OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY - 30 JUNE 2026

(ORIGINALLY ISSUED IN TURKISH)

Güney Bağımsız Denetim ve SMMM A.Ş.
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(Convenience translation of a report and condensed consolidated financial statements originally issued in Turkish)

Report on Review of Interim Condensed Consolidated Financial Statements

To the Board of Directors of Otokar Otomotiv ve Savunma Sanayi Anonim Şirketi;

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Otokar Otomotiv ve Savunma Sanayi Anonim Şirketi ("the Company") and its subsidiaries ("the Group") as of June 30, 2026 and the interim condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended, and explanatory notes. Group management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Turkish Accounting Standard 34, Interim Financial Reporting ("TAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with TAS 34.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Cem Uçarlar, SMMM
Partner

July 31, 2026
İstanbul, Türkiye

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OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand Turkish Lira ("TRY") on the basis of purchasing power of the TRY as of 30 June 2026.)

	Notes	(Limited Reviewed) 30 June 2026	(Audited) 31 December 2025
Assets			
Current assets			
Cash and cash equivalents	5	5,288,934	7,925,847
Trade receivables		14,389,462	18,631,600
- Trade receivables from related parties	24	2,184,068	3,360,254
- Trade receivables from third parties	9	12,205,394	15,271,346
Other receivables		8,996	5,434
-Other receivables from third parties	10	8,996	5,434
Inventories	11	21,412,963	19,112,094
Prepaid expenses	16	1,847,685	2,490,890
Other current assets	16	3,035,488	2,607,589
Total current assets		**45,983,528**	**50,773,454**
Non-current assets			
Financial investments	12	97,684	118,538
Trade receivables		-	256,702
- Trade receivables from third parties	9	-	256,702
Other receivables		12,513	13,105
-Other receivables from third parties	9	12,513	13,105
Investments accounted for using the equity method	7	49,908	64,855
Property, plant, and equipment	13	9,147,377	8,311,600
Right of use assets	13	88,089	98,584
Intangible assets		14,989,804	11,389,775
-Goodwill	3	3,316,334	25,848
-Other intangible assets	14	11,673,470	11,363,927
Investment properties		929,427	-
Prepaid expenses	16	2,815,778	3,465,007
Deferred tax asset	22	2,068,471	2,286,476
Other non-current assets	16	582,506	453,183
Total non-current assets		**30,781,557**	**26,457,825**
Total assets		**76,765,085**	**77,231,279**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand Turkish Lira ("TRY") on the basis of purchasing power of the TRY as of 30 June 2026.)

	Notes	(Limited Reviewed) 30 June 2026	(Audited) 31 December 2025
Liabilities			
Current liabilities			
Short-term borrowings	6	9,725,726	9,408,007
-Bank loans	6	5,066,386	9,364,601
- Issue of debt instruments	6	4,586,008	-
-Short-term lease liabilities	6	19,954	43,406
-Other short term borrowings	6	53,378	-
Short-term portion of long-term borrowings		5,945,275	14,112,596
-Bank loans	6	5,671,021	14,112,596
-Issue of debt instruments	6	274,254	-
Trade payables		8,538,189	8,805,758
-Due to related parties	24	360,511	643,950
-Due to other parties	9	8,177,678	8,161,808
Employee benefit obligations	16	555,046	849,101
Other payables		4,284,179	3,506,624
-Other payables to third parties	10	4,284,179	3,506,624
Current income tax liabilities		15,419	-
Contract liabilities	16	5,020,218	8,940,981
Derivative instruments	8	72,303	-
Government grants		9,337	10,775
Short-term provisions		2,834,961	2,815,194
-Provisions for employee benefits	15	236,683	173,719
-Other provisions	15	2,598,278	2,641,475
Other current liabilities	16	338,638	265,472
Total current liabilities		**37,339,291**	**48,714,508**
Non-current liabilities			
Long-term borrowings		32,518,816	17,166,282
-Bank loans	6	27,466,299	17,118,922
- Long-term lease liabilities	6	52,517	47,360
- Issue of debt instruments	6	5,000,000	-
Liabilities from customer contracts	16	551,280	491,614
Government grants		41,023	39,090
Long-term provisions		770,338	752,873
- Long term provisions for employment benefits	15	770,338	752,873
Total non-current liabilities		**33,881,457**	**18,449,859**
Total liabilities		**71,220,748**	**67,164,367**
Equity			
Paid-in share capital	17	120,000	120,000
Capital adjustment differences	17	2,806,594	2,806,594
Other comprehensive income/expense not to be reclassified to profit or loss		(1,099,644)	(1,067,337)
- Funds for actuarial gain/loss on employee termination benefits		(1,099,644)	(1,067,337)
Other comprehensive income/expense to be reclassified to profit or loss		(1,983,426)	(1,950,638)
- Foreign currency translation reserve		(1,983,426)	(1,950,638)
Restricted reserves		2,263,653	2,263,653
Retained earnings		7,894,640	9,612,681
Net profit/(loss) for the period		(4,493,317)	(1,718,041)
Equity attributable to owners of the parent company		**5,508,500**	**10,066,912**
Non-controlling interests	**3**	**35,837**	**-**
Total equity		**5,544,337**	**10,066,912**
Total liabilities and equity		**76,765,085**	**77,231,279**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 30 JUNE 2026 AND 31 DECEMBER 2025

(Unless otherwise stated, the amounts are expressed as one thousand Turkish Lira ("TRY") on the basis of purchasing power of the TRY as of 30 June 2026.)

	Notes	(Limited Reviewed) 1 January – 30 June 2026	(Not Reviewed) 1 April – 30 June 2026	(Limited Reviewed) 1 January – 30 June 2025	(Not Reviewed) 1 April – 30 June 2025
Revenue	18	21,169,889	10,953,356	26,208,137	15,061,076
Cost of sales (-)	18	(19,281,955)	(9,527,722)	(20,408,826)	(10,892,973)
GROSS PROFIT (LOSS)		**1,887,934**	**1,425,634**	**5,799,311**	**4,168,103**
Research and development expenses (-)		(1,130,449)	(554,011)	(816,629)	(414,224)
Marketing expenses (-)		(3,024,551)	(1,373,369)	(3,100,488)	(1,624,528)
General administrative expenses (-)		(1,564,726)	(826,078)	(1,445,866)	(797,488)
Other operating income	19	2,848,249	1,864,936	3,082,399	1,702,428
Other operating expenses (-)	19	(2,131,456)	(1,683,865)	(1,892,092)	(1,023,668)
OPERATING PROFIT (LOSS)		**(3,114,999)**	**(1,146,753)**	**1,626,635**	**2,010,623**
Income from investing activities		6,941	6,172	-	-
Expenses from investing activities (-)		(8,719)	(8,589)	(3,785)	(3,785)
Share of losses of investments accounted under equity method	7	(10,034)	(2,676)	(30,138)	(19,516)
OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSE)		**(3,126,811)**	**(1,151,846)**	**1,592,712**	**1,987,322**
Financial income	20	1,482,750	718,709	483,245	254,611
Financial expense (-)	21	(7,373,181)	(3,950,886)	(6,214,166)	(3,028,397)
Monetary gain/ (loss)	27	4,636,039	2,110,990	3,713,522	1,395,662
PROFIT (LOSS) BEFORE TAX		**(4,381,203)**	**(2,273,033)**	**(424,687)**	**609,198**
Tax income/(expense) from continued operations					
Current year tax income / (expense)		(10,375)	417	(22,519)	(22,519)
Deferred tax income/ (expense)	22	(101,739)	(507,181)	342,656	(42,353)
PROFIT (LOSS) FOR THE PERIOD		**(4,493,317)**	**(2,779,797)**	**(104,550)**	**544,326**
Earnings/(loss) per share (KR)	23	**(37,44)**	**(23,16)**	**(0,87)**	**4,54**
Items that will not be reclassified to statement of profit or loss					
Remeasurement losses on defined benefit plans	15	(43,076)	(72,209)	(59,613)	(65,611)
Deferred tax income/(expense)	22	10,769	18,052	14,903	16,403
Items that may be reclassified to statement of profit or loss					
Currency translation differences of investments accounted for using the equity method	7	(4,913)	(1,108)	(4,043)	178,573
Currency translation differences		(27,875)	(29,691)	(664,814)	(661,683)
Other comprehensive (expense)/income		**(65,095)**	**(84,956)**	**(713,567)**	**(532,318)**
TOTAL COMPREHENSIVE (EXPENSE)/INCOME		**(4,558,412)**	**(2,864,753)**	**(818,117)**	**12,008**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE INTERIM PERIODS ENDED 30 JUNE 2026 AND 2025

(Unless otherwise stated, the amounts are expressed as one thousand Turkish Lira ("TRY") on the basis of purchasing power of the TRY as of 30 June 2026.)

				Accumulated other comprehensive income (expense) that will not be reclassified to statement of profit or loss	Accumulated other comprehensive income (expense) that may be reclassified to statement of profit or loss						
		Paid-in share capital	Inflation adjustment on share capital	Funds for actuarial gain/loss on employee termination benefits	Currency translation differences	Restricted reserves	Retained earnings	Net profit or loss for the period	Equity attributable to owners of the parent company	Non-controlling interests	Total
1 January 2025	**Beginning of the period**	**120,000**	**2,806,594**	**(972,133)**	**(1,209,793)**	**2,263,653**	**14,397,804**	**(4,785,064)**	**12,621,061**	**-**	**12,621,061**
	Transfers	-	-	-	-	-	(4,785,064)	4,785,064	-	-	-
	Total comprehensive income	-	-	**(44,710)**	**(668,857)**	-	-	**(104,550)**	**(818,117)**	-	**(818,117)**
	Net profit	-	-	-	-	-	-	(104,550)	(104,550)	-	(104,550)
	Other comprehensive income	-	-	(44,710)	(668,857)	-	-	-	(713,567)	-	(713,567)
30 June 2025	**Closing balance**	**12,000**	**2,806,594**	**(1,016,843)**	**(1,878,650)**	**2,263,653**	**9,612,740**	**(104,550)**	**11,802,944**	**-**	**11,802,944**
1 January 2026	**Beginning of the period**	**120,000**	**2,806,594**	**(1,067,337)**	**(1,950,638)**	**2,263,653**	**9,612,681**	**(1,718,041)**	**10,066,912**	**-**	**10,066,912**
	Transfers	-	-	-	-	-	(1,718,041)	1,718,041	-	-	-
	Effect of the acquisition of a subsidiary	-	-	-	-	-	-	-	-	35,837	35,837
	Total comprehensive income	-	-	**(32,307)**	**(32,788)**	-	-	**(4,493,317)**	**(4,558,412)**	-	**(4,558,412)**
	Net Profit	-	-	-	-	-	-	(4,493,317)	(4,493,317)	-	(4,493,317)
	Other comprehensive income	-	-	(32,307)	(32,788)	-	-	-	(65,095)	-	(65,095)
30 June 2026	**Closing balance**	**120,000**	**2,806,594**	**(1,099,644)**	**(1,983,426)**	**2,263,653**	**7,894,640**	**(4,493,317)**	**5,508,500**	**35,837**	**5,544,337**

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

OTOKAR OTOMOTİV VE SAVUNMA SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS ENDED 30 JUNE 2026 AND 2025

(Unless otherwise stated, the amounts are expressed as one thousand Turkish Lira ("TRY") on the basis of purchasing power of the TRY as of 30 June 2026.)

	Notes	(Limited Reviewed) 1 January – 30 June 2026	(Limited Reviewed) 1 January – 30 June 2025
Cash flows from operating activities		**(5,137,013)**	**9,983,584**
Net profit / (loss) for the period		**(4,493,317)**	**(104,550)**
Adjustments to reconcile profit/(loss) for the period to cash flows from operating Activities		**3,741,739**	**4,817,140**
Adjustments for depreciation and amortization	13, 14	**1,480,143**	**1,184,216**
Adjustments for impairments		**181,194**	**275,920**
Provision for inventories	11	181,194	275,920
Adjustments in relation to provision		**1,161,227**	**1,127,719**
- Provision for employee benefits	15	189,002	154,055
- Provision for warranty expenses	15	814,467	765,002
- Adjustments for other provisions		157,758	208,662
Adjustments in relation to interest income and expenses:		5,149,312	4,323,236
- Adjustment in relation to interest income	20	(977,417)	(200,938)
- Adjustment in relation to interest expense	21	6,126,729	4,524,174
Adjustments in relation to unrealised foreign exchange gains and losses		**906,508**	**1,611,152**
Adjustments in relation to fair value gains and losses		**93,157**	**13,215**
-Adjustments related to fair value losses (gains) on financial assets		20,854	9,294
Fair value losses/(gains) on financial derivative instruments		72,303	3,921
Adjustments for undistributed profits of investments accounted for using equity method		**10,034**	**30,138**
Adjustment on tax income / (expense)		**112,114**	**(320,137)**
Adjustment for (gain) / loss on sales of tangible and intangible assets, net		**1,778**	**-**
Monetary gain/ (loss)		(5,353,728)	(3,428,319)
Changes in net working capital		**(3,742,678)**	**6,001,256**
Change in trade receivables		**1,805,492**	**1,613,484**
Change in inventories		**(2,204,174)**	**(6,734,112)**
Change in trade payables		**811,827**	**3,353,534**
Other changes		**(4,155,823)**	**7,768,350**
- (Increase)/ decrease in other assets related to activities		269,414	(6,010,143)
- Increase/ (decrease) in other liabilities related to activities		(4,425,237)	13,778,493
Cash flows from operations		**(4,494,256)**	**10,713,846**
Payments in relation to employee benefits	15	**(25,673)**	**(15,083)**
Payments for other provisions	15	**(617,084)**	**(715,179)**
Cash flows from investing activities		**(3,971,533)**	**(1,529,278)**
Cash inflows from sale of property, plant and equipment and intangible assets		**2,929**	**5,419**
Proceeds from sale of property, plant and equipment		2,929	5,419
Cash outflows from the purchase of tangible and intangible assets		**(1,927,091)**	**(1,736,183)**
Cash outflows due to purchase of property, plant, and equipment		(594,066)	(469,587)
Cash outflows due to purchase of intangible assets	14	(1,333,025)	(1,266,596)
Cash inflows (outflows) related to acquisitions aimed at gaining control of subsidiaries	3	(3,027,612)	-
Interest received		**980,241**	**201,486**
Cash flows from financing activities		**7,681,855**	**(6,880,830)**
Cash inflows from borrowing	**6**	**27,783,851**	**7,092,776**
Cash inflows from loans		17,730,611	7,092,776
Cash inflows from issue of debt instruments		9,953,372	-
Cash inflows from other financial borrowings		99,868	-
Cash outflow due to repayment of borrowings	**6**	**(14,981,836)**	**(9,762,229)**
Repayments of borrowings		(14,941,545)	(9,762,229)
Cash outflows from repayments of other financial liabilities		(40,291)	-
Cash outflows related to debt payments from lease agreements	6	**(22,123)**	**(65,802)**
Dividends paid		**-**	**-**
Interest paid		**(5,098,037)**	**(4,145,575)**
Net increase (decrease) in cash and cash equivalents before the effect of currency translation differences		**(2,621,915)**	**1,249,365**
The effect of foreign currency translation differences on cash and cash equivalents		**(12,173)**	**(614,072)**
Effect of monetary loss on cash and cash equivalents		**(1,195,224)**	**(324,111)**
Net increase (decrease) in cash and cash equivalents		**(2,634,088)**	**635,293**
Cash and cash equivalents at the beginning of the period	**5**	**7,919,573**	**2,267,117**
Cash and cash equivalents at the end of the period	**5**	**5,285,485**	**2,902,410**

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

NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF OPERATIONS

Otokar Otomotiv ve Savunma Sanayi Anonim Şirketi ("Otokar" or the "Group") was established in 1963 and is registered in Istanbul, Türkiye and operating under the Turkish Commercial Code.

Otokar manufactures minibuses, small buses and buses for public transportation; light trucks for the transportation and logistics sector; and wheeled and tracked armoured vehicles and turret systems for the defense industry. Contract manufacturing agreements with Iveco Bus and Daimler Buses further reinforce Otokar's position as a reliable global manufacturing hub operating in line with high quality standards. In addition, the Company has expanded its product portfolio through its collaboration with Foton, and in 2024 included Foton Tunland pick-up models in its product offering.

The registered addresses of the Company are as follows:

Headquarters: Taşdelen Mahallesi, Sırrı Çelik Bulvarı No: 5 Çekmeköy/Istanbul
Plant: Atatürk Cad. No: 6 54580 Arifiye/Sakarya

The information regarding the subsidiaries, joint ventures and branches of the Group within the scope of consolidation is as follows:

Subsidiaries	Country	Main activity	Field of activity
Otokar Central Asia Limited (*)	Kazakhstan	Sales and marketing	Automotive and defense industry
Sisteme de Aparare Romania (Sarom) SRL (**)	Romania	Production, sales and marketing	Automotive and defense industry
Automecanica S.A. (***)	Romania	Production, sales and marketing	Automotive and defense industry
Otokar Europe SAS	France	Sales and marketing	Automotive
Otokar Land Systems LLC	United Arab Emirates	Sales and marketing	Automotive and defense industry
Otokar Europe Filiala Bucuresti S.R.L	Romania	Sales and marketing	Automotive
Otokar Italia S.R.L	Italy	Sales and marketing	Automotive
Otokar Land Systems S.R.L	Romania	Production, sales and marketing	Automotive and defense industry

(*) Otokar Central Asia Limited Company was established on November 5, 2019 in Astana International Financial Center (AIFC), a special-status region that accepts the principles of British Law in Kazakhstan, in order to increase its international sales and follow up export activities.
(**) Following the completion of the acquisition of Automecanica S.A. on June 3, 2026, Sisteme de Aparare Romania (SAROM) SRL became a subsidiary of Otokar.
(***) For the purpose of directly carrying out the activities within the scope of the Romanian 4x4 Tactical Wheeled Light Armoured Vehicle procurement project through Automecanica S.A., which possesses the necessary infrastructure, production facilities and licenses in Romania, 96.77% of the share capital and voting rights of Automecanica S.A. were acquired on June 3, 2026, and the company became a direct subsidiary of Otokar.

Joint Ventures	Country	Main activity	Field of activity
Al Jasoor Heavy Vehicle Industry LLC	United Arab Emirates	Sales and marketing	Automotive and defense industry

Since the financial activities of Otokar Central Asia Limited Company have not started yet, the investment was presented under 'Financial Investments' in the interim condensed consolidated financial statements.

The Group established the Sucursala branch in Romania on August 20, 2024, to ensure that local projects are conducted in compliance with Romanian legislation.

In line with its European growth strategy, the Group inaugurated a branch in Germany in July 2024.

Otokar and its subsidiaries and joint ventures will be referred to as the "Group" for the purpose of the preparation of these consolidated financial statements.

NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF OPERATIONS (Continued)

The period-end and the average number of personnel employed in the Group are as follows:

	30 June 2026		31 December 2025	
	Period end	**Average**	**Period end**	**Average**
White collar	961	925	903	928
Blue collar	2,891	2,734	2,730	2,773
Total	**3,852**	**3,659**	**3,633**	**3,702**
Temporary blue collar	231	125	26	176
Total	**4,083**	**3,784**	**3,659**	**3,878**

Otokar is registered with the Capital Markets Board ("CMB") and its shares have been listed on Borsa İstanbul A.Ş. ("BIST") since 1995. As of June 30, 2026 27.81% of the shares are listed on BIST.

As of June 30, 2026, the principal shareholders and their respective shareholding percentages are as follows:

	(%)
Koç Holding A.Ş.	47.38
Ünver Holding A.Ş.	24.81
Other	27.81
	100.00

Otokar Otomotiv ve Savunma Sanayi Anonim Şirketi is controlled by Koç Holding A.Ş.

The parent company, Koç Holding A.Ş., is controlled by Koç Family and the companies owned by Koç Family.

The shareholder of the Group, Ünver Holding A.Ş. is controlled by the Ünver Family.

The Group conducts part of its business transactions with the Koç Holding A.Ş. and related parties. There are certain related parties which are both customers and vendors of the Group.

The condensed interim consolidated financial statements for the interim period ended June 30, 2026 were approved by the Board of Directors of Otokar on July 31, 2026 for issuance.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Principles of preparation of consolidated financial statements

The interim condensed consolidated financial statements of the Group have been prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") and interpretations promulgated by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA") in line with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets" (the "Communiqué") announced by the Capital Markets Board of Turkey ("CMB") on 13 June 2013 which is published in the Official Gazette No. 28676. TFRS are updated by the communiqués in harmony with the changes and updates in International Financial Reporting Standards ("IFRS").

The Group maintains its accounting records and statutory financial statements in Turkish Lira ("TRY") in accordance with the requirements of the prevailing commercial legislation, tax regulations in Turkey, and the Uniform Chart of Accounts ("UCA") issued by the Ministry of Finance. Subsidiaries operating in foreign countries have prepared their statutory financial statements in accordance with the laws and regulations applicable in the respective countries in which they operate.

The consolidated financial statements are presented in accordance with the formats specified in the 'Announcement on TMS Taxonomy' and 'Financial Table Samples Usage Guide' published by the POA on 3 July 2024.

The Group has prepared its condensed interim consolidated financial statements for the interim period ended June 30, 2026 in accordance with TAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements do not include all the information required for annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of and for the year ended December 31, 2025.

The Company and its subsidiaries incorporated in Türkiye comply with the principles and requirements issued by the CMB, the Turkish Commercial Code ("TCC"), tax legislation and the requirements of the Uniform Chart of Accounts issued by the Ministry of Treasury and Finance in maintaining their accounting records and preparing their statutory financial statements. The consolidated financial statements have been prepared on the historical cost basis, except for derivative financial instruments measured at fair value, and have been adjusted and reclassified from the statutory records in order to present them fairly in accordance with TAS.

The interim condensed consolidated financial statements have been prepared under the historical cost convention, except derivative financial assets and liabilities carried at fair value.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Principles of preparation of consolidated financial statements (Continued)

Functional and presentation currency

Items included in the consolidated financial statements of the subsidiaries and joint ventures of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currencies of the subsidiaries and joint ventures are primarily the Euro ("EUR") and the Romanian Leu ("RON"). The interim condensed consolidated financial statements are presented in TRY, which is the Company's functional and presentation currency.

Financial statements of foreign subsidiaries, joint ventures, and associates

The assets and liabilities, presented in the financial statements of the foreign subsidiaries and joint ventures prepared in accordance with the Group's accounting policies, are translated into TRY at the exchange rate at the date of the balance sheet whereas income and expenses are translated at the average exchange rates for the respective periods. Exchange differences resulting from using the exchange rates at the balance sheet date and the average exchange rates are recognised in the currency translation differences under the equity and are adjusted according to the changes in the purchasing power of the TRY in order to comply with TFRS.

Going Concern

The Group has prepared its consolidated financial statements on a going concern basis.

Offsetting

Financial assets and liabilities are offset and presented on a net basis when there is a currently enforceable legal right to offset the recognized amounts, and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Comparative Information and Restatement of Prior Period Financial Statements

In order to enable the identification of trends in the Group's financial position and performance, the consolidated financial statements are prepared on a comparative basis with those of the previous period. Comparative information is reclassified where necessary to conform to the presentation of the current period consolidated financial statements, and significant differences are disclosed. The Group has applied consistent accounting policies in the consolidated financial statements presented for the periods covered, and there have been no significant changes in accounting policies or estimates during the current period.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Principles of preparation of consolidated financial statements (Continued)

Financial reporting in hyperinflationary economies

Pursuant to the decision of the Capital Markets Board (SPK) dated December 28, 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of IAS 29 starting from their annual financial reports for the periods ending on December 31, 2023.

In accordance with the aforementioned CMB resolution, the announcement made by the Public Oversight, Accounting and Auditing Standards Authority ("KGK") on November 23, 2023 and the "Implementation Guidance on Financial Reporting in Hyperinflationary Economies" issued thereunder, the Group has prepared its consolidated financial statements as of and for the period ended June 30, 2026 by applying TAS 29.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of June 30, 2026, and December 31, 2025 on the purchasing power basis as of June 30, 2026.

The restatements made in accordance with TAS 29 have been carried out using the adjustment coefficients obtained from the Consumer Price Index (CPI) in Türkiye, published by the Turkish Statistical Institute ("TurkStat"). As of June 30, 2026, the indices and adjustment coefficients used for the restatement of the consolidated financial statements are as follows:

Date	Index(*)	Correction Coefficient	Three-year cumulative inflation rates
June 30, 2026	129.99	1.00000	206%
December 31, 2025	110.39	1.17758	211%
June 30, 2025	98.40	1.32109	220%

(*) As of 2026, TurkStat updated the base year of the consumer price index to 2025=100. Accordingly, index values reported in prior periods using a different reference year and scaling were revised based on the new base year. For comparability, historical data have also been adjusted to the same base year.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Principles of preparation of consolidated financial statements (Continued)

The main factors of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period condensed consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.

- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.

- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.

- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first represented in the financial statements.

- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the condensed consolidated income statement (Note 27).

2.2 Accounting errors and changes in accounting estimates

The Group consistently recognizes, values and presents similar transactions, events and situations in the interim condensed consolidated financial statements, identified significant accounting errors are applied retrospectively and prior period financial statements are restated, The Group has applied the accounting policies consistent with the prior period.

If changes in accounting estimates are related to only one period, they are recognised in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively, The estimates used in the preparation of these interim condensed consolidated financial statements for the period ended 30 June 2026 are consistent with those used in the preparation of consolidated financial statements for the year ended 31 December 2025.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 Changes in accounting policies

Changes in accounting policies are made when the effects of transactions and events on the consolidated financial position, performance or cash flows of the Group will result in a more appropriate and reliable presentation in the consolidated financial statements. If optional changes in accounting policies affect previous periods, the policy is applied retrospectively in the consolidated financial statements as if it had always been in use. Accounting policy changes resulting from the application of a new standard are applied retrospectively or prospectively in accordance with the transitional provisions of that standard, if any, Changes without any transitional provisions are applied retrospectively.

2.3.1 New and amended standards and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of June 30, 2026 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2026 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as of January 1, 2026 are as follows:

Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments

In August 2025, POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognized on the 'settlement date'. It also introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The new requirements are applied retrospectively with an adjustment to opening retained earnings.

The amendments did not have a significant impact on the financial position or performance of the Group.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3.1 The new standards, amendments and interpretations (Continued)

Annual Improvements to TFRSs – Volume 11

In September 2025, POA issued Annual Improvements to TFRSs – Volume 11, amending the followings:

- TFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter: These amendments are intended to address potential confusion arising from an inconsistency between the wording in TFRS 1 and the requirements for hedge accounting in TFRS 9.

- TFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition: The amendments update the language on unobservable inputs in the Standard and include a cross reference to TFRS 13.

- TFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price: TFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with TFRS 9, the lessee is required to apply derecognition requirement of TFRS 9 and recognise any resulting gain or loss in profit or loss. TFRS 9 has been also amended to remove the reference to 'transaction price".

- TFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent': The amendments are intended to remove the inconsistencies between TFRS 10 paragraphs.

- *TAS 7 Statement of Cash Flows – Cost Method:* The amendments remove the term of "cost method" following the prior deletion of the definition of 'cost method'.

The amendments did not have a significant impact on the financial position or performance of the Group.

Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity

In August 2025, POA issued Contracts Referencing Nature-dependent Electricity (Amendments to TFRS 9 and TFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.

The amendments did not have a significant impact on the financial position or performance of the Group.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3.1 The new standards, amendments and interpretations (Continued)

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. the Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Group will wait until the final amendment to assess the impacts of the changes.

TFRS 17 - Standard for Insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2027 with the announcement made by the POA.

The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

TFRS 18 – Standard for Presentation and Disclosure in Financial Statements

In May 2025, POA issued TFRS 18 which replaces TAS 1. TFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. TFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as TAS 7, TAS 8 and TAS 34. TFRS 18 and the related amendments are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted. TFRS 18 will be applied retrospectively.

The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3.1 The new standards, amendments and interpretations (Continued)

TFRS 19 – Standard for Subsidiaries without Public Accountability: Disclosures

In August 2025, POA issued TFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other TFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply TFRS 19 will not need to apply the disclosure requirements in other TFRS accounting standards. An entity that is a subsidiary does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with TFRS accounting standards may elect to apply TFRS 19. TFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under TFRS 19.

The standard is not applicable for the Group.

Amendments to TAS 21 - Translation to a Hyperinflationary Presentation

The amendments issued by the POA in April 2026 require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. Accordingly, if an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the end of the current reporting period. Furthermore, an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with TAS 29, to the foreign operation's comparative figures. The amendments also introduce certain additional disclosure requirements.

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

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3.1 The new standards, amendments and interpretations (Continued)

iii) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following IFRS 20 and amendments to IAS 28 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Company / the Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

IFRS 20 – Standard for Regulatory Assets and Regulatory Liabilities

In May 2026, the Board issued IFRS 20, which sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense. IFRS 20 introduces requirements that will result in information that supplements the information an entity already provides by applying IFRS accounting standards, such as IFRS 15. Such information enables users of financial statements to understand the total allowed compensation for regulatory goods or services supplied in each reporting period and the related rights and obligations.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

Amendments to IAS 28 - Fair Value Option for Investments in Associates and Joint Ventures

The amendments issued by the Board in June 2026 clarify which entities can apply the fair value option in IAS 28. The amendments explained that a 'similar entity' includes an entity with a main business activity of investing in particular types of assets, as described in paragraph 49(a) of IFRS 18. It is also clarified that eligibility to apply the fair value option is assessed based on the entity that directly holds the investment in the associate or joint venture.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting judgments and estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. Those estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the periods in which they become known.

Significant estimates used in the preparation of these consolidated financial statements and the significant judgments with the most significant effect on amounts recognized in the consolidated financial statements are as follows:

a) Deferred tax asset is recognised to the extent that taxable profit will be available against which the deductible temporary differences can be utilized. When taxable profit is probable, deferred tax asset is recognised for all deductible temporary differences. For the period ended June 30, 2026, since the Management believed the indicators demonstrating that the Group will have taxable profits in the foreseeable future- are reliable, deferred tax asset has been recognized.

b) The Group determines provision for warranty expense by considering the past warranty expenses and remaining warranty period per vehicle.

c) The Group has made certain important assumptions based on experiences of technical personnel in determining useful economic lives of property, plant and equipment and intangible assets.

d) The Group has made certain assumptions based on experiences of technical personnel in determining impairment for inventories.

e) The Group, recognised development expenditures on an individual project as an intangible asset when the Group can demonstrate below:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it,
- existence of the ability to use or sell the intangible asset,
- reliability of how the intangible asset will generate probable future economic benefits,
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset and existence of the ability to measure reliably the expenditure attributable to the intangible asset during its development.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting judgments and estimates (Continued)

f) In determining impairment of trade receivables, the Group takes into account the creditworthiness of debtors, their historical payment performance and, in cases involving restructuring, the restructuring terms. The expected credit loss on trade receivables has been measured and it has been concluded that the impact is not significant.

g) The cost of defined benefit plans is determined using actuarial valuations which involve making assumptions about discount rates, future salary increases and employee turnover. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

2.5 Summary of key accounting policies

Group accounting

The consolidated financial statements comprise the financial statements of Otokar, the parent company, and its subsidiaries, within the scope set out in the following paragraph. The financial statements of the entities included in the scope of consolidation have been prepared in accordance with TFRS as of the dates of the consolidated financial statements, applying uniform accounting policies and practices.

Subsidiaries

Subsidiaries, including structured entities, are entities controlled by the Group. Control is achieved through the Group's exposure, or rights, to variable returns from its involvement with these entities and its ability to use its power over such entities to affect those returns. Subsidiaries are consolidated using the full consolidation method from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

The assets, liabilities, equity items, income and expenses, and cash flows of subsidiaries are included in the consolidated financial statements using the full consolidation method.

The carrying amounts of the investments held by Otokar and its subsidiaries are eliminated against the related equity of the subsidiaries. Intragroup transactions and balances between Otokar and its subsidiaries are eliminated upon consolidation.

Disposal of Subsidiaries

When the Group loses control of a subsidiary, the interest retained in the former subsidiary is remeasured at its fair value as of the date control is lost, and any difference between the fair value and the carrying amount is recognized in profit or loss. The fair value determined at that date becomes the initial carrying amount for the subsequent accounting of any retained investment as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the related assets or liabilities had been directly disposed of by the Group. This may result in amounts previously recognized in other comprehensive income being reclassified to profit or loss.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.5 Summary of key accounting policies(Continued)

The table below sets out the subsidiaries of the Company and shows the total interest of the Company in these companies on 30 June 2026 and 31 December 2025:

	2026		2025	
	Ownership	Rate of effective	Ownership	Rate of effective
Subsidiaries	**(%)**	**interest (%)**	**(%)**	**interest (%)**
Otokar Europe SAS	100.00	100.00	100.00	100.00
Otokar Land Systems SRL	100.00	100.00	100.00	100.00
Otokar Europe Filiala Bucuresti S.R.L	100.00	100.00	100.00	100.00
Otokar Central Asia Limited	100.00	100.00	100.00	100.00
Otokar Italia S.R.L	100.00	100.00	100.00	100.00
Otokar Land Systems SRL	100.00	100.00	100.00	100.00
Sisteme de Aparare Romania (Sarom) SRL (*)	98.39	98.39	-	-
Automecanica S.A. (**)	96.77	96.77	-	-

(*) Sisteme de Aparare Romania (Sarom) SRL, 50% owned by Otokar Land Systems SRL, a subsidiary of the Group, was established as a joint venture with Automecanica S.A. on May 28, 2025, for the purpose of manufacturing, marketing and selling automotive and defense industry products in Romania. As of June 3, 2026, following the completion of the acquisition process, Sisteme de Aparare Romania (Sarom) SRL became a subsidiary of Otokar.

(**) For the purpose of the direct fulfillment of the activities within the scope of the Romanian 4x4 Tactical Wheeled Light Armoured Vehicle procurement project, 96.77% of the share capital and voting rights of Automecanica S.A. were acquired as of June 3, 2026, and the company became a direct subsidiary of Otokar.

Joint Ventures

Joint Ventures are established by Otokar and its subsidiaries through a contract to undertake an economic activity, managed jointly by one or more entrepreneurial partners. Otokar ensures this joint control by leveraging the shares it owns directly or indirectly.

Under the equity method, an investment in a joint venture is initially recognized at acquisition cost. After the acquisition date, the investor's share of the profit or loss of the investee is reflected in the financial statements by increasing or decreasing the carrying amount of the investment. The investor's share of the profit or loss of the investee is recognized as the investor's profit or loss. Distributions received from the investee (such as dividends) reduce the carrying amount of the investment. The carrying amount of the investment should be adjusted for the investor's share of changes in the investee's other comprehensive income. In applying the equity method for Joint Ventures, the proportion of Otokar's direct and indirect voting rights has been considered.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.5 Summary of key accounting policies(Continued)

The table below sets out the company and shows the total interest of the Company in these companies on 30 June 2026 and 31 December 2025:

	2026		2025	
	Ownership	Rate of effective	Ownership	Rate of effective
Joint Ventures	(%)	interest (%)	(%)	interest (%)
Al Jasoor Heavy Vehicle Industry LLC (*)	49.00	49.00	49.00	49.00
Sisteme de Aparare Romania (Sarom) SRL	-	-	50.00	50.00

(*) Al Jasoor Heavy Vehicles Industry LLC, owned 49% of shares by Otokar Land Systems LLC which is a subsidiary of the Group, was established on 28 May 2017 with the purpose of selling and marketing in the UAE.

NOTE 3 - BUSINESS COMBINATION AND GOODWILL

On June 3, 2026, the Group acquired 96.77% of the share capital and voting rights of Automecanica S.A. for a consideration of TL 4,364,140 (EUR 81,744 thousand), thereby obtaining control of the company. Automecanica S.A. operates in the defense industry.

Through the acquisition of the shares of Automecanica S.A., which already possesses the necessary infrastructure, production facilities and licenses in Romania, the Group aims to carry out the activities within the scope of the Romanian 4x4 Tactical Wheeled Light Armoured Vehicle procurement project through Automecanica S.A.

The Group has provisionally recognized the difference between the total consideration transferred and the net assets acquired in connection with the acquisition in accordance with the provisions of TFRS 3 "Business Combinations". The final amounts will be determined following the completion of the independent valuation studies.

Total purchase price

The composition of the transferred price	Thousand TRY	Thousand Euro
Purchase price paid in cash	3,029,443	56,744
Contingent price	1,334,697	25,000
Total transferred amount	**4,364,140**	**81,744**

In addition to the EUR 10,000 thousand paid as of June 3, 2026, an additional EUR 46,744 thousand was paid to the sellers, subject to net debt and net working capital adjustments. In connection with the acquisition of the shares of Automecanica S.A., a further EUR 25,000 thousand, representing a portion of the purchase consideration, was paid to the sellers on July 2, 2026 upon submission of the required letter of guarantee. As a result, total consideration paid amounted to EUR 81,744 thousand, subject to net debt and net working capital adjustments. The final purchase consideration remains subject to post closing adjustments based on the net debt and net working capital position of Automecanica S.A. as of May 31, 2026.

NOTE 3 – BUSINESS COMBINATION AND GOODWILL (Continued)

Acquired identifiable assets and assumed liabilities

The consideration transferred and the provisional fair values of the identifiable assets acquired and liabilities assumed in accordance with TFRS 3 are summarized in the following table:

	Notes	Thousand TRY
Cash and cash equivalents		1,831
Trade and other receivables		108,202
Inventories		277,888
Other current assets		11,910
Investment properties		929,427
Tangible assets	13	671,177
Intangible assets	14	1,395
Commercial and other debts		(248,518)
Deferred tax liability	22	(127,035)
Other loans		(175,107)
Other liabilities		(202,058)
Deferred income		(139,622)
Value of identifiable net assets (100%)		**1,109,490**

Non-controlling interests and goodwill

Non-controlling interests are measured based on the share of the acquiree's identifiable net assets attributable to the non-controlling interests at the acquisition date.

	Thousand TRY
Purchase consideration transferred	4,364,140
Less: Value of identifiable net assets (96,77%)	(1,073,654)
Provisional goodwill arising from the business combination (Automecanica S.A.)	**3,290,486**

Cash flow resulting from the purchase.

Cash flow	Thousand TRY
Total cash consideration transferred	(3,029,443)
Cash and cash equivalents acquired	1,831
Net cash outflow resulting from the acquisition	**(3,027,612)**
Contingent price (*)	(1,334,697)
Total cash outflow that will occur as a result of the purchase	**(4,362,309)**

(*) As of June 3, 2026, TL 1,334,697 thousand of the purchase consideration for the acquisition of Automecanica S.A. includes the amount to be covered by the letter of guarantee provided as part of the acquisition transaction.

NOTE 3 – BUSINESS COMBINATION AND GOODWILL (Continued)

Goodwill movements

The goodwill movements during the reporting period are as follows:

	Thousand TRY
Balance as of January 1, 2026 (with purchasing power as of June 30, 2026) (*)	25,848
Provisional addition due to business combination	3,290,486
Balance as of June 30, 2026	**3,316,334**

(*) Otokar Europe SAS, a subsidiary of the Group, acquired all shares of MAURI Bus System S.R.L., an Italy-based company that had acted as the Company's dealer until September 12, 2023.The closing procedures related to the Share Transfer Agreement signed on September 12, 2023 were completed in September 2023.

NOTE 4 - SEGMENT REPORTING

The Group does not prepare segment reporting and follows financial statements by one operating unit.

Chief Executive Decision Makers (composed of key management, board members, general manager and assistant general managers) monitor the products only based on revenue (Note 18) and do not monitor based on cost of sales, operating expenses and financial expenses. Therefore, segment reporting is not presented.

NOTE 5 - CASH AND CASH EQUIVALENTS

	30 June 2026	31 December 2025
Banks		
- Time deposits	4,233,551	6,629,177
- Demand deposits	1,051,305	1,289,919
Other	629	477
Cash and cash equivalents in the cash flow statement	**5,285,485**	**7,919,573**
Interest accrual	3,449	6,274
	5,288,934	**7,925,847**

As of 30 June 2026, of the time deposits amounting to TL 4,233,551, the portion equivalent to TL 1,327,307 is denominated in foreign currencies and bears an effective annual interest rate of 3.5% with a maturity of 1 day. The remaining TL 2,906,242 bears an effective annual interest rate of 41.72% and has a maturity of 1 day. The Group has restricted bank deposits amounting to TL 2.(As of 31 December 2025, of the time deposits amounting to TL 6,629,177, the portion equivalent to TL 724,470 was denominated in foreign currencies and bore an effective annual interest rate of 1.80% with a maturity of 2 days. The remaining TL 5,904,245 bore an effective annual interest rate of 38.56% and had a maturity of 2 days. As of 31 December 2025, the Group had restricted bank deposits amounting to TL 462.)

NOTE 6 – BORROWINGS

The details of the Group's borrowings as of June 30, 2026 and December 31, 2025 are as follows;

	30 June 2026	31 December 2025
Short-term		
Short-term bank loans	5,066,386	9,364,601
Bonds and notes issued	4,586,008	-
Lease payables	53,378	-
Lease liabilities	19,954	43,406
Total short-term financial liabilities	**9,725,726**	**9,408,007**
Current portion of long-term financial liabilities		
Current portion of long term bank loans	5,671,021	14,112,596
Bonds and notes issued	274,254	-
Total current portion of long-term financial liabilities	**5,945,275**	**14,112,596**
Long-term		
Long-term bank loans	27,466,299	17,118,922
Bonds and notes issued	5,000,000	-
Lease liabilities	52,517	47,360
Total long-term borrowings	**32,518,816**	**17,166,282**
Total borrowings	**48,189,817**	**40,686,885**

As of June 30, 2026 and December 31, 2025, the maturities of the Group's total borrowings are as follows:

	30 June 2026	31 December 2025
Payable within 1 year	15,671,001	23,520,603
Payable within 1–2 years	32,518,816	17,166,282
Total borrowings	**48,189,817**	**40,686,885**

NOTE 6 – BORROWINGS (continued)

The foreign currency and interest details of the Group's bank loans as of June 30 and December 31 are as follows;

	30 June 2026			31 December 2025		
	Effective interest rate (%)	Original currency	TRY Equivalent	Interest rate (%)	Original currency	TRY Equivalent
Short-term						
TRY loans	32.53	933,542	933,542	36.26	4,713,045	4,713,045
TRY bonds	41.19	4,586,008	4,586,008	-	-	-
TRY lease liabilities	40.14	15,516	15,516	41.28	33,752	33,752
EUR loans	4.24	45,000	2,389,275	5.35	40,330	2,396,137
EUR financial leasing	-	1,005	53,378	-	-	-
EUR lease liabilities	7.75	84	4,438	7.68	191	9,655
CNY loans	5.05	255,457	1,743,569	4.88	314,102	2,255,418
Total short-term borrowings			**9,725,726**			**9,408,007**
Short-term portions of long-term loans						
TRY loans	43.99	1,708,708	1,708,708	50.48	10,165,038	10,165,038
TRY Bonds	46.55	274,254	274,254	-	-	-
EUR loans	5.58	74,627	3,962,313	5.62	66,443	3,947,558
Short-term portions of total borrowings			**5,945,275**			**14,112,596**
Long-term						
TRY loans	45.45	17,718,011	17,718,011	43.92	12,428,337	12,428,337
TRY Bonds	46.55	5,000,000	5,000,000	-	-	-
TRY lease liabilities	48.65	40,836	40,836	48.14	36,826	36,826
EUR loans	5.79	183,601	9,748,288	5.64	78,949	4,690,585
EUR lease liabilities	8.16	220	11,681	8.06	209	10,534
Total long-term borrowings			**32,518,816**			**17,166,282**

NOTE 6 – BORROWINGS (Continued)

On January 23, 2026, the Group issued a TRY-denominated bond amounting to TRY 2,000,000, with a maturity of 726 days, sold domestically to qualified investors without public offering, bearing coupon interest payable quarterly, and providing an additional yield of 90 basis points over the TRYREF reference rate.

On February 23, 2026, the Group issued another TRY-denominated bond amounting to TRY 3,000,000, with a maturity of 726 days, sold domestically to qualified investors without public offering, bearing coupon interest payable quarterly, and providing an additional yield of 90 basis points over the TRYREF reference rate.

On June 3, 2026, the Group issued a TRY-denominated bond amounting to TRY 1,000,000, with a maturity of 369 days, sold domestically to qualified investors through a private placement, bearing coupon interest payable quarterly, and offering an additional return of 100 basis points over the TRYREF reference rate.

On June 15, 2026, the Group issued another TRY-denominated bond amounting to TRY 3,500,000, with a maturity of 368 days, sold domestically to qualified investors through a private placement, bearing coupon interest payable quarterly, and offering an additional return of 125 basis points over the TRYREF reference rate.

As of June 30, 2026, the Group has no collateral provided for its loans (December 31, 2025: None).

The Group has no financial obligations arising from its borrowings.

The movements of borrowings in the years ending June 30 are as follows:

	2026	2025
Opening – 1 January	40,686,885	32,621,897
Additions	27,683,983	7,092,776
Payments	(14,941,545)	(9,762,229)
Changes in lease liabilities	17,517	238,813
Cash outflows for lease contract payments	(22,123)	(65,802)
Changes in finance lease borrowings	99,868	-
Cash outflows for finance lease payments	(40,291)	-
Changes in interest accruals	1,028,692	378,599
Foreign exchange (gain)/loss	906,508	1,611,152
Monetary gain/(loss)	(7,229,677)	(4,724,143)
30 June	**48,189,817**	**27,391,063**

NOTE 7 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

As of 30 June 2026, and 31 December 2025, the details of carrying value and ownership rate subject to equity accounting of the joint venture is as follows:

	2026		2025	
Joint ventures	**(%)**	**Amount**	**(%)**	**Amount**
Al Jasoor	49	49,908	49	64,855
		49,908		**64,855**

For the interim accounting periods ending 30 June 2026 and 2025, the table of in-period movements of the joint ventures is as follows:

	2026	**2025**
Beginning - 1 January	64,855	112,671
Shares of profit /(loss)	(10,034)	(30,138)
Currency translation differences	(4,913)	(4,043)
30 June	**49,908**	**78,490**

As of 30 June 2026 and 31 December 2025, the financial information for Al Jasoor Heavy Vehicle Industry LLC, which is accounted for using the equity method, is as follows:

	30 June 2026	**31 December 2025**
Total assets	185,213	232,651
Total liabilities	(83,360)	(100,294)
Net assets	**101,853**	**132,357**
Ownership of the Group	0.49	0.49
Net asset share of the Group	**49,908**	**64,855**

NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments consist of the forward contracts which are entered in order to hedge foreign currency risk arising from Group's foreign currency sales.

30 June 2026	**Contract amount**	**Current period contract maturity**	**Fair value liabilities**
Forward transactions	3,898,048	July 2026	72,303
Short-term derivatives	3,898,048		72,303
Total derivative financial instruments	3,898,048		72,303

31 December 2025	**Contract amount**	**Prior period Contract maturity**	**Fair value liabilities**
Forward transactions	-	-	-
Short-term derivatives	-	-	-
Total derivative financial instruments	**-**	**-**	**-**

NOTE 9 - TRADE RECEIVABLES AND PAYABLES

Trade receivables

	30 June 2026	**31 December 2025**
Trade receivables - third parties	12,579,484	15,672,239
Trade receivables - related parties (Note 24)	2,184,068	3,360,254
Allowance for doubtful receivables (-)	(374,090)	(400,893)
Total short-term	**14,389,462**	**18,631,600**
Long-term trade receivables	-	256,702
Total long-term	-	256,702

As of 30 June 2026, the average maturity of short-term trade receivables is between 30-60 days (31 December 2025: 30-60 days).

As of June 30, 2026 and December 31, 2025, the carrying amounts of trade receivables approximate their fair values due to the short-term nature of their collection period.

NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)

Guarantees received for trade receivables

The Group's receivables mainly arise from sales to dealers of minibuses, small buses, buses, trucks, and pick-ups, as well as from sales of defense vehicles.

As of June 30, 2026, the Group's domestic receivables from dealers, amounting to a total of TL 3,862,204 (December 31, 2025: TL 3,534,485) after provision for doubtful receivables, are secured by collateral of TL 3,177,193 (December 31, 2025: TL 3,534,485) and guaranteed through the Direct Debit System ("DBS").

The movements of the provision for doubtful trade receivables in the interim accounting periods ending on 30 June 2026 and 2025 are as follows:

	2026	2025
1 January -	**400,893**	**426,419**
Monetary gain/(loss)	(60,455)	(32,820)
Collections	(2,435)	-
Provisions no longer required (Note 19)	22,453	-
Currency translation differences	13,634	66,382
30 June	**374,090**	**459,981**

Trade payables

	30 June 2026	31 December 2025
Trade payables - third parties	8,177,678	8,161,808
Trade payables - related parties (Note 24)	360,511	643,950
Short-term trade payables	**8,538,189**	**8,805,758**

As of 30 June 2026, the average maturity of trade payables is between 45-60 days (31 December 2025: between 45-60 days).

As of June 30, 2026 and December 31, 2025, the fair values of trade payables approximate to their carrying values due to short-term maturity of those payables.

NOTE 10 - OTHER RECEIVABLES AND PAYABLES

Short-term other receivables

	30 June 2026	31 December 2025
Due from personnel	5,086	5,118
Deposits and guarantees given	3,327	316
VAT receivables	583	-
	8,996	**5,434**

Long-term other receivables

	30 June 2026	31 December 2025
Deposits and guarantees given	12,513	13,105
	12,513	**13,105**

Short-term other payables

	30 June 2026	31 December 2025
Personnel cost expense allowance	378,854	60,012
Contractual penalty payments and accruals (Note 19)	2,409,825	3,446,612
Other (*)	1,495,500	-
	4,284,179	**3,506,624**

(*) As of June 3, 2026, TL 1,334,697 of the purchase consideration for the acquisition of Automecanica S.A. includes the amount to be covered by the letter of guarantee provided as part of the acquisition transaction.

NOTE 11 - INVENTORIES

	30 June 2026	31 December 2025
Raw material	9,200,996	8,825,712
Work in process	2,437,237	951,683
Finished goods	6,001,090	4,797,661
Merchandise	2,126,879	2,769,471
Goods in transit	3,507,397	3,447,009
Total	**23,273,599**	**20,791,536**
Less: Impairment for inventories(*)	(1,860,636)	(1,679,442)
Total	**21,412,963**	**19,112,094**

(*) The impairment of inventories amounting to 67,409 thousand TRY relates to finished goods (31 December 2025: 34,172 thousand TRY), 7,309 thousand TRY relates to merchandise inventories (31 December 2025: 12,827 thousand TRY), 1,134,745 thousand TRY relates to raw materials (31 December 2025: 1,099,837 thousand TRY), and 651,173 thousand TRY relates to goods in transit (31 December 2025: 532,607 thousand TRY). The provision for inventory impairment has been recognized in the cost of goods sold account.

The movement in the provision for inventory impairment for the interim periods ended June 30, 2026 and 2025 is as follows:

	2026	2025
Opening - January 1	(1,679,442)	(1,111,746)
Charge for the period	(181,194)	(275,920)
30 June	**(1,860,636)**	**(1,387,666)**

NOTE 12 - FINANCIAL INVESTMENTS

Otokar Central Asia Limited was established on November 5, 2019 at the Astana International Financial Center (AIFC) in Nur-Sultan, Kazakhstan, a special zone that adopts the principles of English Law, with the purpose of increasing overseas sales and monitoring export activities.

Financial investments comprise the capital participation amounting to TRY 1,362 in Otokar Central Asia Limited and the investment of TRY 96,322 in the Private Equity Investment Fund (December 31, 2025: capital participation amounting to TRY 1,362 in Otokar Central Asia Limited and investment of TRY 117,176 in the Private Equity Investment Fund).

NOTE 13 - PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

Movements of property, plant and equipment and related accumulated depreciation for the periods ended 30 June 2026 and 2025 is as follows:

	1 January 2026	Additions	Currency translation differences	Disposal	Transfers	Acquisition	30 June 2026
Cost							
Land	1,067,957	-	-	-	-	14,457	1,082,414
Land improvements	487,219	1,976	-	-	-	-	489,195
Buildings	3,778,625	-	-	-	-	549,629	4,328,254
Machinery, plants and devices	5,055,985	71,977	(4,714)	(2,758)	8,454	102,418	5,231,362
Vehicles	285,825	4,207	-	(14,090)	-	4,334	280,276
Furniture and fittings	3,289,449	70,380	(5,113)	(2,395)	(879)	339	3,351,781
Investments in progress	426,696	443,192	-	-	(13,359)	-	856,529
Leasehold improvements	334,413	2,334	-	(10,074)	5,784	-	332,457
	14,726,169	**594,066**	**(9,827)**	**(29,317)**	**-**	**671,177**	**15,952,268**
Accumulated depreciation							
Land improvements	(218,907)	(7,609)	-	-	-	-	(226,516)
Buildings	(1,847,239)	(48,346)	-	-	-	-	(1,895,585)
Machinery, plants and devices	(3,040,201)	(182,847)	4,519	1,711	-	-	(3,216,818)
Vehicles	(108,006)	(13,186)	-	11,541	-	-	(109,651)
Furniture and fittings	(1,103,085)	(138,410)	2,925	1,284	-	-	(1,237,286)
Leasehold improvements	(97,131)	(32,321)	343	10,074	-	-	(119,035)
	(6,414,569)	**(422,719)**	**7,787**	**24,610**	**-**	**-**	**(6,804,891)**
Net book value	**8,311,600**						**9,147,377**

As of 30 June 2026, there are no pledges or collaterals on property, plant, and equipment (31 December 2025: No mortgages).

	1 January 2025	Additions	Currency translation differences	Disposal	Transfers	Acquisition	30 June 2025
Cost							
Land	1,067,981	-	-	-	-	-	1,067,981
Land improvements	423,634	1,249	-	-	-	-	424,883
Buildings	3,578,083	4,593	-	-	-	-	3,582,676
Machinery, plants and devices	5,043,182	130,810	7,525	(42,149)	14,169	-	5,153,537
Vehicles	336,449	46,965	-	(6,135)	-	-	377,279
Furniture and fittings	3,380,989	56,201	9,213	(5,990)	-	-	3,440,413
Investments in progress	243,657	229,188	2,015	-	(14,169)	-	460,691
Leasehold improvements	335,199	581	-	-	-	-	335,780
	14,409,174	**469,587**	**18,753**	**(54,274)**	**-**	**-**	**14,843,240**
Accumulated depreciation							
Land improvements	(202,170)	(6,882)	-	-	-	-	(209,052)
Buildings	(1,747,110)	(50,039)	-	-	-	-	(1,797,149)
Machinery, plants and devices	(3,114,017)	(167,543)	(6,473)	40,080	-	-	(3,247,953)
Vehicles	(193,223)	(12,611)	-	4,715	-	-	(201,119)
Furniture and fittings	(1,105,316)	(136,105)	(6,237)	281	-	-	(1,247,377)
Leasehold improvements	(32,781)	(32,410)	-	-	-	-	(65,191)
	(6,394,617)	**(405,590)**	**(12,710)**	**45,076**	**-**	**-**	**(6,767,841)**
Net book value	**8,014,557**						**8,075,399**

NOTE 13 - PROPERTY, PLANT AND EQUIPMENT (Continued)

For the interim accounting periods ending on June 30, 2026, and 2025, the breakdown of depreciation and amortization expenses for tangible and intangible assets in the current period is as follows:

	30 June 2026	**30 June 2025**
Research and development expenses	993,461	657,197
Cost of goods sold	227,299	220,079
Depreciation on inventory	81,743	68,200
General administrative expenses	71,805	52,404
Developments projects in progress	52,274	62,805
Right-of-use assets	32,579	86,181
Sales and marketing expenses	20,982	37,349
Foreign currency conversion adjustments	(7,811)	12,738
	1,472,332	**1,196,953**

Right-of-use assets

The allocation of right of use assets and related accumulated depreciation for the periods ended 30 June 2026 and 2025 is as follows:

As of 30 June 2026	**Buildings**	**Vehicles**	**Furniture and fixtures**	**Total**
Cost	217,330	597,634	239	815,203
Accumulated depreciation	(166,339)	(560,536)	(239)	(727,114)
	50,991	**37,098**	**-**	**88,089**

As of 30 June 2025	**Buildings**	**Vehicles**	**Furniture and fixtures**	**Total**
Cost	277,938	418,630	12,108	708,676
Accumulated depreciation	(240,322)	(370,851)	(7,666)	(618,839)
	37,616	**47,779**	**4,442**	**89,837**

NOTE 14 – INTANGIBLE ASSETS

Movements of intangible assets and related accumulated amortisation for the periods ended 30 June 2026 and 2025 are as follows:

	1 January 2026	Additions	Currency translation differences	Disposal	Transfers	Acquisition	30 June 2026
Cost							
Other intangible assets	741,787	2,206	(56)	-	-	1,395	**745,332**
Development costs	18,573,979	-	-	-	-	-	**18,573,979**
Developments projects in progress	4,917,660	1,330,819	-	-	-	-	**6,248,479**
Customer relations	94,062	-	-	-	-	-	**94,062**
	24,327,488	**1,333,025**	**(56)**	**-**	**-**	**1,395**	**25,661,852**
Accumulated amortizations							
Other intangible assets	(626,120)	(24,176)	24	-	-	-	**(650,272)**
Development costs	(12,268,744)	(994,125)	-	-	-	-	**(13,262,869)**
Customer relations	(68,697)	(6,544)	-	-	-	-	**(75,241)**
	(12,963,561)	**(1,024,845)**	**24**	**-**	**-**	**-**	**(13,988,382)**
Net book value	**11,363,927**						**11,673,470**

	1 January 2025	Additions	Currency translation differences	Disposal	Transfers	Acquisition	30 June 2025
Cost							
Other intangible assets	723,857	8,905	112	-	-	-	732,874
Development costs	14,926,505	-	-	-	-	-	14,926,505
Developments projects in progress	6,084,859	1,257,691	-	-	-	-	7,342,550
Customer relations	94,062	-	-	-	-	-	94,062
	21,829,283	**1,266,596**	**112**	**-**	**-**	**-**	**23,095,991**
Accumulated amortizations							
Other intangible assets	(560,029)	(33,767)	(28)	-	-	-	(593,824)
Development costs	(10,803,816)	(643,894)	-	-	-	-	(11,447,710)
Customer relations	(52,197)	(14,784)	-	-	-	-	(66,981)
	(11,416,042)	**(692,445)**	**(28)**	**-**	**-**	**-**	**(12,108,515)**
Net book value	**10,413,241**						**10,987,476**

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions

	30 June 2026	31 December 2025
Provision for warranty expenses	1,315,043	1,356,606
Provision for employee benefits	236,683	173,719
Litigation provisions	62,381	61,150
Provision for purchase costs	27,159	44,504
Other	1,193,695	1,179,215
	2,834,961	**2,815,194**

Provision for warranty expenses

The Group provides standard warranty coverage for the vehicles it sells and, in line with customer requirements/tender specifications, also offers extended warranty options to customers. Accordingly, as of the balance sheet date, provisions have been recognized for the estimated warranty expenses to be incurred in future periods for all vehicles under warranty coverage.

As of June 30, 2026 and 2025, the movement of provision for warranty expenses is follows:

	2026	2025
1 January -	**1,356,606**	**1,297,076**
Increase/(decrease) in provision, net	814,467	765,002
Monetary gain/(loss)	(238,946)	(184,354)
Disposals/payments (-)	(617,084)	(715,179)
As of June 30	**1,315,043**	**1,162,545**

Provision for employment termination benefits

	30 June 2026	31 December 2025
Provision for employment termination benefits	770,338	752,873
Provision for unused vacation	236,683	173,719
	1,007,021	**926,592**

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

Provision for employment termination benefits

The amount payable consists of one month's salary limited to a maximum of TRY 64,948.77 in full for each year of service as of 30 June 2026 (31 December 2025: TRY 53,919.60 in full).

The reserve for employment termination benefits is not legally subject to any funding and there are no funding requirements.

Provision for employment termination benefits is calculated by estimating the present value of the probable obligation that the employees will have to pay in case of retirement.

Turkish Accounting Standards promulgated by POA require actuarial valuation methods to be developed to estimate the Group's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	30 June 2026	**31 December 2025**
Net discount rate (%)	3.66	3.65
Turnover rate to estimate the probability of retirement (%)	97.76	97.83

Provisions for employee benefits

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the real rate free of expected effects of inflation. The termination indemnity ceiling is revised semi-annually and the ceiling amounting to TRY 73,729.87 , which is effective from 1 July 2026, has been taken into consideration in calculation of retirement benefit provision.

As of June 30, 2026 and 2025, the movements of provision for employment termination benefits are as follows:

	2026	**2025**
1 January	**752,873**	**648,443**
Interest expense and charge for the period	116,419	111,365
Payments	(25,673)	(15,083)
Actuarial loss/gain	43,076	59,613
Monetary gain/(loss)	(116,357)	(106,434)
30 June	**770,338**	**697,904**

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Provision for unused vacation

As of June 30, 2026 and 2025, the movements of provision for unused vacation are as follows:

	2026	2025
1 January -	**173,719**	**216,179**
Charge for the period, net	72,583	42,690
Monetary gain/(loss)	(9,619)	(18,086)
As of June 30	**236,683**	**240,783**

Commitments and contingencies

As of 30 June 2026 and 31 December 2025, the tables which represent the position of guarantees, pledges and mortgages are as follows:

	30 June 2026	31 December 2025
a. Total amount of guarantees, pledges and mortgages given the name of legal entity	26,133,073	39,515,713
b. Total amount of guarantees, pledges and mortgages given in favour of the parties which are included in the scope of full consolidation	456,667	731,380
c. Total amount of guarantees, pledges and mortgages given to third parties for their liabilities in the purpose of	-	-
d. Total amount of other guarantees, pledges and mortgages	-	-
	26,589,740	**40,247,093**

The details of guarantees, pledges, and mortgages in terms of original currencies are as follows:

	30 June 2026		31 December 2025	
	Original currency	TRY equivalent	Original currency	TRY equivalent
TRY	4,811,215	4,811,215	5,782,674	5,782,674
RON	1,526,170	15,373,415	2,348,880	27,234,809
USD	78,022	3,632,325	68,374	3,451,072
EUR	50,319	2,671,690	58,925	3,500,876
CZK	34,690	76,027	34,690	249,093
GEL	1,326	23,416	1,430	26,829
CNY	242	1,652	242	1,740
		26,589,740		**40,247,093**

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

Guarantee letters

a) Guarantees given as of June 30, 2026 and December 31, 2025 are as follows:

	30 June 2026	31 December 2025
Bank letters of guarantee	26,589,740	40,247,093
	26,589,740	**40,247,093**

b) Guarantees received as of June 30, 2026 and December 31, 2025 are as follows:

	30 June 2026	31 December 2025
Bank letters of guarantee	6,569,279	6,928,623
Guarantee notes	2,655	2,971
	6,571,934	**6,931,594**

NOTE 16 - PREPAID EXPENSES, EMPLOYEE BENEFIT OBLIGATIONS, OTHER ASSETS AND LIABILITIES

a) Prepaid expenses

Prepaid expenses - short-term

	30 June 2026	31 December 2025
Advances given	1,106,151	1,934,735
Prepaid expenses	741,534	556,155
	1,847,685	**2,490,890**

Prepaid expenses - long-term

	30 June 2026	31 December 2025
Advances given	2,656,475	3,278,476
Prepaid expenses	159,303	186,531
	2,815,778	**3,465,007**

NOTE 16 - PREPAID EXPENSES, EMPLOYEE BENEFIT OBLIGATIONS, OTHER ASSETS AND LIABILITIES (Continued)

b) Other current assets

Other current assets - short-term	**30 June 2026**	**31 December 2025**
VAT receivables	2,713,589	2,324,208
Other	321,899	283,381
	3,035,488	**2,607,589**

c) Other tangible assets

Other tangible assets	**30 June 2026**	**31 December 2025**
VAT receivables	582,506	453,183
	582,506	**453,183**

d) Liabilities arising from customer contracts

Liabilities arising from customer contracts – short term	**30 June 2026**	**31 December 2025**
Advances received	4,832,857	8,555,918
Deferred maintenance income	187,361	385,063
	5,020,218	**8,940,981**

Liabilities arising from customer contracts - long- term	**30 June 2026**	**31 December 2025**
Deferred maintenance income	551,280	491,614
	551,280	**491,614**

e) Employee benefits obligation

	30 June 2026	**31 December 2025**
Social security payables	252,409	212,237
Payables to employees	168,455	383,191
Taxes and funds payable	134,182	253,673
	555,046	**849,101**

NOTE 16 - PREPAID EXPENSES, DEFERRED REVENUE, OTHER ASSETS AND LIABILITIES (Continued)

f) Other current liabilities

	30 June 2026	31 December 2025
Taxes and funds payable	338,638	265,472
	338,638	**265,472**

NOTE 17 - EQUITY

Share capital

The Group's shareholders as of 30 June 2026 and 31 December 2025 and their shares in the capital are as follows, with historical values:

	30 June 2026		31 December 2025	
	TRY	(%)	TRY	(%)
Koç Holding A.Ş.	56,850	47.38	56,850	47.38
Ünver Holding A.Ş.	29,775	24.81	29,775	24.81
Other	33,375	27.81	33,375	27.81
Total capital	**120,000**	**100.00**	**120,000**	**100.00**
Capital adjustment differences	2,806,594		2,806,594	

The accumulated profits in the statutory books can be distributed except for the provision regarding the legal reserves specified below. According to the Turkish Commercial Code, legal reserves are divided into two as first and second legal reserves. According to the Turkish Commercial Code, first legal reserves are separated as 5% of the legal net profit until 20% of the Group's paid-in capital is reached. Second legal reserves are 10% of the distributed profit exceeding 5% of the paid-in capital. According to the Turkish Commercial Code, legal reserves can only be used to offset losses as long as they do not exceed 50% of the paid-in capital and cannot be used in any other way. Public companies distribute dividends in accordance with the CMB's Communiqué on Dividends No. II-19.1, which entered into force on February 1, 2014.

Partnerships distribute their profits in accordance with the profit distribution policies to be determined by their general assemblies and in accordance with the relevant legislation. Within the scope of the said circular, a minimum distribution rate has not been determined. Companies pay dividends as determined in their articles of association or profit distribution policies. In addition, dividends can be paid in equal or different installments and cash dividend advances can be distributed based on the profit included in the consolidated financial statements.

NOTE 17 – EQUITY (continued)

Unless the reserve funds that must be set aside according to the TCC and the dividend determined for the shareholders in the articles of association or the dividend distribution policy are set aside; no other reserve funds can be set aside, no profit can be transferred to the following year, no dividend share can be distributed to the dividend shareholders, board members, partnership employees and persons other than the shareholders, and no dividend share can be distributed to these persons unless the dividend share determined for the shareholders is paid in cash.

The IFRS adjusted values and capital adjustment differences of the items shown above with their historical values are as follows as of June 30, 2026

30 June 2026	**Historical Value**	**Inflation adjustments on equity items**	**Indexed value**
Capital	120,000	2,806,594	2,926,594
Restricted reserves	254,798	2,008,961	2,263,759
	374,798	**4,815,555**	**5,190,353**

In the statutory records kept in accordance with the Tax Procedural Law, the historical values of the Group's share capital and legal reserves together with inflation adjustment differences as of June 30, 2026 are as follows:

30 June 2026	**Historical Value**	**Inflation adjustments on equity items**	**Indexed value**
Capital	120,000	795,149	915,149
Restricted reserves	254,798	1,669,330	1,924,128
	374,798	**2,464,479**	**2,839,277**

No dividends were distributed during the six-month period ended June 30, 2026 (no dividends were distributed during the year ended December 31, 2025).

As of June 30, 2026, the Group's share capital was fully paid and consisted of 12,000,000,000 shares with a nominal value of TRY 0.01 each.

NOTE 18 - REVENUE AND COST OF SALES

Net Sales

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Domestic sales	10,922,156	5,548,854	10,602,198	5,219,219
Export sales	12,782,830	5,938,263	15,904,504	9,970,045
Gross sales	**23,704,986**	**11,487,117**	**26,506,702**	**15,189,264**
Less: Contractual Penalty Liabilities (*)	(1,678,464)	(46,820)	-	-
Less: sales discounts and returns	(856,633)	(486,941)	(298,565)	(128,188)
Net sales	**21,169,889**	**10,953,356**	**26,208,137**	**15,061,076**

(*) On November 27, 2024, the Group signed a contract with C.N. Romtehnica S.A. ("Romtehnica"), a company of the Romanian Ministry of National Defense, covering the delivery of a total of 1,059 Cobra II vehicles over a five-year period. The contract includes the supply of vehicles manufactured both at the Group's facilities in Türkiye and at a facility in Romania where such production capabilities are to be established.

The contract includes penalty clauses payable in the event of non-compliance with interim milestones relating to the vehicle delivery schedule and local production preparations.As disclosed in the Group's material event disclosure dated January 16, 2026, within the scope of the tender for the procurement of 4x4 Tactical Wheeled Light Armoured Vehicles launched by C.N. Romtehnica S.A. ("Romtehnica"), which was awarded to the Group, Romtehnica submitted payment claims against the Group on December 17, 2025 amounting to RON 191,848 thousand (TL 1,877,289 thousand based on the exchange rate as of December 31, 2025) and on December 24, 2025 amounting to RON 7,296 thousand (TL 71,846 thousand based on the exchange rate as of December 31, 2025), for a total amount of TL 1,949,132 thousand. Such claims were based on the allegation that interim milestones relating to local production preparations under the contract schedule for the portion of the project to be produced in Romania had not been achieved on time. The aforementioned amount was paid on January 16, 2026, without prejudice to the Group's legal rights.

As disclosed in the Group's material event disclosure dated February 13, 2026, Romtehnica submitted a second payment claim amounting to RON 230,217 thousand (TL 2,326,366 thousand based on the exchange rate prevailing on the relevant date), based on grounds that were a continuation of those described above.With respect to this second claim, an amount of RON 93,792 thousand (TL 923,507 thousand in purchasing power as of December 31, 2025), which had been accounted for as a deduction from the 2025 contract entitlements in the Group's publicly disclosed annual financial statements, was recognized as an accrual in the 2025 financial statements. The remaining amount of RON 136,425 thousand (TL 1,610,836 thousand in purchasing power as of June 30, 2026) relates to 2026 contract entitlements and has been recognized in the 2026 financial statements.

At this stage, an action for annulment together with a request for suspension of execution has been filed against the second claim. In this context, the Romanian courts decided to consolidate and jointly hear the annulment actions filed by the Group. Furthermore, without prejudice to the counterparty's right of appeal, the execution of the second payment claim amounting to RON 230,217 thousand (TL 2,326,366 thousand based on the exchange rate prevailing on the relevant date) was suspended until the legal proceedings are finally concluded. This matter was disclosed to the public through the material event disclosure dated March 16, 2026, and it was subsequently learned that the counterparty exercised its right of appeal. As disclosed in the material event disclosure dated July 1, 2026, the relevant court ruled in favour of the Group following the appeal review and dismissed Romtehnica's appeal.

On February 4, 2026, Romtehnica submitted an additional payment claim amounting to RON 4,315 thousand (TL 43,148 thousand based on the exchange rate prevailing on the relevant date) due to the delayed delivery of 46 vehicles sold and delivered from the first batch of vehicles manufactured at the Group's facilities in Türkiye. Of this amount, RON 2,365 thousand (TL 23,286 thousand in purchasing power as of December 31, 2025) relates to 2025 contract entitlements and has been recognized in the 2025 financial statements. The remaining amount of RON 1,950 thousand (TL 24,216 thousand in purchasing power as of June 30, 2026) relates to 2026 contract entitlements and has been recognized in the 2026 financial statements.

On March 5, 2026, Romtehnica submitted a further payment claim amounting to RON 4,790 thousand (TL 47,650 thousand based on the exchange rate prevailing on the relevant date) due to the delayed delivery of 36 vehicles sold and delivered from the first batch of vehicles manufactured at the Group's facilities in Türkiye. Of this amount, RON 1,954 thousand (TL 19,237 thousand in purchasing power as of December 31, 2025) relates to 2025 contract entitlements and has been recognized in the 2025 financial statements. The remaining amount of RON 2,836 thousand (TL 31,779 thousand in purchasing power as of June 30, 2026) relates to 2026 contract entitlements and has been recognized in the 2026 financial statements.

On July 7, 2026, Romtehnica submitted an additional payment claim amounting to RON 1,155 thousand (TL 11,633 thousand in purchasing power as of June 30, 2026) due to the delayed delivery of 2 vehicles sold and delivered from the first batch of vehicles manufactured at the Group's facilities in Türkiye. This amount has been recognized as an accrual in the 2026 financial statements.

NOTE 18 - REVENUE AND COST OF SALES (Continued)

Sales of the Group for the periods ended June 30, 2026 and 2025 in terms of the products are as follows:

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Commercial vehicle	17,088,829	9,081,048	17,742,003	9,226,551
Military vehicle	1,255,191	128,318	5,242,234	3,961,896
Other sales (*)	2,825,869	1,743,991	3,223,900	1,872,630
	21,169,889	**10,953,357**	**26,208,137**	**15,061,077**

(*) Consists of military turret sales, spare parts sales, service revenues and other sales revenues.

Cost of sales

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Cost of finished goods sold	(16,164,200)	(7,343,520)	(18,383,038)	(9,944,645)
Cost of merchandise goods sold	(3,117,755)	(2,184,202)	(2,025,788)	(948,328)
Cost of sales	**(19,281,955)**	**(9,527,722)**	**(20,408,826)**	**(10,892,973)**

NOTE 19 - OTHER OPERATING INCOME AND EXPENSES

Other operating income	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Foreign exchange gains on trade receivables and trade payables	2,183,408	1,528,079	2,453,252	1,387,454
Revenue from charge of due date receivables	342,816	249,330	516,509	269,388
Incentive income (*)	173,636	8,298	4,057	1,957
Gain on forward transactions	29,604	29,604	21,412	-
Other income	118,785	49,625	87,169	43,629
	2,848,249	**1,864,936**	**3,082,399**	**1,702,428**

(*) An amount of TRY 168,778 of the incentive income consists of incentives obtained under the Turquality program.

Other operating expenses	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Foreign exchange loss on trade receivables and trade payables	(1,632,756)	(1,271,939)	(1,836,055)	(1,021,025)
Loss on forward transactions	(460,061)	(388,084)	(35,458)	-
Doubtful provision (Not 9)	(22,453)	(22,453)	-	-
Expected credit losses on trade receivables	-	-	(2,644)	(2,643)
Other expenses	(16,186)	(1,389)	(17,935)	-
	(2,131,456)	**(1,683,865)**	**(1,892,092)**	**(1,023,668)**

NOTE 20 - FINANCIAL INCOME

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Interest income	977,417	393,526	200,938	110,520
Foreign exchange gains on bank deposits	465,006	323,462	274,729	144,091
Foreign exchange gains on bank borrowings	40,327	1,721	7,578	-
	1,482,750	**718,709**	**483,245**	**254,611**

NOTE 21 - FINANCIAL EXPENSES

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Interest expense	(6,126,729)	(3,183,656)	(4,524,174)	(2,125,899)
Foreign exchange losses on bank borrowings	(946,836)	(691,522)	(1,618,729)	(880,134)
Foreign exchange losses on bank deposits	(266,416)	(60,696)	(71,263)	(22,364)
Other	(33,200)	(15,012)	-	-
	(7,373,181)	**(3,950,886)**	**(6,214,166)**	**(3,028,397)**

NOTE 22 - TAX ASSETS AND LIABILITIES

The general corporate tax rate in Turkey is 25% (31.12.2025: 25%), Article 15 of Law No. 7351 published in the Official Gazette No, 31727 and dated January 22, 2022. Article 32 of the Corporate Tax Law No. 5520, The article has been amended, and the corporate tax rate has started to be applied with a discount of 1 point to the earnings of the exporting institutions exclusively from exports and the earnings of the institutions that have an industrial registration certificate and are actually engaged in production activities(As amended by Article 8 of Law No. 7582, the rate will be applied as 12.5% to profits earned in the 2027 and subsequent taxation periods). Article 21 of Law No. 7456 published in the Official Gazette No, 32249 and dated July 15, 2023. With the article, the corporate tax discount rate to be applied to the earnings of institutions exclusively from exports has been increased to 5 points.

As of June 30, 2026, the corporate income tax rate in Türkiye is 25% (December 31, 2025: 25%). Corporate income tax is levied on taxable corporate income, which is determined by adjusting accounting profit for non-deductible expenses, tax exemptions and deductions in accordance with the relevant tax legislation. With the enactment of Law No. 7582, published on June 4, 2026, the corporate income tax rate applicable to income derived from manufacturing activities by corporations holding an industrial registration certificate and engaged in actual manufacturing operations was reduced from 25% to 12.5%, effective for income earned on or after January 1, 2027. Although this amendment has no impact on the calculation of current period taxes, it has been reflected in the deferred tax calculations included in the financial statements as of June 30, 2026, taking into consideration whether the related income arises from manufacturing or non-manufacturing activities.

The breakdown of the total tax expense for the accounting periods ended June 30, 2026 and December 31, 2025 is as follows:

	1 January - 30 June 2026	**1 April - 30 June 2026**	**1 January - 30 June 2025**	**1 April - 30 June 2025**
Current corporate income tax	(10,375)	417	(22,519)	(22,519)
Deferred tax expense/(income)	(101,739)	(507,181)	342,656	(42,353)
	(112,114)	**(506,764)**	**320,137**	**(64,872)**

NOTE 22 - TAX ASSETS AND LIABILITIES (Continued)

As of 30 June 2026 and 31 December 2025, the distribution of the net deferred tax asset, calculated using the temporary differences subject to deferred tax and the effective tax rates, is summarized below:

	Cumulative temporary differences		Deferred tax asset/(liability)	
	30 June 2026	**31 December 2025**	**30 June 2026**	**31 December 2025**
Deductible accumulated losses (*)	-	-	1,070,091	898,589
Research and development incentive (**)	(5,391,048)	(4,682,063)	788,198	1,170,516
Investment discount	-	-	347,338	333,049
Provision for warranty expenses	(1,315,043)	(1,356,606)	192,266	339,151
Provision for employment termination benefits	(770,338)	(752,873)	130,116	188,218
Provision for unused vacation	(236,683)	(173,719)	39,862	43,430
Other provisions	(888,674)	(1,116,492)	128,606	279,123
Net difference between the carrying amounts of inventories and their tax bases	1,952,313	(281,121)	(248,900)	70,280
Deferred maintenance income	(655,333)	(713,204)	85,517	178,301
Deferred financial expenses	(222,383)	(187,673)	27,779	46,918
Property, plant and equipment intangible assets	7,790,601	7,858,250	(1,320,128)	(1,964,563)
Contractual penalty payments and accruals	(2,409,825)	(1,137,580)	301,228	284,395
Derivatives	(72,303)	-	18,076	-
Prepaid expenses	(1,949,132)	(2,295,259)	243,641	573,815
Other	(1,314,145)	618,993	264,781	(154,746)
Deferred tax asset,net			**2,068,471**	**2,286,476**

(*) The total amount of deductible tax losses available for deferred tax asset recognition by the Group is TRY 7,319,113 (December 31, 2025: TRY 3,052,323).

(**) The Company, which holds an R&D Center Certificate, has an R&D tax deduction that can be utilized at a rate of 100%, without withholding tax, against its corporate tax base in respect of research and development expenditures amounting to TRY 957,305 incurred during the first six months of 2026 (December 31, 2025: TRY 2,076,821), together with carried-forward R&D expenditures of TRY 4,433,743 from 2025 (representing the amount obtained by revaluing TRY 3,976,003 using the revaluation rate for the first quarter of 2026).

The movement of deferred tax asset for the periods ended June 30, 2026 and 2025 are as follows:

	1 January - 30 June 2026	**1 January - 30 June 2025**
1 January	2,286,476	1,681,417
Deferred tax income charged to profit or loss and other comprehensive income/expense for the period		
- Charged to profit for the period	(101,739)	342,656
- Charged to other comprehensive income /(expense)	10,769	14,903
Acquisitions	(127,035)	-
30 June	**2,068,471**	**2,038,976**

NOTE 22 - TAX ASSETS AND LIABILITIES (Continued)

Tax Benefits Derived from the Investment Incentive Scheme:

Profits generated from the Group's investments covered by investment incentive certificates are subject to corporate income tax at reduced rates from the accounting period in which the investment is partially or fully put into operation until the contributed investment amount is utilized in full. Within this scope, as of June 30, 2026, a tax benefit amounting to TRY 347,338 (December 31, 2025: TRY 333,049), which the Group expects to utilize in the foreseeable future, has been recognized as a deferred tax asset in the consolidated financial statements.

As a result of the recognition of this tax benefit as of June 30, 2026, deferred tax income amounting to TRY 347,338 was recognized in the consolidated statement of profit or loss for the period from January 1 to June 30, 2026.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. Where it is probable that taxable profit will be available, deferred tax assets are recognized in respect of deductible temporary differences, tax losses carried forward and tax benefits arising from investment incentives with an indefinite life that allow the application of reduced corporate income tax rates. In this context, the Group bases the recognition of deferred tax assets arising from investment incentives on its long-term business plans and assesses the recoverability of such deferred tax assets related to investment incentives at each reporting date by considering business projections that include forecasts of future taxable profits. The Group expects these deferred tax assets to be recovered within five years from the reporting date.

As of December 31, 2025, a sensitivity analysis performed by increasing and decreasing by 10% the inputs underlying the key macroeconomic and sector-specific assumptions used in the business plans indicated that there was no change in the estimated five-year recovery period of the deferred tax assets related to investment incentives.

The Group's application for an Investment Incentive Certificate to the Incentive Implementation and Foreign Capital Directorate General of the Ministry of Industry and Technology of the Republic of Türkiye was approved, and Investment Incentive Certificate No. 512845 was issued for a modernization investment project with a planned investment amount of TRY 2,099,604 to be realized over a four-year period (the investment was completed at a total amount of TRY 1,897,854 as of July 14, 2026, the expiry date of the Investment Incentive Certificate). Following the planning of additional investments and an application made in 2024, the validity period of the Investment Incentive Certificate was extended by two years.

NOTE 23 - EARNINGS PER SHARE

Earnings per share are calculated by dividing net profit by the weighted average number of shares that have been outstanding during the period concerned.

Companies can increase their capital by distributing shares to existing shareholders from retained earnings in proportion to their shares, when calculating earnings per share, these bonus shares are counted as issued shares, Therefore, the weighted average number of shares used in the calculation of earnings per share is obtained by applying the issuance of bonus shares retrospectively.

Earnings per main share are determined by dividing net income of the shareholders by the weighted average number of shares that have been outstanding during the related year concerned

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Net profit/(loss) for the period	(4,493,317)	(2,779,797)	(104,550)	544,326
Weighted average number of issued shares	12,000,000,000	12,000,000,000	12,000,000,000	12,000,000,000
Earnings per share (Kr)	**(37.44)**	**(23.165)**	**(0.87)**	**4.536**

NOTE 24 - RELATED PARTY DISCLOSURES

Due from and due to the related parties at the period end and transactions with related parties during the periods are as follows:

i) Due from and due to related party balances as of June 30, 2026 and December 31, 2025:

Due from related parties	**30 June 2026**	**31 December 2025**
Ram Dış Ticaret A,Ş, (1) (*)	2,103,001	3,256,926
Otokar Central Asia Limited (3)	33,014	31,225
Al Jasoor Heavy Vehicles Industry LLC (2) (**)	30,023	40,033
Temel Ticaret A,Ş, (1)	8,163	21,501
Other (1)	9,867	10,569
	2,184,068	**3,360,254**

(*) A portion of the Group's export sales is carried out through Ram Dış Ticaret A.Ş. on a registered export basis, and the remaining balance consists of trade receivables arising from these transactions.
(**) Trade receivables arising from sales made to Al Jasoor Heavy Vehicles Industry LLC, which is the Group's joint venture.

(1) Related parties of the Group's parent company
(2) Shareholder of the Group
(3) Joint venture

NOTE 24 - RELATED PARTY DISCLOSURES(Continued)

Due to related parties	30 June 2026	31 December 2025
Zer Merkezi Hizmetler A,Ş, (1)	169,471	209,955
Ram Dış Ticaret A,Ş, (1)	47,093	38,530
Otokoç Otomotiv Tic, ve San, A,Ş, (1)	29,292	26,434
Setur Servis Turistik A,Ş, (1)	24,483	16,441
Entek Elektrik Üretimi A,Ş, (1)	18,600	35,529
Opet Fuchs Madeni Yağ A,Ş, (1)	16,742	19,149
Ark İnşaat A,Ş, (1)	15,799	58,772
Ram Sigorta Aracılık Hz, A,Ş, (1)	15,127	15,734
Koç Tüketici Finansmanı (1)	4,157	6,221
Ford Otosan A,Ş, (1)	3,497	3,879
KoçSistem Bilgi ve İletişim Hizm, A,Ş, (1)	3,446	21,591
Wat Motor Sanayi ve Ticaret A,Ş, (1)	1,698	11,101
Koçdigital Çözümler A,Ş, (1)	367	10,200
Koç Holding A,Ş, (2)	112	103,949
Other	10,627	66,465
	360,511	**643,950**

(1) Related parties of the Group's parent company
(2) Shareholder of the Group

Advances received from related parties	30 June 2026	31 December 2025
Ram Dış Ticaret A,Ş, (1)	-	41,809
	-	**41,809**

(1) Related parties of the Group's parent company

ii) Sales to related parties and purchases from related parties are as follows:

Sales of products and services	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Ram Dış Ticaret A,Ş, (1) (*)	18,499	-	5,518,917	4,220,096
Other	625	382	35,851	1,758
	19,124	**382**	**5,554,768**	**4,221,854**

(*) The export registered sales to Ram Dış Ticaret A.Ş. comprise export sales made to third party customers.

(1) Related parties of the Group's parent company

NOTE 24 - RELATED PARTY DISCLOSURES(Continued)

Fixed asset purchases	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Entek Elektrik Üretimi A,Ş, (1)	88,387	30,790	-	-
Ark İnşaat A,Ş, (1)	84,588	36,333	60,999	53,016
KoçSistem Bilgi ve İletişim Hizm, A,Ş, (1)	35,897	4,968	33,823	17,041
Koçdigital Çözümler A,Ş, (1)	9,719	-	6,164	-
Zer Merkezi Hizmetler A,Ş, (1)	5,588	574	4,770	827
Other	15	17	291	-
	224,194	**72,682**	**106,047**	**70,884**

(1) Related parties of the parent company

Inventory purchases	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Zer Merkezi Hizmetler A,Ş, (1)	402,050	247,890	553,644	195,910
Ram Dış Ticaret A,Ş, (1)	112,441	58,778	102,173	56,527
Opet Fuchs Madeni Yağ A,Ş, (1)	40,598	18,491	40,690	21,329
Opet Petrolcülük A,Ş, (1)	19,287	7,924	15,907	7,672
Ford Otosan A,Ş, (1)	18,192	9,910	30,937	20,288
Akpa Dayanıklı Tük,Paz, A,Ş, (1)	16,685	9,051	19,347	9,206
Wat Motor Sanayi ve Ticaret A,Ş, (1)	10,278	2,913	96,027	19,376
Düzey A,Ş, (1)	6,782	-	16,131	7,562
Other	2,007	1,179	3,619	2,212
	628,320	**356,136**	**878,475**	**340,082**

(1) Related parties of the parent company

NOTE 24 - RELATED PARTY DISCLOSURES (Continued)

Service purchases	**1 January - 30 June 2026**	**1 April - 30 June 2026**	**1 January - 30 June 2025**	**1 April - 30 June 2025**
Setur Servis Turistik A.Ş. (1)	139,779	73,603	105,229	51,757
Ram Sigorta Aracılık Hz. A.Ş. (1)	115,838	13,742	162,785	12,731
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	68,415	29,239	66,962	39,079
Yapı Kredi Finansal Kiralama A.O. (1)	48,813	23,842	-	-
Eltek Elektrik Enerji İth.İhr.Top.Tic. A.Ş. (1)	35,216	14,218	63,337	25,560
KoçSistem Bilgi ve İletişim Hizm. A.Ş. (1)	34,294	10,567	61,851	18,196
Koç Holding A.Ş. (2)(*)	27,732	10,712	30,651	14,861
Ingage Dijital (1)	20,298	15,456	10,516	3,952
Tokenflex Kurumsal Hizmet Teknolojileri A.Ş. (1)	13,770	8,004	-	-
Divan Turizm İşletmeleri A.Ş. (1)	13,022	5,208	20,288	9,937
Temel Ticaret A.Ş. (1)	8,975	4,748	8,324	4,600
Ram Dış Ticaret A.Ş. (1)	8,683	7,769	39,815	24,598
Koçdigital Çözümler A.Ş. (1)	8,108	4,738	-	-
Other	27,347	16,224	38,614	16,555
	570,290	**238,070**	**608,372**	**221,826**

(1) Related parties of the parent company
(2) Shareholder of the Group

(*) The expenses invoiced to the Group represent the service fees charged by Koç Holding A.Ş. for services provided to the Group companies in areas such as finance, legal, planning, tax, and senior management. These expenses, including personnel and senior management costs, are allocated to the Group companies in accordance with the provisions of Article 11 'Intra-group Services' of the Transfer Pricing Communiqué No. 1 on Disguised Profit Distribution through Transfer Pricing.

Bank deposits	**30 June 2026**	**31 December 2025**
Yapı ve Kredi Bankası A.Ş. (1)		
- Demand deposits	75,675	1,831
- Time deposits	329,970	2,464,370
	405,645	**2,466,201**

NOTE 24 - RELATED PARTY DISCLOSURES(Continued)

Borrowings	**30 June 2026**	**31 December 2025**
Yapı ve Kredi Bankası A,Ş, (1)	8,866,034	8,003,859
	8,866,034	**8,003,859**

(1) Related parties of the parent company

For the periods ended 30 June 2026 and 2025, operating income and expense with related parties are as follows:

	1 January - 30 June 2026	**1 April - 30 June 2026**	**1 January- 30 June 2025**	**1 April - 30 June 2025**
Trade receivables and payables foreign exchange gains				
Ram Dış Ticaret A,Ş, (1)	1,269,651	1,197,682	375,668	240,259
Other	2,613	1,726	413	390
	1,272,264	**1,199,408**	**376,081**	**240,649**

	1 January - 30 June 2025	**1 April - 30 June 2025**	**1 January - 30 June 2025**	**1 April - 30 June 2025**
Trade receivables and payables foreign exchange expenses				
Ram Dış Ticaret A,Ş, (1)	1,039,531	964,482	495,851	492,917
Other (1)	3,584	981	17,859	9,864
	1,043,115	**965,463**	**513,710**	**502,781**

(1) Related parties of the parent company

NOTE 24 - RELATED PARTY DISCLOSURES (Continued)

For the periods ended June 30, 2026 and 2025, financial income and expense with related parties are as follows:

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Interest income				
Yapı ve Kredi Bankası A,Ş, (1)	235,416	40,365	392	304
	235,416	**40,365**	**392**	**304**

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Interest expense				
Yapı ve Kredi Bankası A,Ş, (1)	1,456,163	712,450	162,120	78,753
	1,456,163	**712,450**	**162,120**	**78,753**

(1) Related parties of the parent company

For the periods ended 30 June 2026 and 2025, financial income and expense with related parties are as follows:

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Foreign exchange income				
Yapı ve Kredi Bankası A,Ş, (1)	5,860	5,860	65,933	39,261
	5,860	**5,860**	**65,933**	**39,261**

	1 January - 30 June 2026	1 April - 30 June 2026	1 January - 30 June 2025	1 April - 30 June 2025
Foreign exchange expenses				
Yapı ve Kredi Bankası A,Ş, (1)	24,309	2,539	23,427	13,069
	24,309	**2,539**	**23,427**	**13,069**

(1) Related parties of the parent company

Benefits provided to key management personnel

The total benefits provided by the Group to its key management personnel during the six-month period ended June 30, 2026 amounted to TRY 55,494 in terms of the purchasing power as of June 30, 2026 (June 30, 2025: TRY 164,666). Key management personnel comprise members of the Board of Directors, the General Manager and Deputy General Managers.

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Foreign currency risk and related sensitivity analysis

The Group is exposed to exchange rate risk due to Turkish Lira conversion of foreign currency payables and receivables arising from its commercial activities with foreign companies. This exchange rate risk is followed and limited by analyzing the foreign exchange position. To manage the currency risk arising from future commercial transactions and recorded assets and liabilities, the Group follows a policy of diversification in its currency position.

The recorded amounts of foreign currency assets and liabilities held by the Group by foreign currency type are as follows:

30 June 2026	**TRY equivalent (functional currency**	**USD**	**EUR**	**GBP**	**CNY**	**RON**	**Other TRY Equivalent**
1. Trade receivables	12,736,626	65,226	182,692	-	-	-	-
2a. Monetary financial assets (including cash, bank accounts)	1,723,607	29,091	6,952	2	4	-	27
2b. Non-monetary financial assets	-	-	-	-	-	-	-
3. Other	67,502	-	1,271	-	-	-	-
4. Current assets (1+2+3)	**14,527,735**	**94,317**	**190,915**	**2**	**4**	**-**	**27**
5. Trade receivables	-	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-	-
7. Other	-	-	-	-	-	-	-
8. Non-current assets (5+6+7)	-	-	-	-	-	-	-
9. Total assets (4+8)	**14,527,735**	**94,317**	**190,915**	**2**	**4**	**-**	**27**
10. Trade payables	(3,455,132)	(28,080)	(39,307)	-	(8,930)	-	-
11. Financial liabilities	(8,086,756)	-	(119,521)	-	(255,457)	-	-
12a. Monetary other liabilities	(3,744,106)	(1,966)	(25,121)	-	-	(230,192)	-
12b. Non-monetary other liabilities	-	-	-	-	-	-	-
13. Current liabilities (10+11+12)	**(15,285,994)**	**(30,046)**	**(183,949)**	**-**	**(264,388)**	**(230,192)**	**-**
14. Trade payables	-	-	-	-	-	-	-
15. Financial liabilities	(9,741,819)	-	(183,479)	-	-	-	-
16a. Monetary other liabilities	-	-	-	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-	-	-	-
17. Non-current liabilities (14+15+16)	**(9,741,819)**	**-**	**(183,479)**	**-**			
18. Total liabilities (13+17)	**(25,027,813)**	**(30,046)**	**(367,428)**	**-**	**(264,388)**	**(230,192)**	**-**
19. Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	3,716,650	-	70,000	-	-	-	-
19a. Hedged total assets amount	5,044,025	-	95,000	-	-	-	-
19b. Hedged total liabilities amount	(1,327,375)	-	(25,000)	-	-	-	-
20. Net foreign currency asset/(liability) position (9+18+19)	**(6,783,428)**	**64,271**	**(106,513)**	**2**	**(264,388)**	**(230,192)**	**27**
21. Net foreign currency asset/(liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)	**(10,567,580)**	**64,271**	**(177,784)**	**2**	**(264,388)**	**(230,192)**	**27**
22. Total fair value of financial instruments used for foreign currency hedging	-	-	-	-	-	-	-
23. Export	11,070,958	12,127	168,658	-	-	-	1,551,470
24. Import	8,943,947	40,684	101,172	-	-	-	1,678,152

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2025	**TRY equivalent (functional currency**	**USD**	**EUR**	**GBP**	**CNY**	**RON**	**Other TRY Equivalent**
1. Trade receivables	15,916,636	133,286	152,503	-	-	-	128,604
2a. Monetary financial assets (including cash, bank accounts)	742,496	418	11,903	-	-	-	14,195
2b. Non-monetary financial assets	-	-	-	-	-	-	-
3. Other	133,500	1,340	1,109	-	-	-	-
4. Non-current assets (1+2+3)	**16,792,632**	**135,044**	**165,515**	**-**	**-**	**-**	**142,798**
5. Trade receivables	-	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-	-
7. Other	-	-	-	-	-	-	-
8. Non-current assets (5+6+7)	-	-	-	-	-	-	-
9. Total assets (4+8)	**16,792,632**	**135,044**	**165,515**	**-**	**-**	**-**	**142,798**
10. Trade payables	(3,654,468)	(24,007)	(40,066)	(12)	(8,561)	-	-
11. Financial liabilities	(8,579,572)	-	(106,445)	-	(314,102)	-	-
12a. Monetary other liabilities	(2,411,619)	(1,931)	(86)	-	-	(199,144)	-
12b. Non-monetary other liabilities	-	-	-	-	-	-	-
13. Current liabilities (10+11+12)	**(14,645,659)**	**(25,938)**	**(146,597)**	**(12)**	**(322,663)**	**(199,144)**	**-**
14. Trade payables	-	-	-	-	-	-	-
15. Financial liabilities	(4,690,585)	-	(78,949)	-	-	-	-
16a. Monetary other liabilities	-	-	-	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-	-	-	-
17. Non-current liabilities (14+15+16)	**(4,690,585)**	**-**	**(78,949)**	**-**	**-**	**-**	**-**
18. Total liabilities (13+17)	**(19,336,244)**	**(25,938)**	**(225,546)**	**(12)**	**(322,663)**	**(199,144)**	**-**
19. Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-	-	-	-	-
19a. Hedged total assets amount	-	-	-	-	-	-	-
19b. Hedged total liabilities amount	-	-	-	-	-	-	-
20. Net foreign currency asset/(liability) position (9+18+19)	**(2,543,612)**	**109,106**	**(60,031)**	**(12)**	**(322,663)**	**(199,144)**	**142,798**
21. Net foreign currency asset/(liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)	**(2,677,112)**	**107,766**	**(61,140)**	**(12)**	**(322,663)**	**(199,144)**	**142,798**
22. Total fair value of financial instruments used for foreign currency hedging	-	-	-	-	-	-	-
23. Export	41,398,720	164,127	552,038	-	-	-	316,572
24. Import	38,079,178	520,003	199,178	-	-	-	650

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The following table demonstrates the sensitivity to a possible change of 10% in the USD, Euro and GBP exchange rates, with all other variables held constant, on the Group's income before tax as of June 30, 2026 and December 31, 2025:

		Profit before tax	**Profit before tax**
30 June 2026		**Appreciation of foreign currency**	**Depreciation of foreign currency**
	In case 10% appreciation of USD against TRY:		
1-	USD net asset/liability	299,215	(299,215)
2-	Amount hedged for USD risk (-)	-	-
3-	**USD net effect (1+2)**	**299,215**	**(299,215)**
	In case 10% appreciation of EUR against TRY:		
4-	EUR net asset/liability	(565,530)	565,530
5-	Amount hedged for EUR risk (-)	-	-
6-	**EUR net effect (4+5)**	**(565,530)**	**565,530**
	In case 10% appreciation of CNY against TRY:		
7-	CNY net asset/liability	(180,442)	180,442
8-	Amount hedged for CNY risk (-)	-	-
9-	**CNY net effect (4+5)**	**(180,442)**	**180,442**
	In case 10% appreciation of RON against TRY:		
10-	RON net asset/liability	(231,877)	231,877
11-	Amount hedged for RON risk (-)	-	-
12-	**RON net effect (4+5)**	**(231,877)**	**231,877**
	In case 10% appreciation of GBP against TRY:		
13-	GBP net asset/liability	11	(11)
14-	Amount hedged for GBP risk (-)	-	-
15-	**GBP net effect (7+8)**	**11**	**(11)**
	Total (3+6+9+12+15)	**(678,623)**	**678,623**

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

	31 December 2025	Profit before tax Appreciation of foreign currency	Profit before tax Depreciation of foreign currency
	In case 10% appreciation of USD against TRY:		
1-	USD net asset/liability	550,696	(550,696)
2-	Amount hedged for USD risk (-)	-	-
3-	**USD net effect (1+2)**	**550,696**	**(550,696)**
	In case 10% appreciation of EUR against TRY:		
4-	EUR net asset/liability	(356,664)	356,664
5-	Amount hedged for EUR risk (-)	-	-
6-	**EUR net effect (4+5)**	**(356,664)**	**356,664**
	In case 10% appreciation of CNY against TRY:		
7-	CNY net asset/liability	(231,689)	231,689
8-	Amount hedged for CNY risk (-)	-	-
9-	**CNY net effect (4+5)**	**(231,689)**	**231,689**
	In case 10% appreciation of RON against TRY:		
10-	RON net asset/liability	(230,903)	230,903
11-	Amount hedged for RON risk (-)	-	-
12-	**RON net effect (4+5)**	**(230,903)**	**230,903**
	In case 10% appreciation of GBP against TRY:		
13-	GBP net asset/liability	(80)	80
14-	Amount hedged for GBP risk (-)	-	-
15-	**GBP net effect (7+8)**	**(80)**	**80**
	Total (3+6+9+12+15)	**(268,640)**	**268,640**

NOTE 26 - FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates, if all significant inputs required to fair value an instrument are observable, the instrument is included in level 2, Disclosure of fair value measurements needs to be explained by level of the following fair value measurement hierarchy.
,
- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1),
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2),
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's assets that are measured at fair value at 30 June 2026 and 31 December 2025:

30 June 2026

Liabilities	Level 1	Level 2	Level 3	Total
Derivative financial instruments	-	72.303	-	72.303
	-	**72.303**	**-**	**72.303**

31 December 2025

Liabilities	Level 1	Level 2	Level 3	Total
Derivative financial instruments	-	-	-	-
	-	**-**	**-**	**-**

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The Group considers that carrying amounts reflect fair values of the financial instruments.

Monetary assets – Short-term monetary assets are considered to approximate their respective carrying values due to their short-term nature and low level of credit risk.

NOTE 26 - FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS (Continued)

Monetary liabilities - Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The fair values of long-term bank borrowings with fixed interest rates are noted that it is close to approximate their respective carrying values, since the interest rate as of balance sheet date is used. The fair values of short-term bank borrowings are considered to approximate their respective carrying values due to their short-term nature.

NOTE 27 - EXPLANATIONS ON NET MONETARY POSITION GAINS/(LOSSES)

Non-monetary Items	30 June 2026	30 June 2025
Financial statement items	**4,193,846**	**3,495,247**
Inventories	2,297,377	2,407,743
Tangible assets	1,301,356	1,302,609
Intangible assets	1,780,445	1,723,746
Deferred tax assets	344,802	19,605
Liabilities arising from the Customer Agreement	(26,691)	(479,619)
Differences arising from adjustment to share capital	(441,344)	(418,243)
Restricted Reserves Allocated from Profit	(341,370)	(323,501)
Accumulated Other Comprehensive Expenses Not to Be Reclassified to Profit or Loss	159,147	139,770
Accumulated Other Comprehensive Expenses to Be Reclassified to Profit or Loss	294,158	456,375
Retained earnings/losses	(1,287,865)	(1,359,859)
Other	113,831	26,621
Profit or loss statement items	**442,193**	**218,275**
Revenue	(810,182)	(1,015,191)
Cost of sales	788,906	743,509
Research and development expenses	7,740	29,026
Marketing, selling and distribution expenses	145,984	140,910
General administrative expenses	56,109	46,180
Other income/expenses from operating activities	1,538	5,249
Other income/expenses from investing activities	14,297	531
Financial incomes/expenses	237,801	268,061
Net monetary position gains/(losses)	**4,636,039**	**3,713,522**

NOTE 28 - SUBSEQUENT EVENTS

In relation to the acquisition of the shares of Automecanica S.A., a portion of the share purchase price amounting to EUR 25,000 thousand was paid to the sellers on July 2, 2026 based on the letter of guarantee provided as part of the transaction.

In the Group's material event disclosure dated March 16, 2026, it was announced that the Romanian courts had decided to consolidate the annulment lawsuits filed by the counterparty against the payment claims asserted by the Group in connection with C.N. Romtehnica S.A.'s 4x4 Tactical Wheeled Light Armoured Vehicle procurement tender, and to suspend the enforcement of the payment claim amounting to RON 230,217 thousand until the legal proceedings are conclusively finalized, without prejudice to the counterparty's right to appeal. In the notes to the financial statements publicly disclosed as of March 31, 2026, it was stated that the counterparty had exercised its right to appeal against the aforementioned decision. Subsequently, in the material event disclosure dated July 1, 2026, it was announced that, following the appeal review, the relevant court had ruled in favor of the Group and rejected the appeal filed by C.N. Romtehnica S.A.

In the material event disclosure dated July 30, 2026, it was announced that, pursuant to the authority granted under Article 7 of the Company's Articles of Association, and within the registered capital ceiling of TRY 3,000,000, the issued share capital of TRY 120,000 would be increased to TRY 124,800 through a private placement pursuant to Article 13 of the Communiqué on Shares (VII-128.1), by fully restricting the pre-emptive rights of the existing shareholders. Within this scope, it was resolved that all of the 480,000,000 shares with a total nominal value of TRY 4,800 to be issued would be sold to Koç Holding A.Ş., and that the issue price would be determined in accordance with the relevant decisions of the Capital Markets Board and the Wholesale Trading Procedure of Borsa İstanbul A.Ş., provided that such price would in no event be lower than the nominal value. It was further resolved to execute an agreement with Yapı Kredi Yatırım Menkul Değerler A.Ş. to act as intermediary for the sale of the shares to be issued. Accordingly, the necessary application was submitted to the Capital Markets Board for the approval of the issuance certificate prepared in this respect.