geographic sources. Passenger volumes reached in the first eleven months of the year suggest that operational activity remained robust throughout 2025 for **TAVHL**.

Heading into 2026, we believe the main theme in the aviation sector will be the continuation of a balanced growth trajectory on the back of already strong volume levels. The resilience of tourism demand, the sustained strength in international travel trends, and a more disciplined approach by airlines in capacity planning stand out as the key factors supporting the sustainability of passenger traffic growth.

While economic conditions and price sensitivity remain the key determinants of demand on domestic routes, we view the sustained attractiveness of Türkiye as a tourism destination as the main supporting factor on international routes. Provided that there is no material deterioration in geopolitical risks and global demand conditions remain broadly stable, we expect passenger traffic growth to continue into 2026.

Overall, for 2026, we foresee an aviation sector environment characterized by balanced growth on a high base, with international and long-haul traffic continuing to act as the primary growth drivers. In this setting, capacity management, load factors, and unit revenue performance are likely to remain the key determinants shaping the sector's financial results.

Table: Türkiye Market Development



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

Telecommunications

Structural balance and rational competition stand out in the telecom sector. Türkiye's telecommunications sector differentiates itself from global peers through high barriers to entry, intensive regulation, and a clearly defined oligopolistic structure. Across both mobile and fixed-line segments, a broadly rational competitive environment has prevailed for an extended period, limiting price wars and positioning scale, network quality, and investment capacity as the primary determinants of competition. While high inflation, rising data consumption, and tariff adjustments continue to support nominal revenue growth, elevated investment requirements and currency volatility render free cash flow management increasingly critical for operators.

The completion of the 5G spectrum auction brings greater clarity to the sector's investment and competitive landscape. The completion of Türkiye's long-awaited 5G spectrum auction has significantly reduced uncertainty, enabling operators to articulate their medium-term strategies with greater visibility. The finalized spectrum allocation, most notably Turkcell's acquisition of a wider bandwidth, has strengthened its leadership in spectrum depth, translating into a quality and capacity advantage within the mobile market. Moreover, the phased rollout of 5G investments is expected to mitigate near-term CAPEX pressure while allowing for a more disciplined and sustainable management of investment returns.

Competitive dynamics in the mobile market are increasingly shifting in favor of Türk Telekom. According to BTK data, competitive dynamics in Türkiye's mobile market have undergone a visible shift in recent years. While Turkcell maintains its market leadership, Türk Telekom has demonstrated consistent market share gains in mobile. Supported by a measured pricing strategy, fixed–mobile convergence advantages, and a broad customer base enabling effective cross-selling, Türk Telekom is increasingly positioning itself as a credible challenger for the second-largest player status in the mobile segment.

Turkcell and Türk Telekom stand out with distinct strengths in the post-5G environment. In the post-5G era, Turkcell stands out with its robust spectrum portfolio, higher ARPU profile, and scalable exposure to digital services such as fintech, data centers, cloud solutions, and enterprise offerings, positioning it as one of the sector's structurally advantaged players. Türk Telekom, on the other hand, benefits from its extensive fiber infrastructure, positioning the company as a critical enabler within the 5G ecosystem. By combining fixed-line infrastructure leadership with improving mobile momentum, Türk Telekom continues to strengthen its identity as an integrated telecommunications operator.

Looking toward 2026, a selective and efficiency-driven growth phase is expected. Looking ahead, Türkiye's telecom sector is expected to transition from subscriber-led growth toward a model centered on ARPU expansion, rising data consumption, and digital service monetization. While the contribution from 5G investments is likely to remain limited in the initial years, their role is expected to become increasingly supportive over the medium term through higher value-added use cases. Against this backdrop, operators with scale, infrastructure depth, and financial discipline, namely Turkcell and Türk Telekom, are well positioned to deliver operational performance above the sector average heading into 2026.

Defence

In 2025, the defense and aerospace industry went through a historic growth phase on both the demand and export fronts amid an environment of elevated global geopolitical risks. Rising defense budgets, regional security concerns, and ongoing technological transformation enabled the sector to maintain strong momentum throughout the year. During the January–November period, defense and aerospace exports increased by 30% YoY to USD 7.4bn, highlighting that the sector is no longer limited to the domestic market and has significantly strengthened its competitiveness on a global scale. This performance points to the achievement of a historical export level for the defense industry by year-end.

In recent years, Türkiye's growing domestic production capacity, high-technology product portfolio, and export-oriented growth strategy have continued to deliver tangible results throughout 2025. Capabilities in electronic warfare, radar, communication systems, air defense solutions, and platform integration stood out as the key drivers increasing the share of high value-added products in defense exports. This structure indicates that the sector is progressing along a growth path defined not only by volume expansion, but also by qualitative and value-added advancement.

Within our research coverage, **ASELSAN** stands out as the company where we observe the most tangible reflections of the strong sector backdrop. As of the first nine months of 2025, the company's order backlog reached a historical high of USD 17.9bn, and we observe that this robust order visibility has strengthened further through continued contract wins over the remainder of the year. An expanding order portfolio, a rising share of exports, and long-term contracts remain the key factors supporting **ASELSAN's** operational scale and revenue visibility.

Heading into 2026, we believe the main theme in the defense sector will be the continuation of strong order accumulation and export-led growth. The ongoing upward trend in global defense spending, the reshaping of NATO- and Europe-centered security policies, and persistent Middle East–driven risks are likely to continue supporting demand for defense products. In this environment, we expect the international visibility of Türkiye's domestically developed defense solutions to increase further.

Specifically for **ASELSAN**, we expect the revenue outlook to remain strong in 2026, supported by a high order backlog, ongoing R&D investments, and the increasing contribution of export-oriented contracts. The technology-intensive structure of the product portfolio and the ability to offer solutions that can be integrated across multiple platforms stand out as the key factors underpinning the company's global competitiveness. We also believe that the rising share of FX-based revenues will continue to act as a balancing factor for financial performance.

Retail

2025 was a year in which demand clearly normalized amid high interest rates and weakening purchasing power, while competition and promotional intensity increased. Sector differentiation was driven less by pricing power and more by stock discipline, store productivity, and cost control.

Heading into 2026, our expectation is that, alongside the monetary easing cycle, consumer confidence will gradually improve and—supported by disinflation—the growth dynamic, particularly in food retail, will shift from price-driven growth toward volume/traffic. That said, the pace of the recovery and the trajectory of promotional competition remain the key uncertainties for margins. While the minimum wage increase has been finalized at 27%, providing limited support on the demand side, efficiency gains and operational discipline will be the main determinants on the cost side.

Against this backdrop, within our coverage universe, we maintain our target price and "BUY" recommendation for **Mavi** and continue to hold the stock in our model portfolio. For **Teknosa**, while we keep our target price and "BUY" recommendation unchanged, we remove the stock from our model portfolio. For **Koton**, our target price and "BUY" recommendation remain intact. For **Suwen**, we revise our target price to TRY 16 while maintaining our "BUY" recommendation. For **Desa**, we keep our target price unchanged and reiterate our "HOLD" recommendation. For **Migros** and **BİM**, we do not make any changes to our target prices.

White Goods

Following the pressured operating environment observed throughout 2025, we expect the white goods sector to enter a more balanced and gradual recovery phase heading into 2026. At a global level, subdued economic growth, the lagged impact of a high interest rate environment on demand, and a cautious stance in consumer spending have continued to weigh on sector dynamics. That said, a clearer normalization in monetary policy, a decelerating inflation trend, and easing cost pressures as of 2026 are expected to support a gradual improvement in sector conditions. In particular, a recovery in consumer confidence and the activation of postponed demand could provide support to sales volumes across both domestic and export markets.

On the domestic front, following the contraction in demand observed during the 2024–2025 period, we anticipate a more stable demand outlook in 2026. The diminishing effects of tight financial conditions and a gradual recovery in household purchasing power are likely to support durable goods consumption. Nevertheless, rather than a sharp rebound, we expect the recovery in demand to be controlled and spread over time. Promotional activity and pricing strategies are expected to remain key drivers of sales volumes, while consumer price sensitivity is likely to remain a decisive factor throughout 2026. During the first nine months of the year, domestic sales across six main product categories declined by 6% year-on-year. On the export side, the contraction trend observed over the past three years persisted, with an 8% year-on-year decline. For the remainder of the year, we expect a modest recovery in domestic sales, while export volumes are likely to remain broadly flat. Looking ahead, the gradual exit from a high interest rate environment and an acceleration in the disinflation process in 2026 should improve sector visibility and support margin expansion across the industry.

In 2026, Turkish white goods manufacturers' strategic positioning in the European market supported by geographic proximity, established distribution networks, and strong brand recognition is expected to create a favorable backdrop for export opportunities. On a company specific basis, for **ARCLK**, the recovery in the European market and the transition toward a more predictable cost structure stand out as key factors supporting its growth outlook. Meanwhile, for **VESBE**, which generates approximately 70% of its revenues from exports, a potential easing in financial conditions across European markets could support white goods demand in the medium term, while strategic initiatives targeting the mobility sector represent additional potential upside areas.

Alarko Holding

We view Alarko Holding as one of the holding companies that is in the process of reshaping its portfolio into a more balanced structure by focusing on new growth areas, particularly agriculture, while trading at a meaningful Net Asset Value (NAV) discount. We expect the company's transformation story to become more visible from 2026 onward. Accordingly, we initiate coverage with a 12-month target price of TL155.00 and a "BUY" recommendation.

Within the portfolio mix, the Energy segment remains the financial backbone of the group, accounting for roughly 75% of NAV. The cash flow generated by the energy business plays a critical role in financing new investments. Looking into 2026, in line with macro normalization, we expect easing funding costs and a gradual decline in financing-related pressures to support net profitability. In this context, preserving cash flow generation on the energy side continues to be the key anchor for sustainably funding the transformation investments.

On the growth front, we expect agricultural investments to gain clearer visibility in 2026. Geothermal-supported modern greenhouse farming represents a more technology-intensive and scalable model compared to traditional agriculture; with capacity expansions and operational ramp-up, the segment's contribution is likely to become more tangible from 2026 onward. In addition, we view areas such as tourism, which have the potential to generate FX-denominated revenues, positively as they enhance revenue diversification and reduce dependence on the energy cycle. While the investment phase may put limited pressure on margins in the near term, we believe the group's risk-return profile could shift to a more favorable footing over time as the agriculture platform scales up.

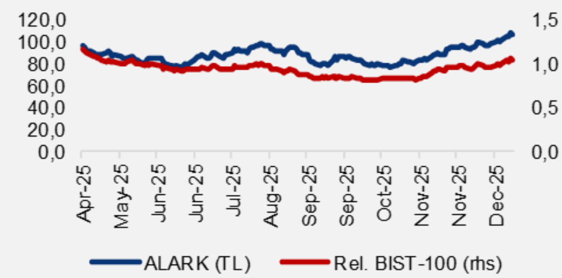
From a valuation standpoint in our NAV work, we value Alsim and Alarko Tarım primarily at book value, ALGYO at market capitalization, and the real estate portfolio based on appraisal values. On the energy side, we value Karabiga at 4.5x EV/EBITDA and Meram at 5.0x EV/EBITDA, while Karakuz and Gönen are valued using comparable company multiples. For other assets, we model ALCAR at 0.75x EV/Sales and ATTAŞ at 9.0x EV/EBITDA. On the risk side, key items to monitor include electricity prices and regulatory dynamics; the commissioning and scaling timeline for agricultural investments; the risk of capex phases lasting longer than expected; and—should macro normalization be delayed—the potential postponement of the anticipated easing in financing conditions.

ALARK	BUY
Target Price	**TL 155**
Return potential	**47%**

Share Data	
Ticker:	**ALARK**
Share price (as of 25.12.2025)	105,30
Share price (52 week range)	74 / 107
Market cap. (TL mn - USD mn)	45.806 - 1.071
# of shares (mn) & free float	435 - 37%
Foreign Ownership Rate	8,90%
Market	Star
Industry	Conglomerates

Avg. trading volume	1M	3M	12M
USD mn	22,3	15,5	11,8

Price performance	1M	3M	Y-t-D
TL	12%	24%	18%
USD	11%	20%	-3%
Rel. to BIST-100	7%	24%	2%



Alarko Holding – NAV Table

	Valuation	Current Price (TL)	Stake (%)	to Alarko	% of NAV	Target MCAP	to Alarko	% of NAV
Contracting				**4.400**				
Alsim	Book Value	4.400	100%	4.400	5%	5.676	5.676	5%
Real Estate Portfolio				**8.743**				
ALGYO	MCAP	8.810	51%	4.493	5%	11.365	5.796	5%
Real Estate Portfolio	Valuation	4.250	100%	4.250	5%	5.483	5.483	5%
Energy								
ALCEN				**65.895**				
Karabiga PP	4,5x EV/EBITDA	45.131	50%	22.565	26%	58.218	29.109	26%
Meram	5,0x EV/EBITDA	83.710	50%	41.855	49%	107.986	53.993	48%
ALTEK								
Karakuz HEP	Multiples	1.288	100%	1.288	2%	1.662	1.662	1%
Gonen HEP	Multiples	186	100%	186	0%	240	240	0%
Industry				**1.179**				
ALCAR	0,75x EV/Sales	2.741	43%	1.179	1%	3.536	1.520	1%
Tourism				**4.707**				
ATTAS	9,0x EV/EBITDA	4.707	100%	4.707	6%	6.072	6.072	5%
Agriculture				**7.000**				
Alarko Tarım	Book Value	7.000	100%	7.000	8%	9.030	9.030	8%
				Current NAV			**Target NAV**	
Listed				4.493			5.796	
Unlisted				87.430			112.785	
NAV				85.434			112.092	
MCAP				45.806			45.806	
Prem. / Disc (%)				**-46%**			**-59%**	
Holding Discount (%)							**-40%**	
Target MCAP							67.255	
Number of shares							435	
12M Target Price							**155**	
Current Price							**105,3**	
Potential (%)							**47%**	

Arçelik

We revise our 12-month target price for Arçelik to TL 153 per share from TL 170 and maintain our HOLD recommendation. The downward revision in our target price mainly reflects our assumptions regarding the weak demand environment and a more gradual-than-expected margin recovery. That said, the Company's strategic initiatives aimed at expanding its global footprint, the increasing visibility of scale economies over the medium term, and its operational efficiency-focused restructuring efforts continue to support the stock's risk/reward balance at current valuation levels. Based on our 2026E estimates, the Company is trading at 89.7x P/E and 4.9x EV/EBITDA multiples.

A more balanced outlook emerges for the white goods sector heading into 2026… We believe that global and domestic dynamics in the white goods sector point to a more balanced outlook as we enter 2026. The easing of tight financial conditions and the gradual decline in borrowing costs could contribute to a normalization in demand following the weakness observed over the past two years. Domestically, lower market volatility and an improving perception toward capital markets are expected to provide a more predictable operating environment for sector players. Within this context, we believe that Arçelik's current valuation levels partially reflect expectations regarding the recovery process, while a more visible operational improvement could lead to a more favorable risk-return profile.

Signals of profitability recovery strengthen as operational pressures ease… We expect a gradual recovery in operational profitability starting from 2026. Ongoing restructuring initiatives in European operations, cost discipline, and an increasing share of higher value-added products in the sales mix are likely to support an improvement in EBITDA margins. Accordingly, we estimate that Arçelik could achieve an EBITDA margin of approximately 7.3% in 2026E. The easing of operational pressures and the increasing contribution of scale economies stand out as the key factors supporting the margin outlook.

The key pillars of Arçelik's medium- to long-term growth strategy are becoming increasingly clear… Looking beyond 2026, we expect Arçelik's strategic priorities to focus on enhancing pricing power, increasing the share of value-added segments in the product mix, and accelerating investments in digitalization and efficiency. The Company's broad global footprint and strong brand portfolio are expected to support a relatively resilient performance against demand fluctuations. We believe these factors will contribute to a recovery in operational profitability and strengthen cash generation capacity over the medium to long term.

On the risk side, a weaker-than-expected global economic recovery, delays in demand normalization across core markets, and a longer-than-anticipated realization period for the benefits of the restructuring process remain the key downside risks.

ARCLK **HOLD**

Target Price	**TL 153**
Return potential	**41%**

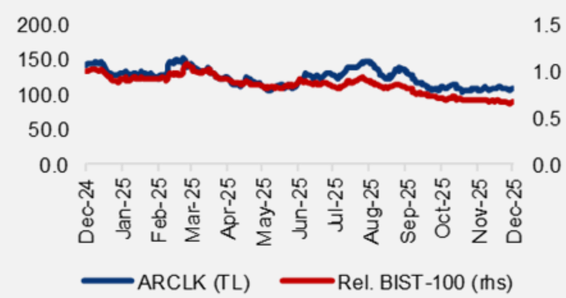
Share Data	
Ticker:	**ARCLK TI**
Share price (as of 25.12.2025)	108.20
Share price (52 week range)	103.6 / 150.2
Market cap. (TL mn - USD mn)	73113.8 - 1709.7
# of shares (mn) & free float	675.7 - 25%
Foreign Ownership Rate	12.09%
Market	Star
Industry	White Goods

Avg. trading volume	1M	3M	12M
USD mn	7.0	9.2	8.1

Price performance	1M	3M	Y-t-D
TL	2%	-18%	-24%
USD	1%	-21%	-37%
Rel. to BIST-100	-2%	-18%	-34%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	537,526	517,833	632,721
EBITDA	27,967	30,004	46,467
Net Earnings	2,119	-10,342	815

Valuation	2024	2025E	2026E
P/E	34.5x	-	89.7x
P/BV	0.9x	1.1x	1.0x
EV/EBITDA	8.2x	7.6x	4.9x



Arçelik – Summary

Balance Sheet	2024	2025E	2026E
Cash	63,738	70,112	77,123
Accounts receivables	116,558	131,293	130,011
Inventory	89,962	99,425	110,512
Financial investments	0	0	0
Fixed assets	159,458	155,627	171,190
Other non-current assets	69,150	75,356	82,892
Total assets	498,866	545,405	578,134
Short-term financial loans	78,101	124,155	133,192
Accounts payables	128,427	124,406	152,730
Long-term financial loans	95,046	78,493	96,362
Other long-term payables	113,040	154,136	125,650
Non-current liabilities	**414,614**	**481,191**	**507,934**
Shareholders' equity	**84,252**	**64,214**	**70,200**
Paid in Capital	**676**	**676**	**676**
Other Equity	83,576	63,538	69,524
Total liabilities & equity	**498,866**	**545,405**	**578,134**
Net debt	109,409	132,537	152,431
Net working capital	78,093	106,312	87,793

Per share (TL)	2024	2025E	2026E
EPS	3.14	-15.31	1.21
BVPS	124.68	95.03	103.89
DPS	1.84	0.00	0.00

Ratios	2024	2025E	2026E
Profitability			
ROE	2.5%	-13.9%	1.2%
Net margin	0.4%	-2.0%	0.1%
Asset turnover	1.2x	1.0x	1.1x
Leverage	5.2x	7.0x	8.4x
ROA	0.5%	-2.0%	0.1%
Leverage			
Financial debt/Total assets	35%	37%	40%
Net debt/Equity	1.30	2.06	2.17
Net debt/EBITDA	3.91	4.42	3.28

Income statement	2024	2025E	2026E
Revenues	**537,526**	**517,833**	**632,721**
Gross profit	148,135	147,992	179,497
Operating expenses	-140,926	-140,808	-160,720
Operating profit	7,209	7,184	18,777
EBITDA	**27,967**	**30,004**	**46,467**
Other income, net	1,725	1,562	1,782
Financial income, net	-11,838	-15,840	-18,848
Earnings before taxes	-2,020	-7,280	1,456
Tax expense	-749	-4,680	-3,781
Net earnings	**2,119**	**-10,342**	**815**

Cashflow statement	2024	2025E	2026E
EBITDA	**27,967**	**30,004**	**46,467**
Taxes on EBIT	-749	-4,680	-641
Capital expenditures	-29,001	-14,421	-15,185
Chg. in NWC	-30,136	28,219	-18,519
Free cashflows to firm	**28,354**	**-17,316**	**49,160**

Growth & margins	2024	2025E	2026E
Revenues	32%	-4%	22%
EBITDA	-13%	7%	55%
Net earnings	-90%	-588%	-108%
Gross margin	27.6%	28.6%	28.4%
Operating margin	1.3%	1.4%	3.0%
EBITDA margin	5.2%	5.8%	7.3%
Net margin	0.4%	-2.0%	0.1%
Free cashflow margin	5.3%	-3.3%	7.8%

Valuation	2024	2025E	2026E
P/E	34.5x	-	89.7x
P/BV	0.9x	1.1x	1.0x
EV/EBITDA	8.2x	7.6x	4.9x

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

ASELSAN

In line with our updated macro assumptions, we raise our 12-month target price for ASELSAN to TL240 per share from TL220 while maintaining our HOLD recommendation. While the structural increase in defense spending, the export-oriented business model, and a record-high order backlog continue to underpin a strong operational outlook, we believe that upside potential at current valuation levels appears more gradual, leading us to retain our existing recommendation. We continue to favor ASELSAN's long-term growth story, its leadership position in the defense industry, and its export-focused strategy.

The order backlog and new contract pipeline provide high visibility on revenue generation. Supported by recently signed air defense, radar, electronic warfare, command-and-control, and naval systems projects across both domestic and international markets, ASELSAN's order backlog continues to renew record-high levels. The rising share of export contracts within total orders supports the FX-based revenue profile, while projects spread across delivery schedules enhance revenue visibility for the coming years.

The increase in global defense spending strengthens the long-term growth foundation for ASELSAN. In Türkiye, which has the second-largest military within NATO, the defense budget has continued to expand in both nominal and real terms in recent years, forming the core macro framework supporting ASELSAN's order inflow and export momentum. The preservation of defense spending as a share of GDP, alongside its medium-term upside potential, continues to reinforce the company's role as a prime contractor in domestic defense projects.

While operational performance remains robust, scale effects are becoming more pronounced on the profitability side. The rising share of high value-added systems within revenues, improvements in the product mix, and effective cost management continue to be the key drivers supporting EBITDA margins. Strong cash generation and ongoing R&D investments help preserve ASELSAN's technological capabilities while enhancing its competitiveness over the medium to long term.

In our forecasts, we revise the growth momentum for the 2026 period slightly upward. Accordingly, we expect ASELSAN to close 2025 with revenues of TL175.3bn and EBITDA of TL45bn, while in 2026 we project revenues to reach TL244bn, EBITDA to rise to TL62bn, and net profit to amount to TL40bn, supported by higher delivery volumes and a stronger export contribution. An expanding backlog, high project visibility, and structural growth in defense budgets form the key pillars underpinning these estimates.

We continue to favor **ASELSAN's** long-term growth story, its leadership position in the defense industry, and its export-oriented strategy. However, given that positive dynamics appear to be largely priced in at current price levels, we maintain our HOLD recommendation despite raising our target price to TL240 per share and keep the stock under close watch.

ASELS — HOLD

Target Price	**TL 240**
Return potential	**8%**

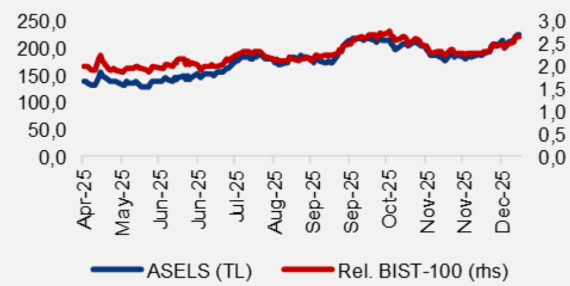
Share Data	
Ticker:	**ASELS TI**
Share price (as of 25.12.2025)	222,70
Share price (52 week range)	72 / 225
Market cap. (TL mn - USD mn)	1.015.512 - 23.747
# of shares (mn) & free float	4.560 - 26%
Foreign Ownership Rate	49.99%
Market	Star
Industry	Defence Industry

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	125,6	137,6	131,9

Price performance	**1M**	**3M**	**Y-t-D**
TL	24%	2%	208%
USD	23%	-1%	154%
Rel. to BIST-100	18%	3%	167%

Forecasts (TL mn)	**2024**	**2025E**	**2026E**
Revenues	150.773	175.276	244.435
EBITDA	37.923	45.113	62.166
Net Earnings	19.189	25.306	40.080

Valuation	**2024**	**2025E**	**2026E**
P/E	52,9x	40,1x	25,3x
P/BV	5,8x	5,1x	4,3x
EV/EBITDA	27,3x	23,0x	16,7x



ASELSAN - Summary

Balance Sheet	2024	2025E	2025E
Cash	20.868	17.688	45.802
Accounts receivables	35.566	32.374	36.833
Inventory	54.527	69.660	69.000
Financial investments	0	0	0
Fixed assets	74.305	89.794	98.773
Other non-current assets	119.275	138.186	152.005
Total assets	**304.541**	**347.703**	**402.413**
Short-term financial loans	28.643	36.255	43.506
Accounts payables	24.786	31.664	29.900
Long-term financial loans	12.200	1.332	12.222
Other long-term payables	62.935	78.441	79.225
Non-current liabilities	**128.564**	**147.692**	**164.853**
Shareholders' equity	**175.977**	**200.011**	**237.560**
Paid in Capital	4.560	4.560	4.560
Other Equity	171.417	195.451	233.000
Total liabilities & equity	**304.541**	**347.703**	**402.413**
Net debt	19.975	19.899	9.926
Net working capital	65.307	70.370	75.933

Income statement	2024	2025E	2026E
Revenues	**150.773**	**175.276**	**244.435**
Gross profit	47.862	54.705	76.534
Operating expenses	-14.078	-14.830	-21.179
Operating profit	33.784	39.875	55.356
EBITDA	**37.923**	**45.113**	**62.166**
Other income, net	478	5.206	5.340
Financial income, net	-23.928	-27.961	-27.402
Earnings before taxes	10.368	17.150	33.079
Tax expense	8.726	7.917	7.001
Net earnings	**19.189**	**25.306**	**40.080**

Cashflow statement			
EBITDA	**37.923**	**45.113**	**62.166**
Taxes on EBIT	298	8.726	7.917
Capital expenditures	-21.984	-25.882	-30.623
Chg. in NWC	3.318	-3.337	-2.437
Free cashflows to firm	**4.020**	**24.104**	**24.844**

Per share (TL)			
EPS	4,21	5,55	8,79
BVPS	38,59	43,86	52,10
DPS	0,05	0,07	0,55

Growth & margins			
Revenues	13%	16%	39%
EBITDA	31%	19%	38%
Net earnings	45%	32%	58%
Gross margin	31,7%	31,2%	31,3%
Operating margin	22,4%	22,7%	22,6%
EBITDA margin	25,2%	25,7%	25,4%
Net margin	12,7%	14,4%	16,4%
Free cashflow margin	2,7%	13,8%	10,2%

Ratios			
Profitability			
ROE	11,5%	13,5%	18,3%
Net margin	12,7%	14,4%	16,4%
Asset turnover	0,5x	0,5x	0,7x
Leverage	1,7x	1,7x	1,7x
ROA	6,6%	7,8%	10,7%
Leverage			
Financial debt/Total assets	13%	11%	14%
Net debt/Equity	0,11	0,10	0,04
Net debt/EBITDA	0,53	0,44	0,16

Valuation			
P/E	52,7x	39,9x	25,2x
P/BV	5,7x	5,1x	4,3x
EV/EBITDA	27,3x	23,0x	16,7x

Source: Company Data, Tacirler Investment

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

Astor Energy

We are including Astor Energy in our research coverage due to the following factors: increasing global electricity demand; accelerating renewable energy investment; the growing need for grid modernisation; and structural growth in the transformer market, which creates a strong growth platform for the company. Our 12-month target price is TRY158 per share for ASTOR, and we recommend a 'BUY' rating, also adding the stock to our Model Portfolio. The company's broad product portfolio across power and distribution transformers and switching equipment, strong engineering capabilities, expanding testing and production capacity, capacity growth supported by the ongoing new factory investment in the ASO 2nd and 3rd Organized Industrial Zone Expansion Area, a robust export network, and investments aimed at enhancing product diversification stand out as the key catalysts underpinning its 2026 and long-term growth outlook.

The global and domestic energy transition directly supports the company's operations. Rising electricity consumption worldwide, the integration of renewable energy sources into power grids, the proliferation of electric vehicles, and the growing need for modernization of transmission and distribution infrastructure are structurally increasing demand for transformers and switching equipment. In an environment where the global transformer market reached approximately USD 64bn in 2024 and is expected to expand to USD 123bn by 2034, implying a 6.6% CAGR, we believe Astor Enerji continues to maintain a strong position in both domestic and export markets. With 46% of sales generated from exports and solid exposure across the European Union, the Middle East, North Africa, and the Americas, the company benefits from enhanced revenue diversification and USD-based income generation.

The increase in production capacity, product diversification, and advanced testing infrastructure stand out as key factors supporting the company's medium-term growth outlook. Astor Enerji operates an integrated manufacturing structure at its facilities located in the Ankara ASO 2nd Organized Industrial Zone, enabling end-to-end production of power and distribution transformers as well as medium- and high-voltage switching equipment. As of 2025, production capacity has reached 9,274 MVA for power transformers and 9,646 MVA for distribution transformers, with further increases expected through ongoing new factory investments. Within this framework, the company plans to commission inverter production and enamel-coated conductor wire manufacturing, aiming to broaden its product portfolio. The expansion of test laboratories from 36 kV to 66 kV and up to 35 MVA enhances the company's ability to participate in higher value-added projects, while strengthening engineering and certification capabilities continues to support Astor Enerji's competitive edge in international tenders.

With the full impact of the new investments coming through in 2026, we expect revenues and profitability to recover. Supported by the rising share of FX-based revenues, we forecast that the company will close 2026 with revenues of around TL51 billion, an EBITDA margin of 30.1%, and EBITDA and net profit of around TL15 billion and TL10 billion respectively.

ASTOR **BUY**

Target Price	**TL 158**
Return potential	**38%**

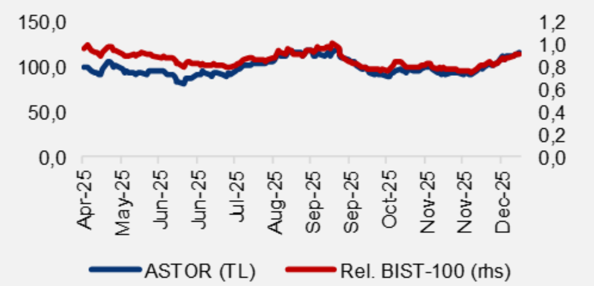
Share Data	
Ticker:	**ASTOR TI**
Share price (as of 25.12.2025)	114,90
Share price (52 week range)	81 / 126
Market cap. (TL mn - USD mn)	114.670 - 2.681
# of shares (mn) & free float	998 - 37%
Foreign Ownership Rate	43.25%
Market	Star
Industry	Electrical Equipments

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	70,9	48,3	39,2

Price performance	1M	3M	Y-t-D
TL	24%	10%	2%
USD	23%	6%	-16%
Rel. to BIST-100	19%	10%	-11%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	33.394	35.025	50.127
EBITDA	9.998	10.321	15.085
Net Earnings	6.303	7.494	10.198

Valuation	2024	2025E	2026E
P/E	18,2x	15,3x	11,2x
P/BV	4,4x	3,6x	2,9x
EV/EBITDA	9,9x	9,6x	6,6x



Astor Energy – Summary

Balance Sheet	2024	2025E	2025E
Cash	5.855	7.159	14.120
Accounts receivables	8.209	10.145	12.459
Inventory	3.591	9.285	10.065
Financial investments	4.080	4.488	4.937
Fixed assets	9.706	10.154	11.170
Other non-current assets	7.191	6.880	9.733
Total assets	**38.321**	**50.963**	**63.456**
Short-term financial loans	2.394	5.766	7.751
Accounts payables	2.106	5.455	7.862
Long-term financial loans	48	41	335
Other long-term payables	6.669	7.654	7.661
Non-current liabilities	**12.201**	**18.923**	**23.686**
Shareholders' equity	**26.120**	**32.040**	**39.770**
Paid in Capital	998	998	998
Other Equity	25.122	31.042	38.772
Total liabilities & equity	**38.321**	**50.963**	**63.456**
Net debt	-3.414	-1.352	-6.034
Net working capital	9.694	13.974	14.661

Per share (TL)			
EPS	6,32	7,51	10,22
BVPS	26,17	32,10	39,85
DPS	2,33	2,08	2,47

Ratios			
Profitability			
ROE	26,1%	25,8%	28,4%
Net margin	18,9%	21,4%	20,3%
Asset turnover	0,9x	0,8x	0,9x
Leverage	1,5x	1,5x	1,6x
ROA	17,4%	16,8%	17,8%
Leverage			
Financial debt/Total assets	6%	11%	13%
Net debt/Equity	-0,13	-0,04	-0,15
Net debt/EBITDA	-0,34	-0,13	-0,40

Income statement	2024	2025E	2026E
Revenues	**33.394**	**35.025**	**50.127**
Gross profit	11.549	11.873	17.143
Operating expenses	-2.634	-2.814	-3.143
Operating profit	9.928	8.915	9.059
EBITDA	**9.998**	**10.321**	**15.085**
Other income, net	-638	-174	-94
Financial income, net	-3.422	-6.605	-6.700
Earnings before taxes	5.861	7.468	6.877
Tax expense	-152	472	643
Net earnings	**6.303**	**7.494**	**10.198**

Cashflow statement			
EBITDA	**9.998**	**10.321**	**15.085**
Taxes on EBIT	-1.152	-152	472
Capital expenditures	-3.298	-3.005	-1.492
Chg. in NWC	1.700	-730	1.827
Free cashflows to firm	**4.348**	**7.570**	**7.474**

Growth & margins			
Revenues	9%	5%	43%
EBITDA	-5%	3%	46%
Net earnings	-24%	19%	36%
Gross margin	34,6%	33,9%	34,2%
Operating margin	29,7%	25,5%	18,1%
EBITDA margin	29,9%	29,5%	30,1%
Net margin	18,9%	21,4%	20,3%
Free cashflow margin	13,0%	21,6%	14,9%

Valuation			
P/E	17,9x	15,0x	11,0x
P/BV	4,3x	3,5x	2,8x
EV/EBITDA	9,9x	9,6x	6,6x

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

BİM Birleşik Mağazalar

We maintain our 12-month target price for BİM Birleşik Mağazalar at TL705.00 and reiterate our "BUY" recommendation. Within our 2026 strategy framework, we view BİM as one of the strongest food retailers that can consistently outperform the sector—even in a disinflation environment—supported by high traffic, a strong private-label offering, and scale-driven cost advantages. As inflation moves onto a more predictable path, we expect like-for-like (LFL) metrics to normalize on a healthier basis, alongside improved visibility on profitability and cash generation.

While 2025 started on a softer note versus the broader sector in terms of LFL performance—driven by lower domestic inflation in the first half and an unfavorable base effect—momentum recovered into the second half as basket growth strengthened and operational discipline remained intact. During this period, BİM's ability to preserve competitiveness, together with strong supplier bargaining power and an efficient operating model, supported resilience in gross margin.

For 2026, our core expectation is a more balanced growth mix: with the price effect gradually fading, we anticipate real volume and traffic to become more visible contributors, while store openings and sales-area expansion should continue to support growth. In this environment, the key drivers of operating profitability will be easing pressure on personnel and store expenses, the continuity of efficiency initiatives, and supply-chain discipline. The continued scaling of the FILE format and the ability to sustain efficient growth across formats remain supportive factors that can enhance the quality of consolidated growth. In addition, the expected gradual decline in interest rates could act as a secondary lever by easing pressure from financing costs and supporting the conversion of operating profit into net income. On the risk side, a sharper turn toward promotion- and price-led competition, potential regulation-driven constraints on pricing, and a weaker-than-expected consumption backdrop should be monitored closely.

BIMAS	BUY
Target Price	**TL 705**
Return potential	**29%**

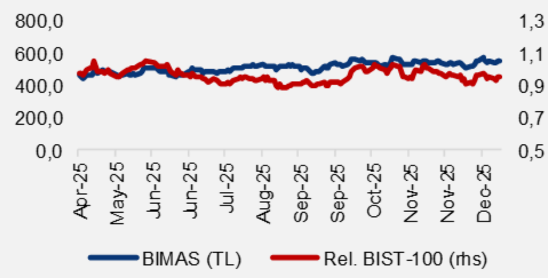
Share Data	
Ticker:	**BIMAS**
Share price (as of 25.12.2025)	548,00
Share price (52 week range)	404 / 574
Market cap. (TL mn - USD mn)	328.800 - 7.689
# of shares (mn) & free float	600 - 68%
Foreign Ownership Rate	46,28%
Market	Star
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	83,9	82,2	69,6

Price performance	1M	3M	Y-t-D
TL	3%	4%	5%
USD	2%	1%	-13%
Rel. to BIST-100	-1%	4%	-9%

Forecasts (TL mn)	2024	2025T	2026T
Revenues	651.690	729.038	968.888
EBITDA	28.294	37.601	61.113
Net Earnings	23.346	20.827	27.967

Valuation	2024	2025T	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	3.531	4.847	6.659
Accounts receivables	30.937	37.950	50.435
Inventory	46.517	55.953	74.271
Financial investments	6.804	9.478	12.596
Fixed assets	113.258	121.562	130.446
Other non-current assets	94.777	113.001	128.862
Total assets	**295.824**	**342.790**	**403.268**
Short-term financial loans	10.218	11.240	12.364
Accounts payables	76.026	98.741	131.067
Long-term financial loans	36.161	41.585	47.823
Other long-term payables	25.863	29.162	29.067
Non-current liabilities	**148.269**	**180.727**	**220.320**
Shareholders' equity	**147.556**	**162.063**	**182.949**
Paid in Capital	607	607	607
Other Equity	146.948	161.456	182.341
Total liabilities & equity	**295.824**	**342.790**	**403.268**
Net debt	42.848	47.978	53.528
Net working capital	1.428	-4.838	-6.360

Per share (EUR)			
EPS	38,91	34,71	46,61
BVPS	245,93	270,10	304,91
DPS	-15,01	-10,53	-11,80

Ratios			
Profitability			
ROE	18,9%	13,5%	16,2%
Net margin	3,6%	2,9%	2,9%
Asset turnover	2,6x	2,3x	2,6x
Leverage	2,1x	2,1x	2,2x
ROA	9,2%	6,5%	7,5%
Leverage			
Financial debt/Total assets	16%	15%	15%
Net debt/Equity	0,29	0,30	0,29
Net debt/EBITDA	1,51	1,28	0,88

Income statement	2024	2025E	2026E
Revenues	**651.690**	**729.038**	**968.888**
Gross profit	113.912	128.366	171.566
Operating expenses	-107.207	-114.824	-143.395
Operating profit	6.705	13.542	28.171
EBITDA	**28.294**	**37.601**	**61.113**
Other income, net	-55	-159	-309
Financial income, net	20.727	16.039	11.724
Earnings before taxes	32.528	32.338	43.461
Tax expense	-9.182	-11.511	-15.494
Net earnings	**23.346**	**20.827**	**27.967**

Cashflow statement			
EBITDA	**28.294**	**37.601**	**61.113**
Taxes on EBIT	-1.676	-3.386	-7.043
Capital expenditures	-17.708	-25.516	-32.942
Chg. in NWC	3.386	-6.265	-1.523

Growth & margins			
Revenues	37%	12%	33%
EBITDA	43%	33%	63%
Net earnings	5%	-11%	34%
Gross margin	17,5%	17,6%	17,7%
Operating margin	1,0%	1,9%	2,9%
EBITDA margin	4,3%	5,2%	6,3%
Net margin	3,6%	2,9%	2,9%
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

Within the scope of our research coverage and model portfolio, we reassess our forecasts for Coca-Cola in light of recent developments and update our target price accordingly. Supported by volume growth driven by international operations, margin improvement underpinned by disciplined pricing, and capacity expansion from newly commissioned facilities, we maintain our positive long-term outlook. As a result, we raise our 12-month target price to TRY 86 per share and reiterate our BUY recommendation.

Financial performance points to profitability and margin-driven improvement… Operational profitability strengthened on the back of volume growth and pricing discipline. In 3Q25, Coca-Cola increased consolidated net sales revenues by 6.7% year-on-year to TRY 52.2bn, while operating profit rose by 14.3% to TRY 9.8bn. Consequently, the operating margin improved by 125 basis points to 18.8%. The 166bp expansion in gross margin reflects effective pricing actions, normalization in the cost base, and a favorable product mix. Net income reached TRY 7.2bn, representing a 4.2% YoY increase, although the decline in monetary gains limited the overall growth in bottom-line profitability.

Volume growth continues, led by international operations… In 3Q25, consolidated sales volume increased by 8.9% YoY to 477 million unit cases. Growth was primarily driven by international markets, while Turkish operations recorded a modest contraction due to a deliberate pullback in the low-margin water category. International operations maintained strong momentum, with sales volumes rising by 16.1% YoY, led by Kazakhstan (+24.2%), Uzbekistan (+36.5%), and Iraq (+7.8%). In contrast, volumes in Türkiye declined by 1.7% YoY, mainly reflecting the strategic reduction in the water segment. Overall, this performance highlights the company's geographically diversified operating structure, which helps mitigate risks and enhances demand resilience.

Investments support growth while balance sheet discipline is maintained… The company continues to execute its 2025 investment program with a focus on high-growth international markets. Newly commissioned facilities and capacity expansion investments are progressing without placing pressure on the balance sheet. Production facilities brought online in Iraq and Azerbaijan stand out as key drivers that are expected to support volume growth and operational efficiency going forward. Strong free cash flow generation and a Net Debt/EBITDA ratio of 0.8x underscore the company's ability to sustain its investment agenda while preserving financial discipline.

Risks: **i)** Geopolitical uncertainties in international markets **ii)** Weakening domestic purchasing power **iii)** Volatility in foreign exchange rates

CCOLA — BUY

Target Price	**TL 86,00**
Return potential	**43%**

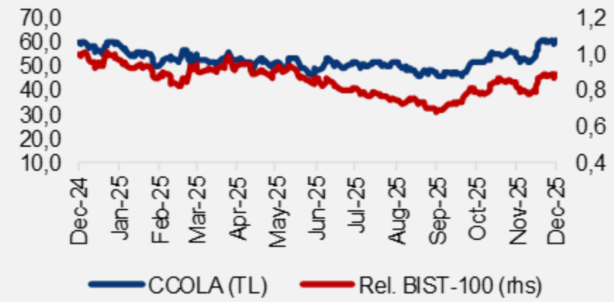
Share Data	
Ticker:	**CCOLA TI**
Share price (as of 25.12.2025)	60,30
Share price (52 week range)	46 / 61
Market cap. (TL mn - USD mn)	168724,1 - 3945,5
# of shares (mn) & free float	2.798 - 25%
Foreign Ownership Rate	73,5%
Market	Bist Star
Industry	Retail Trade

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	8,0	9,4	10,4

Price performance	1M	3M	Y-t-D
TL	13%	30%	3%
USD	12%	26%	-15%
Rel. to BIST-100	8%	30%	-11%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	137.683	183.506	236.154
EBITDA	24.143	31.526	41.327
Net Earnings	14.896	16.549	23.763

Valuation	2024	2025E	2026E
P/E	11,1x	10,0x	7,0x
P/BV	2,5x	2,0x	1,6x
EV/EBITDA	8,2x	6,3x	4,8x



Coca Cola İçecek - Summary

Balance Sheet	2024	2025E	2026E
Cash	29.167	25.471	42.266
Accounts receivables	17.188	21.116	25.233
Inventory	19.293	21.405	29.241
Financial investments	120	1.835	2.362
Fixed assets	105.313	115.135	125.769
Other non-current assets	14.965	16.516	23.615
Total assets	**186.047**	**201.477**	**248.486**
Short-term financial loans	26.849	29.534	33.964
Accounts payables	32.133	36.224	52.973
Long-term financial loans	34.793	38.272	42.099
Other long-term payables	14.940	16.516	18.892
Non-current liabilities	**49.733**	**54.788**	**60.992**
Shareholders' equity	**67.361**	**80.931**	**100.557**
Paid in Capital	2.798	2.798	2.798
Total liabilities & equity	**186.047**	**201.477**	**248.486**
Net debt	32.355	40.501	31.436
Working capital	4.348	6.297	1.501

Per share (TL)			
EPS	5,32	5,91	8,49
BVPS	24,07	28,92	35,94
DPS	0,88	1,06	1,48

Ratios			
Profitability			
ROE	22,1%	22,3%	26,2%
Net margin	10,8%	9,0%	10,1%
Asset turnover	0,7x	0,9x	1,0x
Leverage	2,8x	2,6x	2,5x
ROA	8,0%	8,5%	10,6%
Leverage			
Financial debt/Total assets	33%	34%	31%
Net debt/Equity	0,48	0,50	0,31
Net debt/EBITDA	1,34	1,28	0,76

Income statement	2024	2025E	2026E
Revenues	**137.683**	**183.506**	**236.154**
Gross profit	48.590	63.310	81.473
Operating expenses	-30.224	-40.041	-49.592
Operating profit	18.366	23.269	31.881
EBITDA	**24.143**	**31.526**	**41.327**
Other income, net	519	459	394
Financial income, net	1.136	367	1.181
Earnings before taxes	19.947	23.995	33.328
Tax expense	-5.051	-7.446	-9.564
Net earnings	**14.896**	**16.549**	**23.763**

Cashflow statement			
EBITDA	**24.143**	**31.526**	**41.327**
Taxes on EBIT	-5.051	-7.446	-9.564
Capital expenditures	-12.255	-15.598	-18.892
Chg. in NWC	-642	1.949	-4.796
Free cashflows to firm	**7.480**	**6.533**	**17.666**

Growth & margins			
Revenues	-6%	33%	29%
EBITDA	-7%	31%	31%
Net earnings	-51%	11%	44%
Gross margin	35,3%	34,5%	34,5%
Operating margin	13,3%	12,7%	13,5%
EBITDA margin	17,5%	17,2%	17,5%
Net margin	10,8%	9,0%	10,1%
Free cashflow margin	5,4%	3,6%	7,5%

Valuation			
P/E	11,1x	10,0x	7,0x
P/BV	2,5x	2,0x	1,6x
EV/EBITDA	8,2x	6,3x	4,8x

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

DESA

We maintain our 12-month target price for DESA Deri at TL18.00 and reiterate our "HOLD" recommendation. Supported by its niche business model, vertically integrated manufacturing capabilities, strong gross profitability profile, and net cash position, we continue to view DESA as a relatively resilient consumer/manufacturing story in a weak demand environment. However, given the still-soft outlook in the export channel and the growth headwinds created by FX dynamics throughout 2025, we prefer to maintain our HOLD stance until a clearer near-term recovery signal emerges. While our macro base case assumes a gradual decline in inflation and interest rates, we expect the impact of normalization in financing conditions to become more visible from 2026 onward.

DESA operates in the leather products segment with a vertically integrated production structure and a strong brand portfolio; as of 9M25, the company continues its operations through 108 points of sale in Türkiye, with a total selling area of 14,588 sqm. Key strengths of its business model include product quality and brand power, flexible supply management backed by in-house production, and a structurally high gross margin profile. This framework supports margin protection even in periods of heightened demand volatility, while the strong liquidity position provides a meaningful balance-sheet buffer.

For 2025, DESA preserved operational resilience, although growth remained constrained due to FX dynamics. With the exchange rate trailing inflation meaningfully, TRY-based growth in the export-heavy revenue structure weakened, and the share of overseas sales in total revenue declined. Despite this, operating margins stayed strong thanks to cost control, production efficiency, and flexible supply management. In 9M25, the company maintained a 56.3% gross margin. EBITDA came in at TRY 884 million, while the EBITDA margin remained robust at 31.7%. The net cash position continues to provide an additional margin of safety on the balance sheet.

Looking into 2026, we expect a normalization in the overseas sales mix, supported by FX depreciation converging toward a path closer to inflation and a gradual recovery in European demand. While this scenario could help revenue growth regain momentum, we anticipate that a more pronounced improvement will be reflected in net profit, driven by easing financing conditions. Our base case assumes operating margins will be largely preserved, while the recovery in net profitability will come primarily through the financing line. The Italy-based production facility, with its capability to produce under a "Made in Italy" label, offers additional medium-term optionality—particularly for luxury-segment orders. On the risk side, key factors to monitor include FX depreciation continuing to lag inflation, weaker-than-expected European demand, and a renewed acceleration in raw material and labor costs, which could pressure margins.

DESA	HOLD
Target Price	**TL 18**
Return potential	**58%**

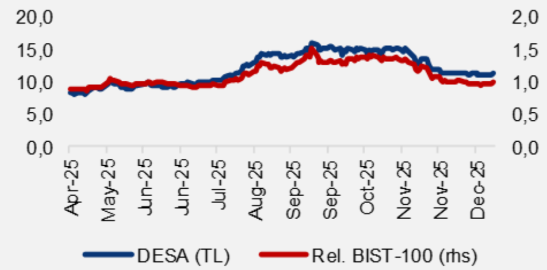
Share Data	
Ticker:	**DESA**
Share price (as of 25.12.2025)	11,42
Share price (52 week range)	08 / 16
Market cap. (TL mn - USD mn)	5.596 - 131
# of shares (mn) & free float	490 - 22%
Foreign Ownership Rate	13,64%
Market	Main
Industry	Retail

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

Price performance	1M	3M	Y-t-D
TL	1%	-24%	9%
USD	0%	-27%	-10%
Rel. to BIST-100	-3%	-24%	-6%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	2.980	2.980	3.371
EBITDA	870	870	933
Net Earnings	405	405	393

Valuation	2024	2025E	2026E
P/E	13,5x	14,0x	11,9x
P/BV	1,6x	1,5x	1,3x
EV/EBITDA	2,7x	2,5x	2,2x



DESA – Summary

Balance Sheet	2024	2025E	2026E
Cash	30	637	1.078
Accounts receivables	440	416	507
Inventory	805	734	889
Financial investments	1.808	1.808	1.808
Fixed assets	769	815	904
Other non-current assets	1.137	1.148	1.159
Total assets	**4.988**	**5.558**	**6.344**
Short-term financial loans	172	181	190
Accounts payables	778	794	962
Long-term financial loans	190	192	194
Other long-term payables	487	638	785
Non-current liabilities	**1.628**	**1.805**	**2.131**
Shareholders' equity	**3.360**	**3.753**	**4.213**
Paid in Capital	245	245	245
Other Equity	3.115	3.508	3.968
Total liabilities & equity	**4.988**	**5.558**	**6.344**
Net debt	333	-264	-693
Net working capital	466	357	435

Per share (EUR)			
EPS	0,83	0,80	0,94
BVPS	6,86	7,66	8,60
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	14,2%	11,0%	11,6%
Net margin	13,6%	11,6%	11,2%
Asset turnover	0,7x	0,6x	0,7x
Leverage	1,5x	1,5x	1,5x
ROA	9,3%	7,4%	7,7%
Leverage			
Financial debt/Total assets	7%	7%	6%
Net debt/Equity	0,10	-0,07	-0,16
Net debt/EBITDA	0,38	-0,28	-0,64

Income statement	2024	2025E	2026E
Revenues	**2.980**	**3.371**	**4.106**
Gross profit	1.710	1.902	2.317
Operating expenses	-1.168	-1.321	-1.608
Operating profit	541	582	708
EBITDA	**870**	**933**	**1.082**
Other income, net	8	13	15
Financial income, net	-281	-308	-358
Earnings before taxes	624	559	656
Tax expense	-219	-166	-195
Net earnings	**405**	**393**	**461**

Cashflow statement			
EBITDA	**870**	**933**	**1.082**
Taxes on EBIT	-135	-145	-177
Capital expenditures	-42	-36	-40
Chg. in NWC	307	-110	78
Free cashflows to firm	**332**	**867**	**801**

Growth & margins			
Revenues	-16%	13%	22%
EBITDA	-25%	7%	16%
Net earnings	-43%	-3%	17%
Gross margin	57,4%	56,4%	56,4%
Operating margin	18,2%	17,3%	17,3%
EBITDA margin	29,2%	27,7%	26,4%
Net margin	13,6%	11,6%	11,2%
Free cashflow margin	11,1%	25,7%	19,5%

Valuation			
P/E	13,5x	14,0x	11,9x
P/BV	1,6x	1,5x	1,3x
EV/EBITDA	2,7x	2,5x	2,2x

Source: Company Data, Tacirler Investment

Doğan Holding

We continue to view Doğan Holding as one of our preferred holdings within our coverage universe, supported by its strong standalone net cash position of USD 617mn, core businesses generating high-margin, FX-linked revenues, and a "hidden value" story underpinned by potential IPO candidates. Accordingly, reflecting our updated macro assumptions and revisions to our valuation framework, we raise our 12-month target price to TL27.45 and maintain our "BUY" recommendation.

There are two key technical drivers behind our target price revision: (i) on the mining side, we shift our valuation methodology from book value to a more market-based approach by moving to an EV/EBITDA multiple framework, and (ii) we revise the valuation multiple used for Hepiyi Sigorta from 2.0x to 2.5x.

Doğan Holding's portfolio spans balanced business lines including renewables, mining, digital finance and automotive, while management's strategic focus is clearly centered around the Galata Wind – Hepiyi – Gümüştaş axis. As highlighted by management, the 2030 target for the portfolio—currently valued at around USD 2.7bn NAV—is maintained at USD 4.0bn, with the combination of "simplification + optimization + growth in strategic business lines" expected to accelerate value creation. A key enabler of this strategy is the flexibility provided by the group's strong standalone cash position.

While 2025 produced a more volatile top-line picture due to the automotive segment, it can be characterized as a period in which momentum in the non-automotive portfolio remained intact and the year was managed with a clear focus on "protecting margins + cost discipline." As we also emphasized in our meeting note, the accelerated portfolio simplification over the past two years has enhanced balance-sheet flexibility; therefore, when assessing performance, focusing on operating profitability and portfolio value accretion rather than bottom-line net profit provides a healthier analytical framework.

For the 2026 strategy, we highlight three key pillars. First, continued scaling in strategic focus areas—capacity expansion at Gümüştaş, improved growth visibility at Galata Wind, and scalable growth at Hepiyi—should remain the main engine of NAV expansion. Second, management aims to bring the pressure points in tactical areas (notably Doğan Trend and Karel) into a more manageable framework, which could lift the quality of consolidated margins. Third, potential asset disposals and a value crystallization agenda—together with a potential IPO pipeline (e.g., Hepiyi, Daiichi, Sesa)—strengthen the upside optionality. The strong cash position also leaves room for opportunistic capital allocation in the technology/fintech space.

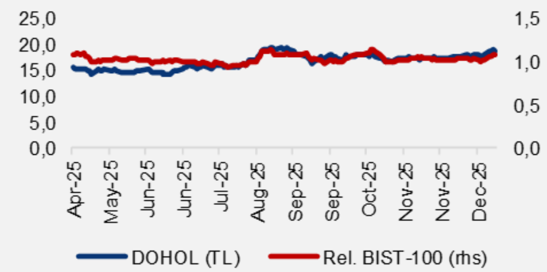
DOHOL	BUY
Target Price	**TL 27.45**
Return potential	**46%**

Share Data

Ticker:	**DOHOL**
Share price (as of 25.12.2025)	18,74
Share price (52 week range)	13 / 19
Market cap. (TL mn - USD mn)	49.043 - 1.147
# of shares (mn) & free float	2.617 - 36%
Foreign Ownership Rate	21,52%
Market	Star
Industry	Conglomerates

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

Price performance	**1M**	**3M**	**Y-t-D**
TL	9%	6%	31%
USD	8%	2%	8%
Rel. to BIST-100	4%	6%	14%



Doğan Holding – NAV Table

	Valuation	Current Price (TL)	Stake (%)	to Dogan	% of NAV	Target MCAP	to Dogan	% of NAV
Electricity				**9.087**				
GWIND	MCAP	12.982	70%	9.087	9,4%	16.746	11.722	9,8%
Electronics, Technology and Industrials				**7.511**				
Doğan Dış Ticaret	Book Value	103	100%	103	0,1%	133	133	0,1%
Sesa Ambalaj	EV/L12M EBITDA @8,44x	5.743	70%	4.020	4,2%	7.408	5.186	4,3%
KAREL	MCAP	6.866	40%	2.746	2,9%	8.857	3.543	3,0%
Daiichi	Transaction Value	2.569	25%	642	0,7%	3.314	828	0,7%
Automotive				**985**				
Doğan Trend Otomotiv	Book Value @ 1.9x	985	100%	985	1,0%	1.270	1.270	1,1%
Finance and Investments				**20.372**				
D Yatırım Bank	Book Value @ 1.8x	3.678	100%	3.678	3,8%	4.744	4.744	4,0%
Doruk Faktoring	Book Value @ 1.8x	3.254	100%	3.254	3,4%	4.197	4.197	3,5%
Hepiyi Sigorta	Book Value @ 2,5x	14.634	85%	12.439	12,9%	18.878	16.046	13,4%
Öncü Girişim Sermaye	Value of Insider Shares	1.002	100%	1.002	1,0%	1.292	1.292	1,1%
Internet and Entertainment				**8.018**				
Kanal D Romania	EV/L12M EBITDA @3,6x	4.324	100%	4.324	4,5%	5.578	5.578	4,7%
Glokal (Hepsi Emlak)	EV/L12M Sales @6,9x	4.662	79%	3.694	3,8%	6.015	4.765	4,0%
Real Estate Portfolio				**11.182**				
D Gayrimenkul	Valuation	7.792	100%	7.792	8,1%	10.052	10.052	8,4%
D Yapı - Romanya	Valuation	985	100%	985	1,0%	1.270	1.270	1,1%
Dogan Holding İstanbul	Valuation	343	100%	343	0,4%	442	442	0,4%
Kandilli Gayrimenkul	Valuation	2.740	50%	1.370	1,4%	3.535	1.767	1,5%
M Investment	Valuation	3.125	22%	692	0,7%	4.032	893	0,7%
Others				**3.833**				
Milta Turizm	Transaction Value	3.810	100%	3.810	4,0%	4.915	4.915	4,1%
Doğan Yayıncılık	Transaction Value	23	100%	23	0,0%	29	29	0,0%
Mining				**8.811**				
Gümüştaş + Doku	EV/L12M EBITDA @7,3x	11.748	75%	8.811	9,2%	15.155	11.366	9,5%
				Current NAV			**Target NAV**	
Listed				11.834	12,3%		15.265	12,8%
Unlisted				57.965	60,2%		74.775	62,5%
Net Cash				26.416	27,5%		29.616	24,8%
NAV				96.215			119.657	
MCAP				49.043			49.043	
Prem. / Disc (%)				**-49%**			**-59%**	
Holding Discount (%)							**-40%**	
Target MCAP							71.794	
Number of shares							2.617	
12M Target Price							**27,45**	
Current Price							**18,74**	
Potential (%)							**46%**	

Dogus Otomotiv

In line with the updated operational outlook, our growth expectations for 2026, and revised financial projections, we raise our 12-month target price for Dogus Otomotiv to TL278 per share from TL235 and upgrade our recommendation from HOLD to BUY. While strong domestic automotive demand, rising sales volumes, and a more balanced pricing environment supported operating performance in 2025, we expect a gradual easing in financing expenses and the impact of operating leverage to become more pronounced on net profitability in 2026.

For 2025, we expect the total domestic automotive market to reach approximately 1.3 million units, while forecasting Dogus Otomotiv to achieve sales volumes of around 150 thousand units, excluding Skoda. During this period, we observe that the company has maintained, and in some segments even expanded, its market share, supported by a passenger-car-heavy sales mix, a strong brand portfolio, and an extensive dealer network. ODM data released as of November indicate that Dogus Otomotiv recorded 12% YoY growth in the overall market, outperforming the sector average.

Electrification and next-generation mobility investments remain among the key pillars of medium-term growth. With the expansion of the electric model lineup across Volkswagen Group brands, we believe that the rising share of electric vehicles within the overall automotive market creates a meaningful growth opportunity for Dogus Otomotiv. We expect the increase in electric passenger car sales to support both revenue growth and brand perception in 2026.

Our 2026 projections point to a more balanced and predictable profitability profile. During this period, we expect Dogus Otomotiv to increase total sales volumes to around 196 thousand units, with revenues reaching TL313.7bn and EBITDA amounting to TL21.3bn. While we anticipate a limited yet meaningful improvement in the EBITDA margin compared to 2025, we expect net profit to rise to TL11bn, supported by lower financing expenses.

Investment discipline, strong cash generation, and a stable dividend policy stand out as the key factors supporting the outlook. Within the scope of investments focused on digitalization, mobility, electrification, and sustainability, we expect capital expenditures to reach approximately TL5bn in 2025 and to continue in a growth-supportive manner in 2026. Considering the balance sheet structure and the company's solid dividend track record, we expect 2026 to be a year of more balanced financial performance for Dogus Otomotiv.

DOAS	**BUY**
Target Price	**TL 278**
Return potential	**50%**

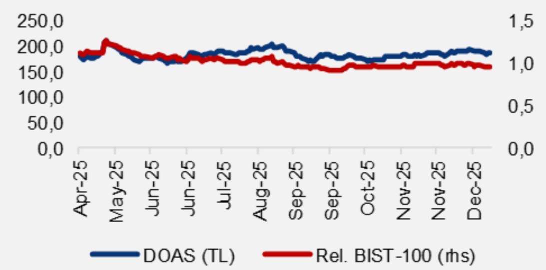
Share Data	
Ticker:	**DOAS TI**
Share price (as of 25.12.2025)	185,70
Share price (52 week range)	150 / 215
Market cap. (TL mn - USD mn)	40.854 - 955
# of shares (mn) & free float	220 - 39%
Foreign Ownership Rate	16.78%
Market	Star
Industry	Automotive

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	7,4	8,5	10,0

Price performance	**1M**	**3M**	**Y-t-D**
TL	0%	4%	9%
USD	-1%	1%	-10%
Rel. to BIST-100	-4%	5%	-6%

Forecasts (TL mn)	**2024**	**2025E**	**2026E**
Revenues	236.277	250.660	313.652
EBITDA	20.997	15.853	21.288
Net Earnings	9.523	7.236	11.054

Valuation	**2024**	**2025E**	**2026E**
P/E	4,3x	5,6x	3,7x
P/BV	0,6x	0,6x	0,5x
EV/EBITDA	3,1x	4,1x	3,1x



Dogus Otomotiv - Summary

Balance Sheet	2024	2025E	2025E
Cash	11.807	2.539	2.488
Accounts receivables	19.885	20.114	22.342
Inventory	19.329	47.508	48.158
Financial investments	0	0	0
Fixed assets	26.201	27.401	31.511
Other non-current assets	38.435	43.959	48.355
Total assets	**115.658**	**141.521**	**152.854**
Short-term financial loans	7.777	20.488	17.980
Accounts payables	17.980	34.808	38.421
Long-term financial loans	7.406	8.277	9.338
Other long-term payables	13.564	8.659	10.390
Non-current liabilities	**46.726**	**72.232**	**76.129**
Shareholders' equity	**68.932**	**69.289**	**76.724**
Paid in Capital	220	220	220
Other Equity	68.712	69.069	76.504
Total liabilities & equity	**115.658**	**141.521**	**152.854**
Net debt	3.375	26.227	24.830
Net working capital	21.234	32.814	32.079

Per share (TL)			
EPS	43,29	32,89	50,24
BVPS	313,33	314,95	348,75
DPS	74,94	20,08	16,44

Ratios			
Profitability			
ROE	13,2%	10,5%	15,1%
Net margin	4,0%	2,9%	3,5%
Asset turnover	2,0x	1,9x	2,1x
Leverage	1,7x	1,9x	2,0x
ROA	8,0%	5,6%	7,5%
Leverage			
Financial debt/Total assets	13%	20%	18%
Net debt/Equity	0,05	0,38	0,32
Net debt/EBITDA	0,16	1,65	1,17

Income statement	2024	2025E	2026E
Revenues	**236.277**	**250.660**	**313.652**
Gross profit	37.920	34.382	43.964
Operating expenses	-19.688	-21.749	-26.365
Operating profit	18.233	12.633	17.599
EBITDA	**20.997**	**15.853**	**21.288**
Other income, net	2.142	1.841	1.849
Financial income, net	-4.079	-6.495	-7.813
Earnings before taxes	15.928	10.385	14.835
Tax expense	-6.341	-3.150	-3.781
Net earnings	**9.523**	**7.236**	**11.054**

Cashflow statement			
EBITDA	**20.997**	**15.853**	**21.288**
Taxes on EBIT	-11.079	-6.341	-3.150
Capital expenditures	-1.393	-4.720	-2.962
Chg. in NWC	15.251	-5.945	1.787
Free cashflows to firm	**16.964**	**15.882**	**7.955**

Growth & margins			
Revenues	-13%	6%	25%
EBITDA	-53%	-24%	34%
Net earnings	-73%	-24%	53%
Gross margin	16,0%	13,7%	14,0%
Operating margin	7,7%	5,0%	5,6%
EBITDA margin	8,9%	6,3%	6,8%
Net margin	4,0%	2,9%	3,5%
Free cashflow margin	7,2%	6,3%	2,5%

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

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

Ford Otomotiv

In line with our updated macro assumptions and expectations for a gradual recovery in 2026, we raise our 12-month target price for Ford Otosan to TL140 per share from TL135 and maintain our BUY recommendation. While 2025 proved to be a challenging year for Ford Otosan both operationally and financially, pressure on operating margins throughout the year, intensifying competition, and a slower-than-expected pace of electric vehicle adoption in the European market stood out as the main factors constraining performance. Nevertheless, the company's export-oriented business model, strong manufacturing base, and continued progress on electrification remain supportive of the medium-term outlook.

In 9M25, net profit came in above expectations, while pressure on margins persisted. The company reported TL22.4bn net profit in 9M25, marking a 35% YoY decline, while total revenues increased by 8% YoY to TL582.4bn. Adjusted EBITDA rose by 9% YoY to TL46.9bn, although a competitive pricing environment, elevated production costs, and a relatively stable EUR/TRY parity continued to weigh on margins. On the net profit line, higher deferred tax expenses and weaker monetary gains were the key drivers shaping performance.

While sales volumes and export performance remained strong, domestic revenues contracted. In 9M25, total sales volumes increased by 12% YoY to 526 thousand units. Export volumes rose by 13% YoY to 446 thousand units, with export revenues also posting 12% YoY growth. In contrast, domestic sales revenues declined by 6% YoY, driven by increased promotional activity and intense competition. The company maintained its leadership position in the total commercial vehicle market with a 27.5% market share, while ranking third in the overall automotive market with an 8% share.

The increase in electric vehicle production and capacity utilization rates highlights progress in the transformation strategy. The share of electric vehicles in total production, which stood at 5.5% at the end of 2024, rose to 15.8% as of 9M25. Overall capacity utilization reached 73%, with utilization at 69% in the Türkiye plants and 82% across the Romania operations. This backdrop indicates that electrification investments are gradually beginning to translate into operational performance.

The 2026 outlook points to a return to profitability growth. While we anticipate limited growth in global automotive production, ongoing trade tensions in the European market, and a slowdown in the pace of electric vehicle adoption, Ford Otosan's free cash flow generation capacity and earnings recovery stand out. Relative stability in the cost environment, an expected easing of price competition in the Turkish market in the second half of the year, and a supportive EUR backdrop alongside a more moderate appreciation in TRY are among the key factors underpinning profitability. Within this framework, we expect a renewed real-term increase in both adjusted EBITDA and net profit in 2026.

FROTO	**BUY**
Target Price	**TL 140**
Return potential	**47%**

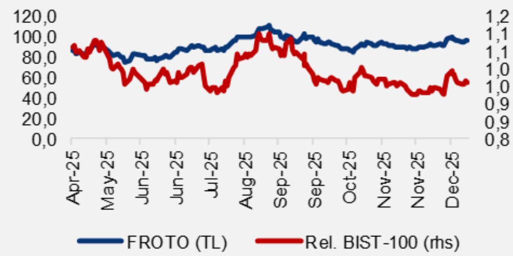
Share Data	
Ticker:	**FROTO TI**
Share price (as of 25.12.2025)	95,10
Share price (52 week range)	75 / 111
Market cap. (TL mn - USD mn)	333.715 - 7.804
# of shares (mn) & free float	3.509 - 18%
Foreign Ownership Rate	31.81%
Market	Star
Industry	Automotive

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	36,4	35,6	33,1

Price performance	**1M**	**3M**	**Y-t-D**
TL	7%	-2%	10%
USD	6%	-5%	-9%
Rel. to BIST-100	3%	-1%	-5%

Forecasts (TL mn)	**2024**	**2025E**	**2026E**
Revenues	746.300	812.516	1.152.005
EBITDA	50.006	49.525	77.937
Net Earnings	48.746	33.364	55.286

Valuation	**2024**	**2025E**	**2026E**
P/E	6,8x	10,0x	6,0x
P/BV	2,3x	2,0x	1,6x
EV/EBITDA	8,6x	8,7x	5,5x



Ford Otomotiv - Summary

Balance Sheet	2024	2025E	2025E
Cash	28.009	61.847	100.112
Accounts receivables	85.577	73.145	110.466
Inventory	50.095	65.494	89.174
Financial investments	0	0	0
Fixed assets	148.254	162.154	178.369
Other non-current assets	97.933	84.718	97.426
Total assets	**409.868**	**447.358**	**575.547**
Short-term financial loans	56.265	60.676	66.249
Accounts payables	82.971	92.009	158.215
Long-term financial loans	98.963	93.570	111.063
Other long-term payables	27.144	31.331	31.644
Non-current liabilities	**265.343**	**277.586**	**367.171**
Shareholders' equity	**144.525**	**169.773**	**208.376**
Paid in Capital	351	3.509	3.509
Other Equity	144.174	166.263	204.867
Total liabilities & equity	**409.868**	**447.358**	**575.547**
Net debt	127.219	92.399	77.200
Net working capital	52.701	46.631	41.426

Per share (TL)			
EPS	13,89	9,51	15,76
BVPS	41,19	48,38	59,38
DPS	8,41	4,62	4,75

Ratios			
Profitability			
ROE	35,2%	21,2%	29,2%
Net margin	6,5%	4,1%	4,8%
Asset turnover	1,9x	1,9x	2,3x
Leverage	2,9x	2,7x	2,7x
ROA	12,1%	7,8%	10,8%
Leverage			
Financial debt/Total assets	38%	34%	31%
Net debt/Equity	0,88	0,54	0,37
Net debt/EBITDA	2,54	1,87	0,99

Income statement	2024	2025E	2026E
Revenues	**746.300**	**812.516**	**1.152.005**
Gross profit	68.490	65.465	102.034
Operating expenses	-31.920	-32.576	-43.474
Operating profit	36.570	32.890	58.560
EBITDA	**50.006**	**49.525**	**77.937**
Other income, net	-214	6.777	6.681
Financial income, net	2.130	-13.022	-16.158
Earnings before taxes	46.418	38.903	64.464
Tax expense	2.328	-5.539	-9.178
Net earnings	**48.746**	**33.364**	**55.286**

Cashflow statement			
EBITDA	**50.006**	**49.525**	**77.937**
Taxes on EBIT	2.947	2.328	-5.539
Capital expenditures	-56.456	-50.169	-30.401
Chg. in NWC	11.191	12.178	-228
Free cashflows to firm	**12.646**	**-10.012**	**13.814**

Growth & margins			
Revenues	0%	9%	42%
EBITDA	-35%	-1%	57%
Net earnings	-45%	-32%	66%
Gross margin	9,2%	8,1%	8,9%
Operating margin	4,9%	4,0%	5,1%
EBITDA margin	6,7%	6,1%	6,8%
Net margin	6,5%	4,1%	4,8%
Free cashflow margin	1,7%	-1,2%	1,2%

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

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

Koç Holding

We initiate coverage of Koç Holding with a 12-month target price of TL294.00 and a "BUY" recommendation. Offering c. 72% upside from current levels, the stock represents one of the most sensitive and investable holding-company profiles to a potential narrowing in the NAV discount, particularly if Türkiye's macro normalization theme gains momentum. A downward path in interest rates, a potential improvement in the risk premium, and a consequent strengthening in foreign investor appetite form the core valuation support. In addition, expectations of a recovery in the Euro Area and an upward trend in the EUR/USD parity stand out as complementary factors that could support the margin outlook of export-heavy industrial subsidiaries.

The key strength of Koç Holding's investment case is the portfolio's balanced structure in terms of both scale and diversification. Within the NAV mix, Automotive (40%) and Energy (27%) act as the main cash-generation pillars, while Financials (20%) provide a balancing element that can add valuation leverage during periods of macro normalization. Consumer durables (5%) remain a smaller but supportive component of diversification. In our sum-of-the-parts valuation, we use our own target values for covered subsidiaries (Tüpraş, Yapı Kredi, Ford Otosan, Arçelik and Türk Traktör), roll forward the valuations of uncovered listed companies by one year using the cost of equity, and model unlisted assets at book value. We also note that around 95% of our NAV consists of listed assets and standalone net cash.

In 2025, high funding costs and weakening domestic demand weighed on industrial companies; nevertheless, Koç Holding's portfolio delivered a more balanced profile, supported by its strong cash-generation capacity and diversification. On the energy side, cash generation at Tüpraş and Aygaz continued to underpin dividend capacity. In automotive, improved visibility around the Tofaş–Stellantis transaction and strategic investments stand out as factors that reduce uncertainties regarding medium-term production and export plans. For Arçelik, a gradual easing in financing-cost pressure and early normalization signals in European demand could provide a supportive backdrop for margins into 2026. In the financials segment, Yapı Kredi's strong return on equity and solid capital base offer meaningful valuation leverage under a normalization scenario.

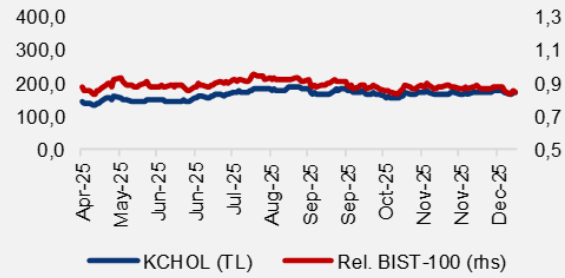
On the operational front, USD 352mn in free cash flow confirms the portfolio's cash-generation capability. Meanwhile, the standalone balance sheet's USD 874mn net cash position and a 1.7x Net Debt/EBITDA ratio across the non-bank segment provide a strong buffer—supporting both dividend sustainability and flexibility in capital allocation.

KCHOL	**BUY**
Target Price	**TL 294**
Return potential	**72%**

Share Data	
Ticker:	**KCHOL**
Share price (as of 25.12.2025)	171,00
Share price (52 week range)	135 / 190
Market cap. (TL mn - USD mn)	433.639 - 10.140
# of shares (mn) & free float	2.536 - 22%
Foreign Ownership Rate	32,77%
Market	Star
Industry	Conglomerates

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	123,8	119,9	117,3

Price performance	**1M**	**3M**	**Y-t-D**
TL	2%	-4%	0%
USD	1%	-7%	-17%
Rel. to BIST-100	-2%	-4%	-13%



Koç Holding – NAV Table

	Valuation	Current Price (TL)	Stake (%)	to Koc	% of NAV	Target MCAP	to Koc	% of NAV
Automotive				**267.192**				
TOASO	MCAP	123.700	38%	46.511	6,6%	159.573	59.999	6,4%
FROTO	MCAP	333.715	39%	129.148	18,5%	473.715	183.328	19,7%
OTKAR	MCAP	57.300	47%	27.160	3,9%	73.917	35.037	3,8%
TTRAK	MCAP	52.535	38%	19.701	2,8%	73.700	27.638	3,0%
OTOKOÇ	Book Value	44.762	100%	44.672	6,4%	57.743	57.627	6,2%
Durables				**30.395**				
Arçelik	MCAP	73.114	41%	30.269	4,3%	114.920	47.577	5,1%
Arçelik LG Klima	Book Value	2.511	5%	126	0,0%	3.239	162	0,0%
Retail				**2.647**				
Koçtaş	Book Value	2.092	50%	1.042	0,1%	2.699	1.344	0,1%
Divan	Book Value	5.370	30%	1.606	0,2%	6.927	2.071	0,2%
Finance				**166.705**				
YKBNK	MCAP	301.898	55%	165.440	23,7%	361.532	198.119	21,3%
Koç Finansman	Book Value	2.531	50%	1.266	0,2%	3.265	1.632	0,2%
Energy				**171.621**				
TUPRS	MCAP	362.816	42%	152.745	21,8%	522.217	219.853	23,6%
AYGAZ	MCAP	46.378	41%	18.876	2,7%	59.828	24.350	2,6%
Tourism				**8.877**				
AYCES	MCAP	10.431	30%	3.129	0,4%	13.456	4.037	0,4%
MAALT	MCAP	8.870	50%	4.435	0,6%	11.443	5.721	0,6%
SETUR	Book Value	5.448	24%	1.313	0,2%	7.028	1.694	0,2%
Procurement				**949**				
Zer	Book Value	3.937	24%	949	0,1%	5.079	1.224	0,1%
Others				**13.578**				
Koç sistem	Book Value	4.650	24%	1.121	0,2%	5.999	1.446	0,2%
Others	Book Value	12.457	100%	12.457	1,8%	16.070	16.070	1,7%
				Current NAV			**Target NAV**	
Listed				431.975	62%		607.540	65%
Unlisted				229.990	33%		281.389	30%
Net Cash				37.452	5%		41.952	5%
NAV				699.417			930.881	
MCAP				433.639			433.639	
Prem. / Disc (%)				**-38%**			**-53%**	
Holding Discount (%)							**-20%**	
Target MCAP							744.705	
Number of shares							2536	
12M Target Price							**294**	
Current Price							**171**	
Potential (%)							**72%**	

Koton

We maintain our 12-month target price for Koton at TL27.00 per share and reiterate our "BUY" recommendation. Our investment thesis is underpinned by the company's ability to preserve operating profitability under challenging macro conditions, strengthening cash generation supported by disciplined working-capital and inventory management, ongoing overseas store openings, and the financial normalization story we expect to unfold in 2026. In our updated macro projections, the gradual decline we foresee in inflation and interest rates may provide some relief to financing expenses—which weighed on net profit in 2H25—but we expect the more meaningful improvement to materialize in 2026.

In 2025, Türkiye retail operations remained the main growth engine; despite a relative slowdown in domestic demand, strong store-level execution supported cash flow generation. Management's focus on working-capital discipline and initiatives to optimize inventory turnover strengthened operating cash generation. That said, we note that lease liabilities and credit card commission expenses remain key items to monitor for a "full normalization" of free cash flow.

On the growth front, international operations offer meaningful potential for 2026 and beyond. In particular, strong demand across the Gulf Cooperation Council (GCC) region and Kuwait-focused expansion plans support both revenue diversification and FX-linked income streams. Alongside momentum in markets such as Qatar, Saudi Arabia and the UAE, we also expect the recovery in consumption in Russia to increase the weight of overseas operations in consolidated financials. We believe the accelerating USD-based trajectory in overseas sales in 3Q25 strengthens the "turnaround" signals for the international leg.

For 2026, we expect Koton to expand its footprint and scale through continued store openings both domestically and abroad. On the demand side, we anticipate a more balanced real-term environment, while an upward shift in product mix, fast collection refresh capability, and brand strength in the accessible segment should help protect unit profitability. Our base case assumes operating margins will be largely preserved, with the improvement becoming more visible at the net profit level, mainly through a decline in financing expenses. Normalization in FX dynamics and a fading impact of an overly strong TRY are also worth monitoring, as they could broaden pricing flexibility and provide support via FX revenues.

KOTON	BUY
Target Price	TL 27
Return potential	76%

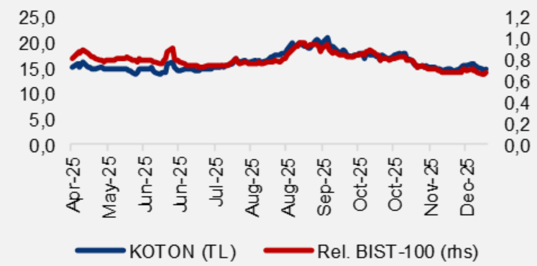
Share Data	
Ticker:	KOTON
Share price (as of 25.12.2025)	15,36
Share price (52 week range)	14 / 22
Market cap. (TL mn - USD mn)	12.743 - 298
# of shares (mn) & free float	830 - 16%
Foreign Ownership Rate	0,00%
Market	Star
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	0,9	1,1	1,9

Price performance	1M	3M	Y-t-D
TL	2%	-20%	-23%
USD	2%	-23%	-36%
Rel. to BIST-100	-2%	-20%	-33%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	31.466	32.811	41.299
EBITDA	5.757	6.145	7.437
Net Earnings	-495	337	447

Valuation	2024	2025E	2026E
P/E	n.a.	36,0x	27,1x
P/BV	1,6x	1,5x	1,4x
EV/EBITDA	3,6x	3,3x	2,7x



Koton – Summary

Balance Sheet	2024	2025E	2026E
Cash	734	1.252	1.059
Accounts receivables	2.233	2.519	3.058
Inventory	10.006	10.080	12.635
Financial investments	0	0	0
Fixed assets	3.182	3.182	3.580
Other non-current assets	8.111	8.552	10.208
Total assets	**24.265**	**25.585**	**30.539**
Short-term financial loans	5.764	6.654	8.375
Accounts payables	6.537	6.764	8.493
Long-term financial loans	2.326	2.097	2.640
Other long-term payables	1.893	1.988	2.502
Non-current liabilities	**16.520**	**17.502**	**22.009**
Shareholders' equity	**7.746**	**8.083**	**8.530**
Paid in Capital	830	830	830
Other Equity	6.916	7.253	7.700
Total liabilities & equity	**24.265**	**25.585**	**30.539**
Net debt	7.356	7.498	9.956
Net working capital	5.702	5.835	7.200

Per share (EUR)			
EPS	-0,60	0,41	0,54
BVPS	9,34	9,74	10,28
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	-6,6%	4,3%	5,4%
Net margin	-1,6%	1,0%	1,1%
Asset turnover	1,4x	1,3x	1,5x
Leverage	3,1x	3,1x	3,4x
ROA	-2,1%	1,4%	1,6%
Leverage			
Financial debt/Total assets	33%	34%	36%
Net debt/Equity	0,95	0,93	1,17
Net debt/EBITDA	1,28	1,22	1,34

Income statement	2024	2025E	2026E
Revenues	**31.466**	**32.811**	**41.299**
Gross profit	16.940	17.613	22.169
Operating expenses	-14.503	-15.188	-19.118
Operating profit	2.437	2.424	3.052
EBITDA	**5.757**	**6.145**	**7.437**
Other income, net	-2.288	-1.591	-1.962
Financial income, net	-832	-633	187
Earnings before taxes	-691	193	1.268
Tax expense	195	-48	-317
Net earnings	**-495**	**337**	**447**

Cashflow statement			
EBITDA	**5.757**	**6.145**	**7.437**
Taxes on EBIT	-609	-606	-763
Capital expenditures	-1.015	-996	-1.154
Chg. in NWC	403	-713	849
Free cashflows to firm	**4.535**	**5.815**	**5.141**

Growth & margins			
Revenues	1%	4%	26%
EBITDA	-15%	7%	21%
Net earnings	-115%	-168%	33%
Gross margin	53,8%	53,7%	53,7%
Operating margin	7,7%	7,4%	7,4%
EBITDA margin	18,3%	18,7%	18,0%
Net margin	-1,6%	1,0%	1,1%
Free cashflow margin	14,4%	17,7%	12,4%

Valuation			
P/E	n.a.	36,0x	27,1x
P/BV	1,6x	1,5x	1,4x
EV/EBITDA	3,6x	3,3x	2,7x

Source: Company Data, Tacirler Investment

Mavi

We maintain our 12-month target price for Mavi Giyim at TL58.00 and reiterate our "BUY" recommendation. Supported by its strong brand positioning, flexible pricing capability, and high operational discipline, we view Mavi as one of the retailers that can preserve margins even under challenging macro conditions and benefit clearly from normalizing financial conditions from 2026 onward. In this context, the company continues to hold its place in our Model Portfolio.

The 2024–2025 period has effectively been a demand stress test for the retail sector, and Mavi managed this phase with a clear focus on profitable growth and margin protection rather than aggressive volume expansion. Thanks to its dynamic pricing approach, an uptrading product mix, and efficient inventory management, the company kept gross and EBITDA margins close to historical averages—one of the key factors differentiating its operating quality. We expect this strategy to translate into a more visible profitability advantage in 2026 as demand conditions settle on a more balanced footing.

Looking into 2026, we believe the main catalyst will be the flow-through of lower financing costs to net profit, alongside the preservation of operating margins. The disinflation process and the expected gradual decline in interest rates could reduce financial expense pressure—particularly stemming from lease liabilities and credit card commission costs—thereby providing additional leverage to net profit margins.

On store strategy, we view Mavi's continued focus on selective expansion and productivity per square meter positively. A controlled pace of new store openings, improving sales density in the existing store base, and the balanced contribution from the online channel should keep growth quality-oriented. We also expect the structurally strong seasonal effect in 3Q–4Q to remain an important margin-supporting factor in 2026.

On the demand side, 2026 will remain sensitive to the minimum wage increase and real income dynamics. That said, Mavi's strong brand perception in the affordable segment, consumers' tendency to shift toward trusted brands during periods of uncertainty, and customer loyalty built on product quality position the company as relatively more resilient within the sector. Therefore, even if demand conditions do not fully normalize, we believe Mavi can continue to deliver a profitability profile above the sector average.

MAVI	BUY
Target Price	**TL 58**
Return potential	**35%**

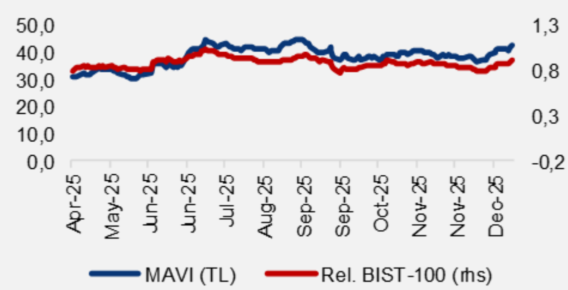
Share Data	
Ticker:	**MAVI**
Share price (as of 25.12.2025)	43,00
Share price (52 week range)	30 / 45
Market cap. (TL mn - USD mn)	34.164 - 799
# of shares (mn) & free float	795 - 73%
Foreign Ownership Rate	28,88%
Market	Star
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	8,8	8,0	10,9

Price performance	1M	3M	Y-t-D
TL	13%	10%	2%
USD	12%	7%	-16%
Rel. to BIST-100	8%	11%	-11%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	47.173	47.892	59.067
EBITDA	8.588	8.736	10.249
Net Earnings	3.275	3.409	4.226

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



Mavi – Summary

Balance Sheet	2024	2025E	2026E
Cash	7.753	9.093	12.067
Accounts receivables	2.516	2.493	3.075
Inventory	6.261	6.946	8.486
Financial investments	5	5	5
Fixed assets	3.364	3.390	3.707
Other non-current assets	4.084	4.206	4.332
Total assets	**23.983**	**26.133**	**31.672**
Short-term financial loans	2.028	2.155	2.953
Accounts payables	5.905	5.514	6.882
Long-term financial loans	885	958	1.181
Other long-term payables	2.405	2.429	2.453
Non-current liabilities	**11.222**	**11.056**	**13.470**
Shareholders' equity	**12.761**	**15.077**	**18.202**
Paid in Capital	397	397	397
Other Equity	12.364	14.680	17.805
Total liabilities & equity	**23.983**	**26.133**	**31.672**
Net debt	-4.841	-5.980	-7.932
Net working capital	2.872	3.924	4.679

Per share (EUR)			
EPS	4,12	4,29	5,32
BVPS	16,06	18,98	22,91
DPS	-1,31	-1,26	-1,25

Ratios			
Profitability			
ROE	29,5%	24,5%	25,4%
Net margin	6,9%	7,1%	7,2%
Asset turnover	2,2x	1,9x	2,0x
Leverage	2,0x	1,8x	1,7x
ROA	15,0%	13,6%	14,6%
Leverage			
Financial debt/Total assets	12%	12%	13%
Net debt/Equity	-0,38	-0,40	-0,44
Net debt/EBITDA	-0,56	-0,68	-0,77

Income statement	2024	2025E	2026E
Revenues	**47.173**	**47.892**	**59.067**
Gross profit	23.723	24.084	29.704
Operating expenses	-18.009	-18.284	-22.550
Operating profit	5.713	5.800	7.154
EBITDA	**8.588**	**8.736**	**10.249**
Other income, net	214	253	312
Financial income, net	-1.442	-1.440	-1.747
Earnings before taxes	4.494	4.620	5.728
Tax expense	-1.219	-1.211	-1.502
Net earnings	**3.275**	**3.409**	**4.226**

Cashflow statement			
EBITDA	**8.588**	**8.736**	**10.249**
Taxes on EBIT	-1.428	-1.450	-1.788
Capital expenditures	-1.619	-2.557	-2.955
Chg. in NWC	707	1.319	790
Free cashflows to firm	**4.834**	**3.760**	**5.179**

Growth & margins			
Revenues	3%	2%	23%
EBITDA	2%	2%	17%
Net earnings	-12%	4%	24%
Gross margin	50,3%	50,3%	50,3%
Operating margin	12,1%	12,1%	12,1%
EBITDA margin	18,2%	18,2%	17,4%
Net margin	6,9%	7,1%	7,2%
Free cashflow margin	10,2%	7,9%	8,8%

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

Source: Company Data, Tacirler Investment

Migros

We maintain our 12-month target price for Migros at TL715.00 and reiterate our "BUY" recommendation. In an environment where share performance has at times lagged operational momentum, we view Migros as one of the few consumer stories that can simultaneously gain market share, scale up through efficiency-led investments, and preserve its defensive characteristics. In this context, Migros continues to hold its place in our Model Portfolio.

In 2025, the key factors weighing on the share performance were largely non-operational items—most notably earnings expectation misses in 1H and downward revisions in revenue expectations amid weaker-than-anticipated consumption—while the operational metrics remained relatively stronger. The company's profitability trajectory running ahead of guidance became more visible through declining inventory loss ratios supporting gross profit, ongoing efficiency initiatives, and an improvement in cash conversion. In parallel, Migros' continued market share gains in e-commerce remain an important factor that enhances the quality of the story by strengthening scale economics.

In our 2026 outlook, the main drivers of growth are expected to be LFL expansion, selective selling-area growth, and the continued momentum of the online channel. In our base case, we anticipate real revenue growth to settle onto a more visible path in 2026, supported by both improved store productivity and further scaling in the online business. On margins, we believe efficiency gains initiated in 2025 could combine with operating leverage in 2026, creating room for a gradual improvement in EBITDA margin.

Looking ahead, we see the key catalysts for Migros as continued market share gains, further scaling of the online channel, a clearer margin contribution from efficiency investments, and a more rational promotional landscape alongside disinflation. On the risk side, prolonged promotional pressure, cost inflation offsetting efficiency gains, potential regulation-driven constraints on pricing, and volatility in below-the-line items that could lead to swings in reported net profit should be monitored closely.

MGROS — BUY

Target Price	**TL 715**
Return potential	**37%**

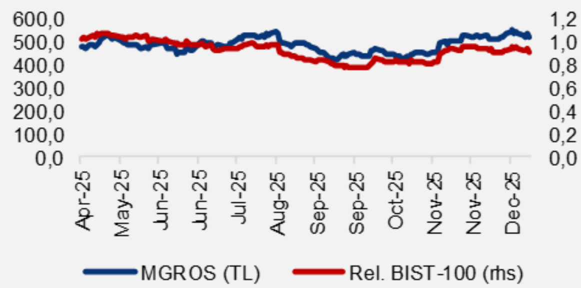
Share Data	
Ticker:	**MGROS**
Share price (as of 25.12.2025)	523,00
Share price (52 week range)	419 / 583
Market cap. (TL mn - USD mn)	94.691 - 2.214
# of shares (mn) & free float	181 - 51%
Foreign Ownership Rate	28,89%
Market	Star
Industry	Retail

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	31,1	29,9	25,9

Price performance	1M	3M	Y-t-D
TL	0%	18%	-2%
USD	-1%	14%	-19%
Rel. to BIST-100	-4%	18%	-15%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	368.487	409.818	519.139
EBITDA	19.813	21.421	25.088
Net Earnings	8.246	8.001	11.406

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



Migros - Summary

Balance Sheet	2024	2025E	2026E
Cash	28.252	30.468	35.136
Accounts receivables	1.754	1.950	2.471
Inventory	39.074	42.163	51.770
Financial investments	27	30	33
Fixed assets	43.133	49.606	52.087
Other non-current assets	75.979	84.501	111.000
Total assets	**188.219**	**208.718**	**252.496**
Short-term financial loans	6.050	6.729	8.524
Accounts payables	72.384	81.797	105.257
Long-term financial loans	20.410	22.700	26.119
Other long-term payables	17.492	18.934	23.984
Non-current liabilities	**116.336**	**130.159**	**163.883**
Shareholders' equity	**71.883**	**78.559**	**88.613**
Paid in Capital	181	195	195
Other Equity	71.702	78.364	88.418
Total liabilities & equity	**188.219**	**208.718**	**252.496**
Net debt	-1.792	-1.040	-494
Net working capital	-31.556	-37.684	-51.016

Per share (EUR)			
EPS	45,54	44,19	63,00
BVPS	397,02	433,90	489,43
DPS	-13,95	-6,94	-6,92

Ratios			
Profitability			
ROE	12,0%	10,6%	13,6%
Net margin	2,2%	2,0%	2,2%
Asset turnover	2,1x	2,1x	2,3x
Leverage	2,6x	2,6x	2,8x
ROA	4,6%	4,0%	4,9%
Leverage			
Financial debt/Total assets	14%	14%	14%
Net debt/Equity	-0,02	-0,01	-0,01
Net debt/EBITDA	-0,09	-0,05	-0,02

Income statement	2024	2025E	2026E
Revenues	**368.487**	**409.818**	**519.139**
Gross profit	85.297	94.864	120.170
Operating expenses	-77.999	-86.748	-109.888
Operating profit	7.298	8.117	10.282
EBITDA	**19.813**	**21.421**	**25.088**
Other income, net	-19.183	-22.696	-27.712
Financial income, net	21.509	23.922	29.264
Earnings before taxes	9.962	9.718	12.311
Tax expense	-1.760	-1.717	-904
Net earnings	**8.246**	**8.001**	**11.406**

Cashflow statement			
EBITDA	**19.813**	**21.421**	**25.088**
Taxes on EBIT	-1.824	-2.029	-2.570
Capital expenditures	-11.028	-14.374	-15.018
Chg. in NWC	-4.226	-6.128	-13.332
Free cashflows to firm	**12.279**	**12.461**	**22.497**

Growth & margins			
Revenues	12%	11%	27%
EBITDA	248%	8%	17%
Net earnings	-49%	-3%	43%
Gross margin	23,1%	23,1%	23,1%
Operating margin	2,0%	2,0%	2,0%
EBITDA margin	5,4%	5,2%	4,8%
Net margin	2,2%	2,0%	2,2%
Free cashflow margin	3,3%	3,0%	4,3%

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

Source: Company Data, Tacirler Investment

MLP Care

While MLP Care Services' operational performance strengthened steadily throughout 2025, the outlook for 2026 shows a more pronounced improvement. Supported by strong domestic patient traffic, efficiency-driven cost management, and the benefits of economies of scale, the company's profitability profile remains intact. In line with our updated assumptions, we raise our 12-month target price to TL485 per share from TL450 and upgrade our recommendation to BUY from HOLD. While we expect a balanced return profile in the near term at current valuation levels, we anticipate operating momentum to remain solid in 2026.

On the operational side, efficiency gains and margin preservation stand out. While real growth continued in the first nine months of 2025, the cost structure has become more predictable, particularly through the internalization of outsourced services. These initiatives support EBITDA margins, while improvements in the patient and payer mix contribute positively to operating profitability. We expect real revenue growth to continue in the final quarter of the year, alongside the preservation of margin and efficiency gains. Accordingly, we forecast the company to close 2025 with TL53.7bn in revenues, an EBITDA margin of 26.6%, translating into TL14.3bn EBITDA and TL5.6bn net profit.

Despite regulation-related uncertainties heading into 2026, we foresee a more constructive outlook. The timing of expected increases in the Health Implementation Communiqué (SUT) and Turkish Medical Association (TTB) tariff schedules will be a key determinant of the 2026 outlook. Given that a significant portion of revenues is sensitive to these tariffs, potential updates carry meaningful operating leverage for both revenue growth and profitability. Within this framework, we expect the company to generate TL66.2bn in revenues, TL17.8bn EBITDA, and approximately TL8.0bn net profit in 2026.

Investments and capacity expansion continue to underpin the medium-term growth story. During the year, the company increased its total bed capacity through the addition of Liv Hospital Topkapi and Medical Park TEM, while the inclusion of Istanbul Oncology Hospital into MLP Care Services, the transfer of Gaziosmanpasa Dialysis Center, and new hospital openings further expanded both bed capacity and service diversification. This expansion strategy, concentrated in major metropolitan areas, creates scale advantages while lowering unit costs, thereby providing sustainable support to profitability.

A cautious stance prevails on cash flow and the financial structure. Due to higher capital expenditures, operating cash flow declined by 44% to TL4.9bn. Working capital requirements increased amid a temporary rise in trade receivables and the funding of overseas hospitals. As a result of new hospital investments and license acquisitions, free cash flow turned temporarily negative at TL-2.5bn. The net debt/EBITDA ratio increased to 0.9x from 0.5x at the beginning of the year, while overall leverage remains at a manageable level.

MPARK	**BUY**
Target Price	**TL 485**
Return potential	**28%**

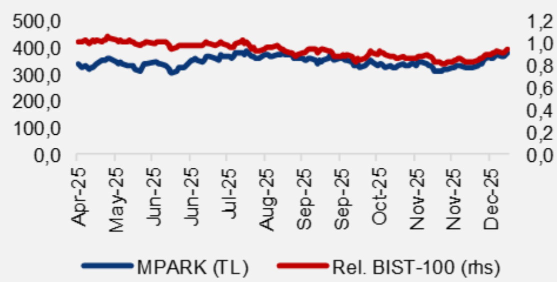
Share Data	
Ticker:	**MPARK TI**
Share price (as of 25.12.2025)	378,75
Share price (52 week range)	302 / 404
Market cap. (TL mn - USD mn)	72.346 - 1.692
# of shares (mn) & free float	191 - 42%
Foreign Ownership Rate	37.66%
Market	Star
Industry	Health Care

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

Price performance	**1M**	**3M**	**Y-t-D**
TL	18%	7%	-1%
USD	17%	4%	-18%
Rel. to BIST-100	13%	8%	-14%

Forecasts (TL mn)	**2024**	**2025E**	**2026E**
Revenues	49.783	53.747	66.166
EBITDA	12.798	14.320	17.781
Net Earnings	6.535	5.626	8.076

Valuation	**2024**	**2025E**	**2026E**
P/E	11,1x	12,9x	9,0x
P/BV	2,5x	2,1x	1,8x
EV/EBITDA	6,5x	5,9x	4,7x



MLP Care - Summary

Balance Sheet	2024	2025E	2025E
Cash	3.421	7.879	14.756
Accounts receivables	7.635	8.461	9.873
Inventory	1.259	1.240	1.528
Financial investments	0	0	0
Fixed assets	20.343	25.860	28.446
Other non-current assets	26.660	32.139	35.353
Total assets	**59.317**	**75.579**	**89.956**
Short-term financial loans	5.109	2.528	5.979
Accounts payables	7.514	7.979	10.489
Long-term financial loans	4.911	18.115	19.167
Other long-term payables	13.402	13.226	13.358
Non-current liabilities	**30.937**	**41.848**	**48.993**
Shareholders' equity	**28.381**	**33.731**	**40.964**
Paid in Capital	191	191	191
Other Equity	28.190	33.540	40.773
Total liabilities & equity	**59.317**	**75.579**	**89.956**
Net debt	6.599	12.764	10.389
Net working capital	1.380	1.722	912

Per share (TL)			
EPS	34,21	29,45	42,28
BVPS	148,58	176,59	214,45
DPS	1,29	1,03	4,42

Ratios			
Profitability			
ROE	25,5%	18,1%	21,6%
Net margin	13,1%	10,5%	12,2%
Asset turnover	0,9x	0,8x	0,8x
Leverage	2,2x	2,2x	2,2x
ROA	11,8%	8,3%	9,8%
Leverage			
Financial debt/Total assets	17%	27%	28%
Net debt/Equity	0,23	0,38	0,25
Net debt/EBITDA	0,52	0,89	0,58

Income statement	2024	2025E	2026E
Revenues	**49.783**	**53.747**	**66.166**
Gross profit	13.620	15.071	18.487
Operating expenses	-4.223	-4.609	-5.604
Operating profit	9.397	10.461	12.883
EBITDA	**12.798**	**14.320**	**17.781**
Other income, net	-454	-306	-342
Financial income, net	-1.537	-2.047	-2.281
Earnings before taxes	9.713	8.521	10.768
Tax expense	-2.456	-2.366	-2.692
Net earnings	**6.535**	**5.626**	**8.076**

Cashflow statement			
EBITDA	**12.798**	**14.320**	**17.781**
Taxes on EBIT	-2.851	-2.456	-2.366
Capital expenditures	-2.472	-4.403	-6.975
Chg. in NWC	759	200	-429
Free cashflows to firm	**4.392**	**5.739**	**5.407**

Growth & margins			
Revenues	22%	8%	23%
EBITDA	22%	12%	24%
Net earnings	-20%	-14%	44%
Gross margin	27,4%	28,0%	27,9%
Operating margin	18,9%	19,5%	19,5%
EBITDA margin	25,7%	26,6%	26,9%
Net margin	13,1%	10,5%	12,2%
Free cashflow margin	8,8%	10,7%	8,2%

Valuation			
P/E	10,7x	12,4x	8,7x
P/BV	2,5x	2,1x	1,7x
EV/EBITDA	6,5x	5,9x	4,7x

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

Pegasus Airlines

We initiate coverage of Pegasus Airlines, another aviation company under our close watch, with a 12-month target price of TL314 per share and a "BUY" recommendation. Despite the pressures stemming from geopolitical developments, weak demand conditions, and intensifying capacity competition in 2025, we observe that Pegasus continues to adhere to its growth-oriented strategy. Supported by its strengthening international network, flexible capacity management, and low-cost business model, we expect the company to sustain volume growth in 2026, while delivering a limited yet balanced improvement on the profitability front. Based on our 2026E estimates, Pegasus is trading at 5.8x P/E and 4.9x EV/EBITDA multiples.

Under our forecasts, we expect the company to close 2025 with EUR 3,420m in revenues and an EBITDA margin of 25.5%, while in 2026 we project revenues to increase to EUR 3,680m, alongside a limited improvement in the EBITDA margin to 25.6%. In a period where capacity growth is gradually decelerating, we expect the moderate pressure on RASK and CASK to persist into 2026. That said, disciplined unit cost management and fleet efficiency should help offset downside risks to margins. We believe a more moderate pace of EBITDA growth in 2026 will provide a healthier backdrop in terms of cash generation and leverage management.

On the traffic side, we expect international growth to remain the main driver, with the domestic market maintaining its momentum and playing a supportive role. Pegasus' ability to increase total passenger numbers by 15% YoY and international passengers by 18% YoY in the Jan–Oct 2025 period clearly underscores the strength of its international network and the effectiveness of its international-focused growth strategy. In this context, we forecast total passenger traffic to reach 42.9 million in 2025, followed by a 13.4% YoY increase to 48.6 million in 2026, supported by ongoing capacity expansion and a continued emphasis on international routes. The full utilization of the second runway at Sabiha Gokcen Airport, together with improvements in operational flow, should be a key factor supporting capacity utilization levels in 2026.

The acquisition of the Smartwings Group stands out as a medium-term strategic growth step in strengthening Pegasus' positioning in the European market. While we expect the assets to be fully consolidated and to support network expansion, particularly across Central and Eastern Europe, we note that the financing structure of the acquisition may create temporary pressure on leverage. Nevertheless, we believe that scale benefits, revenue diversification, and route-based synergies carry the potential to offset this pressure over the medium term. Following the completion of the approval process, the pace of integration and the contribution of the investment to existing operations will be the key factors to be closely monitored going forward.

PGSUS	BUY
Target Price	**TL 314**
Return potential	**52%**

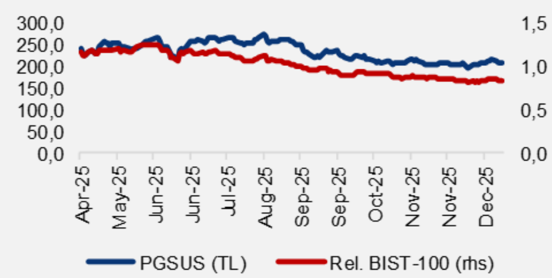
Share Data	
Ticker:	**PGSUS TI**
Share price (as of 25.12.2025)	206,50
Share price (52 week range)	196 / 283
Market cap. (TL mn - USD mn)	103.250 - 2.414
# of shares (mn) & free float	500 - 43%
Foreign Ownership Rate	19.28%
Market	Star
Industry	Aviation

Avg. trading volume	1M	3M	12M
USD mn	82,8	92,4	84,4

Price performance	1M	3M	Y-t-D
TL	1%	-8%	-3%
USD	0%	-11%	-20%
Rel. to BIST-100	-3%	-7%	-16%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	111.823	155.453	189.763
EBITDA	31.765	39.686	48.522
Net Earnings	13.285	15.855	18.090

Valuation	2024	2025E	2026E
P/E	7,8x	6,5x	5,7x
P/BV	1,4x	0,9x	0,8x
EV/EBITDA	7,5x	6,0x	4,9x



Pegasus Airlines – Summary

Balance Sheet	2024	2025E	2026E
Cash	46.259	64.023	91.072
Accounts receivables	2.699	4.265	5.987
Inventory	1.526	2.206	3.471
Financial investments	11.098	12.208	13.429
Fixed assets	18.188	28.290	31.119
Other non-current assets	203.550	294.849	324.334
Total assets	**283.320**	**405.841**	**469.410**
Short-term financial loans	29.251	38.712	44.652
Accounts payables	7.943	13.308	15.531
Long-term financial loans	137.057	192.794	229.653
Other long-term payables	34.150	45.801	46.259
Non-current liabilities	**208.401**	**290.615**	**336.094**
Shareholders' equity	**74.919**	**115.226**	**133.316**
Paid in Capital	500	500	500
Other Equity	74.419	114.726	132.816
Total liabilities & equity	**283.320**	**405.841**	**469.410**
Net debt	120.049	167.483	183.233
Net working capital	-3.718	-6.837	-6.074

Per share (TL)			
EPS	26,57	31,71	36,18
BVPS	149,84	230,45	266,63
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	20,5%	16,7%	14,6%
Net margin	11,9%	10,2%	9,5%
Asset turnover	0,5x	0,5x	0,4x
Leverage	3,7x	3,6x	3,5x
ROA	5,5%	4,6%	4,1%
Leverage			
Financial debt/Total assets	59%	57%	58%
Net debt/Equity	1,60	1,45	1,37
Net debt/EBITDA	3,78	4,22	3,78

Income statement	2024	2025E	2026E
Revenues	**111.823**	**155.453**	**189.763**
Gross profit	25.226	29.363	38.690
Operating expenses	-5.483	-7.865	-8.539
Operating profit	19.743	21.498	30.151
EBITDA	**31.765**	**39.686**	**48.522**
Other income, net	1.064	-6.944	-7.528
Financial income, net	-10.707	-1.007	-3.795
Earnings before taxes	11.922	16.936	22.613
Tax expense	1.363	-1.081	-4.523
Net earnings	**13.285**	**15.855**	**18.090**

Cashflow statement			
EBITDA	**31.765**	**39.686**	**48.522**
Taxes on EBIT	1.363	-1.081	-4.523
Capital expenditures	2.568	-2.444	-3.174
Chg. in NWC	64	1.172	763
Free cashflows to firm	**35.632**	**34.988**	**40.062**

Growth & margins			
Revenues	59%	39%	22%
EBITDA	47%	25%	22%
Net earnings	-36%	19%	14%
Gross margin	22,6%	18,9%	20,4%
Operating margin	17,7%	13,8%	15,9%
EBITDA margin	28,4%	25,5%	25,6%
Net margin	11,9%	10,2%	9,5%
Free cashflow margin	31,9%	22,5%	21,1%

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

Source: Company Data, Tacirler Investment

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

Sabancı Holding

We position Sabancı Holding as one of the strongest stories in our model portfolio, supported by its dynamic portfolio management approach, the rising strategic weight of non-bank subsidiaries, and a Net Asset Value (NAV) discount that remains above historical averages. We initiate coverage with a target price of TL162.00, implying c. 91% upside, and assign a "BUY" recommendation. In this context, we add Sabancı Holding to our Model Portfolio. At the core of our investment thesis is the group's ongoing transformation—shifting the portfolio toward higher value-added areas with more sustainable growth potential—which we expect to be reflected more visibly in valuations as macro normalization accelerates.

From a portfolio architecture perspective, Akbank remains the main anchor supporting group cash flows, backed by strong capital adequacy and high return on equity. However, heading into 2026, we see the center of gravity increasingly shifting toward non-bank segments. In energy, the combination of Enerjisa Enerji's regulation-based, predictable cash-flow profile and Enerjisa Üretim's renewables-driven growth story creates a complementary structure that provides both defensive and growth legs for the holding. On the industrial side, Material Technologies support earnings quality through more selective investments and efficiency initiatives, while on the digital side, Teknosa's profitability and efficiency focus translating more clearly into the balance sheet helps diversify the non-bank contribution.

In our 2026 outlook, macro normalization offers a two-channel leverage for Sabancı Holding. On the one hand, the rate-cut cycle and a potential decline in the risk premium could support valuations in banking. On the other hand, lower funding costs across energy and industrial subsidiaries could accelerate the flow-through from operating profitability to net income, amplifying the impact of recently implemented efficiency and optimization measures.

On catalysts, a potential Enerjisa Üretim IPO stands out as one of the most tangible drivers that could improve the transparency and pricing of hidden value within Sabancı Holding. In addition, renewables and climate-tech investments—particularly those scaling up in the US under Sabancı Climate Technologies—open up a new FX-linked growth avenue with strong geographic diversification.

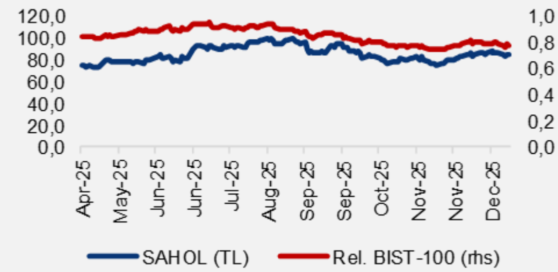
From a valuation standpoint, our NAV model values Akbank on a multiples basis; listed subsidiaries such as Agesa, Aksigorta, Akçansa, Çimsa, Kordsa, Brisa, Enerjisa and CarrefourSA largely at market value; Teknosa using our own target value; and Enerjisa Üretim based on an 8x EV/EBITDA approach. We also incorporate DxBV, Sabancı Climate Technologies, Çimsa Building Solutions, TUA and other assets mainly on a book-value-weighted basis.

SAHOL	BUY
Target Price	**TL 162**
Return potential	**91%**

Share Data	
Ticker:	**SAHOL**
Share price (as of 25.12.2025)	84,60
Share price (52 week range)	72 / 105
Market cap. (TL mn - USD mn)	177.692 - 4.155
# of shares (mn) & free float	2.100 - 51%
Foreign Ownership Rate	30,20%
Market	Star
Industry	Conglomerates

Avg. trading volume	1M	3M	12M
USD mn	60,9	66,3	61,7

Price performance	1M	3M	Y-t-D
TL	4%	-7%	-9%
USD	3%	-10%	-25%
Rel. to BIST-100	0%	-7%	-21%



Sabancı Holding – NAV Table

	Valuation	Current Price (TL)	Stake (%)	to Sabanci	% of NAV	Target MCAP	to Sabanci	% of NAV
Banks and Finance				**169.050**				
AKBNK	MCAP	362.700	41%	148.707	38%	417.040	170.986	35%
AKGRT	MCAP	11.348	36%	4.085	1%	14.469	5.209	1%
AGESA	MCAP	40.644	40%	16.258	4%	51.821	20.728	4%
Material Tech.				**54.715**				
AKCNS	MCAP	31.493	40%	12.597	3%	40.154	16.061	3%
CIMSA	MCAP	43.440	55%	23.892	6%	55.387	30.463	6%
KORDS	MCAP	9.598	71%	6.815	2%	12.238	8.689	2%
BRISA	MCAP	25.935	44%	11.411	3%	33.067	14.549	3%
Digital Tech.				**5.195**				
TKNSA	MCAP	4.563	50%	2.281	1%	7.437	3.719	1%
DxBV	Book Value	2.914	100%	2.914	1%	3.715	3.715	1%
Energy and Climate Tech.				**129.146**				
Enerjisa Üretim	8,0x EV/EBITDA	135.496	50%	67.748	17%	172.757	86.379	18%
ENJSA	MCAP	105.115	40%	42.046	11%	134.022	53.609	11%
Sabancı Climate Tech.	Book Value	13.455	100%	13.455	3%	17.156	17.156	4%
Cimsa Building Solutions	Book Value	18.426	32%	5.896	1%	23.493	7.518	2%
Others				**25.703**				
Carrefoursa	MCAP	15.473	57%	8.820	2%	19.729	11.245	2%
TUA	Book Value	9.256	50%	4.628	1%	11.801	5.901	1%
Others	Book Value	12.255	100%	12.255	3%	15.626	15.626	3%
				Current NAV			**Target NAV**	
Listed				276.913	70%		335.259	69%
Unlisted				106.897	27%		136.293	28%
Net Cash				12.427	3%		13.920	3%
NAV				396.236	100%		485.472	100%
MCAP				177.692			177.692	
Prem. / Disc (%)				**-55%**			**-63%**	
Holding Discount (%)							**-30%**	
Target MCAP							339.830	
12M Target Price							**162**	
Current Price							**84,6**	
Potential (%)							**91%**	

Suwen

We revise our 12-month target price for Suwen to TL16.00 while maintaining our "BUY" recommendation. Although we lower our target price in line with model updates and more cautious assumptions, we believe the stock still offers meaningful upside potential. Positioned in the women's lingerie and loungewear segment, we view Suwen as a retailer that can sustain growth without sacrificing margin discipline, supported by its scalable store model, strong brand perception in the affordable segment, and broad product assortment. As we head into 2026, our macro base case of gradually easing inflation and interest rates provides a supportive backdrop, as easing pressure from financing expenses should allow operating performance to translate more effectively into net earnings.

At the core of Suwen's investment thesis is the combination of store network expansion and a strong like-for-like (LFL) dynamic at the existing store base. The company's ability to scale its footprint while maintaining productivity per square meter and product availability remains a key driver of growth quality. The repeat-purchase nature of the lingerie category, the basket-building effect of complementary categories such as loungewear and beachwear, and a product mix that supports margins all enhance visibility on gross profitability and EBITDA margins. In this context, we believe the company can preserve a strong operating margin structure in 2026 as well.

In our 2026 outlook, we expect Suwen to sustain growth through selective store openings, portfolio optimization, and efficiency initiatives. While we do not assume a fully frictionless demand environment, the company's accessible price positioning and fast product cycle could support growth in a more balanced consumption backdrop. We see a key support factor as improving visibility on net profit, driven by a decline in financing costs. Accordingly, disciplined cash-cycle management and working-capital control will remain critical for converting growth into net earnings. On the downside, higher-than-expected personnel expenses and rents, a sharper-than-expected weakness in domestic demand, intensified promotion-led competition, and rising working-capital needs as growth accelerates are key risks that could weigh on margins and net profit.

SUWEN	BUY
Target Price	**TL 16**
Return potential	**57%**

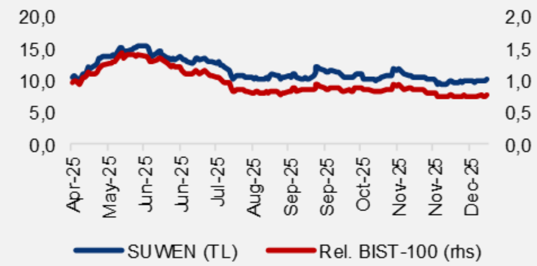
Share Data	
Ticker:	**SUWEN**
Share price (as of 25.12.2025)	10,17
Share price (52 week range)	08 / 16
Market cap. (TL mn - USD mn)	5.695 - 133
# of shares (mn) & free float	560 - 65%
Foreign Ownership Rate	13,45%
Market	Star
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	0,9	1,4	2,4

Price performance	1M	3M	Y-t-D
TL	2%	-12%	-16%
USD	1%	-15%	-31%
Rel. to BIST-100	-2%	-12%	-27%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	5.466	5.563	6.798
EBITDA	1.223	1.231	1.397
Net Earnings	295	331	414

Valuation	2024	2025E	2026E
P/E	19,0x	16,9x	13,5x
P/BV	3,5x	2,9x	2,4x
EV/EBITDA	5,4x	5,4x	4,8x



Suwen – Summary

Balance Sheet	2024	2025E	2026E
Cash	287	638	1.106
Accounts receivables	138	140	172
Inventory	1.486	1.441	1.662
Financial investments	0	0	0
Fixed assets	406	411	480
Other non-current assets	989	1.009	1.029
Total assets	**3.306**	**3.640**	**4.447**
Short-term financial loans	939	928	1.100
Accounts payables	197	201	288
Long-term financial loans	329	335	409
Other long-term payables	263	268	327
Non-current liabilities	**1.729**	**1.732**	**2.125**
Shareholders' equity	**1.577**	**1.908**	**2.323**
Paid in Capital	224	560	560
Other Equity	1.353	1.348	1.763
Total liabilities & equity	**3.306**	**3.640**	**4.447**
Net debt	982	625	404
Net working capital	1.427	1.381	1.545

Per share (EUR)			
EPS	0,53	0,59	0,74
BVPS	2,82	3,41	4,15
DPS	-0,14	0,00	0,00

Ratios			
Profitability			
ROE	19,1%	19,0%	19,6%
Net margin	5,4%	6,0%	6,1%
Asset turnover	1,8x	1,6x	1,7x
Leverage	1,9x	2,0x	1,9x
ROA	9,9%	9,5%	10,2%
Leverage			
Financial debt/Total assets	38%	35%	34%
Net debt/Equity	0,62	0,33	0,17
Net debt/EBITDA	0,80	0,51	0,29

Income statement	2024	2025E	2026E
Revenues	**5.466**	**5.563**	**6.798**
Gross profit	2.912	2.963	3.628
Operating expenses	-2.243	-2.283	-2.789
Operating profit	669	681	839
EBITDA	**1.223**	**1.231**	**1.397**
Other income, net	-51	-49	-56
Financial income, net	-203	-204	-247
Earnings before taxes	427	440	550
Tax expense	-133	-108	-136
Net earnings	**295**	**331**	**414**

Cashflow statement			
EBITDA	**1.223**	**1.231**	**1.397**
Taxes on EBIT	-167	-170	-210
Capital expenditures	-102	-98	-113
Chg. in NWC	688	-46	164
Free cashflows to firm	**266**	**1.009**	**910**

Growth & margins			
Revenues	21%	2%	22%
EBITDA	24%	1%	14%
Net earnings	-16%	12%	25%
Gross margin	53,3%	53,3%	53,4%
Operating margin	12,2%	12,2%	12,3%
EBITDA margin	22,4%	22,1%	20,6%
Net margin	5,4%	6,0%	6,1%
Free cashflow margin	4,9%	18,1%	13,4%

Valuation			
P/E	19,0x	16,9x	13,5x
P/BV	3,5x	2,9x	2,4x
EV/EBITDA	5,4x	5,4x	4,8x

Source: Company Data, Tacirler Investment

Tab Gıda

We raise our 12-month target price for TAB Gıda to TL 333 per share from TL 290 and maintain our BUY recommendation. The Company's scale advantage, strong brand portfolio, and franchise-driven growth model provide a relatively resilient revenue profile against the "value-for-money / affordable product" consumption trend that has become more pronounced in an inflationary environment. Based on our 2026E estimates, the Company is trading at 14.2x P/E and 4.6x EV/EBITDA multiples. TAB Gıda's growth outlook and continued focus on operational efficiency remain supportive of our revised target price.

Relative resilience stands out in the QSR sector amid macroeconomic conditions We expect the quick service restaurant (QSR) segment to demonstrate relative resilience, supported by value-oriented consumption behavior, even during periods of pressured household spending. A gradual normalization in inflation and a potential easing in financial conditions—within our expectations—point to a more balanced recovery in out-of-home consumption demand rather than a sharp acceleration. In this context, we expect TAB Gıda to continue gaining market share in 2026, supported by its scale advantage, operational efficiency, and effective use of digital sales channels.

Franchise expansion and digitalization remain the core pillars of the growth story At the company level, franchise expansion and digitalization continue to form the backbone of TAB Gıda's growth strategy. As of 3Q25, the Company's total restaurant count stands at 1,975, with franchise-operated restaurants reaching 878, further increasing their share within the overall network. Management's growth appetite remains intact, as reflected in the upward revision of the 2025 restaurant opening target to 250–300 stores, as disclosed publicly. In 2026, we expect a significant portion of growth to continue to be driven by the franchise network, supporting margin resilience through improved capital efficiency and scale economies.

Shifts in competitive dynamics support growth opportunities We observe that TAB Gıda has accelerated store openings by capitalizing on emerging growth opportunities within the sector. Recent developments regarding Yum! Brands' KFC and Pizza Hut operations in Türkiye have reshaped the market structure in the short term. Following the termination of Yum! Brands' franchise agreement in Türkiye, the temporary suspension of operations at 283 KFC and 254 Pizza Hut restaurants has altered competitive dynamics, particularly within the fried chicken segment. Against this backdrop, we expect TAB Gıda to gradually capture the resulting gap through the accelerated expansion of its Popeyes brand, thereby increasing its contribution to revenues. According to the latest disclosures, the number of Popeyes restaurants in Türkiye has reached approximately 482. Risks On the risk side, fluctuations in consumer spending, volatility in food and energy costs, rising labor expenses, and an intensely competitive environment that could limit pricing power remain the key downside factors.

TABGD — BUY

Target Price	TL 333.00
Return potential	48%

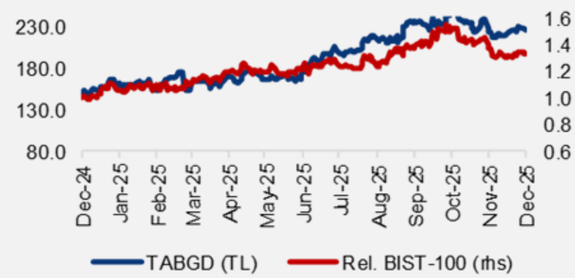
Share Data	
Ticker:	TABGD TI
Share price (as of 25.12.2025)	225.50
Share price (52 week range)	146.8 / 249.0
Market cap. (TL mn - USD mn)	58,921 - 1,378
# of shares (mn) & free float	261.3 - 20%
Foreign Ownership Rate	36.1%
Market	Bist Star
Industry	Retail

Avg. trading volume	1M	3M	12M
USD mn	2.8	4.2	4.1

Price performance	1M	3M	Y-t-D
TL	1%	-4%	54%
USD	0%	-8%	27%
Rel. to BIST-100	-3%	-4%	33%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	32,009	47,606	59,696
EBITDA	6,865	9,186	11,747
Net Earnings	1,912	2,899	4,169

Valuation	2024	2025E	2026E
P/E	31.0x	20.4x	14.2x
P/BV	3.0x	2.7x	2.4x
EV/EBITDA	7.9x	5.9x	4.6x



Tab Gıda - Summary

Balance Sheet	2024	2025E	2026E
Cash	5,294	9,621	13,971
Accounts receivables	1,781	2,609	3,271
Inventory	494	651	815
Fixed assets	12,111	12,695	12,965
Other non-current assets	8,596	11,410	14,307
Total assets	30,550	36,985	45,329
Short-term financial loans	1,763	2,774	4,365
Accounts payables	2,462	3,365	4,209
Long-term financial loans	2,839	3,997	5,629
Other long-term payables	3,614	4,992	6,259
Non-current liabilities	6,453	8,989	11,889
Shareholders' equity	19,872	21,857	24,866
Paid in Capital	261	261	261
Total liabilities & equity	30,550	36,985	45,329
Net debt	-2,966	-2,849	-3,977
Working capital	-187	-105	-124

Per share (TL)	2024	2025E	2026E
EPS	7.32	11.10	15.95
BVPS	76.05	83.65	95.16
DPS	0.56	3.50	4.44

Ratios	2024	2025E	2026E
Profitability			
ROE	16.5%	13.9%	17.8%
Net margin	6.0%	6.1%	7.0%
Asset turnover	1.5x	1.4x	1.5x
Leverage	1.8x	1.6x	1.8x
ROA	9.1%	8.6%	10.1%
Leverage			
Financial debt/Total assets	15%	18%	22%
Net debt/Equity	-0.15	-0.13	-0.16
Net debt/EBITDA	-0.43	-0.31	-0.34

Income statement	2024	2025E	2026E
Revenues	**32,009**	**47,606**	**59,696**
Gross profit	**5,530**	**7,988**	**10,135**
Operating expenses	**-2,622**	**-3,904**	**-4,656**
Operating profit	**2,908**	**4,083**	**5,479**
EBITDA	**6,865**	**9,186**	**11,747**
Other income, net	**-87**	**-286**	**-602**
Financial income, net	-1,890	-1,597	-2,746
Earnings before taxes	2,877	3,886	5,538
Tax expense	-966	-987	-1,370
Net earnings	1,912	2,899	4,169

Cashflow statement	2024	2025E	2026E
EBITDA	**6,865**	**9,186**	**11,747**
Taxes on EBIT	-966	-987	-1,370
Capital expenditures	-3,118	-4,540	-5,373
Chg. in NWC	577	82	-18
Free cashflows to firm	**2,204**	**3,576**	**5,023**

Growth & margins	2024	2025E	2026E
Revenues	11%	49%	25%
EBITDA	12%	34%	28%
Net earnings	91%	-46%	52%
Gross margin	17.3%	16.8%	17.0%
Operating margin	9.1%	8.6%	9.2%
EBITDA margin	21.4%	19.3%	19.7%
Net margin	6.0%	6.1%	7.0%
Free cashflow margin	6.9%	7.5%	8.4%

Valuation	2024	2025E	2026E
P/E	31.0x	20.4x	14.2x
P/BV	3.0x	2.7x	2.4x
EV/EBITDA	7.9x	5.9x	4.6x

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

TACİRLER INVESTMENT

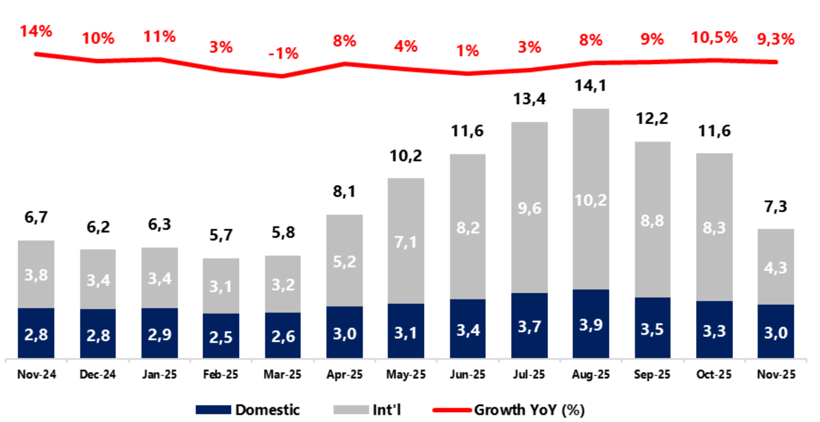
TAV Airports

Expecting strong operational momentum to be sustained into 2026, we raise our 12-month target price for TAV Airports to TL400 per share from TL385 and reiterate our "BUY" recommendation. The company's strong performance across both traffic dynamics and operational metrics in 2025 provides a firmer base and a more predictable growth profile heading into 2026. The full-year contribution from the new Ankara concession, the commissioning of the expansion program in Almaty, rising activity volumes in Antalya and subsidiary BTA operations, together with strengthening contributions from service companies, stand out as the key catalysts supporting 2026 performance. We believe that improvements in operational efficiency, a more diversified revenue mix, and operating leverage driven by scale will continue to underpin TAVHL's medium-term growth story.

The ongoing momentum in traffic trends continues to shape a constructive outlook for 2026. The 6% YoY increase in total passenger traffic and the 8% YoY growth in domestic passengers during the first ten months of 2025 highlight resilient domestic demand and underscore the operational resilience supported by TAVHL's geographic diversification. Double-digit international passenger growth in Ankara and Almaty, the expanding contribution of BTA in Antalya, and strong momentum across the Georgia and Tunisia operations provide a solid foundation for maintaining a positive traffic outlook into 2026. We expect mid-single-digit growth in total passenger numbers in 2026, with the international passenger mix remaining elevated and solid commercial revenue performance continuing to support robust activity levels.

Overall, we expect 2026 to be a favorable year for TAV Airports in terms of both profitability and free cash flow generation, supported by ongoing operational expansion, a higher contribution from high-margin international traffic, resilient domestic tourism demand, and improving visibility across the concession portfolio. In this context, we revise our growth assumptions upward, raise our target price to TL400 per share, and maintain our "BUY" recommendation.

TAVHL # of pax (mn)



TAVHL	**BUY**
Target Price	**TL 400**
Return potential	**36%**

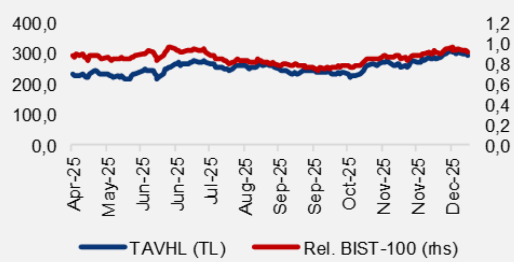
Share Data	
Ticker:	**TAVHL**
Share price (as of 25.12.2025)	294,50
Share price (52 week range)	215 / 311
Market cap. (TL mn - USD mn)	106.986 - 2.502
# of shares (mn) & free float	363 - 48%
Foreign Ownership Rate	54,00%
Market	Star
Industry	Aviation

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	13,1	13,9	15,5

Price performance	**1M**	**3M**	**Y-t-D**
TL	9%	24%	7%
USD	8%	20%	-11%
Rel. to BIST-100	4%	25%	-7%

Forecasts (TL mn)	**2023**	**2024**	**2025E**
Revenues	1.668	1.848	2.036
EBITDA	473	592	612
Net Earnings	185	71	135

Valuation	**2023**	**2024**	**2025E**
P/E	11,5x	29,8x	15,7x
P/BV	1,3x	1,3x	1,2x
EV/EBITDA	5,1x	4,2x	3,5x



TAV Airports - Summary

Balance Sheet	2024	2025E	2026E
Cash	353	348	635
Accounts receivables	137	192	209
Inventory	45	67	63
Financial investments	154	169	186
Fixed assets	2.450	2.937	2.874
Other non-current assets	1.725	1.622	1.703
Total assets	**4.863**	**5.336**	**5.671**
Short-term financial loans	462	499	533
Accounts payables	95	119	134
Long-term financial loans	1.387	1.520	1.658
Other long-term payables	1.312	1.561	1.576
Non-current liabilities	**3.255**	**3.698**	**3.901**
Shareholders' equity	**1.608**	**1.638**	**1.769**
Paid in Capital	10	7	7
Other Equity	1.598	1.630	1.762
Total liabilities & equity	**4.863**	**5.336**	**5.671**
Net debt	1.496	1.670	1.557
Net working capital	86	140	139

Per share (EUR)			
EPS	0,51	0,20	0,37
BVPS	4,43	4,51	4,87
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	12,2%	4,4%	7,9%
Net margin	11,1%	3,9%	6,6%
Asset turnover	0,3x	0,4x	0,4x
Leverage	3,2x	3,1x	3,2x
ROA	3,8%	1,4%	2,5%
Leverage			
Financial debt/Total assets	38%	38%	39%
Net debt/Equity	0,93	1,02	0,88
Net debt/EBITDA	3,16	2,82	2,54

Income statement	2024	2025E	2026E
Revenues	**1.668**	**1.848**	**2.036**
Gross profit	605	681	752
Operating expenses	-340	-368	-401
Operating profit	265	313	351
EBITDA	**473**	**592**	**612**
Other income, net	27	5	4
Financial income, net	-170	-202	-206
Earnings before taxes	242	153	192
Tax expense	-43	-77	-58
Net earnings	**185**	**71**	**135**

Cashflow statement			
EBITDA	**473**	**592**	**612**
Taxes on EBIT	-26	-43	-75
Capital expenditures	-212	-250	-200
Chg. in NWC	35	14	-13
Free cashflows to firm	**132**	**185**	**330**

Growth & margins			
Revenues	25%	11%	10%
EBITDA	19%	25%	3%
Net earnings	-37%	-61%	89%
Gross margin	36,3%	36,9%	36,9%
Operating margin	15,9%	16,9%	17,3%
EBITDA margin	28,4%	32,0%	30,1%
Net margin	11,1%	3,9%	6,6%
Free cashflow margin	7,9%	10,0%	16,2%

Valuation			
P/E	11,6x	30,1x	15,9x
P/BV	1,3x	1,3x	1,2x
EV/EBITDA	5,1x	4,2x	3,5x

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

Teknosa

We maintain our 12-month target price for Teknosa at TL39.00 per share and reiterate our "BUY" recommendation, given the upside potential implied by our valuation. That said, as the easing we expect in financial expenses is likely to be more gradual—and the transition to net profitability may slip into 2H26—we remove Teknosa from our model portfolio in order to make room for names that we believe offer a more attractive risk-return profile in the near term.

Looking at 2025 performance, we believe the weak bottom-line picture—driven by the heavy financing burden in a high-rate environment—should not overshadow the progress achieved on the operational front. Despite tighter credit conditions and a slowdown in domestic demand, Teknosa preserved its revenue generation and delivered an EBITDA margin of 4.8% in the first nine months, above the prior-year average. Store portfolio optimization, discipline in personnel and rent expenses, and efficiency measures across overhead management were the key drivers of the gradual improvement in operating margins.

At this stage, the main reason behind our "wait-and-see" stance within the investment thesis is the stickiness of financing costs. As management has also emphasized, the most significant item is credit card commission expenses; while the company has taken steps to improve this through initiatives such as incentivizing cash payments and alternative mechanisms like consumer loans, the benefit has so far been limited. In our scenario, the more meaningful relief should become visible once the CBRT policy rate moves below the 35% band and, in parallel, maximum commission rates decline. We expect the balance-sheet impact to be gradual; therefore, we believe the transition to net profitability will become clearer in 2H26. This timing is the key factor limiting near-term valuation re-rating.

For 2026, we think the story remains structurally attractive. A replacement cycle supported by rising penetration of 5G-compatible phones, together with the gradual release of deferred demand in TVs, white goods, and small domestic appliances, could support revenue dynamics. Management's 2026 priorities—expanding ancillary service revenues and focusing on higher-margin categories—represent an important lever to improve gross profit quality. In addition, optimizing working capital through AI-supported inventory management and efficiency programs could enable a meaningful recovery in net profit margins under a lower-rate scenario.

In conclusion, we view Teknosa's omnichannel business model, transformation-driven efficiency agenda, and the gradual operational improvement positively. However, given the high sensitivity of the return to net profitability to the interest-rate path and the extended timing of this transition, we keep our "BUY" recommendation while tactically removing the stock from our model portfolio. Going forward, an acceleration in rate cuts and clear signs of a durable normalization in credit card commission costs will be the most critical catalysts for us to rebuild a stronger position in the stock.

TKNSA	BUY
Target Price	TL 39
Return potential	72%

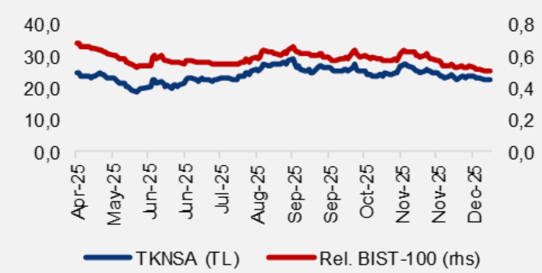
Share Data	
Ticker:	TKNSA
Share price (as of 25.12.2025)	22,70
Share price (52 week range)	19 / 41
Market cap. (TL mn - USD mn)	4.563 - 107
# of shares (mn) & free float	201 - 50%
Foreign Ownership Rate	2,09%
Market	Star
Industry	Retail

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

Price performance	1M	3M	Y-t-D
TL	-7%	-11%	-43%
USD	-8%	-14%	-53%
Rel. to BIST-100	-11%	-11%	-51%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	87.093	73.573	91.230
EBITDA	3.576	2.664	2.962
Net Earnings	-2.049	-366	177

Valuation	2024	2025E	2026E
P/E	n.a.	n.a.	25,6x
P/BV	1,6x	1,8x	1,7x
EV/EBITDA	1,8x	2,4x	2,1x



Teknosa – Summary

Balance Sheet	2024	2025E	2026E
Cash	3.207	1.420	1.230
Accounts receivables	1.515	1.049	1.351
Inventory	13.402	9.863	12.557
Financial investments	0	0	0
Fixed assets	2.309	2.309	2.641
Other non-current assets	2.365	2.365	2.365
Total assets	**22.798**	**17.007**	**20.145**
Short-term financial loans	967	1.015	1.066
Accounts payables	17.163	11.854	14.481
Long-term financial loans	565	593	623
Other long-term payables	1.251	1.058	1.312
Non-current liabilities	**19.945**	**14.520**	**17.481**
Shareholders' equity	**2.853**	**2.487**	**2.664**
Paid in Capital	201	201	201
Other Equity	2.652	2.286	2.463
Total liabilities & equity	**22.798**	**17.007**	**20.145**
Net debt	-1.675	188	458
Net working capital	-2.245	-941	-573

Per share (EUR)			
EPS	-10,20	-1,82	0,88
BVPS	14,19	12,37	13,25
DPS	0,00	0,00	0,00

Ratios			
Profitability			
ROE	-62,5%	-13,7%	6,9%
Net margin	-2,4%	-0,5%	0,2%
Asset turnover	4,0x	3,7x	4,9x
Leverage	6,7x	7,5x	7,2x
ROA	-9,3%	-1,8%	1,0%
Leverage			
Financial debt/Total assets	7%	9%	8%
Net debt/Equity	-0,59	0,08	0,17
Net debt/EBITDA	-0,47	0,07	0,15

Income statement	2024	2025E	2026E
Revenues	**87.093**	**73.573**	**91.230**
Gross profit	11.180	9.444	11.711
Operating expenses	-9.344	-8.399	-10.415
Operating profit	1.836	1.045	1.296
EBITDA	**3.576**	**2.664**	**2.962**
Other income, net	-4.400	-3.295	-3.610
Financial income, net	177	1.757	2.544
Earnings before taxes	-2.382	-488	236
Tax expense	332	122	-59
Net earnings	**-2.049**	**-366**	**177**

Cashflow statement			
EBITDA	**3.576**	**2.664**	**2.962**
Taxes on EBIT	-459	-261	-324
Capital expenditures	-1.015	-857	-972
Chg. in NWC	-1.351	1.304	369
Free cashflows to firm	**3.453**	**242**	**1.297**

Growth & margins			
Revenues	2%	-16%	24%
EBITDA	91%	-26%	11%
Net earnings	-692%	n.a.	n.a.
Gross margin	12,8%	12,8%	12,8%
Operating margin	2,1%	1,4%	1,4%
EBITDA margin	4,1%	3,6%	3,2%
Net margin	-2,4%	-0,5%	0,2%
Free cashflow margin	4,0%	0,3%	1,4%

Valuation			
P/E	n.a.	n.a.	25,6x
P/BV	1,6x	1,8x	1,7x
EV/EBITDA	1,8x	2,4x	2,1x

Source: Company Data, Tacirler Investment

Turkcell

The company has strengthened its long-term growth outlook by revising its 2025 guidance upward, supported by strong operational performance, the strategic partnership with Google Cloud, and the spectrum advantage secured through the 5G auction. In this context, we raise our 12-month target price for Turkcell to TRY 148 per share. Our target price implies 50% upside potential, and we maintain our BUY recommendation.

Upward revision to full-year expectations supported by strong operational performance… Turkcell's solid operating performance in the first nine months of the year has enabled the company to revise its 2025 outlook upward. Driven by an expected 43% growth in the data center and cloud segment, the consolidated revenue growth guidance has been raised to 10%. Benefiting from increased scale and operating leverage, the EBITDA margin target has been revised to the 42–43% range, while capital expenditures are expected to remain contained at around 23% of revenues despite an intensive investment cycle. We believe these updated targets will continue to support the company's profitability profile and cash generation capacity in the medium term.

Strategic focus areas continue to support consolidated growth… Active capacity in the data center and cloud business has reached 50 MW, while revenues in this segment recorded 51% real year-on-year growth. Supporting this momentum, Turkcell has signed a strategic partnership with Google Cloud to establish a new Google Cloud Region in Türkiye, consisting of three or more zones. The region is planned to become operational in 2028–2029, with Turkcell expecting to invest approximately USD 1 billion by 2032, aiming to more than double data center capacity and increase data center and cloud revenues by nearly sixfold in USD terms.

Spectrum advantage from the 5G auction reinforces Turkcell's long-term competitive positioning… At the 5G auction held on October 16, Turkcell secured 160 MHz, the maximum spectrum allocation available to a single operator, further strengthening its leadership position in the mobile market. As a result, Turkcell now controls approximately 42% of total usable spectrum in Türkiye, positioning the company to offer the highest 5G speeds and capacity from a technical standpoint. With 5G commercialization expected to begin in 2026, the financial impact of rising investment requirements will be closely monitored. While the extension of 2G, 3G and 4.5G licenses until 2042 enhances long-term visibility, the introduction of a 5% revenue-sharing payment to the regulator from 2029 represents a common structural cost for the sector. We expect the 5G investment cycle to weigh on valuations in the near term due to elevated capex, while gradually translating into revenue growth over the medium term through ARPU uplift and monetization of next-generation digital services.

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

TCELL	**BUY**
Target Price	**TL 148**
Return potential	**50%**

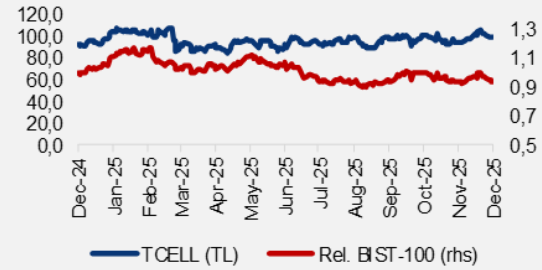
Share Data	
Ticker:	**TCELL TI**
Share price (as of 25.12.2025)	98,65
Share price (52 week range)	85 / 107
Market cap. (TL mn - USD mn)	217030,0 - 5075,1
# of shares (mn) & free float	2.200 - 44%
Foreign Ownership Rate	43,70%
Market	Star
Industry	Telecommunications

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	49,1	60,0	57,7

Price performance	**1M**	**3M**	**Y-t-D**
TL	5%	0%	9%
USD	4%	-3%	-10%
Rel. to BIST-100	1%	1%	-6%

Forecasts (TL mn)	**2024**	**2025E**	**2026E**
Revenues	209.055	241.584	315.992
EBITDA	88.662	103.177	128.332
Net Earnings	30.786	20.295	23.226

Valuation	**2024**	**2025E**	**2026E**
P/E	7,0x	10,7x	9,3x
P/BV	0,9x	0,9x	0,8x
EV/EBITDA	2,8x	2,4x	1,9x



Turkcell – Summary

Balance Sheet	2024	2025E	2026E
Cash	86.464	129.566	118.239
Accounts receivables	20.959	26.998	43.287
Inventory	846	1.725	1.580
Financial investments	8.631	9.494	9.494
Fixed assets	233.185	261.805	314.166
Other non-current assets	81.738	103.125	125.062
Total assets	**431.823**	**532.714**	**611.828**
Short-term financial loans	65.104	75.191	97.957
Accounts payables	28.548	21.855	39.183
Long-term financial loans	65.769	136.415	157.996
Other long-term payables	37.890	50.276	50.779
Non-current liabilities	**197.312**	**283.736**	**345.915**
Shareholders' equity	**234.511**	**248.978**	**265.913**
Paid in Capital	2.200	2.200	2.200
Other Equity	232.311	246.778	263.713
Total liabilities & equity	**431.823**	**532.714**	**611.828**
Net debt	35.779	72.546	128.220
Net working capital	-6.743	6.869	5.684

Per share (TL)			
EPS	13,99	9,22	10,56
BVPS	106,60	113,17	120,87
DPS	4,17	3,64	2,73

Ratios			
Profitability			
ROE	13,1%	8,4%	9,0%
Net margin	14,7%	8,4%	7,4%
Asset turnover	0,5x	0,5x	0,6x
Leverage	1,8x	2,0x	2,2x
ROA	7,1%	4,2%	4,1%
Leverage			
Financial debt/Total assets	30%	40%	42%
Net debt/Equity	0,15	0,29	0,48
Net debt/EBITDA	0,40	0,70	1,00

Income statement	2024	2025E	2026E
Revenues	**209.055**	**241.584**	**315.992**
Gross profit	51.588	66.374	85.318
Operating expenses	-22.412	-25.783	-35.731
Operating profit	29.175	40.591	49.587
EBITDA	**88.662**	**103.177**	**128.332**
Other income, net	15.256	28.892	32.310
Financial income, net	-24.045	-47.152	-56.879
Earnings before taxes	21.291	28.811	32.484
Tax expense	-6.103	-8.328	-9.096
Net earnings	**30.786**	**20.295**	**23.226**

Cashflow statement			
EBITDA	**88.662**	**103.177**	**128.332**
Taxes on EBIT	-6.103	-8.328	-9.096
Capital expenditures	-61.488	-65.264	-90.058
Chg. in NWC	-2.150	2.102	-1.186
Free cashflows to firm	**23.221**	**27.483**	**30.364**

Growth & margins			
Revenues	8%	16%	31%
EBITDA	4%	16%	24%
Net earnings	25%	-34%	14%
Gross margin	24,7%	27,5%	27,0%
Operating margin	14,0%	16,8%	15,7%
EBITDA margin	42,4%	42,7%	40,6%
Net margin	14,7%	8,4%	7,4%
Free cashflow margin	11,1%	11,4%	9,6%

Valuation			
P/E	7,0x	10,7x	9,3x
P/BV	0,9x	0,9x	0,8x
EV/EBITDA	2,8x	2,4x	1,9x

Source: Company Data, Tacirler Investment

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

Tüpraş

We maintain our 12-month target price for Tüpraş at TL271.00 and reiterate our "BUY" recommendation. We continue to position the stock as one of the defensive names in our Model Portfolio, supported by its strong balance sheet, high cash-generation capacity, and dividend-focused capital returns. At the core of our investment thesis is our expectation that refinery margins will settle into a "new normal" band above historical averages, while the company's energy transition initiatives should strengthen the story and improve resilience over the medium term.

In 2025, limited global refinery capacity additions and geopolitical developments that reshaped trade routes supported product margins—particularly in middle distillates. Leveraging its high-complexity refining system, flexible production capabilities, and integrated logistics infrastructure, Tüpraş successfully translated this margin environment into strong cash flows. High utilization rates and disciplined balance-sheet management stand out as key resilience factors, enabling the company to preserve operational performance even during periods of elevated volatility.

In the near term, we expect margins to remain relatively strong in 4Q results. Heading into 2026, while we forecast a moderate pullback in product margins versus 2025—driven by normalization in the global supply-demand balance and the impact of capacity additions—we still believe margins should remain above historical averages and within a healthy range. In this scenario, although operating profitability may normalize, the rate-cut cycle we expect in our macro framework could support financing conditions, and a more manageable working-capital requirement could play a balancing role for net profitability. In addition, relatively resilient domestic product demand and high capacity utilization should continue to underpin the sustainability of cash generation.

In our 2026 strategy view, we assess Tüpraş not only as a cyclical refiner, but also as a business evolving into a more resilient energy story through its transformation investments. Under the energy transition agenda, the gradually increasing visibility of contributions from projects such as sustainable aviation fuel (SAF), hydrogen, and similar initiatives—together with strong cash generation supporting dividend capacity—should be key catalysts for the stock. On the downside, faster-than-expected global capacity ramp-ups or a quicker normalization in product margins relative to our base case could pressure profitability. Sharp swings in oil prices may also introduce volatility in financials through working-capital needs and inventory valuation effects.

TUPRS	**BUY**
Target Price	**TL 271**
Return potential	**44%**

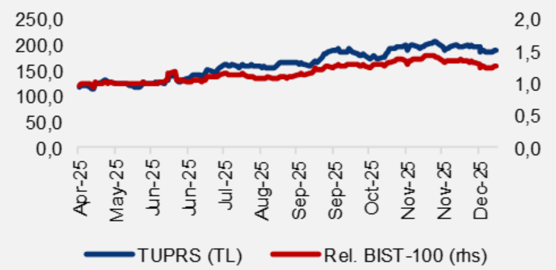
Share Data	
Ticker:	**TUPRS**
Share price (as of 25.12.2025)	188,30
Share price (52 week range)	112 / 207
Market cap. (TL mn - USD mn)	362.816 - 8.484
# of shares (mn) & free float	1.927 - 49%
Foreign Ownership Rate	31,72%
Market	Star
Industry	Rafinery

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	82,6	87,3	80,1

Price performance	**1M**	**3M**	**Y-t-D**
TL	-1%	-2%	46%
USD	-2%	-6%	20%
Rel. to BIST-100	-5%	-2%	27%

Forecasts (TL mn)	**2024**	**2025E**	**2026E**
Revenues	810.386	948.284	1.003.486
EBITDA	50.704	65.366	71.388
Net Earnings	19.034	40.473	56.465

Valuation	**2024**	**2025E**	**2026E**
P/E	19,5x	9,2x	6,6x
P/BV	1,0x	0,9x	0,9x
EV/EBITDA	5,7x	4,4x	4,0x



Tüpraş – Summary

Balance Sheet	2024	2025E	2026E
Cash	92.234	171.624	196.722
Accounts receivables	46.499	61.366	63.564
Inventory	75.606	80.386	83.581
Financial investments	0	0	0
Fixed assets	291.308	297.828	299.487
Other non-current assets	63.965	18.793	26.953
Total assets	**569.612**	**629.998**	**670.307**
Short-term financial loans	11.356	11.924	12.520
Accounts payables	130.297	159.734	169.823
Long-term financial loans	12.461	13.084	13.738
Other long-term payables	61.515	66.064	69.910
Non-current liabilities	**215.630**	**250.807**	**265.991**
Shareholders' equity	**353.983**	**379.191**	**404.316**
Paid in Capital	1.927	1.927	1.927
Other Equity	352.056	377.264	402.389
Total liabilities & equity	**569.612**	**629.998**	**670.307**
Net debt	-68.417	-146.616	-170.463
Net working capital	-8.192	-17.982	-22.678

Per share (EUR)			
EPS	9,88	21,01	29,30
BVPS	183,72	196,80	209,84
DPS	-25,31	-7,13	-15,16

Ratios			
Profitability			
ROE	5,9%	11,0%	14,4%
Net margin	2,3%	4,3%	5,6%
Asset turnover	1,5x	1,6x	1,5x
Leverage	1,7x	1,6x	1,7x
ROA	3,5%	6,7%	8,7%
Leverage			
Financial debt/Total assets	4%	4%	4%
Net debt/Equity	-0,19	-0,39	-0,42
Net debt/EBITDA	-1,35	-2,24	-2,39

Income statement	2024	2025E	2026E
Revenues	**810.386**	**948.284**	**1.003.486**
Gross profit	68.030	81.977	89.258
Operating expenses	-26.942	-31.527	-33.362
Operating profit	41.088	50.450	55.896
EBITDA	**50.704**	**65.366**	**71.388**
Other income, net	-5.378	-7.723	-7.801
Financial income, net	-5.391	257	12.555
Earnings before taxes	31.746	44.702	62.366
Tax expense	-12.712	-4.230	-5.901
Net earnings	**19.034**	**40.473**	**56.465**

Cashflow statement			
EBITDA	**50.704**	**65.366**	**71.388**
Taxes on EBIT	-10.272	-12.613	-13.974
Capital expenditures	-13.790	-16.137	-16.574
Chg. in NWC	10.653	-9.790	-4.696
Free cashflows to firm	**23.257**	**54.789**	**53.609**

Growth & margins			
Revenues	-18%	17%	6%
EBITDA	-64%	29%	9%
Net earnings	-76%	113%	40%
Gross margin	8,4%	8,6%	8,9%
Operating margin	5,1%	5,3%	5,6%
EBITDA margin	6,3%	6,9%	7,1%
Net margin	2,3%	4,3%	5,6%
Free cashflow margin	2,9%	5,8%	5,3%

Valuation			
P/E	19,5x	9,2x	6,6x
P/BV	1,0x	0,9x	0,9x
EV/EBITDA	5,7x	4,4x	4,0x

Source: Company Data, Tacirler Investment

Turkish Airlines

Following a turbulent 2025, our expectations for Turkish Airlines in 2026 point to the preservation of the growth outlook alongside the start of a gradual recovery in profitability margins. After a year in which passenger numbers reached record levels, capacity expansion continued, and demand conditions remained resilient despite geopolitical risks, we expect the company to outperform sector averages in 2026, supported by its scale advantage, efficient organizational structure, and extensive global network. In line with a relatively weak start to the season and our updated macro assumptions, we revise our 12-month target price to TL414 per share from TL439 while maintaining our BUY recommendation. Based on our 2026E estimates, the company is trading at 3.1x P/E and 2.8x EV/EBITDA multiples.

In line with the 2033 Strategy vision, we view 2026 as an interim year in which capacity-led growth continues. Management guidance points to an approximate ~8% increase in capacity over the year, which we expect to progress in line with both the fleet renewal cycle and new route launches. Ongoing long-term procurement negotiations for new Airbus and Boeing aircraft, together with the planned 75-unit widebody order focused on the 787 family and the finalization of engine agreements, are set to accelerate the structural transformation of the fleet, paving the way for a full transition to next-generation aircraft by 2033. We expect the positive impact of this transformation on fuel efficiency and operating costs to support a gradual improvement in EBITDA margins starting from 2026. In addition, the increase in the number of destinations, deeper penetration into long-haul routes, and the Air Europa investment, which enhances growth potential in Europe, stand out as strategic steps strengthening the company's competitive position.

On the cargo side, the sustainable growth story is set to continue into 2026. Turkish Cargo, the cargo arm of Turkish Airlines, increased its market share to 6.3% as of 2025, rising to become the third-largest cargo airline globally. The full-capacity commissioning of SMARTIST operations and the commencement of the Phase 2 groundbreaking process are expected to be the main catalysts for capacity and efficiency gains in the coming period. While the expansion of the passenger fleet naturally supports cargo capacity, a rising share of high value-added product categories within the overall revenue mix could further enhance the cargo segment's contribution to margins in 2026.

Under our forecasts, we expect mid-single-digit growth in passenger capacity, a new record in total passenger numbers, and the preservation of growth in USD-based revenues in 2026. We project Turkish Airlines to end 2025 with approximately 525 aircraft, with the fleet reaching the 550–560 range by the end of 2026. We expect this fleet expansion to lift total passenger capacity by more than 7% compared to 2025, while supporting an approximately 5.8% increase in USD-based revenues. While we anticipate a limited increase in unit costs excluding fuel, the gradual introduction of next-generation aircraft into the fleet and ongoing operational efficiency initiatives should help offset cost-side volatility pressures.

THYAO	BUY
Target Price	**TL 414**
Return potential	**53%**

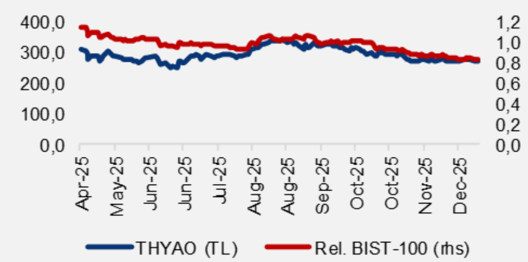
Share Data	
Ticker:	**THYAO TI**
Share price (as of 25.12.2025)	271,25
Share price (52 week range)	249 / 340
Market cap. (TL mn - USD mn)	374.325 - 8.753
# of shares (mn) & free float	1.380 - 50%
Foreign Ownership Rate	20.77%
Market	Star
Industry	Aviation

Avg. trading volume	1M	3M	12M
USD mn	204,9	244,0	231,6

Price performance	1M	3M	Y-t-D
TL	-1%	-17%	-1%
USD	-2%	-20%	-18%
Rel. to BIST-100	-5%	-17%	-14%

Forecasts (TL mn)	2024	2025E	2026E
Revenues	745.430	953.171	1.138.346
EBITDA	136.256	158.043	215.456
Net Earnings	113.378	109.743	120.247

Valuation	2024	2025E	2026E
P/E	3,3x	3,4x	3,1x
P/BV	0,6x	0,4x	0,4x
EV/EBITDA	4,4x	3,8x	2,8x



Turkish Airlines - Summary

Balance Sheet	2024	2025E	2025E
Cash	95.992	119.696	81.872
Accounts receivables	31.908	54.625	56.982
Inventory	23.661	43.388	38.064
Financial investments	118.030	174.931	192.424
Fixed assets	252.852	379.415	417.356
Other non-current assets	877.163	1.139.207	1.310.088
Total assets	**1.399.606**	**1.911.262**	**2.096.786**
Short-term financial loans	130.410	163.690	174.553
Accounts payables	52.792	79.545	71.052
Long-term financial loans	359.529	543.098	614.456
Other long-term payables	176.988	252.312	254.835
Non-current liabilities	**719.719**	**1.038.644**	**1.114.896**
Shareholders' equity	**679.887**	**872.618**	**981.890**
Paid in Capital	1.380	1.380	1.380
Other Equity	678.507	871.238	980.510
Total liabilities & equity	**1.399.606**	**1.911.262**	**2.096.786**
Net debt	393.947	587.092	707.137
Net working capital	2.777	18.469	23.994

Per share (TL)			
EPS	82,16	79,52	87,14
BVPS	492,67	632,33	711,51
DPS	0,00	0,00	7,95

Ratios			
Profitability			
ROE	19,9%	14,1%	13,0%
Net margin	15,2%	11,5%	10,6%
Asset turnover	0,6x	0,6x	0,6x
Leverage	2,2x	2,1x	2,2x
ROA	9,3%	6,6%	6,0%
Leverage			
Financial debt/Total assets	35%	37%	38%
Net debt/Equity	0,58	0,67	0,72
Net debt/EBITDA	2,89	3,71	3,28

Income statement	2024	2025E	2026E
Revenues	**745.430**	**953.171**	**1.138.346**
Gross profit	142.908	161.079	212.133
Operating expenses	-78.958	-98.834	-125.218
Operating profit	63.950	62.244	86.915
EBITDA	**136.256**	**158.043**	**215.456**
Other income, net	16.443	21.354	19.811
Financial income, net	-17.731	-8.285	-17.347
Earnings before taxes	121.421	129.253	141.276
Tax expense	-8.064	-19.659	-21.191
Net earnings	**113.378**	**109.743**	**120.247**

Cashflow statement			
EBITDA	**136.256**	**158.043**	**215.456**
Taxes on EBIT	71.716	-8.064	-19.659
Capital expenditures	-24.549	-43.499	-70.052
Chg. in NWC	-2.889	3.334	5.709
Free cashflows to firm	**165.453**	**81.359**	**62.623**

Growth & margins			
Revenues	48%	28%	19%
EBITDA	18%	16%	36%
Net earnings	-30%	-3%	10%
Gross margin	19,2%	16,9%	18,6%
Operating margin	8,6%	6,5%	7,6%
EBITDA margin	18,3%	16,6%	18,9%
Net margin	15,2%	11,5%	10,6%
Free cashflow margin	22,2%	8,5%	5,5%

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

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

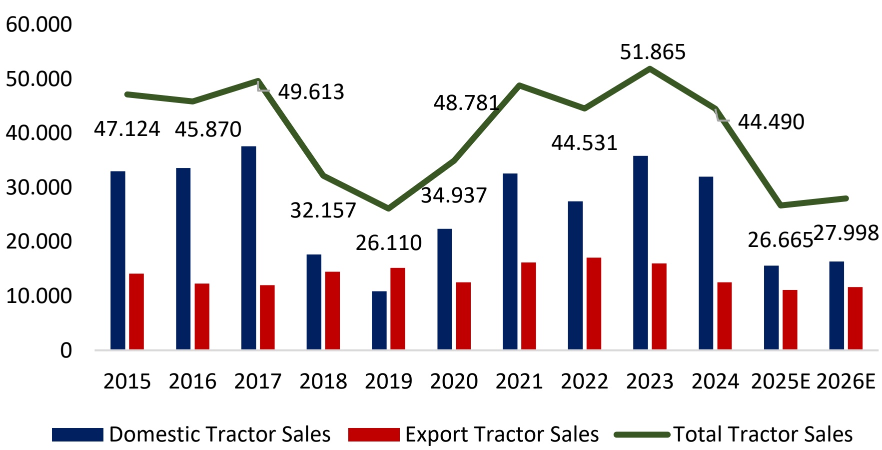
Turk Traktor

Amid a period marked by challenging demand conditions, we lower our 12-month target price for Turk Traktor to TL680 per share from TL737 and maintain our HOLD recommendation. Throughout 2025, elevated financing costs, a slower-than-expected improvement in agricultural input prices, and deferred domestic demand have weighed on volumes and profitability. While we expect the near-term recovery to remain limited, the company’s strong market leadership, export capabilities, and improving product mix remain the key factors supporting a gradual recovery in the long-term outlook.

We view the downward revision in 2025 market expectations as consistent with current demand conditions. The reduction in the projected size of the Turkish tractor market to the 38,000–42,000 unit range indicates that deferred domestic demand has spread across the full year. Within this framework, we expect Turk Traktor to end 2025 with total sales of 26,665 units, comprising 15.6 thousand units in domestic tractor sales and 11.1 thousand units in exports. Despite the contraction in the domestic market, the relatively resilient performance of exports continues to serve as an important balancing factor in a weak demand environment.

Looking ahead to 2026, we expect a limited recovery in the outlook. With a gradual normalization in financing conditions and the partial materialization of deferred demand, we forecast total sales volumes to recover to around 28 thousand units, mainly driven by the domestic market, while export volumes are expected to remain broadly stable. That said, the pace of improvement in demand conditions and the normalization of agricultural input prices will remain key determinants of the outlook. Under the current backdrop, given limited near-term catalysts and ongoing demand-side uncertainties, we maintain our HOLD recommendation for Turk Traktor and set our 12-month target price at TL680 per share, believing the risk-reward balance is largely neutral. A longer-than-expected contraction in domestic demand and a slower-than-anticipated improvement in agricultural input prices stand out as the main downside risks.

Table: TTRAK Sales Volumes (2025 – 2026E)



TTRAK — **HOLD**

Target Price	**TL 680**
Return potential	**30%**

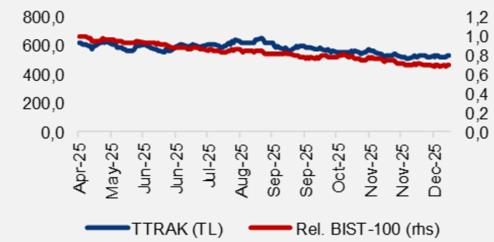
Share Data	
Ticker:	**TTRAK TI**
Share price (as of 25.12.2025)	525,00
Share price (52 week range)	512 / 805
Market cap. (TL mn - USD mn)	52.535 - 1.228
# of shares (mn) & free float	100 - 24%
Foreign Ownership Rate	26.29%
Market	Star
Industry	Automotive

Avg. trading volume	**1M**	**3M**	**12M**
USD mn	1,6	1,9	2,8

Price performance	**1M**	**3M**	**Y-t-D**
TL	1%	-10%	-26%
USD	0%	-13%	-39%
Rel. to BIST-100	-3%	-10%	-35%

Forecasts (TL mn)	**2024**	**2025E**	**2026E**
Revenues	84.000	51.517	69.307
EBITDA	12.315	5.305	9.476
Net Earnings	7.200	1.256	3.522

Valuation	**2024**	**2025E**	**2026E**
P/E	7,3x	41,8x	14,9x
P/BV	2,5x	3,1x	2,7x
EV/EBITDA	5,1x	11,8x	6,6x



Turk Traktor - Summary

Balance Sheet	2024	2025E	2025E
Cash	8.271	6.397	1.955
Accounts receivables	5.433	4.043	5.249
Inventory	12.221	13.074	15.679
Financial investments	37	41	45
Fixed assets	15.140	16.352	17.987
Other non-current assets	3.969	3.562	3.918
Total assets	**45.071**	**43.468**	**44.832**
Short-term financial loans	9.725	12.443	10.221
Accounts payables	9.117	7.402	10.251
Long-term financial loans	2.558	4.438	2.635
Other long-term payables	2.389	2.303	2.326
Non-current liabilities	**23.789**	**26.586**	**25.432**
Shareholders' equity	**21.282**	**16.882**	**19.400**
Paid in Capital	100	100	100
Other Equity	21.182	16.782	19.300
Total liabilities & equity	**45.071**	**43.468**	**44.832**
Net debt	4.011	10.484	10.901
Net working capital	8.537	9.715	10.677

Per share (TL)			
EPS	71,96	12,55	35,20
BVPS	212,68	168,71	193,87
DPS	134,04	57,56	10,04

Ratios			
Profitability			
ROE	29,3%	6,6%	19,4%
Net margin	8,6%	2,4%	5,1%
Asset turnover	1,6x	1,2x	1,6x
Leverage	2,1x	2,3x	2,4x
ROA	13,9%	2,8%	8,0%
Leverage			
Financial debt/Total assets	27%	39%	29%
Net debt/Equity	0,19	0,62	0,56
Net debt/EBITDA	0,33	1,98	1,15

Income statement	2024	2025E	2026E
Revenues	**84.000**	**51.517**	**69.307**
Gross profit	16.204	7.668	11.401
Operating expenses	-6.218	-4.960	-5.469
Operating profit	9.986	2.708	5.932
EBITDA	**12.315**	**5.305**	**9.476**
Other income, net	-418	20	-84
Financial income, net	422	-869	-1.169
Earnings before taxes	10.004	1.875	4.697
Tax expense	-2.804	-619	-1.174
Net earnings	**7.200**	**1.256**	**3.522**

Cashflow statement			
EBITDA	**12.315**	**5.305**	**9.476**
Taxes on EBIT	-5.062	-2.804	-619
Capital expenditures	-3.094	-4.749	-3.193
Chg. in NWC	1.179	4.314	-981
Free cashflows to firm	**14.556**	**447**	**2.473**

Growth & margins			
Revenues	-21%	-39%	35%
EBITDA	-48%	-57%	79%
Net earnings	-57%	-83%	180%
Gross margin	19,3%	14,9%	16,5%
Operating margin	11,9%	5,3%	8,6%
EBITDA margin	14,7%	10,3%	13,7%
Net margin	8,6%	2,4%	5,1%
Free cashflow margin	17,3%	0,9%	3,6%

Valuation			
P/E	7,3x	41,6x	14,8x
P/BV	2,5x	3,1x	2,7x
EV/EBITDA	5,1x	11,9x	6,6x

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

Research Coverage

Company Name	Ticker	Current Price (TL)	Target Price (TL)	Potential (%)	Reccom.	MCAP (TL)	MCAP ($)	Free Float (%)
Banks								
Akbank	**AKBNK**	69,75	82,50	18%	HOLD	362.700	8.481	52
Albaraka Türk	**ALBRK**	7,92	11,70	48%	BUY	19.800	463	38
Garanti Bankası	**GARAN**	140,90	197,60	40%	BUY	591.780	13.838	14
Halk Bankası	**HALKB**	37,00	34,30	-7%	HOLD	265.837	6.216	9
İş Bankası	**ISCTR**	13,67	18,80	38%	BUY	341.750	7.992	31
Şekerbank	**SKBNK**	7,78	9,30	20%	HOLD	19.450	455	48
T.S.K.B.	**TSKB**	12,71	19,60	54%	BUY	35.588	832	39
T. Vakıflar Bankası	**VAKBN**	29,68	36,10	22%	HOLD	294.305	6.882	6
Yapı Kredi Bankası	**YKBNK**	35,74	42,90	20%	HOLD	301.898	7.060	39
Retail								
Bim Birleşik Mağazalar A.Ş.	**BIMAS**	548,00	705,00	29%	BUY	328.800	7.689	68
Coca Cola İçecek	**CCOLA**	60,30	86,00	43%	BUY	168.724	3.945	25
Desa Deri	**DESA**	11,42	18,00	58%	HOLD	5.596	131	22
Koton Mağazacılık	**KOTON**	15,36	27,00	76%	BUY	12.743	298	16
Mavi Giyim	**MAVI**	43,00	58,00	35%	BUY	34.164	799	73
Migros	**MGROS**	523,00	715,00	37%	BUY	94.691	2.214	51
Suwen Tekstil	**SUWEN**	10,17	16,00	57%	BUY	5.695	133	65
Tab Gıda	**TABGD**	225,50	333,00	48%	BUY	58.921	1.378	20
Teknosa	**TKNSA**	22,70	39,00	72%	BUY	4.563	107	50
Defence								
Aselsan	**ASELS**	222,70	240,00	8%	HOLD	1.015.512	23.747	26
Automotive & White Goods								
Arçelik	**ARCLK**	108,20	153,00	41%	HOLD	73.114	1.710	25
Doğuş Otomotiv	**DOAS**	185,70	278,00	50%	BUY	40.854	955	39
Ford Otosan	**FROTO**	95,10	140,00	47%	BUY	333.715	7.804	18
Türk Traktör	**TTRAK**	525,00	680,00	30%	HOLD	52.535	1.228	24
Aviation								
Tav Havalimanları	**TAVHL**	294,50	400,00	36%	BUY	106.986	2.502	48
Türk Hava Yolları	**THYAO**	271,25	414,00	53%	BUY	374.325	8.753	50
Pegasus	**PGSUS**	206,50	314,00	52%	BUY	103.250	2.414	43
Energy								
Astor Enerji	**ASTOR**	114,90	158,00	38%	BUY	114.670	2.681	37
Tüpraş	**TUPRS**	188,30	271,00	44%	BUY	362.816	8.484	49
Telecom								
Turkcell	**TCELL**	98,65	148,00	50%	BUY	217.030	5.075	44
Conglomerates								
Doğan Holding	**DOHOL**	18,74	27,45	46%	BUY	49.043	1.147	36
Koç Holding	**KCHOL**	171,00	294,00	72%	BUY	433.639	10.140	22
Sabancı Holding	**SAHOL**	84,60	162,00	91%	BUY	177.692	4.155	51
Alarko Holding	**ALARK**	105,30	155,00	47%	BUY	45.806	1.071	37
Health								
MLP Sağlık Hizmetleri	**MPARK**	378,75	485,00	28%	BUY	72.346	1.692	42

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Important Disclosures

Rating Methodology

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

Rating Definition

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

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

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

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