Monthly Equity Strategy

November 2025

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The Fed Continues Rate Cuts with a Further 25bps…

The Fed continued its rate-cut cycle that began in September, delivering another 25bps cut in October, in line with market expectations. The Fed also announced that it will halt its balance sheet reduction as of December 1. The rate decision was adopted with 10 votes in favor and 2 against. Fed member Stephen Miran voted for a larger 50bps cut, while Kansas Fed President Jeffrey Schmid preferred no change. During the post-meeting press conference, Chair Jerome Powell stated that another rate cut in December is "not certain." Following his remarks, the market's implied probability for a December cut eased to around 70%, although investors still largely expect further easing.

After China tightened restrictions on rare-earth exports, and with the additional 100% U.S. tariffs on Chinese goods about to take effect, President Donald Trump met President Xi Jinping on October 30 during the APEC summit in South Korea. Following the meeting, Trump announced a one-year agreement with China regarding rare-earth and critical minerals, and said that the tariffs targeting Chinese fentanyl would be reduced from 20% to 10%. He also mentioned a series of agreements aimed at easing trade tensions and confirmed that China will resume soybean purchases. The resumption of trade talks between the U.S. and China is expected to have a positive impact on global risk appetite.

Despite improved trade sentiment, geopolitical risks - especially the Russia-Ukraine war - continue to weigh on risk appetite. The expected follow-up meeting to the August 15 Trump–Putin summit in Alaska, originally planned for late October in Hungary, was canceled. Subsequently, both the U.S. and the EU announced new sanctions against Russia, reinforcing the view that the conflict and associated risks will continue to act as a drag on global sentiment in the near term.

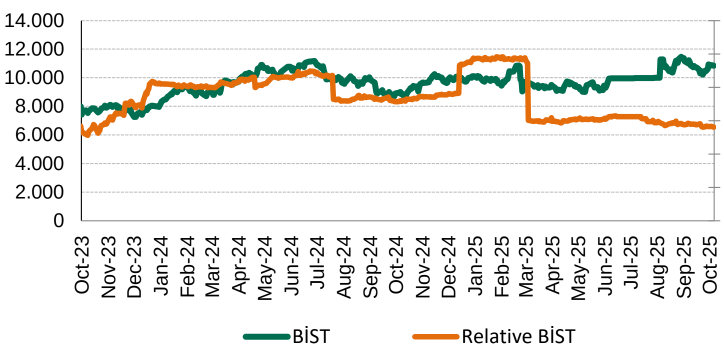
In Türkiye, the CBRT, which resumed its easing cycle with a 300bps rate cut in July and followed up with a 250bps cut in September, continued with a more limited 100bps cut in October, citing a slower disinflation process. The decision statement emphasized the loss of momentum in disinflation, highlighting risks to inflation expectations and pricing behavior, and therefore adopted a more hawkish tone. Ahead of its final meeting on December 11, the CBRT will have seen both the October and November inflation prints, and we expect it to continue its easing cycle, albeit at a slower pace.

In November, there will be no monetary policy meetings of the major central banks, including the Fed. Therefore, the main global focus will likely remain on limited macro data releases in the U.S. due to the ongoing government shutdown, upcoming inflation and employment figures ahead of the December 9-10 FOMC meeting, and speeches of Fed officials. Additionally, US-China trade negotiations, President Trump's statements on tariffs, and developments in the Russia-Ukraine conflict will remain closely monitored.

Facts & Figures	Close*	MoM	YtD
BIST - 100, TRY	10.972	-0,37%	11,6%
BIST - 100, USD	262	-1,3%	-6,0%
MSCI Turkey	285.303	-3,8%	-4,6%
MSCI EMEA	253	1,0%	23,8%
MSCI EM	1.402	4,1%	30,3%
Benchmark Bond	40,01%	63bps	-55bps
USD/TL	41,8922	0,93%	18,74%
EUR/TL	48,4620	-0,59%	31,92%
P/E			
Banking	5,8		
Industrial	118,7		
Iron&Steel	46,5		
REIT	10,5		
Telecom	11,7		
2025E P/E	15,4		

*Close as of October 31, 2025

BIST &Portfolio



Şeker Invest

The CBRT Continued Rate Cuts in October…

Rating: BUY

On the domestic front, markets will focus on the CBRT's IV. Inflation Report of the year to be released on November 7, the Financial Stability Report due on November 28, both of which will be closely watched for forward-looking messages on inflation. Moreover, news flow related to ongoing corruption investigations and geopolitical tension in Russia-Ukraine, the Middle East, and Syria will remain key factors shaping market sentiment.

The BIST 100 Index fluctuated throughout October amid lawsuits related to the main opposition party's congress, but recovered toward month-end as the CBRT maintained its easing bias, and the court rejected the opposition party's appeal. The Index closed the month with a modest 0.37% loss at 10,971.52 points. While the Industrial Index gained 0.32% MoM, the Banking Index underperformed, falling 3.84%.

Having launched its easing cycle in July and continued with further cuts in September and October, we expect the CBRT to maintain rate cuts at its final meeting of the year. Globally, further Fed rate cuts in December are expected to stimulate capital inflows into emerging markets, which should benefit TRY-based assets.

Given continued Fed easing, reduced tariff uncertainty, and a seasonal uptick in inflation that nonetheless preserves the broader disinflation trend, we expect the CBRT's monetary easing to continue. With further rate cuts, the Turkish economy is likely to enter a rebalancing phase, which should benefit interest-rate-sensitive sectors—particularly banking—followed by the real economy. In this context, we expect the BIST to trade with a positive yet volatile bias throughout November. While short-term pullbacks may occur, we maintain our medium- to long-term "gradual accumulation" recommendation.

Accordingly, we maintain our BUY recommendation on the BIST-100, with a 12-month target of 13,500 points, implying ~23% upside from current levels. The MSCI Türkiye trades at 8.69x 2025E P/E and 0.95x P/BV, representing 45% and 54% discounts versus the MSCI EM, respectively.

We make no changes to our model portfolio this month.

Main Market Risks

- Escalation of geopolitical conflicts in hotspots such as Russia-Ukraine or the Middle East,
- A potential pause in the Fed's rate-cut cycle due to limited data availability during the US government shutdown,
- Renewed tariff tension if President Trump issues new statements reversing recent progress on trade,
- A potential pause in the CBRT's easing cycle if the expected decline in inflation fails to materialize.

Model Portfolio

Top Picks	Close	Target	Pot.	MoM	Relative
AKBNK.TI	60,80	88,90	46,2%	-3,0%	-2,7%
ASELS.TI	203,60	240,00	17,9%	-5,3%	-5,0%
CIMSA.TI	47,52	63,00	32,6%	0,9%	1,3%
FROTO.TI	99,25	143,00	44,1%	0,2%	0,6%
ISCTR.TI	12,65	18,80	48,6%	-10,6%	-10,3%
MGROS.TI	453,50	750,00	65,4%	1,9%	2,3%
SAHOL.TI	81,55	146,24	79,3%	-6,0%	-5,7%
TCELL.TI	99,70	136,60	37,0%	1,9%	2,3%
THYAO.TI	291,50	495,50	70,0%	-7,5%	-7,1%
Average				-3,1%	-2,7%

*Close as of October 31, 2025

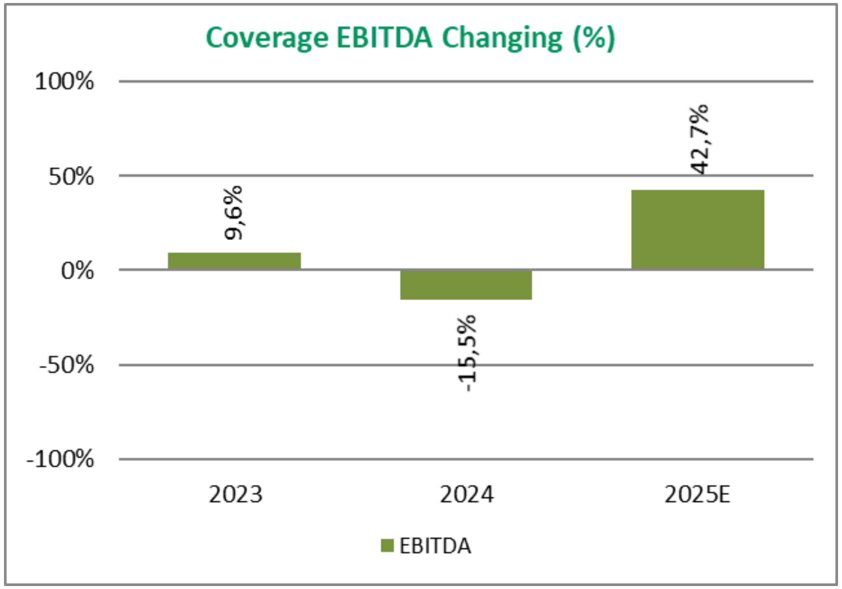
Add
-

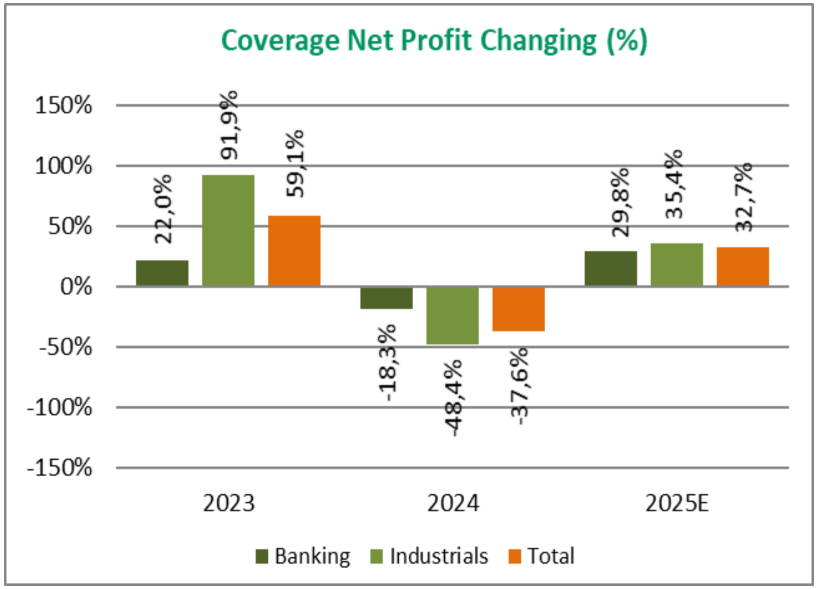
Remove
-

Maintain
AKBNK
ASELS
CIMSA
FROTO
ISCTR
MGROS
SAHOL
TCELL
THYAO

Favourite Sectors
Banks
Insurance
REIT
Construction-Cement
Food&Beverage
Iron-Steel
Main Metal Industry
Defense
Aviation
Food Retail
Telecommunication
Energy

This will be a year of recovery…





In 2025, with the expected rebound, industrials should deliver 35,4% and 42,7% YoY net income and EBITDA growth YoY, while we expect the banks' earnings to increase by 29,8% YoY.

Returns compared to peers

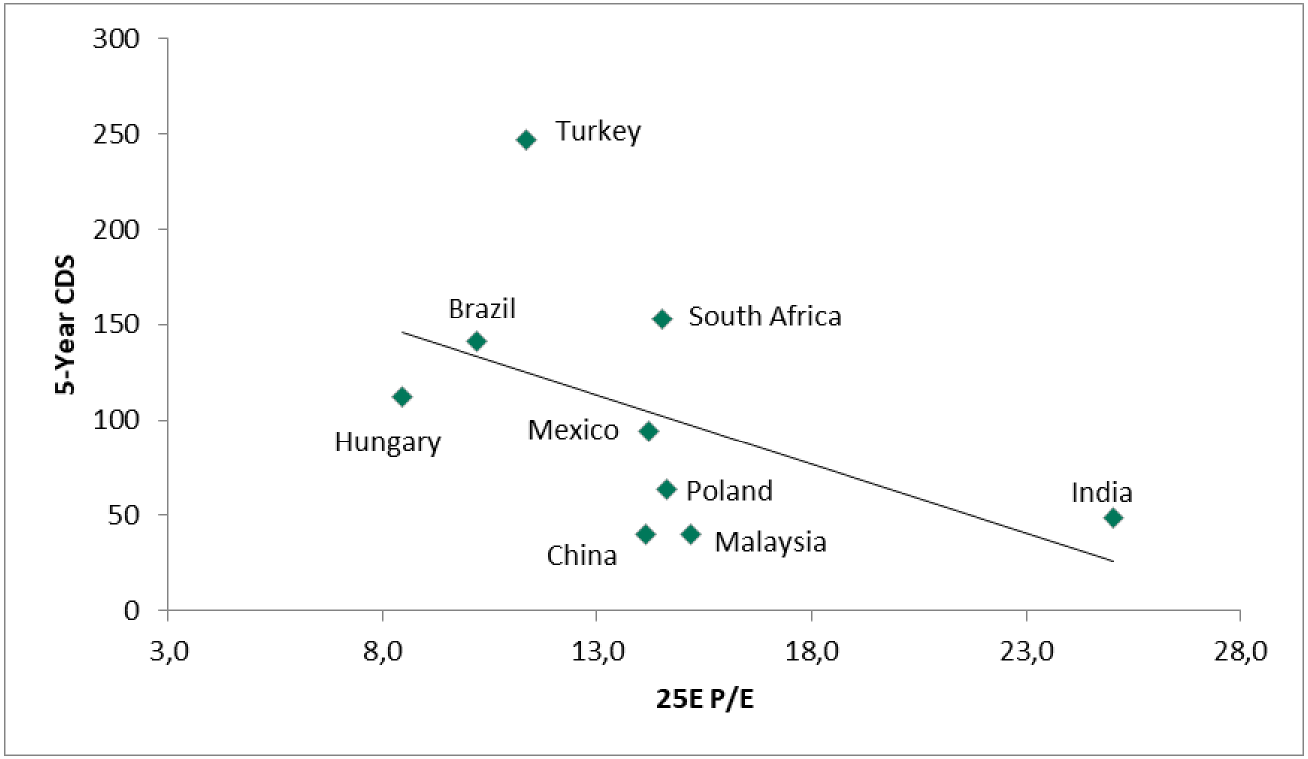
- The MSCI Turkiye Index has risen by 1.9% in absolute terms over the past 12 months. It has underperformed the MSCI EM, and the MSCI EMEA index by 22.8%, and 20.3%, respectively during same period.

Absolute Change	1m	3m	12m	YtD
MSCI Turkey	-3,8%	-2,1%	1,9%	-4,5%
MSCI EM	4,1%	12,7%	25,2%	30,2%
MSCI EMEA	1,0%	6,8%	22,5%	23,7%
MSCI Eastern Europe	5,0%	4,2%	52,0%	54,0%
MSCI World	1,9%	7,7%	20,4%	18,4%

Relative to MSCI Turkey	1m	3m	12m	YtD
MSCI EM	8,26%	15,1%	22,8%	36,4%
MSCI EMEA	5,0%	9,0%	20,3%	29,5%
MSCI Eastern Europe	9,2%	6,5%	49,2%	61,3%
MSCI World	6,0%	10,0%	18,1%	24,0%

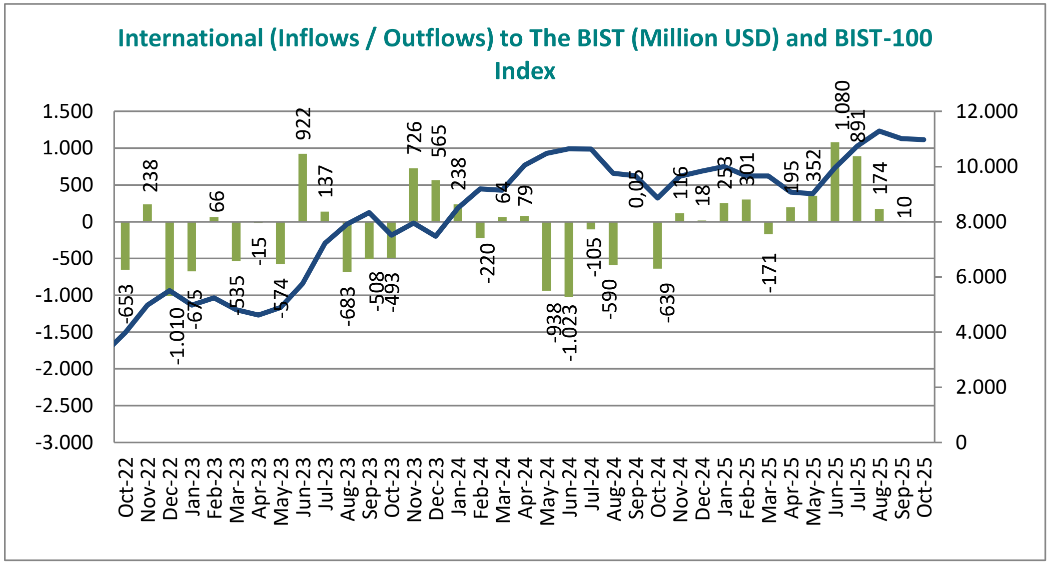
As of October 31, 2025

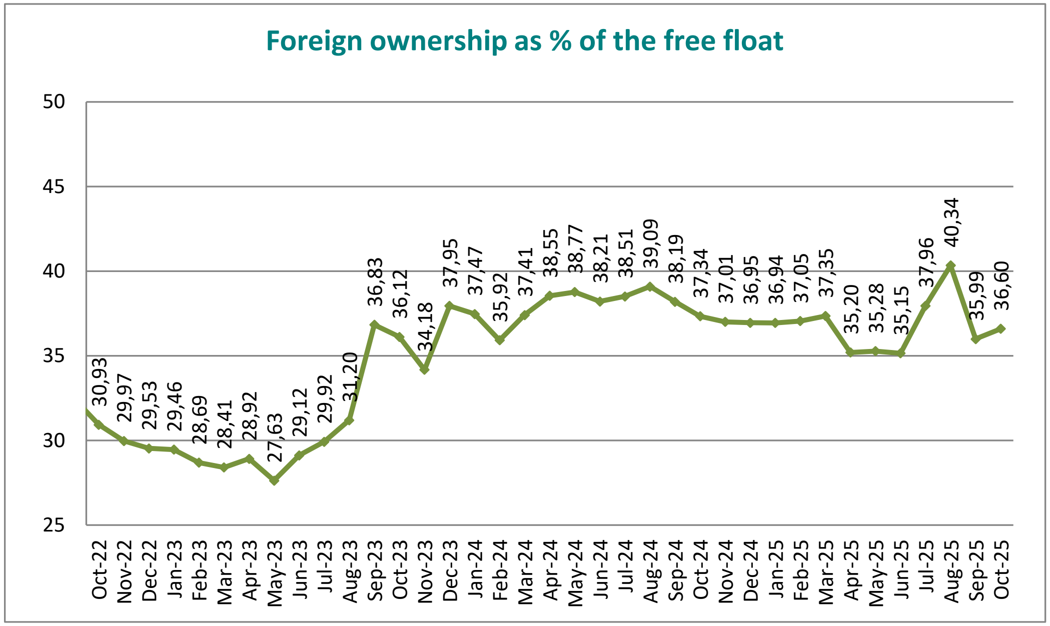
5-Year CDS



As of October 31, 2025

Int. flow and foreign ownership

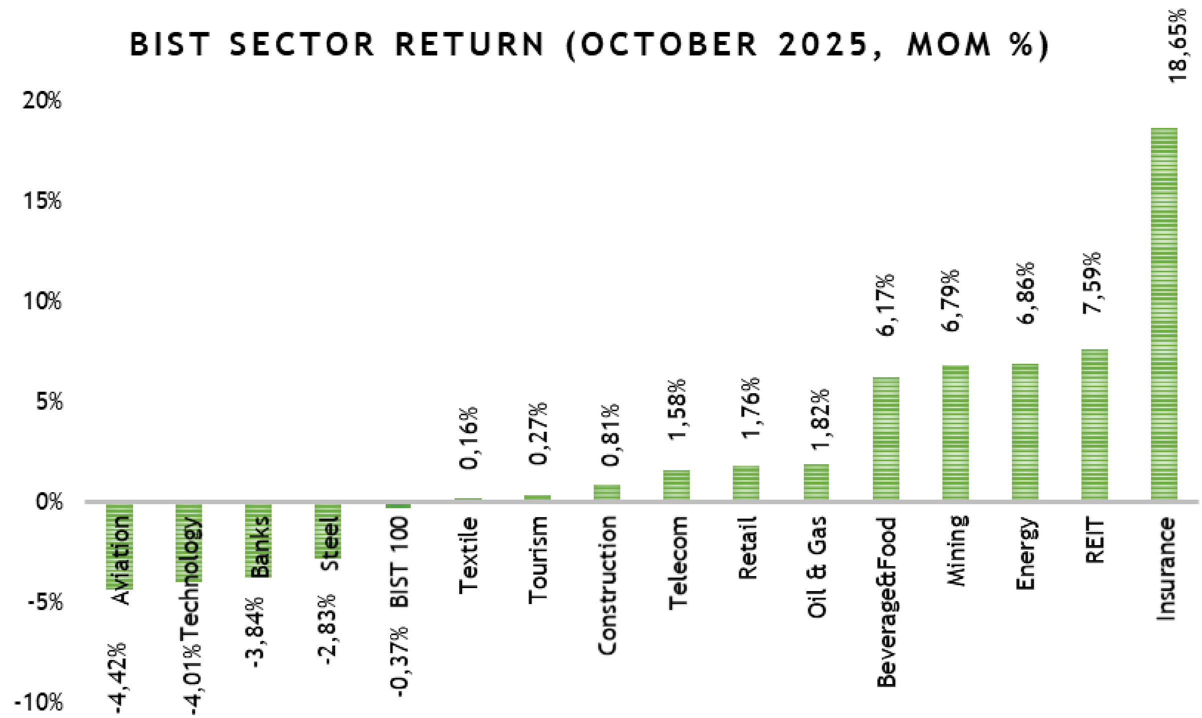




- In September 2025, foreign investors were net buyers at the BIST of USD 10mn.

- Foreign ownership has increased to 36.60% in October 2025.

Sector performances



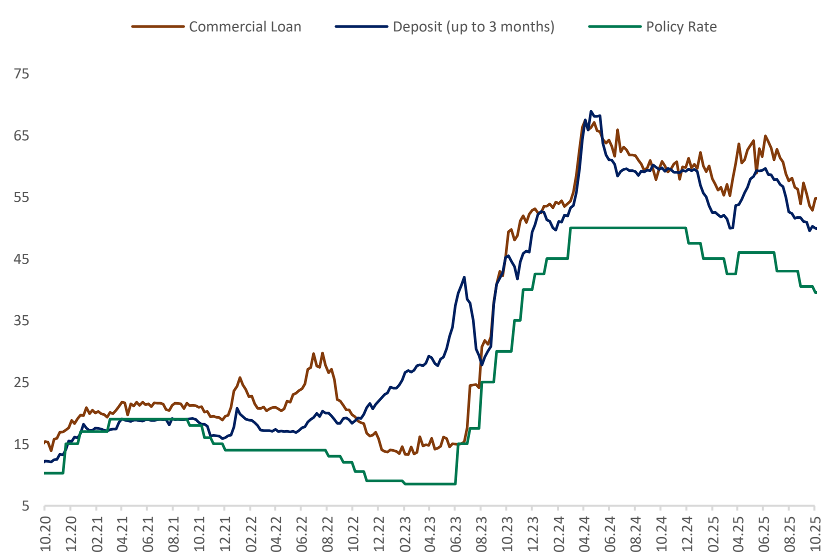
As of October 31, 2025

Macroeconomic Outlook

CBRT Rate Decision - October

At its meeting this month, the Central Bank of the Republic of Türkiye (CBRT) Monetary Policy Committee (MPC) cut the policy rate by 100 basis points to 39.5%, in line with market expectations. Despite the interest rate cut, hawkish pronouncements that likely influenced the monetary policy stance suppressed risk appetite. The decision text, which largely resembles the previous text, has been amended slightly. Chief among the factors behind these changes is the underlying inflation trend, which slowed in August, and resumed its uptrend in September. As the disinflation process continued, its momentum slowed, and this slowdown led the CBRT to adopt a more cautious monetary policy stance. Price increases in certain items, particularly food, have highlighted risks to both inflation expectations and pricing behavior. It was stated that demand conditions had contributed to disinflation, but that this contribution has slowed. The emphasis on inflation inertia, global developments, and growth has been removed from the text. While the effective operation of the transmission mechanism requires a more significant inflation decline in the expectations channel, 12-24-month inflation expectations have not been adjusted to the targeted extent. In fact, when recent surveys are evaluated, expectations between the real sector and households have diverged, while upside risks have increased. We believe that the effectiveness of the monetary transmission mechanism's expectations channel is the key factor in addressing the rigidity in inflation at around 30-35%. While other channels (consumption/demand, exchange rate, and asset prices) have significantly retreated, risks to expectations are pushing future inflation figures above target levels. Finally, the coordination contribution from fiscal policy to inflation and monetary policy has also been omitted from the text. It can be inferred that budget pressures will ease, or that their impact on inflation will be limited.

Policy, Loan and Deposit Rates (%)

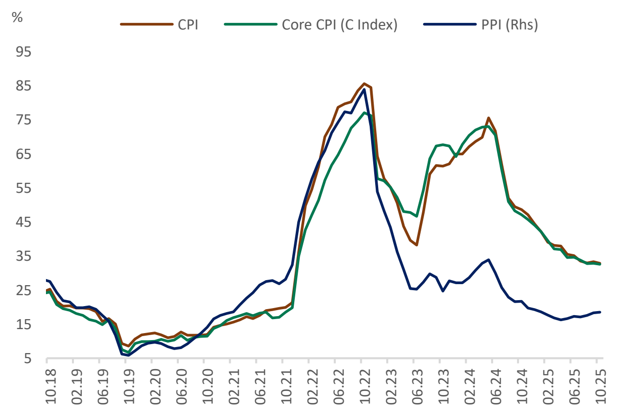


Macroeconomic Outlook

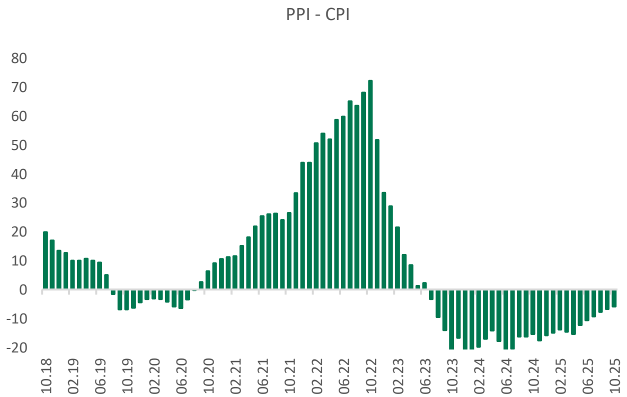
Inflation - October

CPI increased by 2.55% in October compared to the previous month, while annual inflation printed at 32.87% (previously 33.29%). Market expectations were for inflation to increase by 2.8% monthly and 33.2% annually (Seker Invest expected 2.95% monthly and 33.38% annually). The rate of price increases has slowed compared to the August-September period. While annual inflation continues to decline due to the base effect, disinflation momentum has evolved into a stable cycle. Monthly inflation, however, is far from the intermediate targets that would lead to price stability. Rigidity in items such as food, housing, and clothing, in particular, appears to be the biggest obstacle to the fight against inflation. The average of food, housing, and transportation inflation, which accounts for 55.52% of the index, rose by 37.20% annually (previously 37.28%). Despite headline figures falling below 33% in annual inflation, the high trend in core consumer spending items continues. The Central Bank of the Republic of Türkiye (CBRT) has recently highlighted the inertia in food and services inflation in its interest rate decisions. Food inflation reached 3.41%, contributing 0.83 percentage points to monthly inflation, while clothing and footwear increased by 12.42% monthly, pushing headline inflation up by 0.69 percentage points. Given their weight in the basket, disinflation in this sector becomes even more significant. During the same period, monthly inflation in the Special Coverage CPI Indicator B index (core inflation) was 2.43%, while annual inflation reached 32.52%. The high trend in core indicators suggests that both headline and main inflation distribution are spreading across all items as price pressures. Adjusting for seasonality, we see that monthly inflation is far from the 2% level, particularly in food, housing, transportation, and education. Of the 32.87% annual inflation rate, 20.45 percentage points come from food, housing, and transportation. While demand-pull inflation is under control, the high trend is a result of expectations and pricing behavior. Services inflation, which has fallen slightly below 2% in May and March since the beginning of the year, is projected to average monthly inflation of 3.6% in 2025. This has led to annual inflation of 44.44%. Assuming no demand-side pressures, services inflation will remain stable in the 40-43% range unless a positive supply-side shock occurs.

CPI, PPI and Core CPI (YoY %)



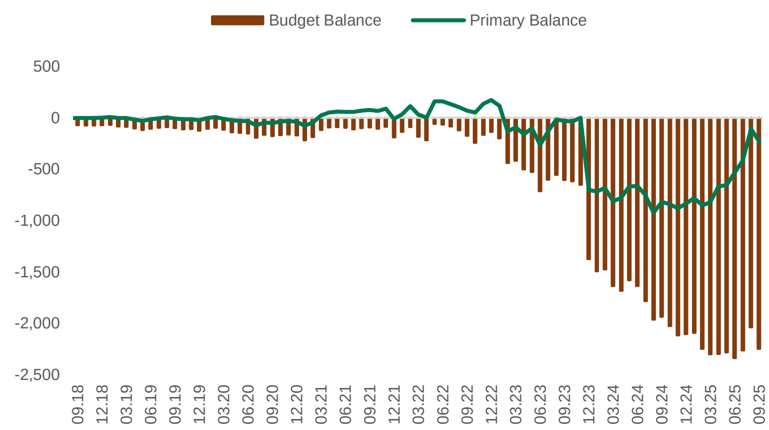
PPI - CPI Spread



Budget Balance - September

According to the September central government budget data published by the Ministry of Treasury and Finance, budget revenues were TRY 1.021 billion and budget expenditures were TRY 1.331 billion. During the same period, non-interest budget expenditures amounted to TRY 1.094.4 billion. Based on these data, the budget deficit was TRY 309.6 billion, while the non-interest balance showed a deficit of TRY 73 billion. In August, we saw a positive budget performance led by corporate tax collections. Interest payments also saw a limited decline the previous month. In September, budget performance exhibited a negative trend due to both the decline in corporate tax collections and substantial interest payments. Despite the limited increase in personnel expenses, current transfers remained flat. No transfers were made this month to Elektrik Üretim AŞ (Electricity Generation Inc.), which receives regular payments from this item, and a current transfer of TRY 15 billion was made to BOTAŞ (BOTAŞ). A total of TRY 283.8 billion was transferred to BOTAŞ and Elektrik Üretim AŞ between January and September. If we calculate total interest expenditures at TRY 1.66 trillion in the same period, the total burden on the budget from public borrowing interest and transfers to state-owned enterprises (SOEs) in the first nine months was approximately 1.95 trillion. When the 12-month totals are considered together, the budget deficit is TRY 2.2 trillion, while the core balance, excluding interest, has a deficit of TRY 230 billion. The main reason for this difference is the reflection of monetary policy on fiscal policy. High borrowing interest rates increase interest rate pressure on the budget. Fiscal discipline can be achieved in the budget when inflation and interest rates decline to pre-COVID levels. In this context, we see that price stability is a prerequisite for achieving fiscal discipline targets. However, in this period, where inflation is running well above the 10-year average, the direction of causality has shifted from public finance to price stability. In short, a slowdown in inflation driven by fiscal policy will lead to price stability, and subsequently, fiscal discipline. The current macroeconomic outlook suggests that inflation inertia may persist for some time, and that the pace of interest rate cuts may slow. Therefore, we estimate that the process of achieving the fiscal discipline anchor will be delayed by at least one quarter. These estimates are based on the assumption that the current outlook is not impacted by negative monetary or fiscal policy.

Budget and Primary Balance (12m rolling, Billion TRY)

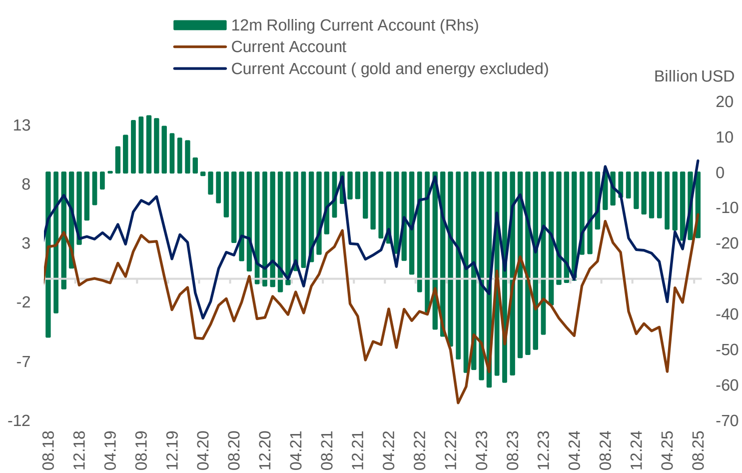


Macroeconomic Outlook

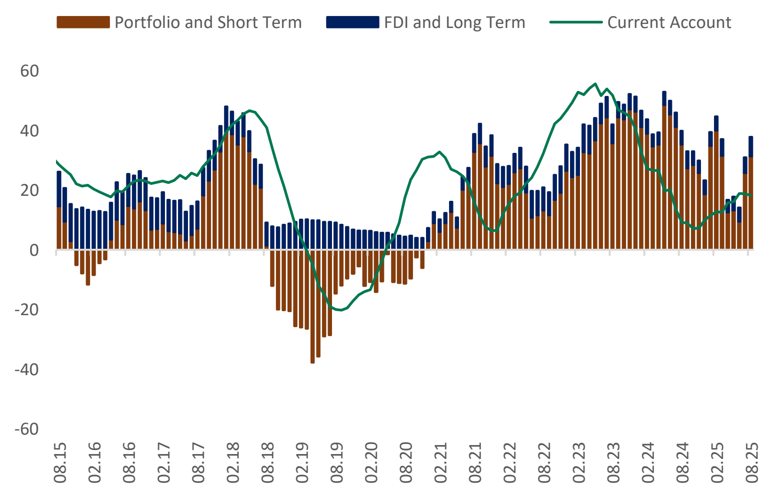
Balance of Payments - August

According to balance of payments statistics, the current account balance in August showed a surplus of USD5,455 million. Consequently, the twelve-month current account deficit stood at USD18,282 million (previously USD18,849 million). We observe that seasonal effects have resulted in a current account surplus above our expectations. Contributions from both main items of the current account balance contributed to this development. Despite a limited recovery in the foreign trade deficit, an inflow of approximately USD9.5 billion in the services balance has led to a current account surplus. Developments in the current account balance continue in line with our general expectations for 2025. Our baseline scenario for the current account balance was a recovery in domestic economic activity led by import demand, coupled with interest rate cuts. Due to the summer season, both the recovery in the trade balance and the strong inflows in the services balance are contributing positively to the current account balance. We expect this effect to evolve into a limited negative outlook in the final quarter. Inflation inertia and hardening expectations may prompt a more moderate reduction or suspension scenario in interest rate decisions. This would lead to a positive deviation from our baseline scenario and a more positive outlook for the balance of payments. Looking at the details of the current account balance, the foreign trade deficit defined by the balance of payments was USD2,806 million, and inflows from the balance of services were USD9,516 million. The twelve-month cumulative foreign trade deficit defined by the balance of payments was USD62.6 billion, while inflows from the balance of services amounted to USD62.3 billion. The balance of goods and services is considered break-even, and the current account deficit appears to stem from the primary income balance. The current account, excluding gold and energy, posted a surplus of USD10,005 million this month. The core current account balance remains positive. However, developments in monetary policy, the realization of deferred demand, and interest rate cuts keep risks to the balance of payments alive. In the last quarter, there is weaker risk appetite and a more negative outlook in the current account balance.

Current Account (CA), Energy and Gold Excluded (CA), 12M Rolling CA (Billion USD)



Finance of Current Account Deficit (Billion USD)

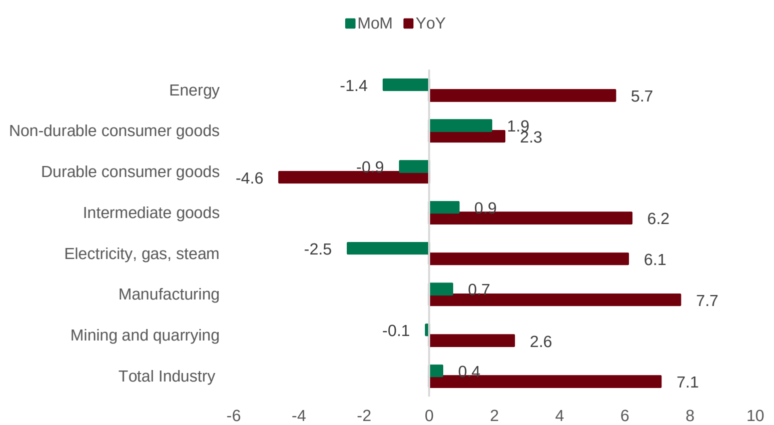


Macroeconomic Outlook

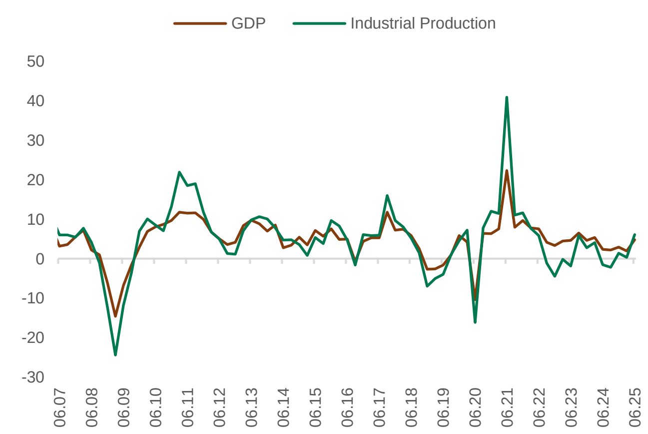
Industrial Production- August

According to industrial production index data, seasonally and calendar-adjusted production rises by 0.4% in August compared to the previous month. Accelaration in monthly production brought annual production growth to 7.1% (from 5.2%). Production data, which recorded a strong recovery in the second quarter with the approach of interest rate cuts, had contributed significantly to growth. Although political and geopolitical developments in March slowed this momentum, we can say that growth was achieved, led by production. We expect a slowdown in production due to the possibility of the pace of interest rate cuts remaining lower than expected, as well as to the forecast of a calmer inflation outlook for the rest of the year. The fact that the output gap will remain in negative territory also supports this scenario. In the same base scenario, we had thought that the recovery in production data would become more pronounced in the second quarter of the year. Due to the impact of these external shocks, we have revised our expectations for production data by one quarter. Given the current outlook, monthly data continues to fluctuate and remain flat. However, positive stagnation is an indication that the worst is behind us in terms of production. Nevertheless, we had previously stated in our reports that we were testing peak levels in annual production momentum and that the equilibrium would be around 5%. The actual results support these forecasts. The interest rate cuts that began in July have afforded some breathing space in terms of companies' financing costs. We believe this outlook will continue for the remainder of the year and that companies with high TL debt burdens will be positively affected during this process. As developments in monetary policy will indirectly impact on the expectation channel in industrial production, we expect the positive momentum in production data to continue until the end of the year, based on the expectation of continued interest rate cuts. Although this baseline scenario remains robust, political turmoil and global polarization could limit the positive impact of interest rate cuts on production. In this context, we emphasize that the CBRT, which prioritizes a cautious stance, may ease its monetary policy accordingly.

Industrial Production Rate of Change (%)



Industrial Production and GDP Growth (YoY)



Akbank (OP, 12M TP: TRY88.90) Upside: 46%
Net profit in Q3 was slightly above expectations

Following its growth strategy, the bank stands out with market share gains across all TL loan segments. Considering its solid capital base, strong growth in fee and commission income, strategic TRY loan expansion, and improving net interest margin, we maintain our Outperform recommendation.

Akbank has announced a 3Q25 net profit of TRY 14.1bn, slightly above expectations, implying a strong 26% QoQ increase. The reported figure was 4.3% above our estimate of TRY 13.5bn and 3.6% above the market consensus of TRY 13.6bn.

The bank made no changes to its 2025 guidance. Accordingly, it maintained expectations of over 30% TRY loan growth, mid-single-digit FX loan growth, around 60% fee income growth, 40% operating expense growth, an NPL ratio of 3.5%, a net cost of risk between 150–200bps, and ROE above 25%.

We expect the bank's net profit to increase by 34% YoY in 2025. Our target price of TRY 88.90 implies a 46% upside potential from current levels. We maintain our "Outperform" recommendation. The stock trades at 5.6x 2025E P/E and 1.12x P/B, implying an average ROE of 21.8%.

Strong recovery in net interest margin.Akbank's interest income increased by 3.8% QoQ, while interest expenses declined by 2.9%. Accordingly, net interest income rose 54% QoQ to TRY 28.6bn. Swap costs, on the other hand, increased 59.4% QoQ to TRY 11.3bn. As a result, the swap-adjusted net interest margin expanded sharply from 184bps in 2Q25 to 262bps in 3Q25.

The TRY securities portfolio continues to feature a high share of high-yield corporate bonds. Strategic TRY loan growth, along with proactive market-share gains in FX loans, is expected to support longer duration and further margin improvement.

Strong fee growth accompanied by a solid improvement in cost coverage. The ratio of fee and commission income to operating expenses strengthened significantly in 3Q25, rising to 121% from 100% in 1Q25, reflecting robust growth in fee income and improved operating efficiency.

Noticeable increase in cost of risk. The bank's cumulative net cost of risk rose from 180bps to 237bps. For the full year, management expects the net cost of risk (excluding currency impact) to remain in the 150–200bps range.

Strengthened coverage ratios. The bank's Stage 2 expected loss coverage ratio increased to 17.2% from 15.5% in 2Q25, while the Stage 3 coverage ratio rose to 61.5% from 59.8%, reflecting a more conservative provisioning approach.

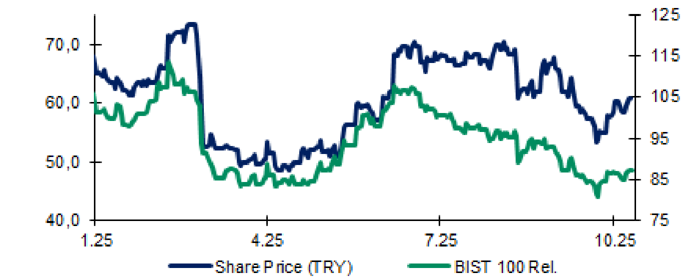
AKBNK

Mcap (TRYmn)	316.160	Beta (12M)	1,30
Mcap (USDmn)	7.546	Avr. Daily Vol. (TRYm)	6.295
Close	60,80	Foreign Ownership in FF	46,5%
Last 12M High	74,54	Free Float (%)	52,0%
Last 12M Low	45,11	Weight	5,08%

Quick Facts (TRY Mn)	2023A	2024A	2025E	2026E
Net interest income	63.547	65.045	155.299	209.083
% Change, YoY	*-17,3%*	*2,4%*	*138,8%*	*34,6%*
Net fee income	30.832	69.162	103.744	147.316
% Change, YoY	*198,9%*	*124,3%*	*50,0%*	*42,0%*
Net income	66.479	42.366	56.878	104.474
% Change, YoY	*10,8%*	*-36,3%*	*34,3%*	*83,7%*

Ratios	2023A	2024A	2025E	2026E
NPL ratio	1,7%	2,3%	2,8%	2,8%
CoR (net) Exc. Currency	0,8%	1,0%	1,8%	1,4%
NIM (Swap adj.)	4,4%	2,2%	8,0%	6,2%
ROAA	3,9%	1,7%	1,8%	2,5%
ROAE	36,4%	18,8%	21,8%	32,5%

Multiples	2023A	2024A	2025E	2026E
P/E	2,9	8,0	5,6	3,0
P/BV	0,90	1,40	1,12	0,88



Return	1M	3M	6M	12M
TRY Return (%):	-3,0	-9,9	25,4	22,8
US$ Return (%):	-4,0	-12,9	14,8	0,3
BIST-100 Relative (%):	-2,7	-11,8	3,7	-0,8

Source: Bank financials, Seker Invest Research

Aselsan (OP, 12M TP: TRY 240.00) Upside: 17.9%

ASELSAN continues its export-oriented growth strategy with determination…

Turkey's export value per kilogram is 1.5 dollars, while the defense industry's export value per kilogram is 60 dollars. In comparison, for some of ASELSAN's products, this figure exceeds 20,000 dollars. This is a remarkable indicator of ASELSAN's technological depth.

Since the beginning of 2024, ASELSAN shares have provided investors with a 247% return in dollar terms. During the same period, the Dow Jones Defense Index yielded a 61% return. Thus, ASELSAN has significantly outperformed foreign defense companies.

ASELSAN's total order backlog reached an all-time high of $16 billion in the first half of the year (1H24: $12.3 billion). During the same period in 2025, the company received $2.8 billion in new orders (1H24: $2.6 billion). Maintaining its firm commitment to an export-oriented growth strategy, ASELSAN secured $1.3 billion of its new orders from international markets in 1H25 (1H24: $365 million).

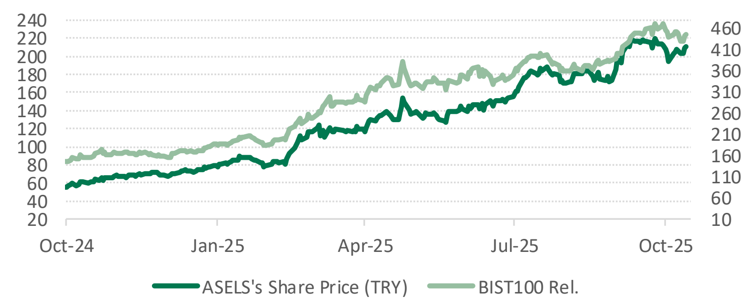
ASELSAN took another significant step toward becoming a global player in the defense industry. With its $1.5 billion Oğulbey Technology Base investment, the company will produce components of the ÇELİKKUBBE Project in high volumes at its new facility.

In line with its export-focused growth strategy, ASELSAN continues to explore new market opportunities worldwide. The joint venture established in Oman represents an important move to enhance the company's technological and commercial presence in the Middle East and Gulf region.

ASELSAN is expected to announce its third-quarter financial results tomorrow, after the market close. Thanks to the continued momentum in new order inflows in 3Q25, we anticipate a steady upward trend in both revenue and profitability indicators. We expect revenue to grow by 13% in real terms to TRY 32,780 million, EBITDA to reach TRY 7,900 million, and net profit to stand at approximately TRY 3,250 million.

We maintain our 12-month target price at TRY 240,0/shr. While our target price has a 17.9% upside potential, we maintain our Outperform rating for ASELS.

Code	ASELS.TI	Close		203,60
MCAp (TRY m)	817.608	Last 12M High		187,70
MCAp (US$ m)	20.188	Last 12M Low		54,01
EV (TRY m)	837.721	Beta		0,83
EV (US$ m)	20.721	Avg. daily trading vol. (US$ m)		96,6
Free float (%)	26,00	Foreign ownership in FF (%)		49,35%
Key figures	***2022A**	***2023A**	***2024A**	**2025E**
Revenues	112.626	123.969	140.248	176.702
Growth		*10,1%*	*13,1%*	*26,0%*
EBITDA	23.650	26.998	35.275	52.439
EBITDA margin	*21,0%*	*21,8%*	*25,2%*	*29,7%*
Net profit	2.159	12.281	17.850	29.131
EPS	0,95	2,69	3,91	6,39
Dividend yield	0,25%	0,22%	0,28%	0,11%
Net debt /EBITDA	0,36	0,71	0,50	0,30
Net debt /Equity	0,06	0,13	0,11	0,08
ROAE		8,7%	11,5%	16,3%
ROAA		4,9%	6,6%	9,5%
Valuation metrics	***2022A**	***2023A**	***2024A**	**2025E**
P/E	378,6	66,6	45,8	28,1
EV/EBITDA	2,1	31,0	23,7	16,0
EV/Sales	0,4	6,8	6,0	4,7
P/BV	6,1	5,6	5,0	4,2
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	22,4	30,5	147,3	186,4
US$ Return (%):	20,1	23,7	115,2	133,3
BIST-100 Relative (%):	9,8	14,8	131,8	193,2



Source: PDP, Finnet, Seker Invest Research estimates

**2022 and 2023 financials are Indexed according to 2024 with IAS -29*

Cimsa (OP, 12M TP: TRY 63.00) Upside: 32.6%

Net profit outperformed expectations in 3Q25

Cimsa published its restated financial results for 3Q25 in accordance with inflation accounting, applying TMS 29 'Financial Reporting in Hyperinflationary Economies' on October 31, 2025.

Cimsa has reported a consolidated 3Q25 net profit attributable to the parent of TRY 1,269mn. The announced net profit exceeded both the Şeker Investment estimate of TRY 1,132mn and the market median expectation of TRY 976mn. Net profit declined by 18.2% YoY, while the net margin decreased by 8.3pps YoY to 11.3% from 19.6%.

The main factors behind the decline in net profitability were the relatively limited contribution of exports and international operations to consolidated revenues — as the rise in FX rates remained below annual inflation despite organic growth in sales volumes — and a TRY 256mn negative impact arising from the valuation of Sabancı Holding shares held by the company.

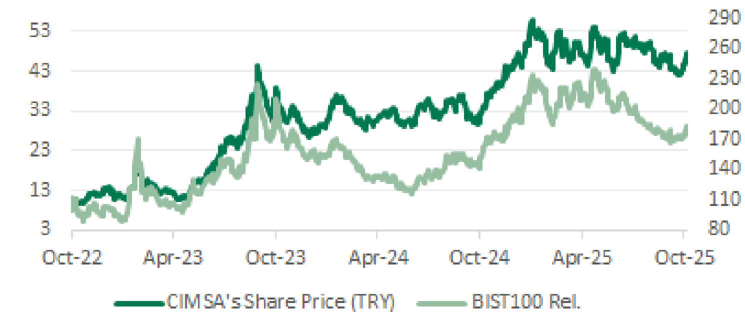
Çimsa's consolidated net sales revenue increased by 42.3% YoY in 3Q25 to TRY 11,240mn (3Q24: TRY 7,902mn), supported by the inorganic contribution of Mannok. The company maintained its high capacity utilization rate in 3Q25, achieving a 30.1% YoY increase in consolidated sales volume, supported by 0.6% growth in domestic markets and 88.2% growth in international markets (including Mannok). Excluding Mannok's volumes, Çimsa's consolidated sales volume grew organically by 17.5% YoY.

Çimsa generated consolidated EBITDA of TRY 2,377mn in 3Q25 (3Q24: TRY 2,214mn), marking a 7.4% YoY increase. The EBITDA margin, however, narrowed by 6.9pps YoY to 21.1% (3Q24: 28.0%).

We maintain our 12-month target price of **TRY 63.00**/share and '**Outperform**' recommendation for CIMSA. Our TP has 32.6% upside potential compared to the share closing price on October 31, 2025.

Code	CIMSA.TI	Close	47,52
MCAp (TRY m)	44.934	Last 12M High	56,69
MCAp (US$ m)	1.073	Last 12M Low	33,25
EV (TRY m)	66.207	Beta	1,09
EV (US$ m)	1.585	Avg. daily trading vol. (US$ m)	15,1
Free float (%)	45,00	Foreign ownership in FF (%)	6,5%

Key figures	2022A*	2023A*	2024A	2025E
Revenues	30.060	29.604	28.151	37.444
Growth		*-1,5%*	*-4,9%*	*33,0%*
EBITDA	3.080	5.284	5.086	8.575
EBITDA margin	*10,2%*	*17,8%*	*18,1%*	*22,9%*
Net profit	5.887	3.596	2.688	5.117
EPS	43,58	3,80	2,84	5,41
Dividend yield	3,8%	4,7%	1,1%	2,3%
Net debt /EBITDA	0,59	0,64	2,71	0,46
Net debt /Equity	0,08	0,13	0,56	0,14
ROAE		14,5%	10,4%	19,2%
ROAA		6,5%	4,4%	6,7%
Valuation metrics	**2022A***	**2023A***	**2024A**	**2025E**
P/E	7,6	12,5	16,7	8,8
EV/EBITDA	1,7	12,5	13,0	7,7
EV/Sales	0,2	2,2	2,4	1,8
P/BV	2,8	1,7	1,8	1,6
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	0,9	-8,2	3,2	38,0
US$ Return (%):	-0,1	-11,2	-13,2	12,7
BIST-100 Relative (%):	1,3	-10,1	-7,5	11,5



Source: PDP, Finnet, Şeker Invest Research estimates
**2022 and 2023 financials are indexed according to 2024 with IAS -29*

Şeker Invest

Ford Otosan (OP, 12M TP: TRY 143.00) Upside: 44%

We maintain our TP for Ford Otosan of **TRY 143.00/sh**, and our "**OUTPERFORM**" recommendation. Based on the October 31, 2025 closing price, Ford Otosan trades at 2025E 6.8x EV/EBITDA and 2025E P/E of 7.8x, indicating a potential return of 44%. We are holding Ford Otosan into our model portfolio, driven by its robust story, and significant investment initiatives within the electrification period.

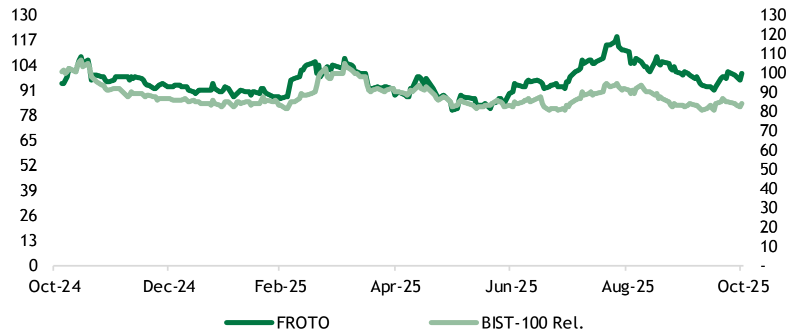
According to ADMA, Ford Otosan's LCV sales declined by 1.0% YoY in September 2025, reaching 5,971 units (September 2024: 6,029 units). During the January to September 2025 period, its retail sales of LCVs rose by 9.5% YoY, up from 47,525 units last year to 52,038 units this year. In September 2025, Ford Otosan's market share declined to 7.2% while in 9M25, it was flat, to 7.7%.

Ford Otosan's total production capacity has reached 746,000 units, with plans to exceed 900,000 units through electrification and the introduction of new models. We anticipate that Ford Otosan's planned investment programs will have a long-term positive impact on its stock, particularly as part of its electrification strategy. These investments are expected to support the company's export-driven business model and profitability-focused domestic strategy, enhancing both operational and financial performance. We also expect the favorable changes in the product mix and the benefits of cost-plus export agreements to have a meaningful impact on both sales volumes and profitability. Ford Otosan aims to offer electric options for all its models by 2025 as part of its electrification strategy. Additionally, the aging fleets in Europe and Turkiye, coupled with increasing maintenance costs and downtime, are driving the need for fleet and vehicle renewal. In this context, Ford Otosan's updated product portfolio and its diversified electric vehicle production position it well to meet the rising demand for fleet renewal. Furthermore, the introduction of the next-generation Custom model and the collaboration with Volkswagen for the production of the 1-ton medium commercial vehicle are expected to significantly bolster Ford Otosan's export volumes in 2025.

2025 expectations: Ford Otosan expects the domestic retail market to be in the range of 1,050,000 - 1,150,000 units. Ford Otosan's domestic retail volume expectation is in the range of 90,000 - 100,000 units. The company expects total export volumes to be in the range of 610,000 - 660,000 units (Romania: 200,000 - 220,000 units, Türkiye: 410,000 - 440,000 units). The total sales volume expectation is 700,000 - 760,000 units. Ford Otosan's total production volume forecast for 2025 is 700,000 - 750,000 units (Romania: 240,000 - 260,000 units (2024: 251,000 units) and Türkiye: 460,000 - 490,000 units). The 2025 CapEx target is EUR 600 - 700mn (General investments: EUR 130 - 150mn and Product investments: EUR 470 - 550mn). Ford Otosan also expects sales revenue to grow in the high single-digit range in 2025, while the EBITDA margin is expected to be between 7% - 8%.

Code	FROTO TI / FROTO IS	Close	99,25
MCap (TRY mn)	348.278	Last 12M High	118,30
MCap (US$ mn)	8.314	Last 12M Low	78,85
EV (TRY mn)	438.908	Beta	0,92
EV (US$ mn)	10.594	Avg. Daily Trading Vol. (US$ m)	33,0
Free Float (%)	20,31	Foreign Ownership in FF (%)	38,84

Key Figures (TRY mn)	* 2022A	* 2023A	* 2024A	2025E
Revenues	322.556	594.705	594.995	825.303
Growth (%)		*84,4%*	*0,0%*	*38,7%*
EBITDA	31.981	61.665	39.868	64.816
EBITDA Margin (%)	*9,9%*	*10,4%*	*6,7%*	*7,9%*
Net Profit	27.730	70.826	38.864	44.639
EPS	79,02	201,84	110,75	127,21
Dividend Yield	8,1%	7,5%	7,4%	2,6%
Net Debt/EBITDA (x)	1,43	1,42	2,97	1,99
Net Debt/Equity (x)	0,90	0,83	0,88	0,92
ROAE (%)		90,5%	32,4%	32,4%
ROAA (%)		29,0%	11,2%	11,0%
Valuation Metrics	*** 2022A**	*** 2023A**	*** 2024A**	**2025E**
P/E	12,6	4,9	9,0	7,8
EV/EBITDA	13,7	7,1	11,0	6,8
EV/Sales	1,4	0,7	0,7	0,5
P/BV	4,7	2,3	3,5	2,5
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	0,2	4,3	7,7	4,6
US$ Return (%):	-0,8	0,8	-9,5	-14,6
BIST-100 Relative (%):	0,6	2,1	-3,5	-15,5



Source: PDP, Ford Otosan, Finnet, Seker Invest Research Estimates

**2023 and 2024 financials are Indexed according to 2024 with IAS -29*

Isbank (OP, 12M TP: TRY18.80) Upside: 49%
Significant improvement in NIM

Despite earnings pressure from higher expected credit losses, we maintain our Outperform recommendation, supported by a strong improvement in net interest margin.

Isbank has announced a 3Q25 net profit of TRY 14.2bn. The figure represents an 18% QoQ decline but a strong 157% YoY increase, bringing cumulative 9M25 net profit to TRY 44.0bn, up 27% YoY. Strong growth was recorded in net interest and fee income; however, profitability was weighed down by a sharp rise in expected credit losses. Consequently, the bank's average ROE declined to 16.2% in 3Q25 from 21.8% in the previous quarter.

Strong NIM expansion driven by lower funding costs. Despite a 10.8% QoQ increase in swap costs, Isbank's swap-adjusted net interest income surged 116% QoQ to TRY 18.7bn, supported by lower deposit funding costs. Accordingly, the swap-adjusted NIM expanded by 106bps to 2.1%, indicating a strong recovery in margins.

Fee and commission income growth continues. Net fee and commission income increased 9.9% QoQ and 47% YoY (9M cumulative), driven mainly by higher payment-system fees.

Higher provisions weighed on earnings. Expected credit losses rose 47% QoQ to TRY 15.9bn, significantly offsetting the strong growth in net interest income. As a result, the bank's net cost of risk increased by 140bps QoQ to 290bps.

We expect the bank's net profit to rise 38.8% YoY by the end of 2025. Our 12-month target price for Isbank is TRY 18.80, implying a 49% upside potential from current levels. We maintain our Outperform recommendation. The stock is trading at 5.0x 2025E P/E and 0.84x P/B, with an average ROE of 18.2%.

The bank made no changes to its 2025 guidance. It maintained expectations of over 30% TRY loan growth, mid-single-digit FX loan growth, 60% fee income growth, 40% operating expense growth, an NPL ratio of 3.5%, a net cost of risk between 150–200bps, and an ROE above 25%.

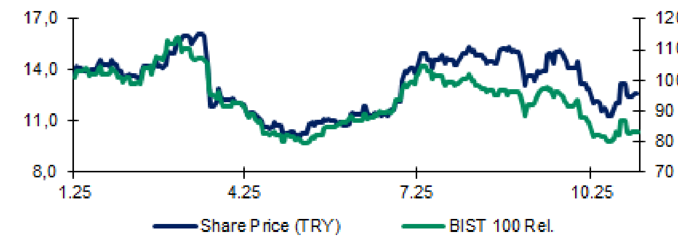
ISCTR

Mcap (TRYmn)	316.250	Beta (12M)	1,28
Mcap (USDmn)	7.548	Daily Volume (12M)	6.180
Close	12,65	Foreign Ownership in FF	26,0%
Last 12M High	16,36	Free Float (%)	31,0%
Last 12M Low	10,07	Weight	3,03%

Quick Facts (TRY Mn)	2023A	2024A	2025E	2026E
Net interest income	67.073	34.451	81.572	111.332
% Change, YoY	*-10,8%*	*-48,6%*	*136,8%*	*36,5%*
Net fee income	42.438	91.411	134.389	171.996
% Change, YoY	*162,8%*	*115,4%*	*47,0%*	*28,0%*
Net income	72.265	45.517	63.163	118.903
% Change, YoY	*17,4%*	*-37,0%*	*38,8%*	*88,2%*

Ratios	2023A	2024A	2025E	2026E
NPL ratio	2,1%	2,1%	2,9%	3,1%
CoR (Net)	1,0%	1,1%	2,9%	2,4%
NIM (Swap adj.)	3,7%	-0,7%	3,0%	3,3%
ROAA	3,7%	1,6%	2,1%	4,0%
ROTE	31,6%	15,6%	18,2%	27,6%

Multiples	2023A	2024A	2025E	2026E
P/E	3,2	7,4	5,0	2,7
P/BV	0,87	1,06	0,84	0,65



Return	1M	3M	6M	12M
TRY Return (%):	-10,6	-14,6	22,8	9,2
US$ Return (%):	-11,5	-17,5	12,5	-10,9
BIST-100 Relative (%):	-10,3	-16,4	1,6	-11,8

Source: Bank financials, Seker Invest Research

Migros (OP, 12M TP: TRY 750.00) Upside: 65%

We maintain our positive outlook on net cash position & market share development…

We maintain our "Outperform" recommendation for Migros, with our 12M TP of TRY 750.00. As of the closing price on October 31, 2025, the stock is trading at 2025E EV/EBITDA of 4.4x and 2025E P/E of 7.8x, implying an upside potential of 65%.

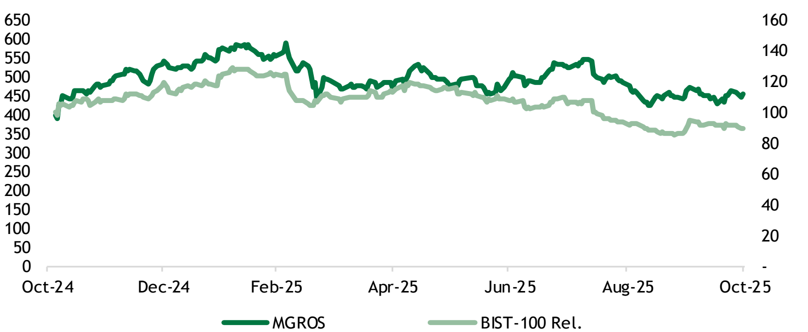
Considering the Company's FMCG market share trajectory; in the modern FMCG market, it had a 16.8% (1H24: 16.2%) market share in 1H25, and 10.2% (1H24: 9.6%) of the total FMCG market thanks to price investments, and its omni & multi format growth strategy. In addition, its store number rose by 193 compared to 1H24 to 3,683 stores in total in 1H25. Sales area rose by 3.7% YoY. We note that with the significant growth opportunity in online channels, the Company has reached 81 cities through online operations. The potential rise in online operations and store growth will positively affect net sales and operational profitability in the medium-to-long term. With the rising number of stores & growth of sales area, solid growth in basket size, and the positive contribution of online sales channels, we maintain our positive outlook for Migros. Thanks to strong cash flow created by the operations, we maintain our positive outlook for Migros. The Company has no hard-currency exposure. At the end of 2Q25, the Company's total financial debt (Inc. IAS-29) was at TRY 665mn (2Q24: TRY 2,074mn). As of 2Q25, the Company's FCF improved from TRY -3,419mn in 1Q25 to TRY 4,111mn.

Migros expects sales growth of 8-10%, incorporating IAS-29 inflation accounting effects in 2025E. The company expects an EBITDA margin of approximately 6.0%. Additionally, Migros maintains its target of opening ~250 new stores by the end of 2025, while setting its capital expenditure-to-sales ratio forecast at 2.5%-3.0%. We appreciate the current strategy of boosting the private label portfolio and focusing on strategic store openings. Meanwhile, the Company has been able to increase its FMCG market share despite competitive market conditions in a high inflation environment. Moreover, we expect the business lines created by Migros with its various subsidiaries that use online channels effectively to increasingly contribute in the future.

Downside risk for Migros - The rise in input costs due to inflationary pressures, & rising energy prices, are likely to create downside risks.

Code	MGROS TI/MGROS IS	Close	453,50
MCap (TRY mn)	82.108	Last 12M High	591,72
MCap (US$ mn)	1.960	Last 12M Low	389,28
EV (TRY mn)	87.482	Beta	0,89
EV (US$ mn)	2.095	Avg. Daily Trading Vol. (US$ m)	26,1
Free Float (%)	50,82	Foreign Ownership in FF (%)	26,69

Key Figures (TRY mn)	* 2022A	* 2023A	* 2024A	2025E
Revenues	202.823	262.132	293.780	392.163
Growth (%)		*29,2%*	*12,1%*	*33,5%*
EBITDA	5.430	4.537	15.796	20.010
EBITDA Margin (%)	*2,7%*	*1,7%*	*5,4%*	*5,1%*
Net Profit	13.196	12.747	6.340	10.472
EPS	72,88	101,65	36,66	57,84
Dividend Yield	1,6%	1,9%	0,8%	1,3%
Net Debt/EBITDA (x)	-0,27	-1,17	0,51	0,33
Net Debt/Equity (x)	-0,04	-0,07	0,15	0,10
ROAE (%)		22,2%	10,0%	18,0%
ROAA (%)		8,2%	3,1%	4,6%
Valuation Metrics	*** 2022A**	*** 2023A**	*** 2024A**	**2025E**
P/E	6,2	6,4	13,0	7,8
EV/EBITDA	16,1	19,3	5,5	4,4
EV/Sales	0,4	0,3	0,3	0,2
P/BV	2,1	1,1	1,6	1,3
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	1,9	-13,5	-15,9	13,8
US$ Return (%):	0,9	-16,3	-29,3	-7,1
BIST-100 Relative (%):	2,3	-15,3	-24,7	-8,1



Source: PDP, Migros, Finnet, Seker Invest Research Estimates

**2023 and 2024 financials are Indexed according to 2024 with IAS -29*

Sabanci Holding (OP, 12M TP: TRY 146.24) Upside: 79.3%

Sabanci Holding (SAHOL.TI; OP) announced a consolidated net profit of TRY 1,751mn in 2Q25 under inflation accounting (IAS 29), compared to a loss of TRY 2,450mn in 2Q24. Sabanci Holding's net loss as of 1H25 was realized at TRY 1,365mn (1H24: TRY 10,305mn TL net loss). In 2Q25, Sabanci Holding generated sales revenue of TRY 357,041mn (up 3.7% YoY), including banking operations. The company's EBITDA reached TRY 36,182mn in 2Q25, on a 4.4% YoY increase. Non-bank EBITDA margin expansion, particularly driven by financial services and energy segments, passed largely through to the bottom-line with some support from lower monetary losses despite increased financial expenses, amid prevailing high borrowing cost conditions in Türkiye.

The Holding's solo net cash position has increased to TRY 13.3bn from TRY 12.4bn at the end of 2024 thanks to received dividend payments. Net Debt/EBITDA was 1.7x, well below the Holding's midterm target of a maximum 2.0x.

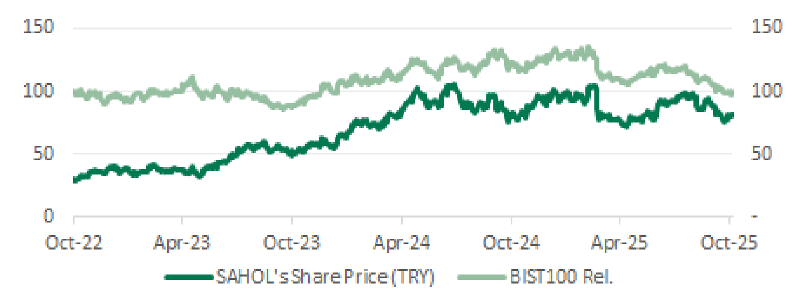
Sabancı Holding's net asset value is composed of 42% banking and financial services, 33% energy and climate technologies, 14% material technologies, 6% digital technologies and others, and 5% mobility solutions. Revenue-wise, 60% comes from banking and financial services, 20% from energy, 0,6% from mobility solutions, 9% from material technologies, 0,4% from digital services, and 10% from other segments.

2025 Expectations: We believe that the banking and financial services segment, which accounts for a significant 60% of the Holding's revenue, will be positively affected by interest rate cuts in 2025. However, due to its high cash position, it is expected to continue being negatively impacted by inflation accounting.

In line with our expectations, we maintain our 12-month target price for Sabancı Holding (SAHOL) at TRY 146.24/share. As our target price carries 79.3% upside potential based on the closing price of October 31, 2025, we maintain our OUTPERFORM recommendation for the stock.

Code	SAHOL.TI	Close	81,55
MCAp (TRY m)	171.286	Last 12M High	105,98
MCAp (US$ m)	4.089	Last 12M Low	71,70
EV (TRY m)	298.013	Beta	1,13
EV (US$ m)	7.278	Avg. daily trading vol. (US$ m)	59,0
Free float (%)	51,00	Foreign ownership in FF (%)	35,3%

Key figures	2023*	2024 *	2024/06	2025/06
Revenues	230.796	227.623	112.436	108.709
Finance Sector Revenues	663.293	830.594	183.250	199.880
Total Revenues	894.089	1.058.217	295.686	308.589
Growth		*18,4%*		*4,4%*
Consalidated net profit	25.988	18.000	-10.306	-1.365
EPS	12,74	8,82	-5,05	-0,65
Dividend yield	3,0%	3,2%		
Net debt /Equity	0,10	0,02		0,40
ROAE	7,4%	5,4%		8,3%
ROAA	0,7%	0,5%		0,8%
Valuation metrics	**2023***	**2024 ***	**2024/06**	**2025/06**
P/E	6,6	9,5		6,4
EV/Sales	1,3	1,3		1,3
P/BV	0,5	0,5		0,5
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	-6,0	-14,5	-11,9	1,6
US$ Return (%):	-6,9	-17,3	-25,9	-17,1
BIST-100 Relative (%):	-5,7	-16,3	-21,1	-17,9



Source: PDP, Finnet, Seker Invest Research estimates

**2023, 2024 financials are indexed according to 1H25 with IAS -29*

Turkcell (OP, 12M TP: TRY 136.60) Upside: 37%

Turkcell became the operator that acquired the widest frequency band and submitted the highest bid in the 5G auction...

Turkcell, based on its financials with inflation accounting (TMS-29 effect), announced a net profit of TRY 4,201 million in the 2Q25 period (2Q24: TRY 3,922 million), exceeding our expectation of TRY 3,400 million and the market expectation of TRY 3,294 million. Operational profitability strengthened compared to the previous year, while other revenues of TRY 10,714 million net, driven by exchange rate gains, supported the net income of TRY 2,378 million from investment activities and the lower net profit from tax provisions compared to the previous quarter. However, the net financial expense of TRY 15,455 million and the lower monetary position gains weighed on the net profit figure. The Company's net profit margin in 2Q25 was 7.92% (2Q24: 8.32%). **The Company's sales revenues, including the impact of TMS-29, increased by 12.5% year-over-year to TRY 53,022 million in 2Q25. Our expectation for net sales revenues was TRY 52,400 million, while the market expectation was TRY 52,012 million.** Strong ARPU performance, a growing postpaid subscriber base, and effective efforts to upgrade our customers to higher packages were instrumental in the increase in sales revenues. Turkcell Group subscribers increased by 0.7% year-over-year to 45.6 million in 2Q25, while Turkcell Türkiye subscribers also increased by 0.7% to 43.5 million. Driven by ongoing price adjustments, ARPU (revenue per user) recorded 9.8% annual real growth in mobile and 17.5% in individual fiber. Revenues continued to grow thanks to the strong ARPU and subscriber base.

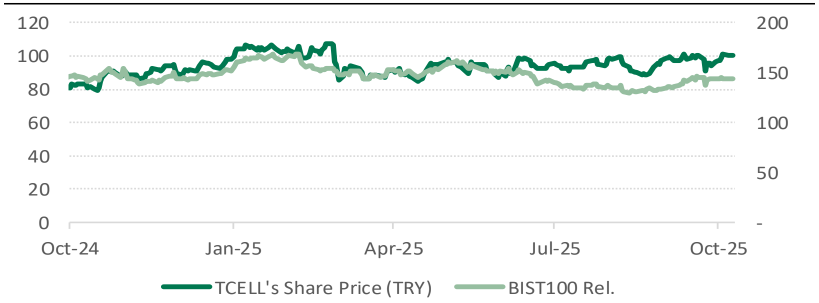
In the 5G spectrum authorization auction held on October 16, Turkcell secured the widest frequency band with a total of 160 MHz, submitting a bid worth $1.224 billion. Under the 5G spectrum allocation, Turkcell gained the right to use the 160 MHz frequency until December 31, 2042, excluding VAT. The total spectrum payment will be made in three equal installments on January 2, 2026, December 25, 2026, and May 2, 2027.As a result of this auction, Turkcell now holds the usage rights to 394.4 MHz of Turkey's total 949.2 MHz available mobile spectrum resources, giving it access to approximately 42% of the country's total frequency capacity. With this authorization, Turkcell also extended the duration of its existing 2G, 3G, and 4.5G licenses until December 31, 2042.Within this framework, Turkcell will pay the Information and Communication Technologies Authority (BTK) 5% of its gross mobile service revenues (excluding VAT) annually between April 30, 2029 and December 31, 2042. The commercial launch of 5G services is planned for April 1, 2026.

Turkcell is expected to announce third-quarter 2025 financial results on November 6, after market close. Despite a highly competitive pricing environment, we anticipate continued real growth in revenues driven by an expanding mobile subscriber base and ARPU growth. For 3Q25, we estimate revenue to reach TRY 59,200 million (up 16% in real terms), EBITDA at TRY 26,200 million, and net profit at approximately TRY 5,800 million.

In line with our expectations, we maintain our 12-month target price for TCELL at 136.60/share. Our target price has 37% upside potential compared to the stock's closing price on October 31, 2025. We maintain our OUTPERFORM recommendation.

Code	TCELL.TI	Close	99,70
MCAp (TRY m)	200.420	Last 12M High	109,11
MCAp (US$ m)	4.949	Last 12M Low	76,79
EV (TRY m)	237.254	Beta	1,05
EV (US$ m)	5.924	Avg. daily trading vol. (US$ m)	62,1
Free float (%)	54,00	Foreign ownership in FF (%)	43,6%

Key figures	*2022A	*2023A	*2024A	2025E
Revenues	151.953	173.443	185.341	229.082
Growth		*14,1%*	*6,9%*	*23,6%*
EBITDA	67.092	79.263	82.472	98.505
EBITDA margin	*44,2%*	*45,7%*	*44,5%*	*43,0%*
Net profit	11.590	21.147	27.446	20.944
EPS	7,61	13,88	10,11	9,52
Dividend yield	2,4%	1,6%	2,8%	3,39%
Net debt /EBITDA	0,57	0,46	0,38	0,22
Net debt /Equity	0,21	0,18	0,14	0,15
ROAE		10,8%	12,9%	11,6%
ROAA		5,2%	6,7%	6,2%
Valuation metrics	***2022A**	***2023A**	***2024A**	**2025E**
P/E	17,3	9,5	7,3	9,6
EV/EBITDA	0,9	3,0	2,9	2,4
EV/Sales	0,4	1,4	1,3	1,0
P/BV	1,1	1,0	0,9	1,4
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	2,0	1,9	0,2	-9,2
US$ Return (%):	0,1	-3,4	-12,8	-26,0
BIST-100 Relative (%):	-8,5	-10,4	-6,1	-7,0



Source: PDP, Finnet, Seker Invest Research estimates

**2023 and 2024 financials are Indexed according to 2024 with IAS -29*

Turkish Airlines (OP, 12M TP: TRY 495.50) Upside: 70%

Balanced Growth Through Operational Diversity…

➢ We maintain our target share price for Turkish Airlines (THYAO) **of TRY 495.50/sh**. Turkish Airlines presents a compelling growth trajectory, supported by its robust operational fleet structure and the planned addition of new aircraft over the coming years. We anticipate its cargo operations will continue to bolster the Company's operational and financial profile. Furthermore, the geographically diversified revenue base provides a natural hedge against FX volatility, underpinning revenue resilience. Consequently, we reiterate our **"OUTPERFORM"** recommendation, with our maintained target price—based on the October 31, 2025, closing price—offering an attractive **70% upside potential**. THY is currently trading at 2025E P/E of 3.82x and 2025E EV/EBITDA of 3.66x.

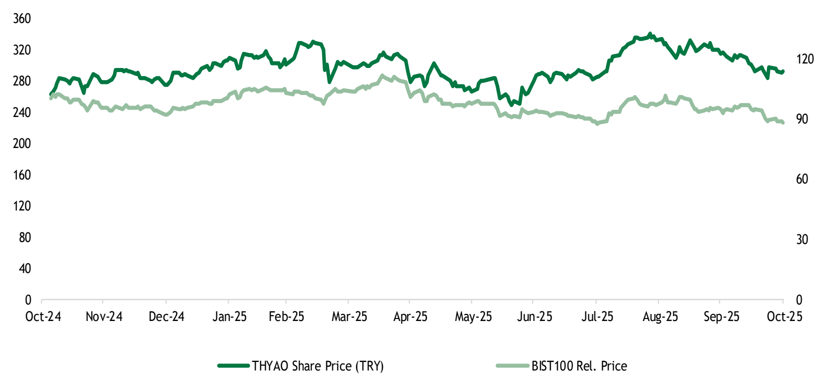
➢ THY's PAX rose by 12.9% YoY for September 2025. The rise was mainly due to increase of both int'l and domestic passenger number when compared to September 2024. THY's total PAX in September 2025 was at 8.68mn. Meanwhile, in September 2025, the share of international PAX in total PAX was 63.3%. The total load factor rose by 0,8 pp at 84.6% in September 2025. The carrier's international PAX rose by 9.7% YoY to 5.49mn in September 2025; domestic PAX also rose by 19.1% YoY to 3.18mn in September 2025. THY's cargo operations volume was up 7.4% YoY in September 2025. THY's traffic figures for 3Q25 indicates with a PAX increase of 11.1% YoY. THY's total PAX in 3Q25 was at 27.2mn. The total load factor rose by 0,6 pp at 85.6% in 3Q25. The carrier's international PAX rose by 9.7% YoY to 17.15mn in 3Q25; domestic PAX rose by 13.6% YoY to 10mn in 3Q25. THY's cargo operations volume was up 10.5% YoY in 3Q25. The Company's announced September 2025 traffic data indicates a growth in the total number of passengers due to the increase in both domestic & int'l passengers.

➢ The Company expects the number of aircraft under the THY brand to exceed 800 by 2033, while the number of passengers will exceed 170 million in 2033. THY predicts 7-8% YoY growth in passenger capacity, with total passenger exceeding 91 million. The company expects total revenue to rise by 6-8% YoY, with an EBITDAR margin in the range of 22-24%. Ex-fuel unit cost is projected to increase in the mid-to-single-digit range, while the fleet is expected to expand to 520-525 aircraft by the end of 2025.

➢**Risks -** The major downside risks are slower than expected global growth, rising protectionism and geopolitical risk, i.e., lower than expected demand growth, higher-than expected capacity growth leading to lower yields, higher-than-expected jet fuel prices hurting demand and profitability, and an unfavorable course of US$/JPY and €/US$ rates.

Code	THYAO.TI/THYAO.IS	Close	291,50
MCAp (TRY mn)	402.270	Last 12M High	342,72
MCAp (US$ mn)	9.603	Last 12M Low	246,66
EV (TRY mn)	737.511	Beta	0,91
EV (US$ mn)	18.038	Avg. Daily Trading Vol. (US$ mn)	246,5
Free Float (%)	50,48	Foreign Ownership in FF (%)	31,63

Key Figures (USD mn)	2022	2023	2024	2025E
Revenues	18.426	20.942	22.669	24.114
Growth (%)	*72,4%*	*13,7%*	*8,2%*	*6,4%*
EBITDA	4.947	5.533	5.059	4.929
EBITDA Margin (%)	*26,8%*	*26,4%*	*22,3%*	*20,4%*
Net Profit	2.725	6.021	3.425	2.513
EPS	1,97	4,36	2,48	1,82
Net Debt/EBITDA (x)	1,7	1,3	1,1	1,2
Net Debt/Equity (x)	0,9	0,5	0,3	0,3
ROAE	32,9%	47,6%	19,6%	12,2%
ROAA	9,5%	18,1%	9,1%	5,9%
Valuation Metrics	**2022**	**2023**	**2024**	**2025E**
P/E	3,52	1,59	2,80	3,82
EV/EBITDA	3,65	3,26	3,57	3,66
EV/Sales	0,98	0,86	0,80	0,75
P/BV	1,17	0,73	0,60	0,52
Return	**1M**	**3M**	**YtD**	**YoY**
TRY Return (%):	-7,46	2,26	6,19	9,50
US$ Return (%):	-8,35	-1,16	-10,73	-10,60
BIST-100 Relative (%):	-7,12	0,13	-4,85	-11,53



Source: Turkish Airlines, PDP, Finnet, Seker Invest Research

Recommendations List

Şeker Invest

Recommendation List

November 3, 2025

BANKING	Close (TRY)	Rating	TP (TRY)	Mcap TRY mn	Target Mcap TRY mn	Upside Potential	P/E	P/BV
AKBNK	60,80	OP	88,90	316.160	462.282	46,2%	6,57	1,14
GARAN	134,60	OP	172,28	565.320	723.569	28,0%	5,17	1,38
HALKB	26,66	MP	21,45	191.546	154.148	-19,5%	10,15	1,14
ISCTR	12,65	OP	18,80	316.250	469.965	48,6%	5,77	0,83
TSKB	12,89	OP	18,86	36.092	52.807	46,3%	2,91	0,85
VAKBN	24,46	MP	28,73	242.543	284.916	17,5%	4,73	0,98
YKBNK	33,60	OP	41,36	283.821	349.367	23,1%	6,39	1,18

HOLDING	Close (TRY)	Rating	TP (TRY)	Mcap TRY mn	Target Mcap TRY mn	Upside Potential	P/E	P/BV
KCHOL	171,60	OP	243,75	435.160	618.125	42,0%	-	0,73
SAHOL	81,55	OP	146,24	171.286	307.167	79,3%	-	0,54
TAVHL	265,00	OP	384,00	96.270	139.501	44,9%	24,34	1,20

INDUSTRIAL	Close (TRY)	Rating	TP (TRY)	Mcap TRY mn	Target Mcap TRY mn	Upside Potential	P/E	P/BV
AKCNS	133,50	OP	200,20	25.558	38.328	50,0%	50,53	1,06
AKSEN	52,00	OP	55,00	63.770	67.450	5,8%	48,24	1,30
ARCLK	110,60	OP	170,00	74.736	114.875	53,7%	-	1,10
ASELS	203,60	OP	240,00	928.416	1.094.400	17,9%	56,02	5,49
BIMAS	539,00	OP	730,66	323.400	438.395	35,6%	26,16	2,39
CCOLA	51,40	OP	75,00	143.821	209.847	45,9%	14,47	2,30
CIMSA	47,52	OP	63,00	44.934	59.576	32,6%	42,37	1,40
DOAS	180,30	OP	259,90	39.666	57.179	44,2%	12,14	0,66
EREGL	27,48	OP	39,70	192.360	277.908	44,5%	37,88	0,69
FROTO	99,25	OP	143,00	348.278	501.800	44,1%	11,37	2,48
KRDMD	27,42	OP	37,98	21.394	29.630	38,5%	-	0,53
MGROS	453,50	OP	750,00	82.108	135.790	65,4%	16,33	1,23
PETKM	17,17	MP	21,53	43.516	54.561	25,4%	-	0,67
PGSUS	210,00	OP	365,60	105.000	182.801	74,1%	6,87	1,08
SELEC	77,80	MP	110,00	48.314	68.310	41,4%	40,33	1,80
SISE	36,78	OP	55,00	112.665	168.470	49,5%	45,14	0,52
TCELL	99,70	OP	136,60	219.340	300.523	37,0%	9,45	1,00
THYAO	291,50	OP	495,50	402.270	683.795	70,0%	3,98	0,53
TOASO	264,25	OP	284,70	132.125	142.350	7,7%	135,19	2,74
TTKOM	51,00	OP	72,50	178.500	253.744	42,2%	16,60	0,99
TUPRS	197,60	OP	237,80	380.735	458.185	20,3%	17,27	1,11
ULKER	108,10	OP	170,00	39.919	62.778	57,3%	6,88	1,11
VESBE	8,79	OP	15,00	14.064	24.004	70,7%	-	0,37
ZOREN	3,35	MP	4,20	16.750	21.000	25,4%	-	0,24

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